

**CITY OF GRAMBLING,  
LOUISIANA**

Annual Financial Statements

December 31, 2024



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## **Independent Auditor's Report**

To the Honorable Alvin R. Bradley, Sr., Mayor  
and Members of the City Council  
City of Grambling, Louisiana

## **Report on the Audit of the Financial Statements**

### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grambling, Louisiana (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the City as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 - 12 and the budgetary comparison information presented as Schedules I and II be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements of non-major governmental funds, the schedule of insurance coverage, the utility rate schedules, the schedule of compensation paid to Council Members, the schedule of compensation, benefits, and other payments to the Mayor, the justice system funding schedule - collecting/disbursing entity, and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

This supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements of non-major governmental funds, the schedule of insurance coverage, the utility rate schedules, the schedule of compensation paid to Council Members, the schedule of compensation, benefits, and other payments to the Mayor, the justice system funding schedule - collecting/disbursing entity, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA  
June 16, 2025

**REQUIRED SUPPLEMENTARY INFORMATION (PART I)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**



## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

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As management of the City of Grambling, Louisiana (the City), we offer readers this narrative overview and financial analysis of the financial activities of the City as of December 31, 2024, and for the year then ended.

#### Financial Highlights

- The City's total assets and deferred outflows, combined, exceed its total liabilities and deferred inflows, combined, at December 31, 2024 and 2023 by \$7,375,036 and \$5,043,124 (*net position*), respectively.
- Total net position of the City is comprised of the following:
  - 1) Net investment in capital assets includes all capital assets, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets. Net investment in capital assets was \$6,580,724 and \$4,041,729 at December 31, 2024 and 2023, respectively.
  - 2) Restricted net position represents the portion restricted by dedicated millages and bond covenants which totaled \$635,732 at December 31, 2024 and \$377,164 at December 31, 2023.
  - 3) Unrestricted net position represents the remaining resources that may be used to meet the City's ongoing obligations to its citizens and creditors. Unrestricted net position was \$158,580 and \$624,231 at December 31, 2024 and 2023, respectively.
- For the year ended December 31, 2024, the City reported a \$2,331,912 increase in net position, compared to a \$87,597 decrease for the year ended December 31, 2023. Details of contributing factors to the change are included later within this analysis.
- The City's governmental funds reported combined ending fund balances of \$311,619 at December 31, 2024, a decrease from prior year's combined ending fund balances of \$455,760. These fund balances were comprised of restricted and unassigned fund balances.
- At December 31, 2024, unassigned fund balance for the General Fund was \$(324,113). The deficit unassigned fund balance results from payables to other funds at year-end due to collections running through the General Fund.
- The City's total long-term liabilities at December 31, 2024 were \$2,514,916, up from \$2,351,826 in 2023. Long-term liabilities consist of bonds and notes payable and compensated absences. See Note 10 in the notes to the financial statements for more detailed information about long-term liabilities.

## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

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#### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to Financial Statements

This report also contains other required supplementary information.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide an overview of the City's finances in a manner similar to private-sector business. The statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues ("governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges ("business-type activities"). Governmental activities include services provided to the public, such as law enforcement and public safety, health and sanitation, road construction and maintenance, community planning and development, parks and recreation, and economic development. Other general government services provided include tax collection and the issuance of permits and licenses. Business-type activities provided to the City include water and sewer utility services.

The government-wide statements reflect all of the City's assets (including capital assets) and all of the City's liabilities. The two government-wide financial statements are as follows:

- *Statement of Net Position:* This statement presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- *Statement of Activities:* This statement presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods, such as revenues pertaining to uncollected taxes, unpaid vendor invoices, and employee earned but not used vacation time. This statement separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program).

## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

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#### Fund Financial Statements

A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The City uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. The City has two types of funds:

- *Governmental Funds:* These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The City's major governmental funds are the General Fund and the Health and Sanitation Special Revenue Fund.
- *Proprietary Funds:* These funds are used to account for activities that function in a manner similar to commercial enterprises. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements. The City's major proprietary fund is the Utilities Maintenance Fund.

#### Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements directly follow the proprietary fund financial statements.

#### Required Supplementary Information (RSI)

This section contains budgetary comparison schedules for the major general and special revenue funds, presented in annual format.

#### Other Supplementary Information

These schedules are presented for additional analysis and not a required component of the basic financial statements. Other supplementary information schedules include:

- Combining Balance Sheet - Non-Major Governmental Funds
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds
- Schedule of Insurance Coverage
- Utility Rate Schedules
- Schedule of Compensation Paid to Council Members
- Schedule of Compensation, Benefits, and Other Payments to the Mayor
- Schedule of Justice System Funding - Collecting/Disbursing
- Schedule of Expenditures of Federal Awards

## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

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#### Government-Wide Financial Analysis

##### Net Position Analysis

Net position may serve over time as a useful indicator of a government's financial position. The bulk of the City's net position is comprised of net investment in capital assets, representing 80% of total net position. Net investment in capital assets consists of land, infrastructure, buildings, and equipment, less accumulated depreciation and any outstanding debt used to acquire those assets. The City has elected not to retroactively record, as capital assets, its infrastructure that existed prior to adopting Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

Restricted net assets represents resources that are subject to external restrictions on how they may be used, such as user deposits.

The following is a condensed version of the City's government-wide statement of net position.

|                                      | Governmental<br>Activities | Business-Type<br>Activities | 2024                | 2023                |
|--------------------------------------|----------------------------|-----------------------------|---------------------|---------------------|
| <b>Assets</b>                        |                            |                             |                     |                     |
| Current and Other Assets             | \$ 1,220,133               | \$ 3,001,027                | \$ 4,221,160        | \$ 3,657,589        |
| Nondepreciable Capital Assets        | 284,402                    | 3,328,705                   | 3,613,107           | 638,170             |
| Depreciable Capital Assets, Net      | 1,644,409                  | 3,455,569                   | 5,099,978           | 5,514,643           |
| <b>Total Assets</b>                  | <b>3,148,944</b>           | <b>9,785,301</b>            | <b>12,934,245</b>   | <b>9,810,402</b>    |
| <b>Liabilities</b>                   |                            |                             |                     |                     |
| Current and Other Liabilities        | 921,035                    | 1,659,483                   | 2,580,518           | 1,144,676           |
| Long-Term Liabilities                | 284,831                    | 2,055,150                   | 2,339,981           | 2,172,172           |
| <b>Total Liabilities</b>             | <b>1,205,866</b>           | <b>3,714,633</b>            | <b>4,920,499</b>    | <b>3,316,848</b>    |
| <b>Deferred Inflows of Resources</b> | <b>-</b>                   | <b>638,710</b>              | <b>638,710</b>      | <b>1,450,430</b>    |
| <b>Net Position</b>                  |                            |                             |                     |                     |
| Net Investment in Capital Assets     | 1,828,374                  | 4,752,350                   | 6,580,724           | 4,041,729           |
| Restricted                           | 635,732                    | -                           | 635,732             | 377,164             |
| Unrestricted                         | (521,028)                  | 679,608                     | 158,580             | 624,231             |
| <b>Total Net Position</b>            | <b>\$ 1,943,078</b>        | <b>\$ 5,431,958</b>         | <b>\$ 7,375,036</b> | <b>\$ 5,043,124</b> |

##### Changes in Net Position Analysis

The City's total change in net position during the year ended December 31, 2024 was an increase of \$1,724,856, compared to an decrease of \$87,597 in 2023. Total revenues increased by \$2,802,631 in 2024 from 2023, mostly due to an increase in capital grants.

## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

Total expenses increased by \$990,178 in 2024 from 2023. The City's expenses cover a range of services, the largest three of which were for general government, public safety, and utility enterprise (27%, 24%, and 41% of total expenses, respectively).

The following is a condensed version of the City's government-wide statement of activities.

|                                                | Governmental<br>Activities |                     | Business-Type<br>Activities |                     | Total               |                     |
|------------------------------------------------|----------------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|
|                                                | 2024                       | 2023                | 2024                        | 2023                | 2024                | 2023                |
| <b>Revenues</b>                                |                            |                     |                             |                     |                     |                     |
| Program Revenues                               |                            |                     |                             |                     |                     |                     |
| Charges for Services                           | \$ 143,226                 | \$ 156,365          | \$ 1,420,894                | \$ 1,303,377        | \$ 1,564,120        | \$ 1,459,742        |
| Operating Grants                               | 123,572                    | 59,988              | -                           | -                   | 123,572             | 59,988              |
| Capital Grants and Contributions               | -                          | 98,859              | 2,785,434                   | 329,333             | 2,785,434           | 428,192             |
| General Revenues                               |                            |                     |                             |                     |                     |                     |
| Property Taxes                                 | 696,755                    | 491,726             | 73,046                      | 62,836              | 769,801             | 554,562             |
| Sales Taxes                                    | 1,288,880                  | 1,292,104           | -                           | -                   | 1,288,880           | 1,292,104           |
| Licenses and Permits                           | 128,918                    | 109,043             | -                           | -                   | 128,918             | 109,043             |
| Franchise Fees and Taxes                       | 83,997                     | 95,440              | -                           | -                   | 83,997              | 95,440              |
| Fines and Forfeitures                          | 208,772                    | 262,567             | -                           | -                   | 208,772             | 262,567             |
| Interest Income                                | 31,477                     | 469                 | 51,916                      | 68,952              | 83,393              | 69,421              |
| Intergovernmental Revenue                      | 128,688                    | 64,353              | -                           | -                   | 128,688             | 64,353              |
| Miscellaneous                                  | 51,806                     | 114,598             | 17,032                      | 1,772               | 68,838              | 116,370             |
| <b>Total Revenues</b>                          | <b>2,886,091</b>           | <b>2,745,512</b>    | <b>4,348,322</b>            | <b>1,766,270</b>    | <b>7,234,413</b>    | <b>4,511,782</b>    |
| <b>Expenses</b>                                |                            |                     |                             |                     |                     |                     |
| General Government                             | 1,482,385                  | 1,400,861           | -                           | -                   | 1,482,385           | 1,400,861           |
| Public Safety                                  | 1,341,409                  | 1,442,673           | -                           | -                   | 1,341,409           | 1,442,673           |
| Health and Sanitation                          | 224,685                    | 342,203             | -                           | -                   | 224,685             | 342,203             |
| Parks and Recreation                           | 17,838                     | 39,230              | -                           | -                   | 17,838              | 39,230              |
| Public Works                                   | 46,068                     | 85,634              | -                           | -                   | 46,068              | 85,634              |
| Economic Development                           | 171,908                    | 33,937              | -                           | -                   | 171,908             | 33,937              |
| Interest on Long-Term Debt                     | 3,029                      | 3,290               | -                           | -                   | 3,029               | 3,290               |
| Utility Enterprise                             | -                          | -                   | 1,615,179                   | 1,251,551           | 1,615,179           | 1,251,551           |
| <b>Total Expenses</b>                          | <b>3,287,322</b>           | <b>3,347,828</b>    | <b>1,615,179</b>            | <b>1,251,551</b>    | <b>4,902,501</b>    | <b>4,599,379</b>    |
| <b>Change in Net Position Before Transfers</b> | <b>(401,231)</b>           | <b>(602,316)</b>    | <b>2,733,143</b>            | <b>514,719</b>      | <b>2,331,912</b>    | <b>(87,597)</b>     |
| <b>Transfers In (Out)</b>                      | <b>30,965</b>              | <b>118,405</b>      | <b>(30,965)</b>             | <b>(118,405)</b>    | <b>-</b>            | <b>-</b>            |
| <b>Change in Net Position</b>                  | <b>(370,266)</b>           | <b>(483,911)</b>    | <b>2,702,178</b>            | <b>396,314</b>      | <b>2,331,912</b>    | <b>(87,597)</b>     |
| <b>Net Position, Beginning of Year</b>         | <b>2,313,344</b>           | <b>2,797,255</b>    | <b>2,729,780</b>            | <b>2,333,466</b>    | <b>5,043,124</b>    | <b>5,130,721</b>    |
| <b>Net Position, End of Year</b>               | <b>\$ 1,943,078</b>        | <b>\$ 2,313,344</b> | <b>\$ 5,431,958</b>         | <b>\$ 2,729,780</b> | <b>\$ 7,375,036</b> | <b>\$ 5,043,124</b> |

## CITY OF GRAMBLING, LOUISIANA

### Management's Discussion and Analysis

#### Financial Analysis of the City's Funds

The City's General Fund had a decrease in fund balance of \$268,092 for the year ended December 31, 2024. The City's Health and Sanitation Special Revenue Fund had an increase in fund balance of \$95,479 for the year ended December 31, 2024. Total governmental fund amounts are different from governmental activities due to capital assets, depreciation of capital assets, and deferred inflows and outflows of resources.

Amounts reported for business-type activities in the City's individual funds are identical to business-type activities reported in the government-wide presentation.

#### Budget Highlights

As required by law, the City adopts a budget annually for its General Fund and major Special Revenue Fund. The City amended its General and major Special Revenue Fund Budgets for the year ended December 31, 2024 to reflect changes in expected revenues and expenditures which were not anticipated prior to the beginning of the year.

#### Capital Asset Administration

A summary of the City's net investment in capital asset at December 31, 2024 and 2023 follows.

|                                | Governmental<br>Activities |                     | Business-Type<br>Activities |                      | Total                |                      |
|--------------------------------|----------------------------|---------------------|-----------------------------|----------------------|----------------------|----------------------|
|                                | 2024                       | 2023                | 2024                        | 2023                 | 2024                 | 2023                 |
| Land                           | \$ 244,402                 | \$ 244,402          | \$ 49,182                   | \$ 49,182            | \$ 293,584           | \$ 293,584           |
| Construction in Progress       | 40,000                     | -                   | 3,279,523                   | 344,586              | 3,319,523            | 344,586              |
| Buildings                      | 2,161,066                  | 2,161,066           | 242,106                     | 242,106              | 2,403,172            | 2,403,172            |
| Infrastructure                 | 849,730                    | 849,730             | -                           | -                    | 849,730              | 849,730              |
| Vehicles                       | -                          | -                   | -                           | -                    | -                    | -                    |
| Furniture and Equipment        | 1,191,032                  | 1,197,295           | -                           | -                    | 1,191,032            | 1,197,295            |
| Sewage Plant                   | -                          | -                   | 7,451,776                   | 7,451,776            | 7,451,776            | 7,451,776            |
| Water System                   | -                          | -                   | 2,047,527                   | 2,047,527            | 2,047,527            | 2,047,527            |
| Water/Sewer Equipment          | -                          | -                   | 1,132,575                   | 1,135,975            | 1,132,575            | 1,135,975            |
| <b>Total Capital Assets</b>    | <b>\$ 4,486,230</b>        | <b>\$ 4,452,493</b> | <b>\$ 14,202,689</b>        | <b>\$ 11,271,152</b> | <b>\$ 18,688,919</b> | <b>\$ 15,723,645</b> |
| Less: Accumulated Depreciation | 2,557,419                  | 2,421,836           | 7,418,415                   | 7,148,996            | 9,975,834            | 9,570,832            |
| <b>Net Capital Assets</b>      | <b>\$ 1,928,811</b>        | <b>\$ 2,030,657</b> | <b>\$ 6,784,274</b>         | <b>\$ 4,122,156</b>  | <b>\$ 8,713,085</b>  | <b>\$ 6,152,813</b>  |

Total capital assets, net of accumulated depreciation, increased by \$2,560,272 in 2024 from 2023, primarily due to construction projects in the Maintenance Enterprise fund which exceeded depreciation. Capital assets of the City include land, buildings, infrastructure, vehicles, furniture and equipment, and infrastructure and equipment for the water and sewer systems. Net capital assets also includes construction in progress of \$3,319,523 at December 31, 2024, compared to \$344,586 at December 31, 2023.

#### Debt Administration

At December 31, 2024, the City had total bonded debt outstanding of \$2,283,361. 95% of this was attributable to business-type activity bonds outstanding and 5% to governmental fund bonds outstanding. The City's total bonded debt outstanding increased by \$27,277 due to principal payments made being less than debt issuance. .

## **CITY OF GRAMBLING, LOUISIANA**

### **Management's Discussion and Analysis**

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#### **Economic Factors and Next Year's Budget**

Our elected and appointed officials consider many factors when setting the City's budget and tax rates. One of the most important factors affecting the City's budget are property and sales tax collections. Property and sales tax collections made up more than 75% of general revenues in 2024. Major plans for 2025 include continued improvements to infrastructure with the assistance of state and federal grant funding. Management of the City strives to continuously improve the City's financial condition through restriction of expenditures and increasing revenues through economic development initiatives.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City's finances. Questions concerning this report or the need for additional information should be directed to Alvin R. Bradley, Mayor, at the City of Grambling, P.O. Box 108, Grambling, Louisiana 71245, telephone number (318) 247-6120.

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Net Position**  
**December 31, 2024**

**Statement A**

|                                            | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>        |
|--------------------------------------------|------------------------------------|-------------------------------------|---------------------|
| <b>Assets</b>                              |                                    |                                     |                     |
| Cash and Cash Equivalents                  | \$ 775,610                         | \$ 1,128,515                        | \$ 1,904,125        |
| Accounts Receivables, Net                  | 443,820                            | 875,853                             | 1,319,673           |
| Prepaid Expenses                           | -                                  | 1,484                               | 1,484               |
| Due from Other Funds                       | -                                  | 679,586                             | 679,586             |
| Inventory                                  | 703                                | -                                   | 703                 |
| Restricted Cash and Cash Equivalents       | -                                  | 315,589                             | 315,589             |
| Capital Assets Not Being Depreciated       |                                    |                                     |                     |
| Land                                       | 244,402                            | 49,182                              | 293,584             |
| Construction in Progress                   | 40,000                             | 3,279,523                           | 3,319,523           |
| Depreciable Capital Assets, Net            | 1,644,409                          | 3,455,569                           | 5,099,978           |
| <b>Total Assets</b>                        | <b>3,148,944</b>                   | <b>9,785,301</b>                    | <b>12,934,245</b>   |
| <b>Liabilities</b>                         |                                    |                                     |                     |
| Accounts Payable                           | 150,107                            | 1,266,706                           | 1,416,813           |
| Accrued and Other Liabilities              | 78,821                             | 13,313                              | 92,134              |
| Accrued Interest Payable                   | 2,532                              | 9,845                               | 12,377              |
| Customer Deposits                          | -                                  | 204,673                             | 204,673             |
| Due to Other Funds                         | 679,586                            | -                                   | 679,586             |
| Long-Term Liabilities                      |                                    |                                     |                     |
| Due in One Year                            |                                    |                                     |                     |
| Compensated Absences                       | -                                  | 13,946                              | 13,946              |
| Bonds and Notes Payable                    | 9,989                              | 151,000                             | 160,989             |
| Due in More than One Year                  |                                    |                                     |                     |
| Compensated Absences                       | 194,383                            | 23,226                              | 217,609             |
| Bonds and Notes Payable                    | 90,448                             | 2,031,924                           | 2,122,372           |
| <b>Total Liabilities</b>                   | <b>1,205,866</b>                   | <b>3,714,633</b>                    | <b>4,920,499</b>    |
| <b>Deferred Inflows of Resources</b>       |                                    |                                     |                     |
| Unused Grant Revenues                      | -                                  | 638,710                             | 638,710             |
| <b>Total Deferred Inflows of Resources</b> | <b>-</b>                           | <b>638,710</b>                      | <b>638,710</b>      |
| <b>Net Position</b>                        |                                    |                                     |                     |
| Net Investment in Capital Assets           | 1,828,374                          | 4,752,350                           | 6,580,724           |
| Restricted                                 | 635,732                            | -                                   | 635,732             |
| Unrestricted Net Position                  | (521,028)                          | 679,608                             | 158,580             |
| <b>Total Net Position</b>                  | <b>\$ 1,943,078</b>                | <b>\$ 5,431,958</b>                 | <b>\$ 7,375,036</b> |

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Activities**  
**For the Year Ended December 31, 2024**

**Statement B**

| Functions / Programs                        | Expenses            | Program Revenues     |                                    |                                  | Net Revenue (Expense) and Changes in Net Position |                          |                     |
|---------------------------------------------|---------------------|----------------------|------------------------------------|----------------------------------|---------------------------------------------------|--------------------------|---------------------|
|                                             |                     | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-Type Activities | Total               |
| <b>Governmental Activities</b>              |                     |                      |                                    |                                  |                                                   |                          |                     |
| General Government                          | \$ 1,482,385        | \$ -                 | \$ -                               | \$ -                             | \$ (1,482,385)                                    | \$ -                     | \$ (1,482,385)      |
| Public Safety                               | 1,341,409           | -                    | 123,572                            | -                                | (1,217,837)                                       | -                        | (1,217,837)         |
| Health and Sanitation                       | 224,685             | 143,226              | -                                  | -                                | (81,459)                                          | -                        | (81,459)            |
| Parks and Recreation                        | 17,838              | -                    | -                                  | -                                | (17,838)                                          | -                        | (17,838)            |
| Public Works                                | 46,068              | -                    | -                                  | -                                | (46,068)                                          | -                        | (46,068)            |
| Economic Development                        | 171,908             | -                    | -                                  | -                                | (171,908)                                         | -                        | (171,908)           |
| Interest on Long-Term Debt                  | 3,029               | -                    | -                                  | -                                | (3,029)                                           | -                        | (3,029)             |
| <b>Total Governmental Activities</b>        | <b>3,287,322</b>    | <b>143,226</b>       | <b>123,572</b>                     | <b>-</b>                         | <b>(3,020,524)</b>                                | <b>-</b>                 | <b>(3,020,524)</b>  |
| <b>Business-Type Activities</b>             |                     |                      |                                    |                                  |                                                   |                          |                     |
| Utility Enterprise                          | 1,615,179           | 1,420,894            | -                                  | 2,785,434                        | -                                                 | 2,591,149                | 2,591,149           |
| <b>Total Business-Type Activities</b>       | <b>1,615,179</b>    | <b>1,420,894</b>     | <b>-</b>                           | <b>2,785,434</b>                 | <b>-</b>                                          | <b>2,591,149</b>         | <b>2,591,149</b>    |
| <b>Total</b>                                | <b>\$ 4,902,501</b> | <b>\$ 1,564,120</b>  | <b>\$ 123,572</b>                  | <b>\$ 2,785,434</b>              | <b>(3,020,524)</b>                                | <b>2,591,149</b>         | <b>(429,375)</b>    |
| <b>General Revenues</b>                     |                     |                      |                                    |                                  |                                                   |                          |                     |
| Taxes                                       |                     |                      |                                    |                                  |                                                   |                          |                     |
| Property Taxes                              |                     |                      |                                    |                                  | 696,755                                           | 73,046                   | 769,801             |
| Sales Taxes                                 |                     |                      |                                    |                                  | 1,288,880                                         | -                        | 1,288,880           |
| Licenses and Permits                        |                     |                      |                                    |                                  | 128,918                                           | -                        | 128,918             |
| Franchise Fees and Taxes                    |                     |                      |                                    |                                  | 83,997                                            | -                        | 83,997              |
| Fines and Forfeitures                       |                     |                      |                                    |                                  | 208,772                                           | -                        | 208,772             |
| Interest Income                             |                     |                      |                                    |                                  | 31,477                                            | 51,916                   | 83,393              |
| Intergovernmental Revenues                  |                     |                      |                                    |                                  | 128,688                                           | -                        | 128,688             |
| Miscellaneous                               |                     |                      |                                    |                                  | 51,806                                            | 17,032                   | 68,838              |
| <b>Transfers In (Out)</b>                   |                     |                      |                                    |                                  | <b>30,965</b>                                     | <b>(30,965)</b>          | <b>-</b>            |
| <b>Total General Revenues and Transfers</b> |                     |                      |                                    |                                  | <b>2,650,258</b>                                  | <b>111,029</b>           | <b>2,761,287</b>    |
| <b>Change in Net Position</b>               |                     |                      |                                    |                                  | <b>(370,266)</b>                                  | <b>2,702,178</b>         | <b>2,331,912</b>    |
| <b>Net Position, Beginning of Year</b>      |                     |                      |                                    |                                  | <b>2,313,344</b>                                  | <b>2,729,780</b>         | <b>5,043,124</b>    |
| <b>Net Position, End of Year</b>            |                     |                      |                                    |                                  | <b>\$ 1,943,078</b>                               | <b>\$ 5,431,958</b>      | <b>\$ 7,375,036</b> |

The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS  
FUND FINANCIAL STATEMENTS  
GOVERNMENTAL FUNDS**

**CITY OF GRAMBLING, LOUISIANA**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2024**

**Statement C**

|                                                               | Special Revenue Funds |                       |                                 |                          |  |
|---------------------------------------------------------------|-----------------------|-----------------------|---------------------------------|--------------------------|--|
|                                                               | General Fund          | Health and Sanitation | Non-Major Special Revenue Funds | Total Governmental Funds |  |
| <b>Assets</b>                                                 |                       |                       |                                 |                          |  |
| Cash and Cash Equivalents                                     | \$ 350,977            | \$ 53,780             | \$ 370,853                      | \$ 775,610               |  |
| Property Taxes Receivable, Net                                | 281,014               | -                     | -                               | 281,014                  |  |
| Sales Taxes Receivable, Net                                   | 73,360                | 28,755                | 34,783                          | 136,898                  |  |
| Other Receivables, Net                                        | 19,332                | 6,576                 | -                               | 25,908                   |  |
| Interfund Receivables                                         | -                     | 223,635               | 24,904                          | 248,539                  |  |
| Inventory                                                     | 703                   | -                     | -                               | 703                      |  |
| <b>Total Assets</b>                                           | <b>\$ 725,386</b>     | <b>\$ 312,746</b>     | <b>\$ 430,540</b>               | <b>\$ 1,468,672</b>      |  |
| <b>Liabilities and Fund Balances</b>                          |                       |                       |                                 |                          |  |
| <b>Liabilities</b>                                            |                       |                       |                                 |                          |  |
| Accounts Payable, General                                     | \$ 129,358            | \$ 20,749             | \$ -                            | \$ 150,107               |  |
| Accrued and Other Liabilities                                 | 75,364                | 3,457                 | -                               | 78,821                   |  |
| Interfund Payables                                            | 844,777               | 58,444                | 24,904                          | 928,125                  |  |
| <b>Total Liabilities</b>                                      | <b>1,049,499</b>      | <b>82,650</b>         | <b>24,904</b>                   | <b>1,157,053</b>         |  |
| <b>Fund Balances</b>                                          |                       |                       |                                 |                          |  |
| Restricted                                                    | -                     | 230,096               | 405,636                         | 635,732                  |  |
| Unassigned                                                    | (324,113)             | -                     | -                               | (324,113)                |  |
| <b>Total Fund Balances</b>                                    | <b>(324,113)</b>      | <b>230,096</b>        | <b>405,636</b>                  | <b>311,619</b>           |  |
| <b>Total Liabilities, Deferred Inflows, and Fund Balances</b> | <b>\$ 725,386</b>     | <b>\$ 312,746</b>     | <b>\$ 430,540</b>               | <b>\$ 1,468,672</b>      |  |

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**December 31, 2024**

**Statement D**

---

|                                                 |                   |
|-------------------------------------------------|-------------------|
| <b>Fund Balances - Total Governmental Funds</b> | <b>\$ 311,619</b> |
|-------------------------------------------------|-------------------|

Amounts reported for governmental activities in the statement of net position  
are different because:

Capital assets used in governmental activities are not financial resources  
and, therefore, are not reported in the governmental funds:

|                                |             |
|--------------------------------|-------------|
| Governmental Capital Assets    | 4,486,230   |
| Less: Accumulated Depreciation | (2,557,419) |

|                                                                                                                          |   |
|--------------------------------------------------------------------------------------------------------------------------|---|
| Deferred inflows of resources - unavailable ad valorem taxes are<br>not reported on government-wide financial statements | - |
|--------------------------------------------------------------------------------------------------------------------------|---|

Long-term liabilities are not due and payable in the current period and,  
therefore, are not reported in the funds:

|                      |                |
|----------------------|----------------|
| Compensated Absences | (194,383)      |
| Bonds Payable        | (100,437)      |
| Interest Payable     | <u>(2,532)</u> |

|                                                |                            |
|------------------------------------------------|----------------------------|
| <b>Net Position of Governmental Activities</b> | <b><u>\$ 1,943,078</u></b> |
|------------------------------------------------|----------------------------|

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2024**

**Statement E**

|                                                          |                     | <b>Special Revenue Funds</b> |                                        |                                 |
|----------------------------------------------------------|---------------------|------------------------------|----------------------------------------|---------------------------------|
|                                                          | <b>General Fund</b> | <b>Health and Sanitation</b> | <b>Non-Major Special Revenue Funds</b> | <b>Total Governmental Funds</b> |
| <b>Revenues</b>                                          |                     |                              |                                        |                                 |
| Property Taxes                                           | \$ 715,795          | \$ -                         | \$ -                                   | \$ 715,795                      |
| Sales Taxes                                              | 780,511             | 208,314                      | 300,055                                | 1,288,880                       |
| Franchise Fees and Taxes                                 | 83,997              | -                            | -                                      | 83,997                          |
| Charges for Services                                     | -                   | 143,226                      | -                                      | 143,226                         |
| Licenses and Permits                                     | 128,918             | -                            | -                                      | 128,918                         |
| Intergovernmental Revenues                               | 252,260             | -                            | -                                      | 252,260                         |
| Fines and Forfeitures                                    | 208,772             | -                            | -                                      | 208,772                         |
| Interest Income                                          | 30,967              | 185                          | 325                                    | 31,477                          |
| Miscellaneous                                            | 50,038              | 1,768                        | -                                      | 51,806                          |
| <b>Total Revenues</b>                                    | <b>2,251,258</b>    | <b>353,493</b>               | <b>300,380</b>                         | <b>2,905,131</b>                |
| <b>Expenditures</b>                                      |                     |                              |                                        |                                 |
| General Government                                       | 1,277,797           | 24,542                       | -                                      | 1,302,339                       |
| Public Safety                                            | 1,287,653           | -                            | -                                      | 1,287,653                       |
| Health and Sanitation                                    | -                   | 220,721                      | -                                      | 220,721                         |
| Parks and Recreations                                    | 2,235               | -                            | -                                      | 2,235                           |
| Public Works                                             | 28,432              | -                            | -                                      | 28,432                          |
| Economic Development                                     | -                   | -                            | 171,908                                | 171,908                         |
| Debt Service                                             |                     |                              |                                        |                                 |
| Principal                                                | -                   | 9,722                        | -                                      | 9,722                           |
| Interest and Service Charges                             | -                   | 3,029                        | -                                      | 3,029                           |
| Capital Outlay                                           | 54,198              | -                            | -                                      | 54,198                          |
| <b>Total Expenditures</b>                                | <b>2,650,315</b>    | <b>258,014</b>               | <b>171,908</b>                         | <b>3,080,237</b>                |
| <b>(Deficiency) Excess of Revenues Over Expenditures</b> | <b>(399,057)</b>    | <b>95,479</b>                | <b>128,472</b>                         | <b>(175,106)</b>                |
| <b>Other Financing Sources (Uses)</b>                    |                     |                              |                                        |                                 |
| Transfers In                                             | 130,965             | -                            | -                                      | 130,965                         |
| Transfers Out                                            | -                   | -                            | (100,000)                              | (100,000)                       |
| <b>Total Other Financing Sources (Uses), Net</b>         | <b>130,965</b>      | <b>-</b>                     | <b>(100,000)</b>                       | <b>30,965</b>                   |
| <b>Net Change in Fund Balances</b>                       | <b>(268,092)</b>    | <b>95,479</b>                | <b>28,472</b>                          | <b>(144,141)</b>                |
| <b>Fund Balances, Beginning of Year</b>                  | <b>(56,021)</b>     | <b>134,617</b>               | <b>377,164</b>                         | <b>455,760</b>                  |
| <b>Fund Balances, End of Year</b>                        | <b>\$ (324,113)</b> | <b>\$ 230,096</b>            | <b>\$ 405,636</b>                      | <b>\$ 311,619</b>               |

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2024**

**Statement F**

|                                                                                                                                                                                                                                                                                                    |                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b>                                                                                                                                                                                                                                      | <b>\$ (144,141)</b>        |
| Amounts reported for governmental activities in the statement of activities are different because:                                                                                                                                                                                                 |                            |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives through depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. | (101,846)                  |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.                                                                                                                                                    | (19,040)                   |
| Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.                                                                                                                                         | 9,722                      |
| The following expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:                                                                                                       |                            |
| Compensated Absences                                                                                                                                                                                                                                                                               | (115,206)                  |
| Accrued Interest                                                                                                                                                                                                                                                                                   | 245                        |
| <b>Change in Net Position of Governmental Activities</b>                                                                                                                                                                                                                                           | <b><u>\$ (370,266)</u></b> |

The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS  
FUND FINANCIAL STATEMENTS  
PROPRIETARY FUNDS**



**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2024**

**Statement G**

---

**Assets**

**Current Assets**

|                           |                |
|---------------------------|----------------|
| Cash and Cash Equivalents | \$ 1,128,515   |
| Accounts Receivable, Net  | 160,799        |
| Grants Receivable         | 679,250        |
| Property Taxes Receivable | 35,804         |
| Prepaid Expenses          | 1,484          |
| Interfund Receivable      | <u>679,586</u> |

|                             |                  |
|-----------------------------|------------------|
| <b>Total Current Assets</b> | <u>2,685,438</u> |
|-----------------------------|------------------|

**Restricted Assets**

|                                      |              |
|--------------------------------------|--------------|
| Restricted Cash and Cash Equivalents |              |
| Customer Deposits                    | 130,173      |
| Bond Sinking Fund                    | 103,051      |
| Revenue Bonds                        | 77,764       |
| Construction                         | <u>4,601</u> |

|                                |                |
|--------------------------------|----------------|
| <b>Total Restricted Assets</b> | <u>315,589</u> |
|--------------------------------|----------------|

**Long-Term Assets**

|                                |                    |
|--------------------------------|--------------------|
| Capital Assets at Cost         |                    |
| Land                           | 49,182             |
| Buildings and Improvements     | 242,106            |
| Water/Sewer System             | 9,499,303          |
| Automotive and Equipment       | 1,132,575          |
| Less: Accumulated Depreciation | <u>(7,418,415)</u> |
| Total Capital Assets, Net      | 3,504,751          |
| Construction in Progress       | <u>3,279,523</u>   |

|                               |                  |
|-------------------------------|------------------|
| <b>Total Long-Term Assets</b> | <u>6,784,274</u> |
|-------------------------------|------------------|

|                     |                            |
|---------------------|----------------------------|
| <b>Total Assets</b> | <u><u>\$ 9,785,301</u></u> |
|---------------------|----------------------------|

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**December 31, 2024**

**Statement G**

---

**Liabilities**

**Current Liabilities**

|                                       |               |
|---------------------------------------|---------------|
| Accounts Payable                      | \$ 1,266,706  |
| Accrued and Other Liabilities         | 13,313        |
| Compensated Absences, Current Portion | <u>13,946</u> |

|                                  |                  |
|----------------------------------|------------------|
| <b>Total Current Liabilities</b> | <u>1,293,965</u> |
|----------------------------------|------------------|

**Current Liabilities (Payable from Restricted Assets)**

|                                        |                |
|----------------------------------------|----------------|
| Accrued Interest Payable               | 9,845          |
| Revenue Bonds Payable, Current Portion | 151,000        |
| Customer Deposits                      | <u>204,673</u> |

|                                                                   |                |
|-------------------------------------------------------------------|----------------|
| <b>Total Current Liabilities (Payable from Restricted Assets)</b> | <u>365,518</u> |
|-------------------------------------------------------------------|----------------|

**Non-Current Liabilities**

|                                               |               |
|-----------------------------------------------|---------------|
| Revenue Bonds, Net of Current Portion         | 1,016,925     |
| State Revolving Loans, Net of Current Portion | 1,014,999     |
| Compensated Absences, Net of Current Portion  | <u>23,226</u> |

|                                      |                  |
|--------------------------------------|------------------|
| <b>Total Non-Current Liabilities</b> | <u>2,055,150</u> |
|--------------------------------------|------------------|

|                          |                  |
|--------------------------|------------------|
| <b>Total Liabilities</b> | <u>3,714,633</u> |
|--------------------------|------------------|

**Deferred Inflows of Resources**

|                        |                |
|------------------------|----------------|
| Deferred Grant Revenue | <u>638,710</u> |
|------------------------|----------------|

|                                            |                |
|--------------------------------------------|----------------|
| <b>Total Deferred Inflows of Resources</b> | <u>638,710</u> |
|--------------------------------------------|----------------|

**Net Position**

|                                  |                |
|----------------------------------|----------------|
| Net Investment in Capital Assets | 4,752,350      |
| Restricted Net Position          | -              |
| Unrestricted Net Position        | <u>679,608</u> |

|                           |                            |
|---------------------------|----------------------------|
| <b>Total Net Position</b> | <u><u>\$ 5,431,958</u></u> |
|---------------------------|----------------------------|

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Revenues, Expenses, and**  
**Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2024**

**Statement H**

**Operating Revenues**

|                          |                |
|--------------------------|----------------|
| Charges for Services     |                |
| Water Sales              | \$ 483,182     |
| Water Connection Charges | 12,904         |
| Sewer Fees               | <u>924,808</u> |

**Total Operating Revenues** 1,420,894

**Operating Expenses**

|                            |                |
|----------------------------|----------------|
| Salaries and Benefits      | 321,618        |
| Materials and Supplies     | 40,335         |
| Operating Costs            | 782,923        |
| Professional Services      | 37,989         |
| Other Services and Charges | 122,358        |
| Depreciation               | <u>272,819</u> |

**Total Operating Expenses** 1,578,042

**Operating Loss** (157,148)

**Non-Operating Revenues (Expenses)**

|                         |                 |
|-------------------------|-----------------|
| Miscellaneous           | 17,032          |
| Interest Income         | 51,916          |
| Ad Valorem Tax Revenues | 73,046          |
| Interest Expense        | <u>(37,137)</u> |

**Total Non-Operating Revenues (Expenses), Net** 104,857

**Net Loss Before Transfers and Capital Grants** (52,291)

**Transfers In (Out)** (30,965)

**Capital Grants** 2,785,434

**Change in Net Position** 2,702,178

**Net Position, Beginning of Year** 2,729,780

**Net Position, End of Year** \$ 5,431,958

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2024**

**Statement I**

---

**Cash Flows from Operating Activities**

|                                   |                  |
|-----------------------------------|------------------|
| Receipts from Customers and Users | \$ 1,425,572     |
| Payments to Suppliers             | (887,259)        |
| Payments to Employees             | <u>(300,750)</u> |

|                                              |                |
|----------------------------------------------|----------------|
| <b>Net Cash Used in Operating Activities</b> | <u>237,563</u> |
|----------------------------------------------|----------------|

**Cash Flows from Non-Capital Financing Activities**

|                          |                 |
|--------------------------|-----------------|
| Property Tax Receipts    | 63,695          |
| Other Cash Receipts      | 17,032          |
| Interfund Borrowings     | (172,496)       |
| Transfers to Other Funds | <u>(30,965)</u> |

|                                                          |                  |
|----------------------------------------------------------|------------------|
| <b>Net Cash Used in Non-Capital Financing Activities</b> | <u>(122,734)</u> |
|----------------------------------------------------------|------------------|

**Cash Flows from Capital and Related Financing Activities**

|                                                |                 |
|------------------------------------------------|-----------------|
| Acquisition and Construction of Capital Assets | (1,903,706)     |
| Capital Grants Received                        | 1,112,465       |
| Proceeds from DEQ Loan                         | 181,999         |
| Principal Paid on Debt                         | (145,000)       |
| Interest Paid on Capital Debt                  | <u>(37,948)</u> |

|                                                                      |                  |
|----------------------------------------------------------------------|------------------|
| <b>Net Cash Provided by Capital and Related Financing Activities</b> | <u>(610,191)</u> |
|----------------------------------------------------------------------|------------------|

**Cash Flows from Investing Activities**

|                 |               |
|-----------------|---------------|
| Interest Earned | <u>51,916</u> |
|-----------------|---------------|

|                                                  |               |
|--------------------------------------------------|---------------|
| <b>Net Cash Provided by Investing Activities</b> | <u>51,916</u> |
|--------------------------------------------------|---------------|

|                                                  |           |
|--------------------------------------------------|-----------|
| <b>Net Decrease in Cash and Cash Equivalents</b> | (443,446) |
|--------------------------------------------------|-----------|

|                                                     |                  |
|-----------------------------------------------------|------------------|
| <b>Cash and Cash Equivalents, Beginning of Year</b> | <u>1,887,550</u> |
|-----------------------------------------------------|------------------|

|                                               |                            |
|-----------------------------------------------|----------------------------|
| <b>Cash and Cash Equivalents, End of Year</b> | <u><u>\$ 1,444,104</u></u> |
|-----------------------------------------------|----------------------------|

The accompanying notes are an integral part of these financial statements.

**CITY OF GRAMBLING, LOUISIANA**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended December 31, 2024**

**Statement I**

---

**Reconciliation of Operating Income to Net Cash**

**Provided by Operating Activities**

|                                            |              |
|--------------------------------------------|--------------|
| Operating Loss                             | \$ (157,148) |
| Adjustments to Reconcile Operating Loss to |              |
| Net Cash Used in Operating Activities      |              |
| Depreciation                               | 272,819      |
| Changes in Assets and Liabilities          |              |
| Decrease in Accounts Receivable, Net       | (35,134)     |
| Increase in Accounts Payable               | 96,346       |
| Decrease in Accrued and Other Liabilities  | 261          |
| Increase in Customer Deposits              | 39,812       |
| Increase in Compensated Absences           | 20,607       |

|                                              |                          |
|----------------------------------------------|--------------------------|
| <b>Net Cash Used in Operating Activities</b> | <b><u>\$ 237,563</u></b> |
|----------------------------------------------|--------------------------|

**Recap of Cash and Cash Equivalents**

|                                      |                |
|--------------------------------------|----------------|
| Cash and Cash Equivalents            | \$ 1,128,515   |
| Restricted Cash and Cash Equivalents | <u>315,589</u> |

|                                        |                            |
|----------------------------------------|----------------------------|
| <b>Total Cash and Cash Equivalents</b> | <b><u>\$ 1,444,104</u></b> |
|----------------------------------------|----------------------------|

The accompanying notes are an integral part of these financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies

The City of Grambling, Louisiana (the City) was incorporated in 1959 under the provisions of the Lawrason Act of the constitution of the State of Louisiana. The City is located in Lincoln Parish and has a population of approximately 4,693. The City is governed by the Mayor and a five-member City Council. The Mayor and Council Members serve four-year terms.

The City's basic financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The City's basic financial statements also conform to the requirements of Louisiana Revised Statute (R.S.) 21:513 and to the guidelines set forth in the *Louisiana Government Audit Guide*, as well as to the industry and audit guide, *Audits of State and Local Governmental Units*. The more significant accounting policies established by GAAP and used by the City are discussed below.

#### Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in its own name)
- The City holds the corporate powers of the organization
- The City appoints a voting majority of the organization's board
- The City is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the City
- There is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City has no component units.

#### Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Government-Wide Financial Statements (Continued)**

In the government-wide statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts: net investment in capital assets, restricted net position, and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements**

The financial transactions of the City are reported in individual funds in the fund financial statements. Separate fund financial statements are provided for the City's governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The focus of governmental funds' measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The City reports these major governmental funds:

*General Fund* - The General Fund is the general operating fund of the City. This fund is used to account for all financial transactions and resources, except those that are required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, fines and forfeitures, state and federal distributions, licenses, permits, charges for services, and interest income.

*Health and Sanitation Fund* - The Health and Sanitation Fund is used to account for the operations of the City's garbage collection services.

The focus of proprietary funds' measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The City reports the following major proprietary fund:

*Maintenance Enterprise Fund* - The Maintenance Enterprise Fund accounts for the operations of the City's sewer and water systems.



**Note 1. Summary of Significant Accounting Policies (Continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Both governmental and business-type activities in the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, fines and forfeitures, licenses and permits, and other general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues for the City's proprietary funds consist of charges to customers and users of its water and sewer services. Operating expenses for the City's proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

---

#### Note 1. Summary of Significant Accounting Policies (Continued)

##### **Budgets and Budgetary Accounting**

At the beginning of each fiscal year, an annual budget is prepared on a basis consistent with generally accepted accounting principles for all major governmental funds. At the end of the fiscal year, unexpended appropriations of these funds automatically lapse.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Mayor, City Council, and other advisory personnel assemble the necessary financial information.
- b) The proposed budget is made available for public inspection.
- c) A public hearing is held for any recommendations or changes to the budget. The budget is legally adopted through passage of an ordinance by the City Council.

The City does not utilize encumbrance accounting. Budgets are amended as necessary throughout the year.

##### **Cash, Cash Equivalents, and Investments**

For the purpose of the proprietary fund statement of cash flows, all highly liquid investments (including certificates of deposit) with original maturities of three months or less are considered cash equivalents.

Cash and cash equivalents include amounts in demand deposits. Under state law, the City may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Cash and cash equivalents consist of cash, as defined above, including restricted cash. Investments are limited by R.S. 33:2955 and the City's investment policy. The City's investment policy does not address interest rate risk or credit risk. Short-term investments are stated at amortized cost, which approximates market. Certain investments, as required by GASB Statement No. 31, as amended by GASB Statement No. 72, are reported at fair value, which is determined using published market prices.

##### **Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing assets.

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Capital Assets (Continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

Capital outlays are recorded as expenditures of the General Fund and Special Revenue Funds in the governmental fund financial statements and as assets in the government-wide financial statements, to the extent the City's capitalization threshold is met. In accordance with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the City has elected not to capitalize infrastructure retroactively. Depreciation is recorded on general capital assets on a government-wide basis. Capital outlays of the proprietary funds are recorded as capital assets and depreciated over their estimated useful lives on both the fund basis and the government-wide basis.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| Description              | Estimated Lives |
|--------------------------|-----------------|
| Buildings                | 40 Years        |
| Concrete Block Buildings | 20 Years        |
| Equipment                | 8 Years         |
| Vehicles                 | 5 Years         |
| Sewer System and Lines   | 20 Years        |
| Water System and Lines   | 20 Years        |

##### Long-Term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Compensated Absences

The City measures and recognizes compensated absence liability in accordance with GASB Statement No. 101. Compensated absences hours that accumulate and that are considered to be more likely than not to be used or paid are accrued. In addition salary related costs including social security and medicare tax is accrued as a portion of the liability. Full-time employees are allotted 40 hours of annual leave after one year of employment, 80 hours of annual leave after two years of employment, 120 hours of annual leave after five years of employment, and 160 hours of annual leave after 10 years of employment. Annual leave can be accumulated up to 240 hours, the maximum amount which the City shall pay out upon resignation, retirement, or termination, computed at the employee's rate of pay upon time of separation. All full-time employees are allotted 80 hours of sick time annually after three months of employment, which may be accumulated up to 480 hours. Unused sick time is not paid out upon resignation, retirement, or termination.

##### Restricted Assets

Certain grants received by the City contain restrictions on spending. In the Maintenance Enterprise Fund, cash and investments are restricted for debt service payments, maintenance on the sewer system, and customer deposits payable.

##### Property Taxes

The City levies property taxes on real and business property located within the City's boundaries. Property taxes are levied by the City on property values assessed by the Lincoln Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Lincoln Parish Tax Assessor prepares tax statements for the City.

Property taxes attach as an enforceable lien on property as of December 31<sup>st</sup>. Taxes are levied and billed in October of each year and are due and payable on or before December 31<sup>st</sup>. The City recognizes property tax revenues when levied, to the extent that they are determined to be collectible.

The following is a summary of authorized and levied property taxes as December 31, 2024:

| Category                       | Authorized<br>Millage | Levied<br>Millage | Expiration<br>Date |
|--------------------------------|-----------------------|-------------------|--------------------|
| Capital Outlay/General Alimony | 5.40                  | 5.40              | Statutory          |
| Fire Protection                | 14.97                 | 14.97             | 2029               |
| Police Department              | 3.82                  | 3.82              | 2029               |
| Public Improvement             | 7.31                  | 7.31              | 2029               |
| Public Streets                 | 4.52                  | 4.52              | 2029               |
| Water System                   | 4.27                  | 4.27              | 2026               |
| <b>Total Levy</b>              | <b>40.29</b>          | <b>40.29</b>      |                    |

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### **Sales Taxes**

Sales taxes are collected by the Lincoln Parish Sales and Use Tax Commission and by the Lincoln Parish Police Jury. The City's sales tax is 2.25%. The revenues collected by the Lincoln Parish Sales and Use Tax Commission is for general operating expenses of the City. The revenues collected by the Lincoln Parish Police Jury is dedicated to Health and Sanitation. There is an additional 0.75% sales tax in the Legend's Square Taxing District, which is retail development in the City of Grambling. These funds are placed in a bank account at the Bank of Ruston to be disbursed to the Developer of the Project as debt service for the cost of the project, minus a 10% administrative fee that is deposited in the City's General Fund account.

##### **Accounts Receivable**

Balances between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Uncollectible amounts due for customers' utility receivables and ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The combined allowance was \$130,502 at December 31, 2024.

##### **Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The governmental funds of the City report unavailable revenues from property taxes and grants. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fund Equity**

In the government-wide statements and proprietary fund statements, equity is classified as net position and displayed in three components:

1. *Net Investment in Capital Assets* - Consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted* - Consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. Restricted net assets reported on Statement A are the result of enabling legislation.
3. *Unrestricted* - All other net position is reported in this category.

In the governmental fund financial statements, fund balances are classified as follows:

1. *Restricted Fund Balance* - Amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors, creditors, or citizens.
2. *Unassigned Fund Balance* - All amounts not included in other spendable classifications.

A deficit unassigned fund balance of \$324,113 exists in the General Fund at December 31, 2024. The deficit results from balances payable to other funds due to collections for such funds running through the General Fund.

**Interfund Transactions**

Permanent re-allocation of resources between funds of the City is classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2. Stewardship, Compliance, and Accountability**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Health and Sanitation Special Revenue Fund. All annual appropriations lapse at fiscal year-end. The City was not in compliance (See Note 1) for the procedures the City follows regarding budgets and budgetary accounting. For the year ended December 31, 2024, actual expenditures of the General Fund of \$2,650,315 exceeded budgeted amounts of \$2,581,480 resulting in an unfavorable variance of \$68,835 or 3% and actual expenditures of the Health and Sanitation fund of \$258,014 exceeded budgeted amounts of \$256,751 resulting in an unfavorable variance of \$1,263 or .5%.

**Deposit and Investment Laws and Regulations**

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. At December 31, 2024, the City was not in compliance with the deposit and investment laws and regulations for two of its banks..

**Note 3. Cash and Cash Equivalents**

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's deposit policy for custodial credit risk is that all uninsured deposits be collateralized by pledged securities as required by state law.

As of December 31, 2024, \$1,037,863 of the City's deposit balance of \$1,902,088 was exposed to custodial credit risk. Of this amount, \$797,112 of this amount were secured from risk by the pledge of securities owned by the fiscal agent bank and \$240,751 was unsecured.

# CITY OF GRAMBLING, LOUISIANA

## Notes to Financial Statements

### Note 4. Receivables

Net receivables at December 31, 2024 were as follows:

|                                          | General<br>Fund   | Health and<br>Sanitation<br>Fund | Non-Major<br>Governmental<br>Funds | Proprietary<br>Fund | Total               |
|------------------------------------------|-------------------|----------------------------------|------------------------------------|---------------------|---------------------|
| Taxes                                    |                   |                                  |                                    |                     |                     |
| Property                                 | \$ 281,014        | \$ -                             | \$ -                               | \$ 35,804           | \$ 316,818          |
| Sales and Use                            | 73,360            | 28,755                           | 34,783                             | -                   | 136,898             |
| Intergovernmental Revenue                | -                 | -                                | -                                  | 679,250             | 679,250             |
| Charges for Services                     | -                 | 13,422                           | -                                  | 165,586             | 179,008             |
| Other                                    | 19,332            | -                                | -                                  | -                   | 19,332              |
| Gross Receivables                        | 373,706           | 42,177                           | 34,783                             | 880,640             | 1,331,306           |
| Less: Allowance for Doubtful<br>Accounts | -                 | (6,846)                          | -                                  | (4,787)             | (11,633)            |
| <b>Total</b>                             | <b>\$ 373,706</b> | <b>\$ 35,331</b>                 | <b>\$ 34,783</b>                   | <b>\$ 875,853</b>   | <b>\$ 1,319,673</b> |

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

### Note 5. Interfund Assets and Liabilities

Individual balances within the fund financial statements due from or to other major funds at December 31, 2024 are as follows:

|                                   | Due From          | Due To            |
|-----------------------------------|-------------------|-------------------|
| <b>General Fund</b>               |                   |                   |
| Utility Maintenance Fund          | \$ -              | \$ 621,142        |
| Health and Sanitation Fund        | -                 | 223,635           |
| <b>Utility Maintenance Fund</b>   |                   |                   |
| General Fund                      | 621,142           | -                 |
| Health and Sanitation Fund        | 58,444            | -                 |
| <b>Health and Sanitation Fund</b> |                   |                   |
| General Fund                      | 223,635           | 58,444            |
| Utility Maintenance fund          | -                 | -                 |
| <b>Total All Funds</b>            | <b>\$ 903,221</b> | <b>\$ 903,221</b> |

The interfund receivables are the result of bills being paid by one fund for another and are expected to be repaid within the next 12 months.



# CITY OF GRAMBLING, LOUISIANA

## Notes to Financial Statements

### Note 6. Accrued and Other Liabilities

Accrued and other liabilities consisted of the following at December 31, 2024:

|                            | General<br>Fund  | Health and<br>Sanitation<br>Fund | Utilities<br>Maintenance<br>Fund | Total             |
|----------------------------|------------------|----------------------------------|----------------------------------|-------------------|
| Wages Payable              | \$ 41,601        | \$ 2,876                         | \$ 5,753                         | \$ 50,230         |
| Sales Tax Payable          | -                | -                                | 7,560                            | 7,560             |
| Payroll Deductions Payable | 31,433           | -                                | -                                | 31,433            |
| Deposits                   | 2,330            | 581                              | 204,673                          | 207,584           |
| <b>Total</b>               | <b>\$ 75,364</b> | <b>\$ 3,457</b>                  | <b>\$ 217,986</b>                | <b>\$ 296,807</b> |

### Note 7. Capital Assets

The following is a summary of the changes in capital assets for the year ended December 31, 2024:

|                                                    | Balance<br>January 1,<br>2024 | Increases           | Decreases       | Balance<br>December 31,<br>2024 |
|----------------------------------------------------|-------------------------------|---------------------|-----------------|---------------------------------|
| <b><u>Governmental Activities</u></b>              |                               |                     |                 |                                 |
| <b>Capital Assets Not Depreciated</b>              |                               |                     |                 |                                 |
| Construction in Progress                           | \$ -                          | \$ 40,000           | \$ -            | \$ 40,000                       |
| Land                                               | 244,402                       | -                   | -               | 244,402                         |
| <b>Total Capital Assets Not Depreciated</b>        | <b>244,402</b>                | <b>40,000</b>       | <b>-</b>        | <b>284,402</b>                  |
| <b>Capital Assets Being Depreciated</b>            |                               |                     |                 |                                 |
| Building and Improvements                          | 2,161,066                     | -                   | -               | 2,161,066                       |
| Furniture and Equipment                            | 1,197,295                     | 14,198              | (20,461)        | 1,191,032                       |
| Infrastructure                                     | 849,730                       | -                   | -               | 849,730                         |
| <b>Total Capital Assets Being Depreciated</b>      | <b>4,208,091</b>              | <b>14,198</b>       | <b>(20,461)</b> | <b>4,201,828</b>                |
| <b>Accumulated Depreciation for:</b>               |                               |                     |                 |                                 |
| Building and Improvements                          | 903,017                       | 63,266              | -               | 966,283                         |
| Furniture and Equipment                            | 1,049,591                     | 60,715              | (20,461)        | 1,089,845                       |
| Infrastructure                                     | 469,228                       | 32,063              | -               | 501,291                         |
| <b>Total Accumulated Depreciation</b>              | <b>2,421,836</b>              | <b>156,044</b>      | <b>(20,461)</b> | <b>2,557,419</b>                |
| <b>Total Capital Assets Being Depreciated, Net</b> | <b>1,786,255</b>              | <b>(141,846)</b>    | <b>-</b>        | <b>1,644,409</b>                |
| <b>Total Capital Assets, Net</b>                   | <b>\$ 2,030,657</b>           | <b>\$ (101,846)</b> | <b>\$ -</b>     | <b>\$ 1,928,811</b>             |

# CITY OF GRAMBLING, LOUISIANA

## Notes to Financial Statements

### Note 7. Capital Assets (Continued)

|                                                    | Balance<br>January 1,<br>2024 | Increases           | Decreases      | Balance<br>December 31,<br>2024 |
|----------------------------------------------------|-------------------------------|---------------------|----------------|---------------------------------|
| <b>Business-Type Activities</b>                    |                               |                     |                |                                 |
| <b>Capital Assets Not Depreciated</b>              |                               |                     |                |                                 |
| Construction in Progress                           | \$ 344,586                    | \$ 2,934,937        | \$ -           | \$ 3,279,523                    |
| Land                                               | 49,182                        | -                   | -              | 49,182                          |
| <b>Total Capital Assets Not Depreciated</b>        | <b>393,768</b>                | <b>2,934,937</b>    | <b>-</b>       | <b>3,328,705</b>                |
| <b>Capital Assets Being Depreciated</b>            |                               |                     |                |                                 |
| Buildings and Improvements                         | 242,106                       | -                   | -              | 242,106                         |
| Sewage Plant                                       | 7,451,776                     | -                   | -              | 7,451,776                       |
| Water System                                       | 2,047,527                     | -                   | -              | 2,047,527                       |
| Water/Sewer Equipment                              | 1,135,975                     | -                   | (3,400)        | 1,132,575                       |
| Vehicles                                           | -                             | -                   | -              | -                               |
| <b>Total Capital Assets Being Depreciated</b>      | <b>10,877,384</b>             | <b>-</b>            | <b>(3,400)</b> | <b>10,873,984</b>               |
| <b>Accumulated Depreciation for:</b>               |                               |                     |                |                                 |
| Buildings and Improvements                         | 240,467                       | 1,097               | -              | 241,564                         |
| Sewage Plant                                       | 3,919,637                     | 246,347             | -              | 4,165,984                       |
| Water System                                       | 1,852,917                     | 25,375              | -              | 1,878,292                       |
| Water/Sewer Equipment                              | 1,135,975                     | -                   | (3,400)        | 1,132,575                       |
| Vehicles                                           | -                             | -                   | -              | -                               |
| <b>Total Accumulated Depreciation</b>              | <b>7,148,996</b>              | <b>272,819</b>      | <b>(3,400)</b> | <b>7,418,415</b>                |
| <b>Total Capital Assets Being Depreciated, Net</b> | <b>3,728,388</b>              | <b>(272,819)</b>    | <b>-</b>       | <b>3,455,569</b>                |
| <b>Total Capital Assets, Net</b>                   | <b>\$ 4,122,156</b>           | <b>\$ 2,662,118</b> | <b>\$ -</b>    | <b>\$ 6,784,274</b>             |

Depreciation charged to governmental and business-type functions was as follows for the year ended December 31, 2024:

|                        | <b>Governmental<br/>Activities</b> |
|------------------------|------------------------------------|
| General                | \$ 64,840                          |
| Public Safety          | 53,756                             |
| Health and Sanitation  | 4,209                              |
| Public Works           | 17,636                             |
| Culture and Recreation | 15,603                             |
| <b>Total</b>           | <b>\$ 156,044</b>                  |

The City has entered into construction contracts for the rehabilitation of its waste water plant. Total amount of the construction contract was \$3,672,870 of which \$2,778,361 has been incurred as of December 31, 2024 with \$894,509 remaining.

# CITY OF GRAMBLING, LOUISIANA

## Notes to Financial Statements

### Note 8. Pension and Retirement Plan

All City employees are eligible to participate in the City's defined contribution IRA plan. The City matches employee contributions up to 5% of their annual salary. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period, where they are deposited to an account in the employee's name. The City does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended December 31, 2024, the City made contributions which totaled \$13,348.

### Note 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the City maintains commercial insurance policies covering its automobiles, professional liability, general liability, and surety bond coverage. There were no significant reductions in insurance coverage during the year ended December 31, 2024.

### Note 10. Long-Term Liabilities

The following is a summary of long-term obligation transactions of the City for the year ended December 31, 2024:

|                                  | Governmental Activities |                           | Business-Type Activities |                         |                     | Total               |
|----------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|---------------------|---------------------|
|                                  | Compensated Absences    | Limited Tax Revenue Bonds | Compensated Absences     | Revenue Refunding Bonds | DEQ Revenue Bonds   |                     |
| Balance January 1, 2024          | \$ 79,177               | \$ 110,159                | \$ 16,565                | \$ 815,000              | \$ 1,330,925        | \$ 2,351,826        |
| Additions                        | 115,206                 | -                         | 20,607                   | -                       | 181,999             | 317,812             |
| Reductions                       | -                       | (9,722)                   | -                        | (65,000)                | (80,000)            | (154,722)           |
| <b>Balance December 31, 2024</b> | <b>\$ 194,383</b>       | <b>\$ 100,437</b>         | <b>\$ 37,172</b>         | <b>\$ 750,000</b>       | <b>\$ 1,432,924</b> | <b>\$ 2,514,916</b> |
| Due within One Year              | \$ -                    | \$ 9,989                  | \$ 13,946                | \$ 70,000               | \$ 81,000           | \$ 174,935          |

Compensated absences for governmental activities are generally liquidated by the General Fund and Health and Sanitation Fund.

Outstanding bonds payable consisted of the following at December 31, 2024:

#### Governmental Activities - Revenue Bonds

Limited Tax Revenue Bonds, Series 2018, issued February 2018 at \$155,000 for purchase of garbage collection vehicles. Principal due in annual installments through 2033; interest rate of 2.75%. Payments are made from the Health and Sanitation Fund.

\$ 100,437

#### Total Governmental Activities - Revenue Bonds

\$ 100,437

# CITY OF GRAMBLING, LOUISIANA

## Notes to Financial Statements

### Note 10. Long-Term Liabilities (Continued)

#### Business Type Activities - Revenue Bonds

Utilities Revenue Refunding Bonds, Series 2013, issued March 2013 at \$1,345,000, to be used for the water system. Principal due in annual installments through 2033. Interest rate 4.25%. Payments are made from the Maintenance Enterprise Fund. \$ 750,000

Utilities Revenue Bond, Series 2015, issued November 2015 at \$575,000, between the City and Louisiana Department of Environmental Quality for improvements to the wastewater treatment facility. Principal due in annual installments through 2036; interest and administrative fees due semi-annually at rate of 0.95%. Payments made from the Utilities Maintenance Fund. 365,925

Utilities Revenue Bond, Series 2019, issued May 2019 at \$1,500,000, between the City and Louisiana Department of Environmental Quality for improvements to the wastewater treatment facility. Principal due in annual installments through 2040; interest and administrative fees due semi-annually at rate of 0.95%. Payments made from the Utilities Maintenance Fund. 885,000

Utilities Revenue Bond, Series 2024, issued June 2024 at \$547,000, between the City and Louisiana Department of Environmental Quality for improvements to the wastewater treatment facility. Principal due in annual installments through 2040; interest and administrative fees due semi-annually at rate of 0.95%. Payments made from the Utilities Maintenance Fund. 181,999

**Total Business Type Activities - Revenue Bonds** \$ 2,182,924

Debt service requirements on bonds payable as of December 31, 2024 are as follows:

| Year Ending<br>December 31, | Governmental Activities |                  | Business-Type Activities |                   |
|-----------------------------|-------------------------|------------------|--------------------------|-------------------|
|                             | Principal               | Interest         | Principal                | Interest          |
| 2025                        | \$ 9,989                | \$ 2,762         | \$ 151,000               | \$ 41,887         |
| 2026                        | 10,264                  | 2,487            | 156,000                  | 38,036            |
| 2027                        | 10,546                  | 2,205            | 156,000                  | 34,079            |
| 2028                        | 10,836                  | 1,915            | 163,000                  | 30,006            |
| 2029                        | 11,134                  | 1,617            | 169,000                  | 25,707            |
| 2030 to 2034                | 47,668                  | 3,321            | 795,000                  | 60,523            |
| 2035 to 2039                | -                       | -                | 533,924                  | 10,322            |
| 2040                        | -                       | -                | 59,000                   | 280               |
| <b>Total</b>                | <b>\$ 100,437</b>       | <b>\$ 14,307</b> | <b>\$ 2,182,924</b>      | <b>\$ 240,840</b> |

## CITY OF GRAMBLING, LOUISIANA

### Notes to Financial Statements

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#### **Note 11. Commitments and Contingencies**

The City's police department employees have not participated in the Municipal Police Employees Retirement System (MPERS). MPERS has made a claim to the City for back employer and employee contributions totaling \$1,768,800. The City is currently negotiating a settlement with MPERS.

#### **Note 12. On-Behalf Supplemental Pay**

Certain employees meeting statutory qualifications in the fire and police departments receive supplemental pay directly from the State of Louisiana. Supplemental pay in the amount of \$58,775 was recognized as intergovernmental revenue and public safety expenditures in the fund financial statements for the year ended December 31, 2024.

#### **Note 13. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 16, 2025, and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

#### **Note 14. Recently Issued Accounting Pronouncements**

##### **Adopted Accounting Pronouncements**

##### *GASB Statement No. 100, Accounting Changes and Error Corrections*

The primary objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The adoption of the Statement did not have an effect on the financial statements.

##### *GASB Statement No. 101, Compensated Absences*

The Statement updates the recognition and measurement guidance for compensated absences. The City adopted the Statement which increased compensated absences liability due to accrual of sick leave that is more than likely to be used or paid and because of the accrual of certain salary related costs.

**Note 14. Recently Issued Accounting Pronouncements (Continued)**

**New Upcoming Accounting Pronouncements**

GASB Statement No. 102, *Certain Risk Disclosures*

The objective of the Statement is to provide users of government financial statements with essential information about risks related to government's vulnerabilities due to certain concentrations or constraints. The Statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*

The objective of the Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement is effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*

The objective of the Statement is to provide users of government financial statements with essential information about certain types of capital assets. The Statement is effective for fiscal years beginning after June 15, 2025.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for the fiscal year ending December 31, 2025

## **REQUIRED SUPPLEMENTARY INFORMATION (PART II)**

**CITY OF GRAMBLING, LOUISIANA**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2024**

**Schedule I**

|                                                              | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</b> |
|--------------------------------------------------------------|----------------------------|-------------------------|---------------------------|-----------------------------------------------------------------------|
| <b>Revenues</b>                                              |                            |                         |                           |                                                                       |
| Property Taxes                                               | \$ 644,000                 | \$ 716,100              | \$ 715,795                | \$ (305)                                                              |
| Sales Taxes                                                  | 688,000                    | 780,000                 | 780,511                   | 511                                                                   |
| Franchise Taxes and Fees                                     | 92,000                     | 83,900                  | 83,997                    | 97                                                                    |
| Licenses and Permits                                         | 130,200                    | 128,900                 | 128,918                   | 18                                                                    |
| Fines and Forfeitures                                        | 363,500                    | 212,200                 | 208,772                   | (3,428)                                                               |
| Intergovernmental Revenues                                   | 165,350                    | 181,401                 | 252,260                   | 70,859                                                                |
| Miscellaneous Income                                         | 83,250                     | 82,200                  | 50,038                    | (32,162)                                                              |
| Interest Income                                              | -                          | -                       | 30,967                    | 30,967                                                                |
| <b>Total Revenues</b>                                        | <b>2,166,300</b>           | <b>2,184,701</b>        | <b>2,251,258</b>          | <b>66,557</b>                                                         |
| <b>Expenditures</b>                                          |                            |                         |                           |                                                                       |
| Salaries and Supplemental Wages                              | 1,154,925                  | 1,350,000               | 1,403,252                 | (53,252)                                                              |
| Council Per Diem and Extra Meetings                          | 50,400                     | 52,000                  | 52,850                    | (850)                                                                 |
| Mayor's Expense                                              | 8,543                      | 1,000                   | -                         | 1,000                                                                 |
| Payroll Tax Expense                                          | 100,000                    | 110,000                 | 109,370                   | 630                                                                   |
| Employee Benefits Expense                                    | 125,080                    | 125,080                 | 111,117                   | 13,963                                                                |
| Worker's Compensation                                        | 78,321                     | 60,000                  | 60,757                    | (757)                                                                 |
| Unemployment Taxes                                           | 3,501                      | 3,500                   | 3,572                     | (72)                                                                  |
| Insurance                                                    | 101,250                    | 144,000                 | 144,004                   | (4)                                                                   |
| Accounting and Audit Expenses                                | 30,667                     | 35,000                  | 40,000                    | (5,000)                                                               |
| Dues and Subscriptions                                       | 2,000                      | 1,500                   | 420                       | 1,080                                                                 |
| Grant Expense                                                | -                          | 50,000                  | 50,000                    | -                                                                     |
| Repair and Maintenance                                       | 74,607                     | 70,000                  | 60,223                    | 9,777                                                                 |
| Legal Advertising                                            | 2,864                      | 3,500                   | 4,030                     | (530)                                                                 |
| Court Related Expenses                                       | 75,000                     | 65,000                  | 62,868                    | 2,132                                                                 |
| Property Tax Sale Reclaim Expense                            | 1,185                      | -                       | -                         | -                                                                     |
| Lincoln Parish Tax Assessor                                  | 1,728                      | 1,750                   | 1,742                     | 8                                                                     |
| Supplies and Equipment                                       | 33,207                     | 50,000                  | 59,040                    | (9,040)                                                               |
| Telephone and Other Utilities                                | 121,653                    | 122,200                 | 123,862                   | (1,662)                                                               |
| Town Hall                                                    | 2,569                      | 10,000                  | 13,320                    | (3,320)                                                               |
| Travel, Meals, and Entertainment                             | 4,903                      | 1,500                   | 1,381                     | 119                                                                   |
| Coroner's Fee                                                | 1,000                      | 1,000                   | 1,300                     | (300)                                                                 |
| Cultural Expense                                             | 2,216                      | 2,200                   | 2,235                     | (35)                                                                  |
| Gas and Oil                                                  | 40,000                     | 39,000                  | 38,110                    | 890                                                                   |
| Professional Fees and Contracted Services                    | 72,127                     | 30,000                  | 30,430                    | (430)                                                                 |
| Attorney Fees                                                | 80,000                     | 90,000                  | 105,608                   | (15,608)                                                              |
| Miscellaneous Expenses                                       | 82,858                     | 98,250                  | 88,194                    | 10,056                                                                |
| Street Expenses                                              | 10,000                     | 25,000                  | 28,432                    | (3,432)                                                               |
| Capital Outlay                                               | -                          | 40,000                  | 54,198                    | (14,198)                                                              |
| <b>Total Expenditures</b>                                    | <b>2,258,876</b>           | <b>2,581,480</b>        | <b>2,650,315</b>          | <b>(68,835)</b>                                                       |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>(92,576)</b>            | <b>(396,779)</b>        | <b>(399,057)</b>          | <b>(2,278)</b>                                                        |
| <b>Other Financing Sources (Uses)</b>                        |                            |                         |                           |                                                                       |
| Transfers In                                                 | 100,000                    | 30,965                  | 130,965                   | 100,000                                                               |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>100,000</b>             | <b>30,965</b>           | <b>130,965</b>            | <b>100,000</b>                                                        |
| <b>Change in Fund Balance</b>                                | <b>\$ 7,424</b>            | <b>\$ (365,814)</b>     | <b>(268,092)</b>          | <b>\$ 97,722</b>                                                      |
| <b>Fund Balance, Beginning of Year</b>                       |                            |                         | <b>(56,021)</b>           |                                                                       |
| <b>Fund Balance, End of Year</b>                             |                            |                         | <b>\$ (324,113)</b>       |                                                                       |

See independent auditor's report.



**CITY OF GRAMBLING, LOUISIANA**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund - Health and Sanitation**  
**For the Year Ended December 31, 2024**

**Schedule II**

|                                                 | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</b> |
|-------------------------------------------------|----------------------------|-------------------------|---------------------------|-----------------------------------------------------------------------|
| <b>Revenues</b>                                 |                            |                         |                           |                                                                       |
| Sales Taxes                                     | \$ 275,000                 | \$ 210,000              | \$ 208,314                | \$ (1,686)                                                            |
| Charges for Services                            | 110,233                    | 130,000                 | 143,226                   | 13,226                                                                |
| Interest Income                                 | 282                        | 200                     | 185                       | (15)                                                                  |
| Miscellaneous                                   | 119,733                    | 2,500                   | 1,768                     | (732)                                                                 |
| <b>Total Revenues</b>                           | <b>505,248</b>             | <b>342,700</b>          | <b>353,493</b>            | <b>10,793</b>                                                         |
| <b>Expenditures</b>                             |                            |                         |                           |                                                                       |
| Salaries, Direct and Indirect                   | 75,825                     | 95,000                  | 96,535                    | (1,535)                                                               |
| Payroll Tax Expense, Direct and Indirect        | 6,727                      | 15,000                  | 15,630                    | (630)                                                                 |
| Employee Group Insurance                        | 4,550                      | 24,000                  | 23,490                    | 510                                                                   |
| Liability and Vehicle Insurance                 | -                          | 7,000                   | 7,416                     | (416)                                                                 |
| Accounting and Audit Expense                    | 10,000                     | -                       | -                         | -                                                                     |
| Supplies                                        | 25,000                     | 8,000                   | 7,938                     | 62                                                                    |
| Minor Equipment                                 | -                          | -                       | -                         | -                                                                     |
| Telephone and Other Utilities                   | 12,015                     | 20,000                  | 20,113                    | (113)                                                                 |
| Professional Fees                               | 8,000                      | 500                     | 563                       | (63)                                                                  |
| Gas and Oil                                     | 10,000                     | 30,000                  | 32,684                    | (2,684)                                                               |
| Repairs and Maintenance                         | 22,000                     | 25,000                  | 21,975                    | 3,025                                                                 |
| Miscellaneous Expense                           | -                          | 15,000                  | 14,830                    | 170                                                                   |
| Uniforms                                        | -                          | 4,500                   | 4,089                     | 411                                                                   |
| Debt Service                                    |                            |                         |                           |                                                                       |
| Principal                                       | 12,751                     | 12,751                  | 12,751                    | -                                                                     |
| Interest and service charges                    | -                          | -                       | -                         | -                                                                     |
| <b>Total Expenditures</b>                       | <b>186,868</b>             | <b>256,751</b>          | <b>258,014</b>            | <b>(1,263)</b>                                                        |
| <b>Excess of Revenues<br/>Over Expenditures</b> | <b>318,380</b>             | <b>85,949</b>           | <b>95,479</b>             | <b>9,530</b>                                                          |
| <b>Other Financing Uses</b>                     |                            |                         |                           |                                                                       |
| Transfers In                                    | -                          | -                       | -                         | -                                                                     |
| Transfers Out                                   | (337,106)                  | -                       | -                         | -                                                                     |
| <b>Total Other Financing Uses</b>               | <b>(337,106)</b>           | <b>-</b>                | <b>-</b>                  | <b>-</b>                                                              |
| <b>Change in Fund Balance</b>                   | <b>\$ (18,726)</b>         | <b>\$ 85,949</b>        | <b>95,479</b>             | <b>\$ 9,530</b>                                                       |
| <b>Fund Balance, Beginning of Year</b>          |                            |                         | <b>134,617</b>            |                                                                       |
| <b>Fund Balance, End of Year</b>                |                            |                         | <b>\$ 230,096</b>         |                                                                       |

See independent auditor's report.

## **OTHER SUPPLEMENTARY INFORMATION**

**CITY OF GRAMBLING, LOUISIANA**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**For the Year Ended December 31, 2024**

**Schedule III**

|                                            | <b>25%<br/>Economic<br/>Development<br/>Sales Tax<sup>1</sup></b> | <b>Legends<br/>Square<br/>Taxing<br/>District<sup>2</sup></b> | <b>Economic<br/>Development<br/>District 1<br/>Fund<sup>3</sup></b> | <b>Total Non-Major<br/>Governmental<br/>Funds</b> |
|--------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------|
| <b>Assets</b>                              |                                                                   |                                                               |                                                                     |                                                   |
| Cash and Cash Equivalents                  | \$ 114,225                                                        | \$ 201,205                                                    | \$ 55,423                                                           | \$ 370,853                                        |
| Sales Taxes Receivable, Net                | 17,897                                                            | 14,072                                                        | 2,814                                                               | 34,783                                            |
| Interfund Receivables                      | 24,904                                                            | -                                                             | -                                                                   | 24,904                                            |
| <b>Total Assets</b>                        | <b>\$ 157,026</b>                                                 | <b>\$ 215,277</b>                                             | <b>\$ 58,237</b>                                                    | <b>\$ 430,540</b>                                 |
| <b>Liabilities and Fund Balances</b>       |                                                                   |                                                               |                                                                     |                                                   |
| <b>Liabilities</b>                         |                                                                   |                                                               |                                                                     |                                                   |
| Interfund Payables                         | -                                                                 | -                                                             | 24,904                                                              | 24,904                                            |
| <b>Total Liabilities</b>                   | <b>-</b>                                                          | <b>-</b>                                                      | <b>24,904</b>                                                       | <b>24,904</b>                                     |
| <b>Fund Balances</b>                       |                                                                   |                                                               |                                                                     |                                                   |
| Restricted                                 | 157,026                                                           | 215,277                                                       | 33,333                                                              | 405,636                                           |
| <b>Total Fund Balances</b>                 | <b>157,026</b>                                                    | <b>215,277</b>                                                | <b>33,333</b>                                                       | <b>405,636</b>                                    |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 157,026</b>                                                 | <b>\$ 215,277</b>                                             | <b>\$ 58,237</b>                                                    | <b>\$ 430,540</b>                                 |

(1) **25% Economic Development Sales Tax** - This fund is used to account for sales taxes levied by the City in order to promote economic development within the City of Grambling.

(2) **Legends Square Taxing District** - This fund is used to account for the collection of sales taxes, grants, and charges for services in order to fund the construction and maintenance of operations of the retail stores located with the jurisdiction of the City of Grambling.

(3) **Grambling Economic Development District No. 1** - This fund is used to account for the collection of a one-half of one percent (0.50%) of sales tax levied within the District to fund economic development projects within such District.

**CITY OF GRAMBLING, LOUISIANA**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**Non-Major Governmental Funds**  
**For the Year Ended December 31, 2024**

**Schedule IV**

|                                                 | <b>25%<br/>Economic<br/>Development<br/>Sales Tax<sup>1</sup></b> | <b>Legends<br/>Square<br/>Taxing<br/>District<sup>2</sup></b> | <b>Economic<br/>Development<br/>District 1<br/>Fund<sup>3</sup></b> | <b>Total Non-Major<br/>Governmental<br/>Funds</b> |
|-------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------|
| <b>Revenues</b>                                 |                                                                   |                                                               |                                                                     |                                                   |
| Sales Taxes                                     | \$ 182,129                                                        | \$ 100,896                                                    | \$ 17,030                                                           | \$ 300,055                                        |
| Interest Income                                 | 325                                                               | -                                                             | -                                                                   | 325                                               |
| <b>Total Revenues</b>                           | <b>182,454</b>                                                    | <b>100,896</b>                                                | <b>17,030</b>                                                       | <b>300,380</b>                                    |
| <b>Expenditures</b>                             |                                                                   |                                                               |                                                                     |                                                   |
| Economic Development                            | 168,386                                                           | -                                                             | 3,522                                                               | 171,908                                           |
| <b>Total Expenditures</b>                       | <b>168,386</b>                                                    | <b>-</b>                                                      | <b>3,522</b>                                                        | <b>171,908</b>                                    |
| <b>Excess of Revenues<br/>Over Expenditures</b> | <b>14,068</b>                                                     | <b>100,896</b>                                                | <b>13,508</b>                                                       | <b>128,472</b>                                    |
| <b>Other Financing Uses</b>                     |                                                                   |                                                               |                                                                     |                                                   |
| Transfers Out                                   | (100,000)                                                         | -                                                             | -                                                                   | (100,000)                                         |
| <b>Total Other Financing Uses</b>               | <b>(100,000)</b>                                                  | <b>-</b>                                                      | <b>-</b>                                                            | <b>(100,000)</b>                                  |
| <b>Net Change in Fund Balances</b>              | <b>(85,932)</b>                                                   | <b>100,896</b>                                                | <b>13,508</b>                                                       | <b>28,472</b>                                     |
| <b>Fund Balances, Beginning of Year</b>         | <b>242,958</b>                                                    | <b>114,381</b>                                                | <b>19,825</b>                                                       | <b>377,164</b>                                    |
| <b>Fund Balances, End of Year</b>               | <b>\$ 157,026</b>                                                 | <b>\$ 215,277</b>                                             | <b>\$ 33,333</b>                                                    | <b>\$ 405,636</b>                                 |

(1) **25% Economic Development Sales Tax** - This fund is used to account for sales taxes levied by the City in order to promote economic development within the City of Grambling.

(2) **Legends Square Taxing District** - This fund is used to account for the collection of sales taxes, grants, and charges for services in order to fund the construction and maintenance of operations of the retail stores located with the jurisdiction of the City of Grambling.

(3) **Grambling Economic Development District No. 1** - This fund is used to account for the collection of a one-half of one percent (0.50%) of sales tax levied within the District to fund economic development projects within such District.

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Insurance Coverage**  
**For the Year Ended December 31, 2024**

**Schedule V**

| <b>Coverage Type</b>          | <b>Insurer</b>                             | <b>Coverage<br/>Limit</b>                                               | <b>Expiration<br/>Date</b> |
|-------------------------------|--------------------------------------------|-------------------------------------------------------------------------|----------------------------|
| Commercial Property           | EMC Insurance                              | \$ 2,347,580                                                            | 7/30/2025                  |
| Personal Property of Business | EMC Insurance                              | \$ 654,650                                                              | 7/30/2025                  |
| Automobile                    | Lloyd's,<br>London/HDI Global<br>Specialty | \$1,000,000 per<br>occurrence; cash<br>value not to exceed<br>\$188,000 | 7/30/2025                  |
| Fidelity Bond                 | Travelers                                  | \$ 100,000                                                              | 7/30/2025                  |

**CITY OF GRAMBLING, LOUISIANA**  
**Utility Rate Schedules**  
**For the Year Ended December 31, 2024**

**Schedule VI**

**Schedule of Water and Sewer Rates**

| <b>Service</b> | <b>In City Limits</b>                                                                                                                          | <b>Outside of City Limits</b>                                                                                                                  |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Residential    | \$29.16 for the first 2,000 gallons, plus an additional user rate of \$3.80 and \$1 per each additional 1,000 gallons                          | \$34.68 for the first 2,000 gallons, plus an additional user rate of \$3.80 and \$1 per each additional 1,000 gallons                          |
| Commercial     | \$39.06 for the first 2,000 gallons, plus an additional user rate of \$3.26 and \$1 per each additional 1,000 gallons                          | \$44.63 for the first 2,000 gallons, plus an additional user rate of \$3.26 and \$1 per each additional 1,000 gallons                          |
| <b>Sewer</b>   |                                                                                                                                                |                                                                                                                                                |
| Residential    | \$27.85 for the first 2,000 gallons, then \$2.63 per each additional 1,000 gallons                                                             | \$33.12 for the first 1,000 gallons, then \$2.63 per each additional 1,000 gallons                                                             |
| Commercial     | \$37.31 for the first 1,000 gallons, then \$2.11 per each additional 1,000 gallons up to 16,000, then \$2.63 per each additional 1,000 gallons | \$37.31 for the first 1,000 gallons, then \$2.11 per each additional 1,000 gallons up to 16,000, then \$2.63 per each additional 1,000 gallons |

**Schedule of Customer Breakdown and Average Monthly Billing per User**

| <b>Category</b>                            | <b>Average # of Customers</b> |    |           |
|--------------------------------------------|-------------------------------|----|-----------|
| Commercial                                 | 102                           |    |           |
| Residential                                | <u>973</u>                    |    |           |
| <b>Total</b>                               | <u><u>1,075</u></u>           |    |           |
|                                            |                               |    |           |
| Aggregate dollar amount billed during 2024 |                               | \$ | 1,407,990 |
| Average monthly billing per user           |                               | \$ | 109       |

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Compensation Paid to Council Members**  
**For the Year Ended December 31, 2023**

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**Schedule VII**

The Schedule of compensation paid to council members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of council members is included in general government expenditures of the General Fund.

| <b>Council Member</b>        | <b>Term Expiration</b> | <b>Compensation<br/>Paid</b> |
|------------------------------|------------------------|------------------------------|
| Delores Smith, Mayor Pro-Tem | December 31, 2024      | \$ 17,500                    |
| John Brown, Jr.              | December 31, 2024      | 8,750                        |
| Cathy Holmes Giles           | December 31, 2024      | 8,750                        |
| Jerry Lewis                  | December 31, 2024      | 9,100                        |
| DeVaria Ponton               | December 31, 2024      | 8,750                        |
| <b>Total</b>                 |                        | <u>\$ 52,850</u>             |

See independent auditor's report.



**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Mayor**  
**For the Year Ended December 30, 2024**

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**Schedule VIII**

**Agency Head**  
Alvin R. Bradley, Mayor

| <b>Purpose</b>                         | <b>Amount</b> |
|----------------------------------------|---------------|
| Salary                                 | \$69,952      |
| Benefits - Insurance                   | \$0           |
| Benefits - Retirement                  | \$0           |
| Benefits - Other                       | \$0           |
| Car Allowance                          | \$0           |
| Vehicle Provided by Government         | \$0           |
| Per Diem                               | \$0           |
| Reimbursements                         | \$0           |
| Travel                                 | \$3,844       |
| Registration Fees                      | \$0           |
| Conference Travel                      | \$0           |
| Continuing Professional Education Fees | \$0           |
| Housing                                | \$0           |
| Unvouchered Expenses                   | \$0           |
| Special Meals                          | \$0           |
| Cell Phone                             | \$0           |

See independent auditor's report.

**CITY OF GRAMBLING, LOUISIANA**  
**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
**General Fund**  
**Cash Basis Presentation**  
**For the Six-Month Periods Ended June 30, 2024 and December 31, 2024**

**Schedule IX**

|                                                                                                    | <b>First Six-<br/>Month Period<br/>Ended<br/>6/30/2024</b> | <b>Second Six-<br/>Month Period<br/>Ended<br/>12/31/2024</b> |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------|
| <b>Beginning Balance of Amounts Collected</b>                                                      | \$ -                                                       | \$ -                                                         |
| <b>Add: Collections</b>                                                                            |                                                            |                                                              |
| Criminal Court Costs/Fees                                                                          | 102,780                                                    | 101,696                                                      |
| <b>Subtotal Collections</b>                                                                        | 102,780                                                    | 101,696                                                      |
| <b>Less: Disbursements to Governments and Nonprofits:</b>                                          |                                                            |                                                              |
| Louisiana Supreme Court Judicial Fund                                                              | 156                                                        | 181                                                          |
| Treasurer, State of Louisiana - CMIS                                                               | 1,006                                                      | 1,067                                                        |
| North Louisiana Criminalistics Lab                                                                 | 9,386                                                      | 10,429                                                       |
| Ruston-Lincoln Crime Stoppers                                                                      | 620                                                        | 726                                                          |
| Louisiana Traumatic Head and Spinal Cord Injury                                                    | 1,507                                                      | 1,769                                                        |
| Louisiana Commission on Law Enforcement                                                            | 2,871                                                      | 3,381                                                        |
| State Treasurer's Office Disability Affairs Trust                                                  | 225                                                        | 125                                                          |
| <b>Less: Amounts Retained by Collecting Agency</b>                                                 |                                                            |                                                              |
| City of Grambling - Criminal Fines                                                                 | 87,009                                                     | 84,018                                                       |
| <b>Subtotal Disbursements/Retainage</b>                                                            | 102,780                                                    | 101,696                                                      |
| <b>Ending Balance of Amounts Collected but not Disbursed/Retained</b>                              | \$ -                                                       | \$ -                                                         |
| <b>Other Information</b>                                                                           |                                                            |                                                              |
| Ending Balance of Total Amounts Assessed but not yet Collected<br><i>(i.e. Receivable Balance)</i> |                                                            |                                                              |
| Credit Card                                                                                        | \$ 868                                                     | \$ 868                                                       |
| Collections of Outstanding Fines                                                                   | \$ 15,968                                                  | \$ 9,620                                                     |

See independent auditor's report.

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

Independent Auditor's Report

To the Honorable Alvin R. Bradley, Mayor,  
and Members of the City Council  
City of Grambling, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grambling, Louisiana (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 16, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Governmental Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003.

### **City of Grambling's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
June 16, 2025

**REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Honorable Alvin Bradley, Mayor  
and Members of the City Council  
City of Grambling, Louisiana

**Opinion on Each Major Program**

We have audited the City of Grambling, Louisiana's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct or material effect on each of its major federal programs for the year ended December 31, 2024.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above has occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirement of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaPorte".

A Professional Accounting Corporation

Baton Rouge, LA  
June 16, 2025

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

| <b>Federal Grantor/Pass-Through Grantor/<br/>Program Title</b>                                                              | <b>Assistance<br/>Listing<br/>Number</b> | <b>Grant<br/>Number</b> | <b>Expenditures</b> |
|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------|---------------------|
| <b>United States Department of Treasury</b>                                                                                 |                                          |                         |                     |
| Passed through the State of Louisiana<br>Coronavirus State and Local Fiscal Recovery Funds                                  | 21.027                                   | None                    | <u>2,735,434</u> *  |
| <b>Total United States Department of Treasury</b>                                                                           |                                          |                         | <u>2,735,434</u>    |
| <b>United States Environmental Protection Agency</b>                                                                        |                                          |                         |                     |
| Passed through Louisiana Department of Environmental Quality<br>Capitalization Grants for Clean Water State Revolving Funds | 66.458                                   | CS221058-01             | <u>181,999</u>      |
| <b>Total Environmental Protection Agency</b>                                                                                |                                          |                         | <u>181,999</u>      |
| <b>Total Expenditures of Federal Awards</b>                                                                                 |                                          |                         | <u>\$ 2,917,433</u> |

\* Major Program



**CITY OF GRAMBLING, LOUISIANA**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

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**Note 1. Basis of Presentation**

The schedule of expenditures of federal awards includes the grant activity of the City of Grambling and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2. Indirect Cost Rate**

The City did not elect to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 3. Loan Balances**

At December 31, 2024, the City had outstanding loan balances with the Louisiana Department of Environmental Quality funded by the Capitalization Grants for Clean Water State Revolving Funds (Assistance Listing #66.458) totaling \$1,432,924.

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2024**

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**A. Summary of Auditor's Results**

Financial Results

- |                                                                                  |            |
|----------------------------------------------------------------------------------|------------|
| 1. Type of auditor's report                                                      | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a) Material weaknesses identified?                                               | Yes        |
| b) Significant deficiencies identified not considered to be material weaknesses? | None       |
| c) Noncompliance material to the financial statements noted?                     | Yes        |

Federal Awards

- |                                                                                       |               |
|---------------------------------------------------------------------------------------|---------------|
| 1. Internal control over major programs                                               |               |
| a. Material weaknesses identified?                                                    | None          |
| b. Significant deficiencies identified?                                               | None Reported |
| 2. Type of auditor's report issued on compliance for each major program               | Unmodified    |
| 3. Audit findings disclosed that are required in accordance with the Uniform Guidance | No            |
| 4. Identification of major programs                                                   |               |
| 21.027 - Coronavirus State and Local Fiscal Recovery Funds                            |               |
| 5. Dollar threshold used to distinguish between Type A and B programs                 | \$750,000     |
| 6. Auditee qualified as a low-risk auditee?                                           | No            |

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended December 31, 2024**

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**Financial Statement Findings**

**2024-001     Significant Audit Adjusting Entries and Controls over Journal Entry Processing**

*Criteria:* Controls over journal entry processing are imperative to prevent fraudulent or inaccurate financial reporting that could lead to material misstatements in the financial statements.

*Condition:* Significant audit adjustments were necessary in a variety of accounts for the year ended December 31, 2024.

*Cause:* Lack of internal controls over journal entry processing.

*Effect:* Unauthorized or inaccurate journal entries could lead to material misstatements in the financial statements, whether due to fraud or error.

*Recommendation:* The City should improve its reconciliation and journal entry processes in order to reduce the number of significant audit adjusting entries.

*Management's Response:* The City will improve its reconciliation and journal entry processes.

**2024-002     Violation of Debt Covenants**

*Criteria:* As part of the agreement for their various bonds, the City is required to adhere to certain conditions and requirements set forth in such debt agreements, including the creation and maintenance of certain sinking and reserve funds.

*Condition:* The City has created and adequately funded the sinking fund as required by the bond covenants but has not appropriately created and maintained all the reserve funds required by the debt agreements. In addition, we noted that credit card utility payments were deposited in the general fund during the year ended December 31, 2024.

*Cause:* Unknown.

*Effect:* The City is not in compliance with its debt agreements.

*Recommendation:* The City should review debt agreements, create all necessary reserve accounts, and to the extent possible, set up automatic monthly transfers to fund each account as mandated by each debt agreement.

*Management's Response:* The City will review their current restricted funds and revise use and maintenance of accounts as necessary to be in compliance with debt agreements.

**CITY OF GRAMBLING, LOUISIANA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended December 31, 2024**

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**2024-003      Noncompliance With Fiscal Agency and Cash Management Laws**

*Criteria:* Louisiana Revised Statute 39:1221 requires that local depositing authorities shall obtain additional security for deposits in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC).

*Condition:* Deposits were exposed to credit risk due to inadequate collateralization of bank deposits in excess of FDIC coverage.

*Cause:* Lack of controls or procedures to ensure that all depository institutions in which City funds are held are providing additional security for deposits in excess of FDIC coverage.

*Effect:* Public funds were exposed to credit risk.

*Recommendation:* Implementation of controls or procedures to ensure that all depository institutions in which City funds are held are providing additional security for deposits in excess of FDIC coverage.

*Management's Response:* Management will institute procedures to monitor the collateralization of bank deposits and will notify banks when deposits exceed FDIC coverage and collateral.

**CITY OF GRAMBLING, LOUISIANA**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2022**

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**Financial Statement Findings**

**2023-001 Lack of Controls over Journal Entry Processing**

*Condition:* The City has no approval process in place for creation and posting of journal entries. The City also has no requirements in place to maintain adequate support for posted journal entries.

*Status:* This finding has been partially resolved. See current year finding 2024-001.

**2023-002 Utility Billing Reports and Reconciliation**

*Condition:* The City did not perform regular reconciliations of utility receivable and customer deposit balances from the utility billing software to the general ledger accounts.

*Status:* This finding has been resolved.

**2023-003 Noncompliance with the Local Government Budget Act (LGBA)**

*Condition:* The budget was not adopted in open meeting prior to the end of the prior fiscal year. In addition, actual expenditures of the General Fund exceeded budgeted amounts by more than 5%.

*Status:* This finding has been resolved.

**2023-004 Violation of Debt Covenants**

*Condition:* The City has not maintained reserve funds as required by its debt agreements. In addition, credit card utility payments were deposited in the General Fund.

*Status:* This finding has not been resolved. See current year finding 2024-002.

## AGREED-UPON PROCEDURES REPORT

City of Grambling, Louisiana

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period January 1, 2024 - December 31, 2024**

To the Council of  
the City of Grambling, Louisiana and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the City of Grambling, Louisiana's (the City) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2024 through December 31, 2024. The City's management is responsible for those C/C areas identified in the SAUPs.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal year January 1, 2024 through December 31, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and results are as follows:

### **1) Written Policies and Procedures**

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- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
  - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** We noted subcategories (2), (4), and (5) are not present in procedure ii. We noted subcategory (4) was not present for procedure viii. We noted subcategories (2) and (3) were not present in procedure xii. We noted no written policies and procedures for procedures ii, iii, iv, vi, and x. We noted no other exceptions in the performance of these procedures.

## **2) Board or Finance Committee**

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
  - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**Results:** We observed that the City Council meets on a monthly basis. We observed that the minutes did include references to budget to actual comparisons although not monthly for general and special revenue funds. We observed that the General Fund had a deficit in the prior year audit report and we noted that there were no formal plans to eliminate the negative unassigned fund balance of the general fund. We observed that there were no references to the resolution of prior audit findings.

## **3) Bank Reconciliations**

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and



- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Results:** We performed the above procedures and observed that four out of five bank reconciliations were not reconciled within 2 months of closing and that there was no written evidence that a member of management or a board member reviewed them. We observed two out of five bank reconciliations had outstanding items over 12 months that have not been investigated. No other exceptions noted.

**5) *Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

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- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

*[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported].*

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

**Results:** We observed no exceptions in the performance of these procedures.

#### **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

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- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

**Results:** We observed that there was a finance charge for the month tested for the City’s only credit card. We observed that two out of nine credit card charges did not have supporting itemized receipts. We noted no other exceptions in the performance of these procedures.

## **10) Ethics**

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- A. Randomly selected 5 employee/officials and obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Results:** We observed no exceptions in the performance of these procedures.

## **11) Debt Service**

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** We observed that water and sewer credit card payments were deposited in the General Fund and were not remitted to the revenue account of the Water Maintenance Fund. We observed that reserves for the City's utility revenue bonds were not sufficient at December 31, 2024. No other exceptions were found as a result of these procedures.

#### ***14) Prevention of Sexual Harassment***

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- A. Randomly selected 5 employees/officials and obtained sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1<sup>st</sup>, and observe that the report includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

**Results:** We observed that the annual report did not contain item i. We observed no other exceptions in the performance of these procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA

June 16, 2025



# CITY OF GRAMBLING

MAYOR: Alvin R. Bradley, Sr.



## COUNCIL MEMBERS:

John F. Brown, Jr.

Cathy Giles

Jerry Lewis

DeVaria H. Ponton

Delores W. Smith

Mr. Michael J. Waguespack  
Louisiana Legislative Auditor  
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Baton Rouge, LA 70804-9397

RE: Statewide Agreed-Upon Procedures

The management of the City of Grambling, Louisiana (the City), wishes to provide the following responses relative to the results of the 2024 Statewide agreed-upon procedures engagement:

- 1) The City will adopt written policies and procedures for the noted categories.
- 2) The City Council will begin reviewing budget to actual comparisons on a monthly basis, will develop a plan to alleviate the unassigned deficit in the General Fund and will follow up on prior year findings.
- 3) The City will reconcile future bank accounts on a timely basis and will ensure that all bank reconciliations are reviewed. The City will investigate old outstanding checks.
- 4) The City will institute procedures to ensure that credit card statements paid timely to avoid finance charges.
- 5) The City will comply with its revenue bond covenants by depositing credit card payments in the water maintenance revenue account and by maintaining required reserves.
- 6) The City will add the required item to its sexual harassment report in future years.

Sincerely,

Alvin Bradley,  
Mayor

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Grambling, Louisiana 71245

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"The City of Grambling is an equal opportunity provider and employer."