

CITY OF MONROE, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BASF (BASF)) AND ACTUAL
 YEAR ENDED DECEMBER 31, 1998
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12-31-97 ACTUAL
Major Repairs to Building	\$ 1,300	\$ -0-	\$ 1,300	\$ -0-
Capital Outlay	1,800	-0-	1,800	-0-
Mobile Property	800	800	0	800
Radio Repairs	300	71	229	110
Miscellaneous	-0-	-0-	-0-	270
TOTAL FIRE DEPARTMENT	21,821	18,111	37,710	17,994
INTEREST AND BONDS				
Insurance - Street Liability	3,200	3,200	-	3,170
Street Lights	10,300	10,821	< 5,521>	7,400
Street Maintenance	4,500	261	4,239	2,821
TOTAL STREETS AND HIGHWAYS	18,000	14,282	< 3,718>	13,391
PARK & RECREATION				
Salaries	8,000	-0-	8,000	-0-
Travel	2,000	2,120	1,120	2,000
Supplies/Expense	1,250	39	1,211	17
Utilities	9,200	7,400	1,800	8,940
MAINT./REPAIR - Parks/ Playground/Equip. etc.	3,900	574	3,326	2,150
Capital Outlay	800	-0-	800	-0-
Telephone	800	548	252	548
TOTAL PARK & RECREATION	23,950	9,691	14,259	12,790
TOTAL EXPENDITURES	807,070	807,008	62	548,888
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	48,950	< 37,133>	12,817	12,271
OTHER FINANCING SOURCES (DEBT)				
Operating Transfers In	80,800	211,200	130,400	80,000
Operating Transfers Out	-0-	254,800	<254,800>	< 20,000>
TOTAL OTHER FINANCING SOURCES (DEBT)	80,800	48,400	114	60,000
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER DEBT	-0-	12,943	12,943	61,271
FUND BALANCE, BEGINNING	174,121	116,582	< 57,539>	12,281
FUND BALANCE, ENDING	174,121	148,525	< 25,596>	128,552

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
 CAPITAL PROJECT FUND
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 & CHANGES IN FUND BALANCE
 YEAR ENDING DECEMBER 31, 1994

	1994 SEWER IMPROVEMENT
REVENUES	
Miscellaneous	
Interest Income	\$ 7,663
TOTAL REVENUES	\$ 7,663
EXPENDITURES	
General Government	69
Capital Projects	-0-
TOTAL EXPENDITURES	\$ 69
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,597
OTHER FINANCING SOURCES (USES)	
Operating Transfers In	-0-
Operating Transfers Out	-722*
TOTAL OTHER FINANCING SOURCES (USES)	-722*
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	6,874
FUND BALANCE, BEGINNING	\$151,723
FUND BALANCE, ENDING	<u>\$158,597</u>

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUNDS

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

1964 SEWER IMPROVEMENTS

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

CITY OF GRABLING, LOUISIANA
DEBT SERVICE FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
DECEMBER 31, 1996

	1996 OTHER IMPROVEMENTS	<u>TOTAL</u>
REVENUES		
Tax	\$ 65,185	\$ 65,185
Miscellaneous	<u>3,471</u>	<u>3,561</u>
TOTAL REVENUES	\$ 70,185	\$ 70,185
EXPENDITURES		
General Government	113	113
Debt Service		
Principal Retirement	15,000	15,000
Interest Fiscal Charges	<u>17,372</u>	<u>17,372</u>
TOTAL EXPENDITURES	\$ 32,485	\$ 32,485
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	38,171	38,171
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	-0-	-0-
Operating Transfers Out	<u>49,340</u>	<u>49,340</u>
TOTAL OTHER FINANCING SOURCES (USES)	49,340	49,340
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	< 11,369	< 11,369
FUND BALANCE, BEGINNING	<u>281,744</u>	<u>281,744</u>
FUND BALANCE END OF YEAR	\$ 180,375	\$ 180,375

The accompanying notes are an integral part of this statement.

CITY OF GRABLING, LOUISIANA
DEBT SERVICE FUNDS
BALANCE SHEET
DECEMBER 31, 1999

	1994 GENERAL IMPROVEMENTS	<u>TOTAL</u>
ASSETS		
Cash & Investments	\$ 230,038	\$ 230,038
Receivable		
Taxes	30,428	30,428
Accrued Interest Receivables	2,438	2,438
Due From Utility Fund	<u>1,858</u>	<u>1,858</u>
TOTAL ASSETS	<u>\$ 264,762</u>	<u>\$ 264,762</u>
LIABILITIES & FUND BALANCE		
Liabilities		
Due to other Funds	\$ 74,385	\$ 74,385
TOTAL LIABILITIES	<u>\$ 74,385</u>	<u>\$ 74,385</u>
Fund Equity		
Reserve for Debt Service	190,379	190,379
Unreserved Undesignated	<u>-0-</u>	<u>-0-</u>
TOTAL FUND EQUITY	<u>\$ 190,379</u>	<u>190,379</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 264,762</u>	<u>\$ 264,762</u>

The accompanying notes are an integral part of this statement.

DEBT SERVICE FUND

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

SEWER SYSTEM IMPROVEMENTS

This fund is used to accumulate monies for payment of the area \$165,000 Sewer System Improvement Bonds, which are serial bonds due in annual installments, plus interest, through maturity in 2008. Debt service is financed by the levy of a specific ad valorem tax.

CITY OF SHREVEPORT, LOUISIANA
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES &
 CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) & ACTUAL
 YEAR ENDED DECEMBER 31, 1994
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1993

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12-31-93 ACTUAL
REVENUE				
Taxes				
Ad Valorem Taxes	\$ 43,983	\$ 38,034	\$- 4,939	\$38,384
Penalty & Interest	643	593	50	567
Sales Taxes - Income	<u>226,222</u>	<u>188,433</u>	<u>< 37,789</u>	<u>226,882</u>
TOTALS	270,848	226,060	< 44,788	225,833
Licenses & Permits				
Occupational Licenses	45,247	45,094	< 5,153	39,536
Alcoholic Beverages	3,884	4,880	1,004	3,230
Inspection Fees	130	174	= 380	300
Building Permits	3,505	3,649	< 1,820	1,733
Electrical Permits	3,422	1,988	< 417	3,888
Plumbing Permits	440	823	383	324
Franchise - Subdivision	3,510	3,254	< 850	8,398
Franchise - BSELA	20,921	22,890	< 8,221	22,823
Franchise - Claiborne Electrical	-0-	4,239	4,239	-0-
Franchise - LRAI	<u>26,828</u>	<u>22,984</u>	<u>< 3,844</u>	<u>22,988</u>
TOTALS	114,055	99,834	< 15,221	98,484
Intergovernmental				
Louisiana Beer Tax	-0-	4,895	4,895	4,520
Louisiana Tobacco Tax	27,878	27,898	< 2,881	28,820
Louisiana Fire Insurance	11,208	10,277	< 1,931	10,288
Grant Revenues	<u>48,322</u>	<u>37,828</u>	<u>8,078</u>	<u>31,820</u>
TOTALS	87,408	100,900	8,078	126,448
Fees & Forfeits Fees				
Fire Assessment	3,422	1,341	< 3,081	4,520
Fines- Police Department	17,078	17,218	= 8,888	48,838
Court Cost-Municipal	10,000	10,072	= 2,762	14,508
Police-Louisiana Pr. BMC	13,313	8,328	< 4,985	13,540
Police & Fire Reports	841	-0-	= 841	-0-
TOTALS	44,656	46,959	< 15,128	86,406
Miscellaneous Revenues				
Utility Collections	-0-	-0-	-0-	86
Rent-Comm. Quarter & Park	3,203	3,182	< 1,211	3,182
Sale of Garbage Bags	1,870	3,710	= 3,400	2,034
Interest Income	1,201	3,244	3,243	4,078
Miscellaneous - Other	3,203	20,241	28,239	24,882
Unassigned Lease Income	1,220	1,220	= 320	3,120
TOTALS	10,700	29,797	19,097	38,402
TOTAL REVENUES	413,012	352,691	< 60,321	312,763

(continued)

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUND

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

HEALTH & SANITATION FUND

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

CITY OF GRAMBLING, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (WRAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 89-89-89 ACTUAL
Purchase Garbage Bags	2 2,920	2 2,000	14 920*	2 2,000
Misc./Contingency	2,224	1,500	1,724	2,000
Water Fee	2,278	2,278	< 2000	2,200
Bank Charges	700	70	700	700
Principals	-0-	200	< 200*	-0-
TOTAL GENERAL GOVERNMENT	188,700	181,228	20,472	182,700
POLICE DEPARTMENT				
Salaries	255,200	251,329	14,000	229,627
Employee Group Insurance	20,800	20,322	< 2,800*	20,322
Employment Taxes	800	400	400	807
PICA	10,575	10,700	< 2,170*	20,200
Workmen's Compensation	14,800	23,428	< 8,000*	10,820
Police Retirement	1,200	825	725	814
Insurance/Utilities	21,700	6,800	19,120	9,494
Gen. Liability	9,800	23,200	< 12,800*	10,000
Police Uniforms	2,200	1,875	1,007	4,375
Supplies/Expenses	6,200	6,201	100	6,078
Telephone	2,020	2,000	< 20*	2,000
Training Personnel	2,000	1,700	100	2,000
Equip/Building & Repairs	1,400	1,120	220	200
Bus. & Prof. Travel	1,200	800	800	870
Gas/Oil	12,800	14,200	< 1,400*	8,200
Books/Subscription	400	420	20	100
Contingency/Unallocated	-0-	104	< 2000	240
Capital Outlay/Principals/				
Equip./Equip. Repairs	800	100	700	2,200
Utilities	-0-	2,070	< 2,070*	4,220
Police	400	400	200	3,400
Vehicle Maintenance	4,200	4,120	200	4,200
Computer System Upgrade	-0-	220	< 220*	-0-
Vehicle Repair	4,200	5,270	< 8,700*	5,500
Radio Repair	2,200	2,120	< 1,000*	1,400
TOTAL POLICE DEPARTMENT	397,622	396,503	600	382,770
FIRE DEPARTMENT				
Salary-Fire Chief	1,000	2,400	1,200	2,200
Commission/Fireman	2,000	820	2,100	1,200
Insurance - Fireman	270	210	50	210
Supplies/Expenses	4,410	2,670	2,700	4,800
Insurance Vehicle/Building	12,220	2,807	8,923	2,200
Sum.	1,800	200	600	00
Telephone & Utilities				
Telephone	1,200	1,407	< 870*	1,524
Water Fee	1,800	1,207	710	720
Electricity	1,400	1,520	< 800*	650
Travel/Training	1,200	200	2,000	874
Vehicle/Gas/Oil	800	400	00	407

(Cash Fund)

CITY OF GRABELING, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BASIC BASIS) AND ACTUAL
 YEAR ENDED DECEMBER 31, 1979
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1978

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12-31-78 ACTUAL
EXPENDITURES				
GENERAL GOVERNMENT				
Salaries	\$ 12,300	\$ 48,928	\$ 3,628	\$ 41,300
Council Fee Dues	11,000	8,478	2,522	10,200
Building Administrator	2,400	2,400	-0-	2,375
Utilities Inspector	2,400	2,400	-0-	2,375
PP&A	4,300	4,300	< 300 >	4,287
Workmen's Compensation	2,800	4,700	= 200 >	4,250
Employee Group Insurance	5,400	4,498	902	5,700
Unemployment Taxes	700	100	600	800
Insurance				
General Liability	12,200	9,000	3,200	7,842
Bonding Insurance	800	300	500	780
Vehicle Insurance	300	70	230	701
Rent	5,400	2,700	2,700	4,800
Post & Subscriptions	2,900	4,400	1,500	1,000
Electric Expenses	-0-	-0-	-0-	612
Legal Retainers	2,700	2,500	2,000	1,800
Legal Advertising	2,000	2,474	324	1,818
Lincoln Parish Tax Assessor	1,800	2,100	= 300 >	1,894
Office Supplies & Printing				
Office Supplies	2,500	2,400	100	2,847
Printing	400	-0-	400	300
Postage	1,300	2,000	700	1,512
Telephone	4,000	4,400	< 400 >	3,200
Year Mail Expenses	2,500	1,100	1,400	2,800
Travel	800	175	625	-0-
Utilities	2,800	2,125	2,500	2,148
Gas & Oil	-0-	-0-	-0-	100
Vehicle Maintenance	-0-	-0-	-0-	212
Capital Outlay				
Year Mail Equip., Misc., Furn.	4,000	2,720	2,300	2,604
Computer System Upgrade	2,200	2,900	100	2,807
Accounting Expense	2,500	2,000	< 800 >	4,104
Personnel Training	100	60	94	94
Equipment Maintenance/Repair/ Serv.	2,700	4,800	< 1,000 >	2,854
Building Repairs	1,300	700	600	878
Professional Services-				
Coroner	2,000	924	878	200
Christmas Decorations	1,300	50	1,300	247
Citizens/Community Dev. Project	2,500	2,970	< 400 >	840

(continued)

The accompanying notes are an integral part of this statement.

PROPRIETARY FUNDS (UTILITY FUNDS)

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

CITY OF GRABLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

Property, plant and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditures and capitalized at cost in the General Fixed Assets Account Group.

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

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

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

H. LONG-TERM DEBT

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

M. PENSIONS

All employees are covered under Social Security benefits, except for one employee, who participates in the Municipal and State Police Employees' retirement system.

O. FUND EQUITY

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

P. REVENUES AND EXPENDITURES/EXPENSES

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

GENERAL FUND

TO ACCOUNT FOR RESOURCES TRADITIONALLY ASSOCIATED WITH GOVERNMENTS WHICH ARE NOT REQUIRED TO BE ACCOUNTED FOR IN ANOTHER FUND.

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

Description of Funding Policy

The contribution requirements of the Municipal and State Police Retirement System of Louisiana are as follows:

Contributions for all members are established by statute at 8% of assessable compensation and are deducted from the member's salary and remitted by the participating municipality.

Contributions for all employers are established by statute at 9% of employee's assessable compensation excluding overtime but including state supplemental pay.

The contribution requirements for the year ended December 31, 1998 was \$435 which consisted of \$186 (9% of covered payroll) from the City and \$249 (9% of covered payroll) from the employee.

15. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

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

CITY OF GRABLER, LOUISIANA
 SPECIAL REVENUE FUND-HEALTH & SANITATION FUND
 STATEMENT OF REVENUES, EXPENDITURES
 & CHANGES IN FUND BALANCE - BUDGET (BAAF BASIS) & ACTUAL
 YEAR ENDED DECEMBER 31, 1999
 WITH COMPARATIVE ACTUAL ACCOUNTS FOR YEAR ENDED DECEMBER 31, 1998

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	YEAR ENDED 12-31-98 ACTUAL
REVENUES				
Intergovernmental				
Solid Waste Mgt. Program	\$ 130,000	\$ 100,718	\$ (29,282)	\$ 130,000
Miscellaneous				
Garbage Collection	40,000	50,280	10,280	40,000
Solid Waste Containers	8,000	8,280	280	8,000
TOTAL REVENUES	188,000	159,278	(28,722)	177,999
EXPENDITURES				
Public	5,000	1,280	3,720	5,000
Employee Group Insurance	9,000	8,880	120	9,000
Insurance	17,000	20,880	(3,880)	17,000
Salaries	85,000	85,777	(777)	85,210
Part Time Wages	0	0	0	0
Unemployment Taxes	0	310	310	310
Supplies & Expenses	1,000	2,810	(1,810)	2,000
FOOD	5,000	2,800	2,200	5,000
Workers' Compensation	17,000	21,000	(4,000)	7,000
Vehicle Gas & Oil	8,000	3,400	4,600	3,710
Vehicle Repairs	8,000	6,100	1,900	800
Capital Outlay	2,000	0	2,000	8,570
Accounting Services	0	3,880	(3,880)	3,000
Bank Charges	0	0	0	0
Miscellaneous	1,000	0	1,000	1,000
TOTAL EXPENDITURES	180,000	158,878	2,122	220,809
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	88,000	30,400	(57,600)	57,190
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	0	0
Operating Transfers To General Funds	5,200,000	5,43,780	23,780	5,30,000
TOTAL OTHER FINANCING SOURCES (USES)	5,200,000	5,43,780	23,780	5,30,000
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	24,000	(12,478)	36,478	2,000
FUND BALANCE, BEGINNING	160,000	160,000	0	160,000
FUND BALANCE, ENDING	184,000	147,522	36,478	162,000

The accompanying notes are an integral part of this statement.

ACCOUNT GROUPS

SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$131,000	\$100,770	\$< 30,230>	\$460,741	\$331,247	\$< 129,494>
-0-	-0-	-0-	120,000	100,000	< 20,000>
-0-	-0-	-0-	91,830	100,700	8,870
-0-	-0-	-0-	120,207	111,169	< 9,038>
<u>131,000</u>	<u>100,770</u>	<u>30,230</u>	<u>622,838</u>	<u>643,776</u>	<u>20,938</u>
184,240	150,844	< 33,396>	797,760	728,790	< 68,970>
330,320	326,975	3,345	110,001	500,211	59,810
-0-	-0-	-0-	430,000	412,000	17,999
-0-	-0-	-0-	20,000	21,000	< 1,000>
-0-	-0-	-0-	20,000	0,000	20,000
<u>330,320</u>	<u>326,975</u>	<u>3,345</u>	<u>795,398</u>	<u>733,984</u>	<u>61,414</u>
53,918	31,889	< 22,029>	2,000	< 0,000>	< 2,000>
-0-	-0-	-0-	40,000	311,350	271,350
< 23,000>	< 43,787>	< 20,787>	< 20,000>	< 311,350>	< 291,350>
< 25,000>	< 49,787>	< 24,787>	24,950	< 100>	< 24,850>
20,910	< 17,910>	< 3,000>	20,910	< 3,377>	= 24,287>
<u>240,220</u>	<u>188,240</u>	< 51,980>	<u>423,423</u>	<u>398,797</u>	< 24,626>
<u>336,340</u>	<u>348,327</u>	< 11,987>	<u>450,340</u>	<u>388,428</u>	< 61,912>

The accompanying notes are an integral part of this statement.

CITY OF CHAMBLISS, LOUISIANA
 CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN
 RETAINED EARNINGS - PROPRIETARY FUND TYPE

	YEAR ENDED DECEMBER 31
	<u>1995</u>
OPERATING REVENUES	
Charges For Services	
Water Sales and Sewer System	\$518,740
Water Connection Charges	6,200
TOTAL OPERATING REVENUES	<u>524,940</u>
OPERATING EXPENSES	
Water Department	473,560
Sewer Distribution Department	40,267
Sewer Plant Department	151,414
TOTAL OPERATING EXPENSES	<u>665,241</u>
TOTAL OPERATING INCOME (LOSS)	< 140,800 >
NONOPERATING REVENUES (EXPENSES)	
Other Income	-0-
Interest Income	6,688
Ad Valorem Tax	27,133
Interest Expense	< 94,084 >
Intergovernmental Revenue	<u>48,180</u>
TOTAL NONOPERATING INCOME (EXPENSES)	< 21,034 >
INCOME (LOSS) BEFORE OPERATING TRANSFERS	< 119,766 >
OPERATING TRANSFERS IN (OUT)	
Operating Transfers In	381,344
Operating Transfers Out	< 310,260 >
TOTAL OPERATING TRANSFERS IN (OUT)	<u>71,084</u>
NET INCOME (LOSS)	< 48,682 >
RETAINED EARNINGS, BEGINNING	1,855,268
RETAINED EARNINGS, ENDING	<u>1,736,431</u>

The accompanying notes are an integral part of this statement.

CITY OF GRANBLEDGE
 COMBINED STATEMENT OF CASH FLOW
 PROPRIETARY FUND
 YEAR ENDED DECEMBER 31, 1996

CASH FLOW FROM OPERATING ACTIVITIES	
Operating Income (Loss)	\$< 308,889>
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:	
Increase in Taxes Receivables	< 2,383>
Increase in Accounts Receivables	27,126
Decrease in Accounts Payable	< 277,916>
Decrease in Due to Other Funds	-0-
Decrease in Investments	6,289
Depreciation	273,297
Decrease in Due From Other Governmental Agencies	48,954
Increase in Due From Other Funds	< 38,228>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	< 54,531>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Transfers In (Net)	98,434
Increase in Customers Deposits	6,112
Nonoperating Income	48,190
Ad Valorem Taxes	<u>27,130</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	123,870
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Increase in Financing Payables	169,304
Principal on Bonds Paid	< 132,563>
Interest on Bonds Paid	< 85,844>
Increase in Property, Plant & Equipment	< 102,746>
Intergovernmental Revenue	<u>-0-</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	< 160,847>
CASH FLOW FROM INVESTING ACTIVITIES	
Interest Income	<u>6,488</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	6,488
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	< 84,620>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>419,713</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>335,093</u></u>
CASH IN CURRENT ASSETS	102,015
CASH IN RESTRICTED ASSETS	<u>233,078</u>
TOTAL CASH AND CASH EQUIVALENTS	<u><u>335,093</u></u>

The accompanying notes are an integral part of this statement.

CITY OF CRAWBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1992

The accounting and reporting policies of the City of Crawbling conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Crawbling, Louisiana, was incorporated in 1958 under the provisions of the Larsson Act. The City operates under a Mayor-Board of Alderperson form of government. The City's major operations include public safety, fire protection, public works, recreation and parks, utility services, and general administrative services.

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

- (1) Financial Interdependency
When a separate agency produces a financial benefit for or imposes a financial burden on a unit of government, that agency is part of the

CITY OF GRABLIERS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

reporting entity. Manifestations of financial interdependency include responsibility for financial deficits, entitlements to surpluses, and guarantees of, or "moral responsibility" for, debt.

- (2) **Selection of Governing Authority**
An authoritative appointment is one where the entity's chief elected official maintains a significant advising relationship with the appointed officials with respect to carrying out important public functions.
- (3) **Designation of Management**
When management is appointed by and held accountable to a governing authority that is included in the entity, the activity being managed falls within the entity.
- (4) **Ability to Significantly Influence Operations**
This ability includes, but is not limited to, the authority to review and approve budgetary requests, adjustments, and amendments.
- (5) **Accountability for Fiscal Matters**
Fiscal authority normally includes the authority for final approval over budgetary appropriations, responsibility for funding deficits and operating deficiencies, disposal of surplus funds, control over the collection and disbursement of funds, and maintenance of title to assets.

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

- a. **Scope of Public Service** - Aspects to be considered include who the activity benefits and whether it is conducted within the entity's geographic boundaries and generally available to its citizens.
- b. **Special Financing Relationship** - Such a relationship may have been created to benefit the entity by providing for the insurance of debt on behalf of the entity.

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1994

included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

- b. **Special Revenue Funds**
These funds are established to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes.
- c. **Debt Service Funds**
These funds are established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds.
- d. **Capital Projects Funds**
Capital Projects Funds are used to account for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Principal sources of revenue are municipal long-term debt proceeds, interest income and various types of grants.

- (2) **Proprietary Fund Types**
These funds account for operations that are organized to be self-supporting through user charges. Included in this category are the Enterprise Funds.

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

- (3) **General Fixed Assets Account Group**
This is not a fund but rather an account group that is used to account for general

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Alderpersons
City of Grambling
Grambling, LA

I have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1996, and have issued my report thereon dated June 10, 1997.

I have applied procedures to test the City of Grambling, Louisiana's compliance with the following requirements applicable to its nonmajor federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended December 31, 1996.

1. Political Activity
2. Davis-Bacon Act
3. Civil Rights
4. Cash Management
5. Financial Reports
6. Allowable Costs/Cost Principles

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Grambling, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

All unencumbered budget appropriations lapse at the end of each fiscal year.

B. CASH & CASH EQUIVALENTS

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

F. RECEIVABLES

All receivables are reported at their gross value and, reduced by the estimated portion that is expected to be uncollectible.

G. INVESTMENTS

Investments are valued at cost.

H. DUE TO AND DUE FROM OTHER FUNDS

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are accounted.

I. INTEREST RECEIVABLE

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

J. INVENTORIES

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

K. RESTRICTED ASSETS

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

L. PROPERTY, PLANT AND EQUIPMENT

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks, bridges and drainage improvements are capitalized.

CITY OF GRAMBLING, LOUISIANA
 ENTERPRISE FUND
 SCHEDULE OF UTILITY FUNDS
 OPERATING EXPENSES BY DEPARTMENT
 YEAR ENDED DECEMBER 31, 1986

		<u>DECEMBER 31</u> <u>1986</u>
WATER DEPARTMENT		
Accounting expense	\$	4,381
Depreciation		151,004
Insurance		31,880
Power		88,234
Repairs/Maintenance		7,388
Water System Repair		9,631
Salaries and Wages		81,000
Supplies		10,407
Taxes on Payroll		7,388
Vehicle Maintenance/Repair		1,945
Vehicle Gas & Oil		5,488
Training		600
Audit		2,727
Office Expense		4,321
Sales Tax		800
Interest		39,420
Office Supplies		3,001
Miscellaneous		58
TOTAL WATER DEPARTMENT	\$	433,551
 SEWER DISTRIBUTION DEPARTMENT		
Insurance		1,781
Office Supplies		818
Salaries & Wages		27,907
Taxes on Payroll		2,353
Miscellaneous		-0-
Maintenance Repairs		3,113
Vehicle Maintenance/Repair		400
Utilities		5,483
Travel/Training		-0-
Plant Supplies		4,006
TOTAL SEWER DISTRIBUTION DEPARTMENT		48,867

The accompanying notes are an integral part of this statement.

CITY OF GRABLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1994

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

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

G. PROPERTY TAX REVENUES

Property taxes levied are based on the assessed value of property as listed on the previous December 31. Assessed values are an approximation of market value. A revaluation of all real property must be made every four years. The last revaluation date was January 1994.

H. VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES

The City of Grabling recognition and measurement criteria for compensated absences follows:

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

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

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

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

CITY OF GRABLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

Replacement Fund - Payments equal to 5% of the net revenues of the Combining Meterworks System and Sewerage System, provided, however, such payments shall not be less than \$507 per month over the life of the Series 1995 Bonds, until a Replacement Fund balance of \$75,000 is accumulated.

13. FUND EQUITY

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

Reserve for Inventories

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

Reserve for Debt Service

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

Reserve for Retained Earnings

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

14. PENSION PLAN

The City has one police officer who participates in the Municipal and State Police Employees' retirement system. The system is administered and controlled by a separate board of trustees, with contribution rates approved by the Louisiana Legislature. Contributions of participating municipalities are pooled within the system to fund accrued benefits of the system.

Plan Description

The Municipal Police Employees' Retirement System was established on July 1, 1973, by Act 189 of 1973 and amended by R.S. 33:2371 of the 1986 session to become Municipal and State Police Retirement System of Louisiana. The Municipal and State Police Employees' Retirement System of Louisiana is the administrator of a cost-sharing multiple-employer plan and provides retirement benefits for municipal and state police officers. Membership is mandatory for any full-time police officer, employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing they do not have to pay social security and providing they meet the statutory criteria. Benefit provisions are authorized with Act 189 of 1973 and amended by LA 33:2371.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Alderpersons
City of Grambling
Page 3

that caused me to believe that the City had not complied, in all material respects, with those provisions.

This report is intended for the management of the City of Grambling, Louisiana, its cognizant audit agency, and other agencies granting funds to the City. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Respectfully,



Madlan L. Hennigan
Certified Public Accountant

May 3, 1987

FINDINGS & EFFECTS

The City needs to update its employee manual, specifically, to address the issue of compensated absences.

RECOMMENDATION

The employee manual should be amended to address the issue of compensated absences.

RESPONSE

The City currently has a project committee formed to address this issue, and formally amend the employee manual for compensated absences.

FINDINGS & EFFECTS

General Fund and Special Revenue Fund actual revenues fall to meet budgeted revenues by more than five percent.

RECOMMENDATION

The City needs to review its General Fund and Special Revenue Fund budget vs actual financial reports on a quarterly basis and take appropriate actions.

RESPONSE

The finance committee of the City is reviewing the actual vs. budget Revenue & Expenditure Statement of the General Fund and Special Revenue Fund on a quarterly basis and making amendments to the budget on a quarterly or semi-annual basis as needed.

I considered these material instances of noncompliance in forming my opinion on whether the financial statements referred to in the first paragraph are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated May 9, 1987 on those financial statements referred to in the first paragraph.

Except as described above, the results of my tests of compliance indicate that, with respect to the items tested, City of Greasburg, Louisiana, complied in all material respects, with the provisions referred to in the third paragraph of this report, and with respect to items not tested, nothing came to my attention

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Alderpersons
City of Grambling
Grambling, LA 71348

I have audited the general purpose financial statements and the individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1994, and have issued my report thereon dated May 9, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Grambling, Louisiana, is the responsibility of the City of Grambling, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements referred to above are free of material misstatement, I performed tests of the city's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

Material instances of noncompliance are failures to follow requirements, or violations of prohibitions, contained in laws, regulations, contracts, or grants, that cause me to conclude that the aggregation of misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of my tests of compliance disclosed the following material instances of noncompliance:

CITY OF GRAPPLING, LOUISIANA
 ENTERPRISE FUND
 SCHEDULE OF UTILITY FUND
 OPERATING EXPENSES BY DEPARTMENT
 YEAR ENDED DECEMBER 31, 1996

	DECEMBER 31 1996
SEWER PLANT DEPARTMENT	
Depreciation	129,393
Maintenance Repairs	2,925
Insurance	1,612
Oxidation Pond Project	2,925
Interest	95,044
Plant Supplies	8,344
Utilities	14,059
Vehicle Maintenance/Repair	191
Miscellaneous	148
TOTAL SEWER PLANT DEPARTMENT	268,438
TOTAL OPERATING EXPENSES	\$268,438

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

Fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Funds.

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

C. BASIS OF ACCOUNTING

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

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

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

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

D. BUDGETARY DATA

Formal budgetary accounting is employed as a management control for the General, Special Revenue and Enterprise Funds of the City. Annual operating budgets are adopted each fiscal year through passage of an annual

budget ordinance and amended as required, and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Budgets for Debt Service and Capital Projects Funds are not adopted and are therefore not presented in the accompanying combined and combining financial statements. Budgetary control is exercised at the departmental level or by projects.

RESPONSE

The city has initiated better compliance controls for delinquent customer cut-off procedures.

II. FINDING & EFFECTS

The police department's ticket log book is not reconciled to cash receipts, tickets issued, or tickets outstanding.

RECOMMENDATION

The police department should set up procedures to reconcile monthly the ticket log book to cash receipts, tickets issued, and tickets outstanding.

RESPONSE

The city's police department has begun procedures to accurately track the issuance of tickets, cash receipt, and outstanding tickets by establishing improved reporting and recording.

III. FINDING & EFFECTS

Property Tax Delinquency Notices were not timely mailed out and filed for collection of unpaid property taxes.

RECOMMENDATION

Implement controls to properly track and schedule property tax payments and follow-up procedures for delinquent property tax notices.

RESPONSE

The City has implemented and put in place procedures to monitor property tax notices and subsequent delinquencies.

OTHER SUPPLEMENTARY REPORTS AND INFORMATION

SINGLE AUDIT SECTION

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

RADIAN L. HENNIGAN
Certified Public Accountant
1500 Woodwin Road
Baton, LA 71270
318-288-9385

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

To the Board of Alderpersons
City of Grambling
Grambling, LA 71227

I have audited the financial statements and the combining, individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1978, and have issued my report thereon dated May 9, 1987. These financial statements are the responsibility of the City of Grambling, Louisiana management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-129, "Audits of State and Local Governments." These standards and OMB Circular A-129 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the financial statements of the City of Grambling, Louisiana, taken as a whole. The accompanying schedule of Federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements.

To the Board of Alderpersons
City of Cambridge
Page 2

The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully,



Radier L. Hernandez
Certified Public Accountant

May 8, 1997

CITY OF BRANLINO, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED DECEMBER 31, 1990

ORGANIZATION/PROGRAM TITLE	Federal CFDA Number	Grantor's Number	Program or Award Number	FUND Balance 1-1-79	Previous Funds	Expenditure	Fund Balance 12-31-90
Department of Habitat							
Passed through the Home Administration Unit's Waste Disposal System of Local Committee	10-618	8281	1,250-000	-0-	114,082	114,082	-0-
U.S. Department of Justice Office of Justice Programs Bureau of Juvenile Justice	16-879	94-00-00-0174	143,881	-0-	64,803	64,802	-0-
U.S. Department of Justice Office of Community Extension Training Division Universal Victim Program Grant	16-546	3323	14,018	-0-	12,658	12,653	-0-
Safe and Drug-Free Schools and Communities Act, Comprehensive Safe and Drug- Free Program	16-878	38-82-1881-0	6,000	-0-	8,613	8,517	-0-

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
DEFICIENCY RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Alderpersons
City of Grambling
Page 2

This report is intended for the information of management of the City of Grambling, Louisiana, its cognizant audit agency and other agencies granting funds to the City. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Respectfully,



Radier L. Herwig
Certified Public Accountant

May 8, 1993

recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operations of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

- | | |
|------------------------|------------------------|
| - Billings/Receivables | - Cash Disbursements |
| - Cash Receipts | - Payroll |
| - Accounts Payable | - Property & Equipment |
| - Purchasing | - General Ledger |

For all of the control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed the control risk.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

I. FINDING & EFFECTS

Customers of Water & Sewer system allowed to remain on system despite delinquent account status.

RECOMMENDATION

Implement and follow an approved delinquent customer cut-off procedure for all customers that do not pay their water & sewer bills within the allowed time period.

CITY OF GRABLING
GRABLING, LOUISIANA

COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS

DECEMBER 31, 1996

ASSETS	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPE
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE
Cash	\$ 86,427	\$384,301	\$135,795	\$ -0-	\$ 54,662
Investment	81,680	-0-	88,283	181,371	47,153
RECEIVABLES					
Taxes	5,879	-0-	30,420	-0-	6,650
Accounts	11,347	13,318	3,434	1,021	78,725
Due from Other Funds	5,897	38,800	1,488	8,348	74,160
Due from Other Governmental Agencies	20,123	-0-	-0-	-0-	81,387
Restricted Assets					
Cash	-0-	-0-	-0-	-0-	233,638
Cash With Financial Agency	-0-	-0-	-0-	-0-	-0-
Investments, at book	-0-	-0-	-0-	-0-	84,848
Fixed Assets	-0-	-0-	-0-	-0-	-0-
Utility Plant & Equipment (Net)	-0-	-0-	-0-	-0-	8,323,294
Amount to be provided for Retirement of General Long-Term Debt	-0-	-0-	-0-	-0-	-0-
Amount Available to Debt Service	-0-	-0-	-0-	-0-	-0-
TOTAL ASSETS	\$281,673	\$422,619	\$254,716	\$182,371	\$5,166,644
LIABILITIES & FUND EQUITY					
LIABILITIES					
Accounts Payable	7,870	6,888	-0-	-0-	5,347
Accrued & Other Liabilities	1,508	213	-0-	-0-	475
Payable from Restricted Account					
Accounts Payable	-0-	-0-	-0-	-0-	24,470
Accrued (Compens) Payable	-0-	-0-	-0-	-0-	122,541
Accrued Unearned Payable	-0-	-0-	-0-	-0-	53,229
Customer's Deposits	-0-	-0-	-0-	-0-	84,848
Due to Other Funds	26,754	-0-	74,395	-0-	30,290
Due to Other Governmental Agencies	-0-	-0-	-0-	-0-	-0-
Bonds Payable					
General Obligation Bonds Payable	-0-	-0-	-0-	-0-	-0-
Revenue Bonds Payable	-0-	-0-	-0-	-0-	3,481,438
Accumulated Unpaid Compensated Absences	-0-	-0-	-0-	-0-	-0-
TOTAL LIABILITIES	\$34,126	\$7,101	\$74,395	\$ -0-	\$3,667,581

To the Board of Alderpersons
City of Gretnaling
Page 4

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and accordingly would not necessarily disclose all reportable conditions that are also considered to be a material weaknesses as defined above. However, I consider the findings noted above to be material weaknesses.

This report is intended for the management of the City of Gretnaling, Louisiana, its cognizant audit agency and other agencies granting funds to the City. This restriction is not intended to limit the distribution of this report, which is matter of public record.

Respectfully,



Madian E. Hennigan
Certified Public Accountant

May 8, 1997

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

RADIAN L. HENNINGAN
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INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Alderpersons
City of Grambling
Grambling, LA

I have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1998, and have issued my report thereon dated May 9, 1997.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-110, "Audits of State and Local Governments." These standards and OMB Circular A-110 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit for the year ended December 31, 1998, I considered the City's internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the City's general purpose financial statements and on the compliance of City of Grambling with requirements applicable to major programs and not to provide assurance on the internal control structure. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated May 9, 1997.

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

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering Federal financial assistance program in the following categories:

Accounting Controls

- Billings/Receivables
- Cash Receipts
- Accounts Payable
- Cash Disbursements
- Property & Equipment
- General Ledger
- Grant Programs

General Requirements

1. Political Activity
2. Davis-Bacon Act
3. Civil Rights
4. Cash Management
5. Financial Reports
6. Allowable Costs/Cost Principles

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Alderpersons
City of Grambling
Page 4

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above. However, I noted certain matters that I have reported to the management of the City of Grambling in a separate letter dated May 9, 1987.

This report is intended for the information of management of the City of Grambling, Louisiana, its cognizant audit agency and other agencies granting funds to the City. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Respectfully,



Nathan L. Hennigan
Certified Public Accountant

May 9, 1987

Specific Requirements

1. Types of Services Allowed/Unallowed
2. Reporting
3. Special Requirements

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

During the year ended December 31, 1998, the City of Greentling, Louisiana had no major federal financial assistance program and expended over 50 percent of its total federal financial assistance under the following nonmajor federal financial assistance program: Water and Waste Disposal Systems for Rural Communities.

I performed tests of controls, as required by OMB Circular A-120, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to the aforementioned nonmajor program. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure, that, in my judgment, could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements or to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Alderpersons
City of Grambling
Grambling, LA

I have audited the general purpose financial statements and the combining individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1994, and have issued my report thereon dated May 9, 1997.

I conducted my audit in accordance with generally accepted auditing standards. Government Auditing Standards, issued by the comptroller general of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit of the financial statements referred to in the first paragraph of the City of Grambling, Louisiana, for the year ended December 31, 1994, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on these financial statements and not to provide assurance on the internal control structure.

The management of the City of Grambling, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and

CITY OF CHANDLER
 ENTERPRISE FUND—WATER AND SEWER
 SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR
 REVENUE BONDS DEBT SERVICE
 YEAR ENDED DECEMBER 31, 1999

CONTINGENCY	TOTAL
\$ 11,859	\$ 228,495
11,859	228,495
1,708	303,873
654	4,188
-0-	139,124
2,362	446,975
14,219	675,471
-0-	139,124
-0-	88,000
-0-	83,124
-0-	88,124
-0-	358,372
14,219	103,078

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1994

1,200,000 Utilities Revenue Bonds Series 1990, due in annual installments of \$78,000 to \$75,000 through March 2005, interest at 5 to 5 1/8 percent (this issue secured by water fees to be collected by the city) 1,200,000

1,170,000 Utilities Revenue Bonds, Series, 1990, due in annual installments of \$70,000 to \$80,000 through March 2010, interest at 3.25 percent (this issue secured by Sewer User Fees to be collected by the City) 1,170,000

The annual requirements to amortize all debts outstanding at December 31, 1994, including interest payments of \$3,278,278 are as follows:

Year Ending December 31	General Obligation	Combined Revenues	Total
1997	31,113	100,794	311,907
1997-2000	83,338	694,417	777,755
2001-2005	121,885	603,708	1,005,083
2006-2010	-	603,730	603,730
2010-2025	-	2,178,107	2,178,107
	<u>248,716</u>	<u>4,859,446</u>	<u>5,108,162</u>

\$271,757 is available in the Debt Service Funds to service the general obligation bonds and other long-term obligations.

During the year ended December 31, 1994, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance 1-1-94	Additions	Reductions	Balance 12-31-94
General Obliga- tion bonds payable	\$185,000	\$ -0-	\$ 15,000	\$170,000
Compensated absences	<u>26,236</u>	<u>-0-</u>	<u>1,221</u>	<u>25,015</u>
Total	<u>\$211,236</u>	<u>-0-</u>	<u>\$16,221</u>	<u>\$195,015</u>

12. FLOW OF FUNDS

Under the terms of the bond indentures on outstanding Combined Utility Revenue Refunding Bonds dated January 1, 1978, and Water & Sewer Junior Lien Revenue Bonds dated July 1, 1970, all income and revenues (hereinafter referred to as revenues) of every nature, earned or derived from operation of the utility system are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

CITY OF GRAMBLING, LOUISIANA
NOTICE TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

Components of the various Restricted Assets are as follows:

	Cash	Investments	Total
Cash-Construction Projects	\$ -0-	\$ -0-	\$ -0-
Bond and Interest Redemption	148,314	-0-	148,314
Reserve	-0-	72,848	72,848
Contingency/Replacement	14,219	-0-	14,219
Customer Deposit	<u>88,546</u>	<u>-0-</u>	<u>88,546</u>
	<u>251,079</u>	<u>72,848</u>	<u>323,927</u>

11. CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the City for the year ended December 31, 1996

	General Obligation	Revenue Bond Issued	Total
Bonds Payable January 1, 1996	\$ 185,000	\$ 2,850,000	\$ 3,035,000
Bonds Issued	-0-	-0-	-0-
Bonds Retired	<u><18,000></u>	<u><28,000></u>	<u><46,000></u>
Bond Payable, December 31, 1996	<u>177,000</u>	<u>2,822,000</u>	<u>3,004,000</u>

Bonds payable at December 31, 1996 are comprised of the following individual issues:

	Bonds Outstanding <u>12-31-96</u>
General Obligation Bonds	
\$305,000 1984 Sewer System Improvement Bonds, due in annual installments of \$10,000 to \$30,000 through April 1, 2008, interest at 8.00 percent (this issue secured by levy and collection of ad valorem taxes)	\$ 178,000
Total	\$ 178,000
Revenue Bonds	
180,000 1975 Water Sewer System Junior Lien Revenue Bonds, due in annual installments of \$9,000 to \$17,000 through January 1, 2012, interest at 8.175 percent.	259,000

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

8. PROPERTY, PLANT, AND EQUIPMENT

	Balance 12-31-97	Additions	Deletions	Balance 12-31-98
Land	\$ 37,392	\$	\$	\$ 37,392
Buildings	291,797	888		292,685
Improvements Other than Buildings	322,827			322,827
Equipment	911,241	4,464	190	915,515
Construction in Progress	-0-			-0-
Total General Fixed Assets	1,563,257	5,352	190	1,568,759

A summary of proprietary fund type property, plant and equipment and depreciation at December 31, 1998 follows:

Property, Plant & Equipment	Life in Years	Balance 12-31-98	Additions	Deletions	Balance 12-31-98
Land/Improvements		\$ 16,324	\$ -0-	-0-	\$ 16,324
Waterworks/Sewer System	25-30	2,711,307	102,745	-0-	2,814,052
Automobiles/Trucks	5	12,758	-0-	-0-	12,758
Office Equipment	5-8	44,808	-0-	-0-	44,808
Sundry Equipment	5-8	24,828	-0-	-0-	24,828
Sewage Plant	25-30	2,407,860	-0-	-0-	2,407,860
Waterworks	15-25	1,830,432	-0-	-0-	1,830,432
Total		6,448,344	102,745	-0-	6,751,111
Less: Accumulated Depreciation		<u>3,186,418</u>	<u>271,387</u>	<u>-0-</u>	<u>3,457,805</u>
Net Property, Plant and Equipment		3,261,926	836,358	-0-	3,261,926

9. CLAIMS AND JUDGMENTS

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

10. RESTRICTED ASSETS, ENTERPRISE FUND

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

CITY OF CHAMBLING, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1998

6. INVESTMENTS

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

The City's investments are categorized below to give an indication of the level of risk assumed by the City at year end. Category 1 provides for investments insured or registered, or securities held by the City or its agents in the City's name. Category 2 provides for uninsured and unregistered securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered securities held by the counterparty or by its trust department or agent but not in the City's name. (In accordance with GASB 3, this category includes certificates of deposit or money market accounts that are collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name although balances so collateralized meet the requirements of state law. Of the amount shown in Category 3, \$588,888.00 is collateralized by securities held by the pledging financial institution's agent but not in the City's name.)

	CATEGORY			CARRYING AMOUNT	MARKET VALUE
	1	2	3		
Savings and Certificates of deposit	-0-	-0-	464,172	464,172	464,212

8. DUE TO/FROM OTHER FUNDS

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,097	\$ 38,764
Debt Service Fund	2,638	38,157
Utility Fund	38,921	10,200
Capital Projects Fund	4,245	-0-
Health & Sanitation	38,822	-0-
	<u>82,723</u>	<u>87,121</u>

7. DUE FROM OTHER GOVERNMENTAL UNITS

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

Due From State of Louisiana & Other Federal Agency	\$ 208,018
TOTAL	<u>208,018</u>

CITY OF GRABBLEING, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1998

- D. DEPOSITS WITH FINANCIAL INSTITUTIONS
 State statutes require that the City's deposits be collateralized by securities. All deposits were adequately collateralized at December 31, 1998. However, it is undeterminable if this requirement was complied with throughout the year.
- C. EXCESS OF EXPENDITURES OVER REVENUE
 Gas fund had expenditures that exceeded revenue for the current year.

3. CASH

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

4. PROPERTY TAXES

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

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

For the year ended December 31, 1998, taxes of \$4.00 mills were levied on property with assessed valuations totalling \$5,812,800.00 and were dedicated as follows:

General Corporate Purposes	7.0 Mills
Debt Services	13.0 Mills
Water Maintenance	5.0 Mills

Total taxes levied were \$234,238. Taxes receivable at December 31, 1998, consisted of the following:

Taxes receivable current roll	\$ 43,988
Taxes receivable prior roll	12,860
Allowances for uncollectible taxes	<u>211,860</u>
TOTAL	<u>45,000</u>

CITY OF GRAMBLING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

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

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

At December 31, 1998, employees of the City had accumulated and vested \$25,664 of employee leave benefits. This amount is recorded within the general long-term obligations account group.

5. COMPARATIVE DATA

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

T. TOTAL COLUMNS

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

3. REMARKS, COMPLIANCE, AND ACCOUNTABILITY

A. COMPLIANCE WITH BOND COVENANTS

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

CITY OF GRANELING
 ENTERPRISE FUND-WATER AND SEWER
 SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR
 REVENUE BONDS DEBT SERVICE
 YEAR ENDED DECEMBER 31, 1996

	CASH WITH PAYING AGENT	BOND AND INTEREST RESERVATION	RESERVE
CASH-1/1/96	\$ -0-	\$ 83,572	\$115,864
CASH AND INVESTMENTS, 1/1/96	-0-	83,572	138,864
CASH RECEIPTS			
Transfer from Operating	-0-	201,866	-0-
Interest on Investments	-0-	-0-	3,628
Transfer From Bond and Interest Redemption	139,124	-0-	-0-
TOTAL CASH RECEIPTS	<u>139,124</u>	<u>201,866</u>	<u>3,628</u>
TOTAL CASH AND INVESTMENTS AVAILABLE	<u>139,124</u>	<u>285,438</u>	<u>138,692</u>
CASH DISBURSEMENTS			
Transfer to Paying Agent	-0-	139,124	-0-
Principal Payments	56,000	-0-	-0-
Interest Payments	81,124	-0-	-0-
Transfer to Operating	-0-	-0-	56,145
TOTAL CASH DISBURSEMENTS	<u>139,124</u>	<u>139,124</u>	<u>56,145</u>
CASH AND INVESTMENTS, 12/31/96	<u>-0-</u>	<u>146,314</u>	<u>72,547</u>

The accompanying notes are an integral part of this statement.

CITY OF GRAMBLING, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED DECEMBER 31, 1994

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes	\$ 269,741	\$ 228,389	\$ < 41,352>
Licenses & Permits	116,855	180,934	< 15,121>
Intergovernmental	81,835	180,785	9,850
Fines & Forfeits	128,297	111,148	< 15,149>
Miscellaneous	8,388	28,728	18,341
TOTAL REVENUE	613,916	569,984	< 43,932>
EXPENDITURES			
Current:			
General Government	188,700	181,216	25,484
Public Safety	420,888	423,098	17,888
Streets & Highways	22,862	22,984	< 1,122>
Park & Recreation	22,382	8,892	13,490
Debt Services:			
Principle Retirement	-----	-----	-----
Interest & Fiscal Charges	-----	-----	-----
TOTAL EXPENDITURES	663,832	637,098	86,287
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	< 49,916>	< 37,114>	12,402
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	49,550	511,356	161,806
Operating Transfers Out	-----	<282,002>	<161,002>
TOTAL OTHER FINANCING SOURCES (USES)	49,550	229,354	124
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	-8-	12,541	12,541
FUND BALANCE, BEGINNING	124,181	124,502	< 32,645>
FUND BALANCE, ENDING	124,181	148,022	< 23,124>

The accompanying notes are an integral part of this statement.

RADIAN L. HENNIGAN
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

To the Board of Alderpersons
City of Grambling
Grambling, LA

I have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Grambling, Louisiana, as of and for the year ended December 31, 1998, and have issued my report thereon dated May 9, 1997.

In connection with my audit of the general purpose financial statements of City of Grambling, Louisiana and with my consideration of City of Grambling, Louisiana's control structure used to administer Federal financial assistance programs, as required by Office of Management and Budget Circular A-128, Audits of State and Local Governments, I selected certain transactions applicable to certain nonmajor Federal financial assistance programs for the year ended December 31, 1998. As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; reimbursements; eligibility; and matching that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Grambling, Louisiana's compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the City of Grambling, Louisiana, had not complied, in all material respects, with those requirements.

CITY OF GRABLING, LOUISIANA
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS
DECEMBER 31, 1996

Prior Year Findings: The police department's ticket log book is not reconciled to cash receipts, tickets issued, or tickets outstanding.

Corrective Action: The City's Police Department has begun and is continuing to implement procedures to accurately track the issuance of tickets, cash receipts, and outstanding tickets by establishing improved reporting and monitoring procedures.

Prior Year Findings: The time-card hours were not accurately completed on several time-cards pulled for testing nor were the controls in place to monitor time-card hourly calculations.

Corrective Action: The city has put in place procedures to calculate and monitor accuracy of computations of time-card hours of employees.

Prior Year Findings: Evidence of authorization for payment of invoices was lacking on some paid invoices observed during our test of transactions; although alternate sources of evidence revealed that authorization had been obtained on these paid invoices.

Corrective Action: The city has initiated better compliance procedures in the invoice authorization process to monitor stricter observance of authorized transactions as relates to paid invoices.

CITY OF SHREVEPORT, LOUISIANA
 STATEMENTS OF GENERAL LONG-TERM DEBT
 DECEMBER 31, 1998

	<u>GENERAL OBLIGATION</u>	<u>COMPENSATED ABSENCES</u>	<u>TOTAL</u>
AMOUNT AVAILABLE & TO BE PROVIDED FOR THE EXTINCTION OF GENERAL LONG TERM DEBT			
Amount Available in Debt Service Funds For Debt Retirement	\$ 170,000	\$ 29,440	\$ 199,440
Amount to be Provided from Ad Valorem Taxes	-0-	-0-	-0-
TOTAL AVAILABLE	<u>\$ 170,000</u>	<u>\$ 29,440</u>	<u>\$199,440</u>
GENERAL LONG-TERM DEBT PAYABLE			
Bonds Payable	\$ 170,000	\$ -0-	\$170,000
Unpaid Compensated Absences	-0-	29,440	29,440
TOTAL GENERAL LONG-TERM DEBT PAYABLE	<u>\$ 170,000</u>	<u>\$ 29,440</u>	<u>\$199,440</u>

The accompanying notes are an integral part of this statement.

CITY OF GRABOWO, LOUISIANA
 STATEMENT OF CHANGES IN GENERAL FUNDS ASSETS
 YEAR ENDED DECEMBER 31, 1998

	IMPROVEMENT OTHER THAN				CONSTRUCTION	
	LAND	BUILDING	BUILDING	EQUIPMENT	IN PROGRESS	TOTAL
General Fund Assets, Beginning of Year	227,392	2291,999	2322,827	2212,942	0	1,168,157
ADDITIONS						
General Fund	-0-	688	-0-	4,464	-0-	5,152
Health & Sanitation	-0-	-0-	-0-	-0-	-0-	-0-
Capital Project	-0-	-0-	-0-	-0-	-0-	-0-
	<u>-0-</u>	<u>688</u>	<u>-0-</u>	<u>4,464</u>	<u>-0-</u>	<u>5,152</u>
TOTAL BALANCE AND ADDITIONS	<u>227,392</u>	<u>2292,687</u>	<u>2322,827</u>	<u>2217,406</u>	<u>-0-</u>	<u>1,173,309</u>
DEDUCTIONS						
Assets Transferred to Other Funds	-0-	-0-	-0-	-0-	-0-	-0-
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
General Fund Assets, End of Year	<u>227,392</u>	<u>2292,687</u>	<u>2322,827</u>	<u>2217,406</u>	<u>-0-</u>	<u>1,173,309</u>

The accompanying notes are an integral part of this statement.

CITY OF GRABLING, LOUISIANA
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
 DECEMBER 31, 1996 & 1995

	DECEMBER 31,	
	1996	1995
GENERAL FIXED ASSETS, AT COST		
Land	\$ 37,390	\$ 37,390
Buildings	291,485	291,787
Improvement Other Than Buildings	322,627	322,627
Equipment	510,403	511,241
TOTAL GENERAL FIXED ASSETS	\$1,161,905	\$1,163,045
INVESTMENT IN GENERAL FIXED ASSETS	\$1,161,905	\$1,163,045

The accompanying notes are an integral part of this statement.

SUPPLEMENTARY DATA SECTION

CITY OF GRABLING, LOUISIANA
 COMBINED SCHEDULE OF INVESTMENTS
 DECEMBER 31, 1994

	<u>INTEREST</u> <u>RATE</u>	<u>DATE</u> <u>ACQUIRED</u>	<u>MATURITY</u> <u>DATE</u>	<u>BOOK</u> <u>VALUE</u>
GENERAL FUND				
Certificates of Deposits				
Central Bank	5.00%	11/20/94	11/18/97	\$ 11,723
Central Bank	4.00%	03/14/95	03/14/97	10,800
Savings Account				
Central Bank	2.50%			3,900
Central Bank	3.50%			11,782
Central Bank	5.00%	08/10/94	08/10/97	15,876
Grabling Federal Credit Union	3.00%			<u>14,285</u>
TOTAL GENERAL FUND				\$ 56,366
ENTERPRISE FUND				
Security First National Bank	5.15%	08/14/94	08/14/97	13,823
Bank One	4.45%	05/19/95	05/19/97	14,840
Bank One	4.61%	12/06/95	12/06/97	10,800
Security First National Bank	3.80%	02/28/94	02/28/97	<u>15,566</u>
TOTAL ENTERPRISE FUND				\$45,029
DEBT SERVICE FUND				
Certificates of Deposits				
Central Bank	5.00%	12/20/94	12/18/97	34,783
Central Bank	5.00%	11/20/94	11/18/97	8,153
Bank One	4.90%	07/19/94	07/18/97	28,470
Security First National Bank	5.15%	09/15/94	09/14/97	<u>24,822</u>
TOTAL DEBT SERVICE FUND				\$ 96,228
CAPITAL PROJECTS				
Certificates of Deposits				
Central Bank	5.00%	11/20/94	11/18/97	90,800
Central Bank	5.00%	08/04/94	08/04/97	28,117
Central Bank	5.00%	11/20/94	11/18/97	28,164
Central Bank	5.00%	11/20/94	11/18/97	<u>3,288</u>
TOTAL CAPITAL PROJECTS				150,369
GRAND TOTAL				\$192,763

CITY OF GRABLING, LOUISIANA
COMBINED SCHEDULE OF BOND PAYABLE
DECEMBER 31, 1998

Description	INTEREST				Annual Debt Payments	BONDS		
	Rate	Payment Dates	Issue Date	Final Maturity Date		Retired	Outstanding	12/31/98
GENERAL OBLIGATION BONDS Sewer Improvement Bonds Series 1998	8.00%	4-1,10-1	4/1/98	4/1/04	15,000 (1998-99) 30,000 (1999-01) 30,000 (2002-03) 30,000 (2004)	0	0	0
Revenue Bonds Water & Sewer System Jointed Lien Revenue Bonds	8.00%	1-6,7-1	7/1/70	1/1/10		180,000	121,000	210,000
Water & Sewer Utility Revenue Bonds Series, 1998	8.00%	3-3	3/1/98	3/1/10		1,100,000	0	1,100,000
Water & Sewer Utility Revenue Bonds Series, 1993	8.00%	3-1	3/1/93	3/1/10		1,100,000	45,000	1,125,000
GRAND TOTAL						12,180,000	166,000	12,000,000

CITY OF GRABLING, LOUISIANA
SCHEDULE OF COMPENSATION PAID ALDERPERSONS
FOR THE YEAR ENDED DECEMBER 31, 1988

<u>ALDERPERSON</u>	<u>AMOUNT</u>
Edward Adams	\$ 1,850
Earl Bibbe	1,850
Birdex Copeland	1,850
Richard J. Gallot, Jr.	1,850
A.D. Smith	<u>1,850</u>
	<u>\$ 7,450</u>

CITY OF MEMPHIS, LOUISIANA
NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

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

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

There shall also be set aside into a "Bond Reserve Fund" an amount equal to 2% of the principal and interest payments required during the current fiscal year until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year, that amount being \$26,501. Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Bond and Interest Redemption Fund and as to which there would otherwise be default.

Funds will also be set aside into a Contingency Fund at the rate of \$15 each month until the amount of \$40,000 is on deposit in the fund. Money in this fund may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond funds. The balance in this fund shall never be reduced below a minimum of \$8,000.

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

Under the terms of the bond indentures on the outstanding Utility Revenue Bonds, Series, 1983, and the Utility Revenue Bonds, Series, 1985, the following conditions of payments and various reserve accounts were stated:

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

Reserve Fund - Payments shall be made in combined sum equal to 2% of the monthly Sinking Fund payment on the Series 1983 Bonds and 2% of the monthly Sinking Fund payment on the Series 1985 until an amount equal to the Reserve Fund Requirement is on deposit in the Reserve Fund. The initial Reserve Fund Requirement to be accumulated is approximately \$26,501.

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

RADIAN L. HENNINGAN
Certified Public Accountant
1583 Goodwin Road
Baton Rouge, LA 71270
228-288-8108

INDEPENDENT AUDITOR'S REPORT

To the Board of Alderpersons
City of Grambling
Grambling, LA 71248

I have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the City of Grambling as of December 31, 1986, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the City of Grambling's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Grambling at December 31, 1986, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles. Also, in my opinion, the combining and individual fund, and account group financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds and account

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area and provide
them to the
auditor.

CITY OF GRABLING
GRABLING, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1990

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, every and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Jul 16 1991
Release Date _____

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10/1/91

CITY OF GRAMBLING, LOUISIANA
 GRAMBLING, LOUISIANA
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 1990

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CITY OF GRANDLEIGH
 GRANDLEIGH, LOUISIANA

FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 1996

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ACCOUNT GROUP				TOTALS	
GENERAL		GENERAL		LIABILITIES ONLY	
FIXED	LONG-TERM			DECEMBER 31	DECEMBER 31
ASSETS	LIABILITIES			1975	1974
\$	\$	-0-	-0-	\$ 263,385	\$ 304,209
		-0-	-0-	288,287	330,863
		-0-	-0-	48,946	31,789
		-0-	-0-	98,947	82,421
		-0-	-0-	123,288	85,821
		-0-	-0-	503,518	388,658
		-0-	-0-	233,078	382,888
		-0-	-0-	-0-	-0-
		-0-	-0-	88,848	19,166
1,168,908		-0-	-0-	1,388,808	1,182,157
		-0-	-0-	3,328,286	3,483,949
		-0-	-0-	-0-	18,194
	391,885			388,658	203,742
<u>1,168,908</u>	<u>391,885</u>			<u>11,028,178</u>	<u>10,614,358</u>
		-0-	-0-	18,487	291,344
		-0-	-0-	2,143	3,222
		-0-	-0-	14,438	-0-
		-0-	-0-	138,941	13,800
		-0-	-0-	82,329	-0-
		-0-	-0-	88,848	80,434
		-0-	-0-	123,249	88,821
		-0-	-0-	-0-	-0-
	378,000			378,000	388,000
	-0-			2,501,438	2,888,822
	24,885			27,658	24,928
<u>1</u>	<u>391,885</u>			<u>12,328,286</u>	<u>12,212,178</u>

The accompanying notes are an integral part of this statement.

FINANCIAL SECTION

To the Board of Alderpersons
City of Gretnburg
Page 2

groups of the City of Gretnburg as of December 31, 1996, and the results of operations of such funds and the cash flows of the individual proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining and individual fund and account group financial statements. The accompanying financial information listed as supplementary information in the table of contents on pages 52 to 53, is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Gretnburg, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, and individual fund and account group financial statements and, in my opinion is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

Respectfully,



Madian E. Hennigan
Certified Public Accountant

May 9, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF GRANDBOIS
 GRABLING, LOUISIANA

COMBINED BALANCE SHEET--ALL FUNDS AND ACCOUNT GROUPS

DECEMBER 31, 1996

	GOVERNMENTAL FUND FUNDS				PROPRIETARY FUNDS
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE
FUND EQUITY					
Contributed Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$1,799,186
Investment in General					
Fixed Assets	-0-	-0-	-0-	-0-	-0-
Retained Earnings					
Reserved for					
Debt Retirement	-0-	-0-	-0-	-0-	114,211
Unreserved	-0-	-0-	-0-	-0-	1,447,373
Fund Balance					
Reserved for Debt Service	-0-	-0-	189,375	-0-	-0-
Unreserved and Re-designated	149,895	148,127	-0-	190,547	-0-
TOTAL FUND EQUITY	\$149,895	\$148,127	\$189,375	\$190,547	\$3,175,619
TOTAL LIABILITIES AND FUND EQUITY	\$221,421	\$221,421	\$221,421	\$221,421	\$5,220,815

CITY OF CHARLESTON, SOUTH CAROLINA
 COMBINED STATEMENT OF REVENUE, EXPENDITURES,
 AND CHANGES IN FUND BALANCES AND DEFERENTIAL FUND TYPES
 DECEMBER 31, 1994

	GOVERNMENTAL FUND TYPES				TOTAL	
	GENERAL	SPECIAL	DEBT	CAPITAL	PROGRAMS ONLY	
					REVENUE	EXPENSE
REVENUE						
Taxes	\$128,380	\$102,720	\$ 85,280	\$ -	\$316,380	\$419,810
Licenses & Permits	100,924	-	-	-	100,924	98,494
Intergovernmental	100,300	-	-	-	100,300	178,648
Fines & Forfeits	175,180	-	-	-	175,180	80,423
Miscellaneous	28,787	54,044	8,471	7,440	98,742	93,634
TOTAL REVENUE	533,571	156,764	93,751	7,440	791,526	819,009
EXPENDITURES						
CURRENT:						
General Government	145,524	-	122	68	145,714	146,528
Public Safety	418,098	-	-	-	418,098	552,713
Highways & Streets	22,984	-	-	-	22,984	13,895
Health & Sanitation	-	128,975	-	-	128,975	173,818
Park & Recreation	8,640	-	-	-	8,640	12,798
Debt Service	-	-	18,000	-	18,000	10,000
Principal Retirement	-	-	-	-	-	-
Interest & Fiscal Charges	-	-	17,972	-	17,972	16,818
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	605,246	128,975	18,000	68	752,289	717,962
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-71,675	27,789	75,751	7,372	39,237	101,047
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	211,256	-	-	-	211,256	85,890
Operating Transfers Out	(281,892)	-49,787	(48,548)	373	(381,794)	(128,242)
TOTAL OTHER FINANCING SOURCES (USES)	-70,636	-49,787	(48,548)	373	(170,638)	-42,352
EXCESS (DEFICIENCY) OF REVENUE & OTHER SOURCES OVER EXPENDITURES & OTHER USES	10,039	-21,186	27,203	7,745	-131,451	58,695
FUND BALANCE, BEGINNING	125,521	188,240	201,044	151,323	666,128	381,824
FUND BALANCE, ENDING	135,560	167,054	228,247	159,068	690,929	434,219

The accompanying notes are an integral part of this statement.

To the Board of Alderpersons
City of Grambling
Page 2

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the the City of Grambling, Louisiana had not complied, in all material respects, with those requirements.

This report is intended for the information of management of the City of Grambling, Louisiana its cognizant audit agency, and other agencies granting funds to the City. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Respectfully,



Eddien L. Harnigan
Certified Public Accountant

May 8, 1994

ACCOUNT GROUP		TOTALS UNASSIGNED SHELL	
GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	DECEMBER 31 1978	DECEMBER 31 1979
\$ -0-	\$ -0-	\$ 1,399,586	\$ 1,399,586
1,168,899	-0-	1,168,899	1,168,757
-0-	-0-	138,331	138,331
-0-	-0-	2,642,382	2,741,479
-0-	-0-	182,278	221,742
-0-	-0-	482,982	482,822
<u>\$1,168,899</u>	<u>\$ -0-</u>	<u>\$ 4,786,078</u>	<u>\$ 4,822,788</u>
<u>\$1,168,899</u>	<u>\$ 285,635</u>	<u>\$ 4,874,273</u>	<u>\$ 4,874,273</u>

The accompanying notes are an integral part of this statement.

CITY OF GRABLIENS
GRABLIENS, LOUISIANA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1998

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