

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
of the  
CITY OF BOSSIER CITY, LOUISIANA  
for the  
Year Ended December 31, 1995**

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**George Dement  
Mayor**

Release Date 9-4-96 **Charles E. Glover  
Director of Finance**

**Prepared by Department of Finance**

# **KPMG** Peat Marwick LLP

1900 Commercial National Tower  
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Shreveport, LA 71101-3692

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March 8, 1996

## **CONFIDENTIAL**

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the financial statements of the City of Bossier City, Louisiana (the "City") for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996. In planning and performing our audit of the financial statements of the City, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

During our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies and are summarized as follows:

### **POLICEMEN'S AND FIREMEN'S PENSION FUNDS**

**Review of Accounting Records** — Since the daily accounting for these funds is now handled by a third party, on a periodic basis a City representative should review the funds' financial information including comparing the detail listing of investments to the amount recorded on the general ledger. This review and comparison will reduce the chance of any large year-end adjustments and strengthen controls over the integrity of the financial information.

**Segregation of Duties** — The person who handles the daily accounting for the pension funds also reconciles the bank account and is an authorized signatory on the bank accounts. These duties are incompatible. The person reconciling the bank account should not also be an authorized signatory on the account.

### **TRAVEL EXPENSES**

It was noted that the City's travel policy related to documentation of travel expenses was not being completely adhered to for all travel expenses. Within the fire and police department, we found travel expense reports which reimbursed individuals for a per diem amount ranging from \$20 to \$30. We would encourage the use of actual receipts for meal reimbursements and the City should re-emphasize the importance of the documentation to the employees and ensure the policy is monitored and compliance is uniform.



## Office of the Mayor

BOSSIER CITY, LOUISIANA

GEORGE DEMENT  
MAYOR

620 BENTON ROAD  
POST OFFICE BOX 5337  
BOSSIER CITY, LA 71171-5337  
(318) 741-8501

June 20, 1996

Legislative Auditor  
State of Louisiana  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

Re: Response to Management Letter Comments for Report Dated December 31, 1995.

Dear Sir:

In response to the suggestions and recommendations made in the referenced letter, I submit to you the following.

### Policemen's and Fireman's Pension Funds

**Review of Accounting Records** - The City Comptroller will continue to review the financial statements of the Police Pension Fund. The City Comptroller will begin reviewing the Fireman's Pension Fund on a monthly basis in order to avoid any significant adjustments at year end.

**Segregation of Duties** - We will discontinue allowing the person who handles the daily accounting and reconciles the bank statement as a authorized signatory on the account.

### Travel Expenses

All departments have been notified that the use of actual receipts is now required and the finance department will continue to monitor documentation to insure compliance is uniform.

### Water and Sewerage Meter Installation

This problem is one that can be solved if the Permits and Inspections Department will consistently notify Customer Services that a meter is installed and ready for billing. Last year we tried a policy of verbal notification that did not work. We are now going to try to either a redesign of the form that records the final inspection or create some other method of informing Customer Service in writing that they have a new customer to bill.

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana  
March 8, 1996  
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### COMMENTS REPEATED FROM THE PRIOR YEAR

**Water and Sewerage Meter Installation** — There were still problems noted with the permits department not communicating installation of large six-inch meters at building sites to the customer service department. The approval for connection to City water sources should be communicated to customer service by the permits department to eliminate the possibility of unbilled water usage.

**Emergency Medical Services Revenues** — EMS revenues for in-town insurance and out-of-town calls are currently accounted for on the cash basis. The impact of this cash basis accounting should be monitored to ensure that it does not differ significantly from the accrual basis accounting.

**Cash and Investments** — The City is handling investment income on a cash basis and allocating investment income (discounts/premiums) to the various funds upon receipt. Given this treatment, the allocation of investment income could be impacted by the timing of the receipt of the cash. As long as investments are maintained in shorter term maturities, this treatment should not differ significantly from the accrual basis. However, this situation should be monitored and if the City begins to consistently invest in longer term investments, a change in policy may be necessary if the impact becomes material.

**Integration of Information Systems Software** — Over the past several years, the City has integrated new computer software within many City departments. The Purchasing Department module which includes the fixed asset application has yet to be converted. The new system software should allow for more timely monitoring of asset purchases and provide a better basis for recording retirements and construction project replacements within the water and sewer systems.

To ensure the detail fixed asset records support the amounts recorded in the general ledger/financial statements, the City should expedite completion of the software installation. In conjunction with the installation of the software, the City should establish procedures to ensure the construction project replacements for water and sewer are recorded. This will require coordination and communication between the purchasing department and financing department.

**Data Processing Disaster Planning** — The City should develop a formal agreement with an alternative data processing site to provide an emergency processing site to be used in the event of a disaster. Additionally, the City should test the disaster plan with the alternative site. We recommend this test be performed annually to minimize downtime should a disaster occur.

**Insurance Fund Deficit** — The City is partially self-insured for medical benefit and liability claims. At the end of the year, the Insurance Fund reflected a deficit of approximately \$82,000. The City has made significant progress in reducing the deficit from a balance of \$574,000 in the previous year. The City plans to further reduce this deficit in 1996 through increases in contribution amounts by the respective funds and additional transfers as needed. We recommend the City continue to closely monitor the status of this Fund and eliminate the deficit within a reasonable period of time.

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana  
March 8, 1996  
Page 3

**Accrual of Vacation** — In the current year, the City began to calculate the amount of accrued vacation owed its employees, to comply with accounting standards that require that these costs be recorded as a liability based on the City's policy for paying the accumulated costs. The City needs to continue its efforts to compile additional information required by GASB 16 for footnote disclosure in the financial statements for total dollars earned by employees and total payments made to employees related to this benefit.

\* \* \* \* \*

It should be appreciated that our audit procedures are designated primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in systems and procedures which may exist. We aim, however, to use our knowledge of the City's organization gained during our work to make comments and suggestions which we hope will be useful to you.

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us by the personnel of the City during the course of our audit.

This report is intended solely for your information and use as well as management and others within the organization. However, this report is a matter of public record, and its distribution is not limited.

Very truly yours,

*KPMG Peat Marwick LLP*

### **Emergency Medical Services Revenues**

We are continuing to monitor the recording the Emergency Medical Services receipts on a cash basis. The Emergency Medical Services Department is in process of installing a new billing software package and management has determined that until we obtain a stronger level of confidence in the billing system and the overall aging and receivable process, we will continue to use the cash basis. As of this date, the difference between the cash and accual basis would not appear to be significant.

### **Cash and Investments**

Our investment portfolio continues to be relatively short-term, therefore any differences in interest income on the accrual versus cash basis would appear to be immaterial. We will monitor our investment portfolio in the future and make changes if deemed appropriate

### **Integration of Information Systems Software**

We are currently working on converting our fixed assets to our new software package and are making significant progress. We intend to have all fixed assets recorded and depreciation projections in place by year end.

### **Data Processing Disaster Planning**

Management is currently developing a formal agreement with an outside vendor to provide an emergency processing site and we intend to test the plan if deemed advisable.

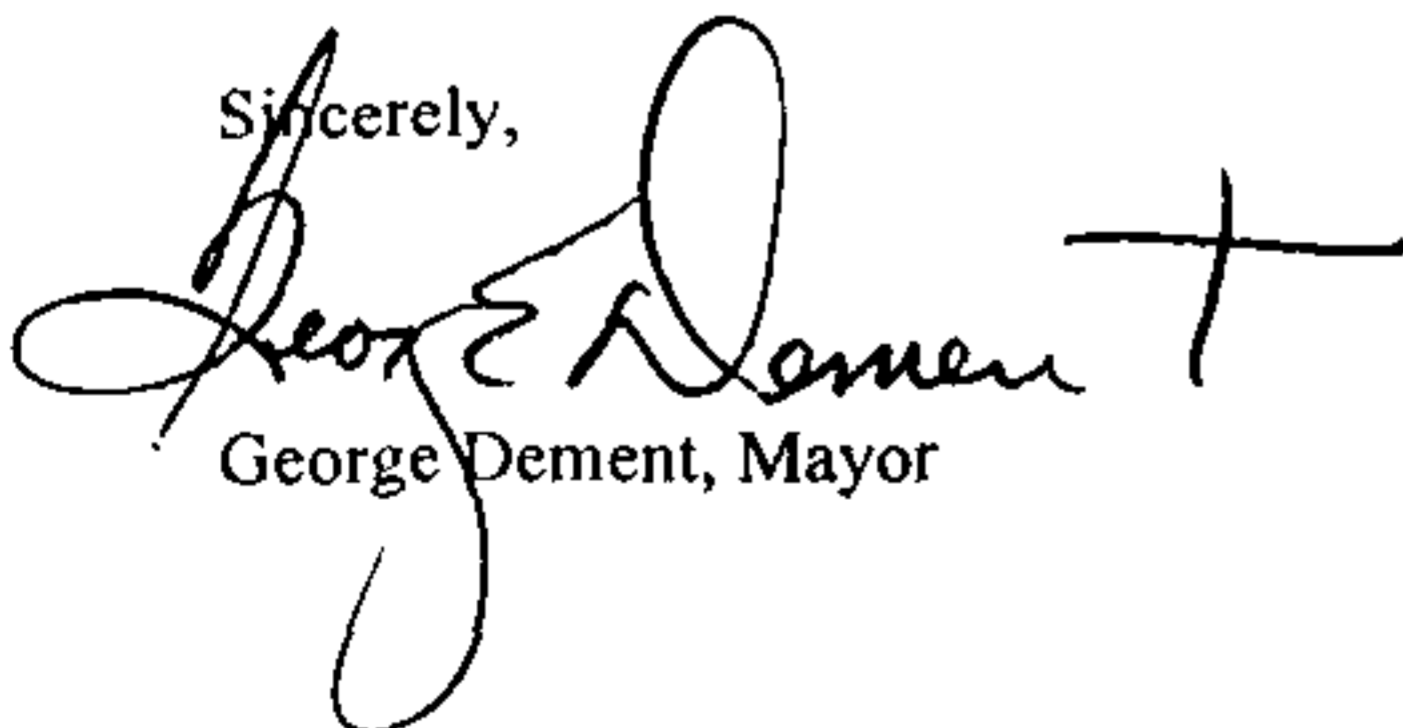
### **Insurance Fund Deficit**

We project the deficit in the group insurance fund to be eliminated by year end. We will continue to monitor this fund throughout the year to insure that contributions are properly made to the fund.

### **Accrual of Vacation**

We will continue our efforts to compile all information as it relates to total dollars earned and total payments made to employees to meet current GASB requirements.

Sincerely,



George Dement, Mayor

The following Resolution offered and adopted:

RESOLUTION NO. 1 OF 1996

A RESOLUTION ADOPTING QUESTIONNAIRE FROM LEGISLATIVE  
AUDITOR AND CITY'S ANSWER THERETO.

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IT IS RESOLVED that the questionnaire from the Legislative Auditor covering period, 1-1-95-12-31-95, and City's answer thereto, all of which are on file with City Clerk, are hereby adopted. A copy of this questionnaire and answers will be furnished to the City's certified accountants, KPMG Peat Marwick.

The above and foregoing Resolution was read in full, at open and legal session convened, was on motion of Mr. Sawyer, seconded by Mr. Rogers, and adopted this 2nd day of January, 1996, by the following votes:

AYES: *Mr. Adams, Mr. DePrang, Mr. Blackman, Mr. Sawyer, Mr. Woodard, Mr. Williams, Mr. Rogers*

NAYS: *none*

ABSENT: *none*

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**KPMG**

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**CITY OF BOSSIER CITY, LOUISIANA**

**Supplementary Schedule of Federal  
Financial Assistance (Single Audit)**

**December 31, 1995**

**(With Independent Auditors' Report Thereon)**

CITY OF BOSSIER CITY, LOUISIANA

Schedule of Federal Financial Assistance  
(Single Audit)

Year ended December 31, 1995

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# KPMG Peat Marwick LLP

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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996. These financial statements are the responsibility of the management of the City of Bossier City, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the 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. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements, and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, 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 financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements and schedules and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules taken as a whole.

*KPMG Peat Marwick LLP*

March 8, 1996

CITY OF BOSSIER CITY, LOUISIANA

Schedule of Federal Financial Assistance

Year ended December 31, 1995

Grant Title	Federal CFDA Number	Grant Number	Grant Revenues Cash Basis	Accrued (Deferred) Grant Revenue December 31, 1994	Accrued (Deferred) Grant Revenue December 31, 1995	Grant Revenues Accrual Basis	City Matching Contributions and Miscellaneous Revenue	1995 Expenditures
Department of Defense - Joint Land Use	12.610	EN9306-94-01	\$ 3,525	170		3,355	16,098	19,453
Department of Housing and Urban Development: Direct program - Community Development Block Grant (1):								
Program Year 1990	14.218	90-MC-22-0009		824	5,546	4,722		4,722
Program Year 1991	14.218	91-MC-22-0009		10,922	10,922			
Program Year 1992	14.218	92-MC-22-0009	81,572	2,460	(1,527)	77,585		77,585
Program Year 1993	14.218	93-MC-22-0009	34,102	154	98,339	132,287		132,287
Program Year 1994	14.218	94-MC-22-0009	301,385	77,587	45,552	269,350		269,350
Program Year 1995	14.218	95-MC-22-0009	140,656	91,947	19,958	160,614		160,614
			557,715		178,790	644,558		644,558
Passed through Louisiana Department of Community Development - Rental Rehabilitation	14.230	R91SG220101	7,225	7,225				
Passed through Louisiana Department of Social Services - Emergency Shelter	14.231	3707205	6,143			6,143		6,143
Passed through Louisiana Housing Finance Agency - State of Louisiana - Home Program	14.329	SR3011-HS1	12,668			12,668		12,668
Total Department of Housing and Urban Development			583,751	99,172	178,790	663,362		663,362
Department of Justice - passed through Louisiana Commission on Law Enforcement:								
K-9 Unit 1992	16.579	92-B1-B-7-0329	362			362		362
Caddo-Bossier Narcotic Task Force	16.579	95/94-B1-B-02-OD05	133,945	30,485	17,132	120,592		120,592
Street Sales Disruption	16.579	94/93-B1-B-07-0046	12,491	(2,601)		15,092		15,092
Criminal Records Prevention	16.579	95-B8-B15-0001	25,000		(25,000)			
Youth Gang Prevention	16.579	95-B240023	4,501			4,501		4,501
Total Department of Justice			176,299	27,884	(7,868)	140,547		140,547
U.S. Forest Services - Cooperative Forestry Assistance Program Public Tree Inventory	10.664	94-46	5,000			5,000		5,000
			\$ 768,575	127,226	170,922	812,271	16,098	828,369

Notes:

(1) The Community Development Block Grant has been identified as a major financial assistance program.

See accompanying notes to schedule of federal financial assistance.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Schedule of Federal Financial Assistance

Year ended December 31, 1995

(1) **General**

The accompanying schedule of federal financial assistance presents the activity of all federal financial assistance programs of the City of Bossier City, Louisiana (the "City"). The City's reporting entity is defined in note 1 to the City's general purpose financial statements. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, are included on the schedule.

(2) **Basis of Accounting**

The accompanying schedule of federal financial assistance is presented using the modified accrual basis of accounting, which is described in note 1(c) to the City's general purpose financial statements.

(3) **Relationship to General Purpose Financial Statements**

The balance of intergovernmental revenues of the State and Federal Grant Fund at December 31, 1995, differs from the balance of grant revenues accrual basis per the accompanying schedule as follows:

Accrual basis revenues - State and Federal Grant Fund	\$ 807,259
Grant revenues recorded in the General Fund:	
Youth Gang Prevention	4,501
Public Tree Inventory	5,000
Street Sales Disruption	9,515
City matching contributions in State and Federal Grant Fund	(16,098)
Grant revenues recorded in expenditure accounts	<u>2,094</u>
Total	\$ <u>812,271</u>

(4) **Relationship to Federal Financial Reports**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

# **KPMG** Peat Marwick LLP

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## INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the City 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 recorded properly to permit the preparation of general purpose 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 operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the City, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 errors and irregularities in amounts that would be material in relation to the 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Bossier City, Louisiana, in a separate letter dated March 8, 1996.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, and the cognizant agency and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

# **KPMG** Peat Marwick LLP

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## INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996. We have also audited the compliance of the City with requirements applicable to its major federal financial assistance program and have issued our report thereon dated March 8, 1996.

We conducted our audits 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-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the City complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended December 31, 1995, we considered the internal control structure of the City in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the City and on the compliance of the City, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated March 8, 1996.

The management of the City 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 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, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

- Revenue/receipts
- Purchases/disbursements
- Payroll

Administrative Controls

General Requirements

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

Specific requirements

- Types of services allowed or unallowed
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Cost allocation
- Monitoring subrecipients

Claims for advances and reimbursements

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

During the year ended December 31, 1995, the City expended 79.4 percent of its total federal financial assistance under its major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we 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 City's major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 in relation 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City in a separate letter dated March 8, 1996.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

# KPMG Peat Marwick LLP

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

# KPMG Peat Marwick LLP

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996.

We have applied procedures to test the City's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance for the year ended December 31, 1995:

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Federal financial reports
- Drug-Free Workplace Act
- Allowable costs/cost principles
- Administrative requirements

Our 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*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with the requirements listed in the preceding paragraph. Accordingly, we 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 second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those requirements.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

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333 Texas Street  
Shreveport, LA 71101-3692

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996.

We have also audited the City's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort or earmarking; reporting; cost allocation; monitoring subrecipients; and claims for advances and reimbursements that are applicable to its major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1995. The management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements 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-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; cost allocation; monitoring subrecipients; and claims for advances and reimbursements that are applicable to its major federal financial assistance program for the year ended December 31, 1995.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

# KPMG Peat Marwick LLP

1900 Commercial National Tower  
333 Texas Street  
Shreveport, LA 71101-3692

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

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1995, and have issued our report thereon dated March 8, 1996.

In connection with our audit of the financial statements of the City and with our consideration of the City'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*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we 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 our attention that caused us to believe that the City had not complied, in all material respects, with those requirements.

This report is intended for the information of the City Council, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record, and its distribution is not limited.

*KPMG Peat Marwick LLP*

March 8, 1996

CITY OF BOSSIER CITY, LOUISIANA

Follow-Up on Prior Year Findings  
(Single Audit)

Year ended December 31, 1995

**General Requirements**

**Finding** — As of December 31, 1994, four complaints which were filed with the Equal Employment Opportunity Commission were closed. Five other cases are under investigation.

**Questioned Costs** — None.

**Follow-up** — No charges filed or under investigation by the EEOC during 1995.

**Finding** — Certain figures in the Financial Summary Grantee Performance Report for the period January 1, 1994, to December 31, 1994, were erroneously reported as follows:

<u>Line</u>	<u>As reported</u>	<u>Corrected</u>
1.	531,312.82	521,862.84
7.	1,354,402.00	1,328,957.88
13.	596,147.25	570,702.13

**Questioned Costs** — None.

**Follow-up** — No errors noted in the current year report.

**Community Development Block Grant**

**Finding** — Projects for which federal assistance is received under the Community Block Grant Program must have an environmental review, unless they meet criteria specified in the regulations that would otherwise exclude them from this requirement, or written documentation that a review was not required. Of ten housing/rental rehabilitation project files examined, for which the need of an environmental review was required to be assessed, one did not contain an environmental review checklist.

**Questioned Costs** — None.

**Follow-up** — Environmental reviews were present for project files examined in the current year.

**State Bid Laws**

**Finding** — We were made aware of two instances in which State Bid Laws were violated when change orders were approved for work which was outside the scope of the original contracts. Of the additional eight contract files we reviewed, no such exceptions were noted.

**Questioned Costs** — None, as projects were not paid with federal funds.

**Follow-up** — No exceptions noted in current year bid law testwork.

# INTRODUCTORY SECTION

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CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1995

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CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1995

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Comprehensive Annual Financial Report

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**Office of the Mayor**  
BOSSIER CITY, LOUISIANA

GEORGE DEMENT  
MAYOR

620 BENTON ROAD  
POST OFFICE BOX 5337  
BOSSIER CITY, LA 71171-5337  
(318) 741-8501

March 29, 1996

Members of the City Council  
City of Bossier City, Louisiana

I am pleased to join our Finance Director in presenting the City of Bossier City's annual financial report for fiscal year 1995. Last year was another good year for our City. The area economy continues to grow as indicated by the opening of new businesses, expansion of existing businesses, continued increases in housing starts and in tourist activity.

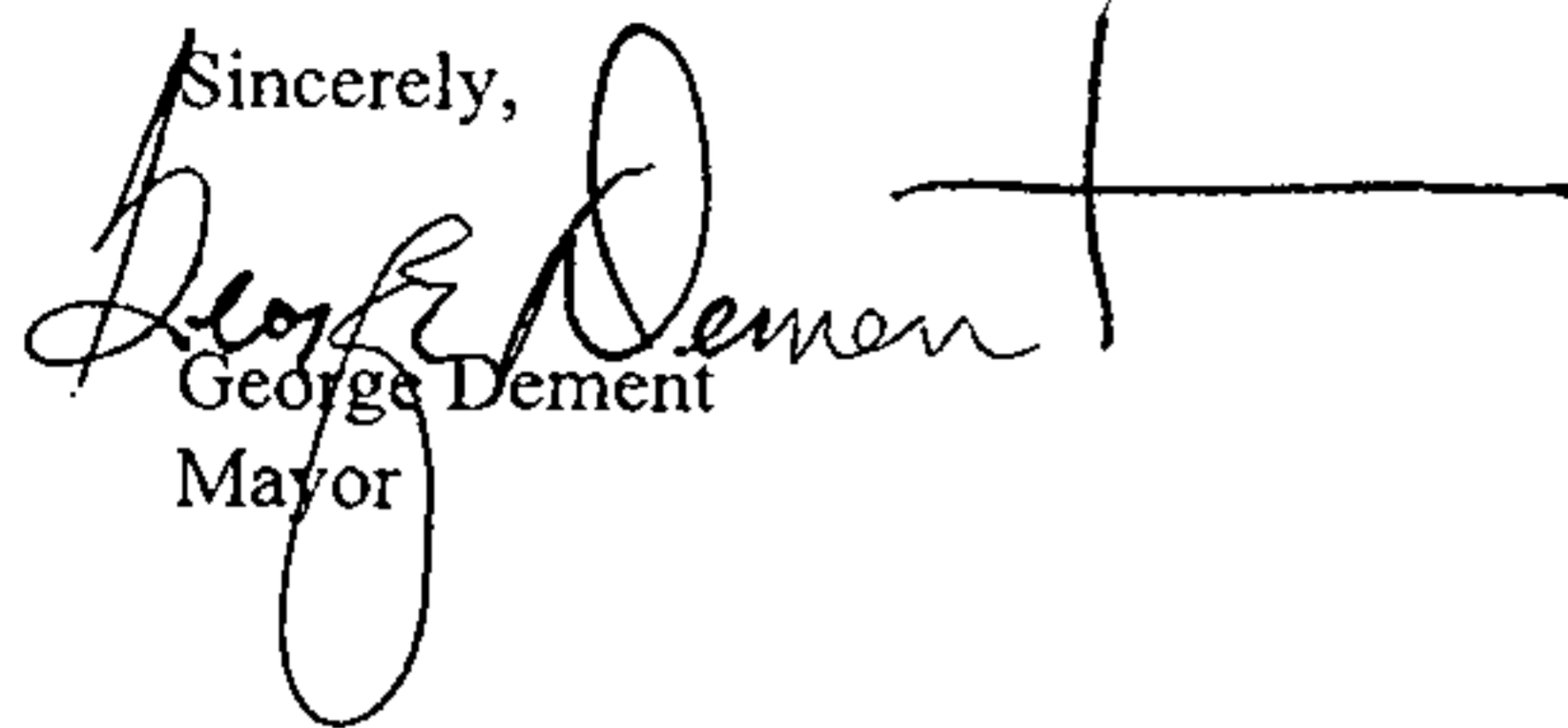
Indicators of this growth are an increase of some \$1.7 million in sales tax collections over 1994, and license and permit fees were up some \$145,000 over the preceding year. Although we will need to continue to closely monitor Bossier Medical Center's financial performance for the near future, the facility had an excellent year with net income of some \$2.8 million after transferring \$550,000 to the City.

Indications at this time are that the City will get two more Riverboats in 1996. Other new facilities in planning, include 3 new hotels, each one over 20 stories high, plus other amenities that will help with the continuing development of old downtown Bossier.

This growth necessitates that we continue to aggressively pursue expansions and improvement of our infrastructure to insure that we can continue to meet the demands necessary to sustain this tremendous growth. The expansions to our water and sewer plants, our roadways, and old downtown Bossier will have to remain our highest priorities if we are to successfully and orderly manage our growth.

There is nothing on the horizon to indicate that our growth will not continue. This growth will also necessitate that we carefully monitor our receipts and expenditures so that taxpayers are receiving the maximum value for their tax dollars. Our City Council continues to effectively perform their check and balance function to insure that this happens.

We look forward to fiscal year 1996 as a period of productive and harmonious partnership with the Council as we continue our efforts to provide the citizens of our growing community with the services and quality of life they deserve.

Sincerely,  
  
George Dement  
Mayor



# CITY OF BOSSIER CITY

P. O. BOX 5337

BOSSIER CITY, LOUISIANA 71171-5337

March 8, 1996

The Honorable George Dement, Mayor  
and Members of the City Council  
City of Bossier City, Louisiana:

In compliance with Section 4.06, paragraph 7 of the City Charter, the comprehensive annual financial report for the City of Bossier City, Louisiana, for the year ended December 31, 1995, is submitted herewith. This document is the official comprehensive publication of the City's financial position at December 31, 1995, and of the results of operations for the year ended December 31, 1995, for all funds and account groups of the City.

This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The report complies in all material respects to the Governmental Accounting Standards Board authoritative promulgations. The notes to the financial statements explain the City's accounting policies, basis of accounting, funds, and accounts used, as well as other significant accounting information. These notes are an integral part of this report.

The report includes all entities or organizations that are required to be included in the City's reporting entity. The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

There are several agencies that provide services to City residents and are included in the financial statements of the City as discrete component units because they are legally separate from the City. These entities are:

City Court of Bossier City  
Bossier City Marshal's Office  
Bossier Public Trust Financing Authority

The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the government's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements, the combining and individual fund and account group financial statements and schedules and supplementary data, as well as the auditors' report on the financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The City provides the following services as authorized by its charter: public health and safety, streets, sanitation, water and sewerage, planning and zoning, recreation, and general administrative services.

### **ECONOMIC CONDITION AND OUTLOOK**

During 1995, the City continued to experience significant growth in new construction. This is evidenced by the consistency in the number of building permits issued and the revenues derived therefrom. There have been significant increases in residential construction in North and East Bossier, primarily in new single family dwellings. Expansion in existing businesses and construction of new businesses, many of which are locating near Pierre Bossier Mall and in North Bossier along the I-220 by-pass, are evidence of growth and expansion that can be attributed to the improved economy and the increase in tourist activity, primarily as a result of the advent of riverboat gaming.

Barksdale Air Force Base (Barksdale), which currently employs over 7,000 people in the area, remains as viable and active as it has in the past. New construction and talks of mission and mission expansion are indicators that the base will remain an integral part of our community. Barksdale was notified that it was not on the list of base closures in the second Base Realignment and Closure Report. Currently, additional housing units are being constructed on the base.

With only the Red River dividing the City from the City of Shreveport, the condition of the Shreveport economy directly and indirectly has an effect on the City. The economy of the Bossier/Shreveport area again experienced sustained growth during 1995. This growth is evidenced by the increases in retail sales, employment, and residential housing construction. The continuation and completion of the Red River navigation project, the Caddo Bossier Port, and the opening of I-49 are having a significant impact on the economy and will provide major links for northwest Louisiana with other areas of the state and beyond. The impact of two riverboat gambling pavilions in the City and one in Shreveport have contributed significantly to the area's economy.

Sales tax collections for the City continued to grow and exceeded 1994 collections by \$1.7 million due to increased consumer spending, the riverboats, and building activity.



The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

## MAJOR INITIATIVES

### Current

Engineering is currently underway to complete the Arthur Ray Teague Parkway and to expand the water and wastewater plants. In 1995, Bossier Medical Center purchased the practice of physicians associated with the hospital to ensure its continued viability.

### Future

The expansion of our water and wastewater plants, completion of the Parkway from McDade Street to Hamilton Road, improvements along the riverfront, efforts to revitalize old downtown Bossier, and the extension of and widening of major traffic arteries represent projects that are related to a City on the grow. There is nothing in the near future that indicates that this growing trend will not continue.

## FINANCIAL INFORMATION

### Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The accounting records for general governmental operations are maintained on a modified accrual basis with the revenues being recorded when measurable and available and expenditures being recorded when the liability is incurred. Accounting records of the City's proprietary funds are maintained on the accrual basis.

Budgetary control is maintained at the subclass level by the encumbrance of balances with purchase orders before their release to vendors. Purchase orders which would result in an overrun of a budget allocation, after considering fund surpluses or deficits, are rejected by the accounting system and are not processed until additional funds are available. Monthly budget reports are prepared for management's use in controlling and monitoring the approved budget. Open encumbrances are reported as reservations of fund balance at December 31, 1995.

The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

The following paragraphs are highlights of the activities of the funds and account groups controlled by or dependent upon the City. Significant financial events and changes in financial reporting practices are also reflected.

### General Governmental Functions

The General Fund is the general operating fund of the City and is used to account for all financial resources not accounted for in other funds. The following disclosures of general governmental functions reflect those operating activities recorded in the General Fund. Revenues and other financing sources for general governmental functions totaled \$20,793,006 in 1995, an increase of 12.0% over 1994. General property and sales taxes, revenues from sanitation charges, licenses and permits, and fines and penalties, which represent the four major general governmental revenue sources of the City, produced 74.1% of general revenues compared to 75.2% last year. The amount of revenues from various sources in 1995 is shown in the following tabulation:

Revenues and Other Financing Sources	1995		Increase (Decrease) From 1994
	Amount	Percent of Total	
Taxes	\$ 11,218,222	54.0%	\$ 1,288,642
Licenses and permits	1,776,977	8.5	147,303
Intergovernmental	437,745	2.1	(37,236)
Fines and penalties	800,191	3.8	260,926
Racing Commission - Louisiana Downs, Inc.	578,126	2.8	(271,257)
Video poker	403,699	1.9	(386,471)
Interest	56,583	.3	27,818
Sanitation charges	1,610,322	7.7	51,127
Miscellaneous	<u>1,211,141</u>	<u>5.9</u>	<u>116,049</u>
Total revenues	18,093,006	87.0	1,196,901
Transfers in	<u>2,700,000</u>	<u>13.0</u>	<u>1,025,000</u>
Total revenues and other financing sources	\$ <u>20,793,006</u>	<u>100.0%</u>	\$ <u>2,221,901</u>

The category showing the most significant change from 1994 was tax revenues which increased in 1995 resulting primarily from increased consumer activity. Receipts from Louisiana Downs, Inc. and video poker decreased due to the competition from facilities in neighboring states and alternative gambling opportunities. The increase in licenses and permits resulted from increased construction and business related activity attributed primarily to the activity spawned by the riverboats.

The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

Assessed valuations of \$184,287,480 represented an increase of 12.9% over the preceding year. Allocations of property tax levy by purpose (tax rate per \$1,000 assessed value) for 1995 and 1994 are as follows:

<u>Purpose</u>	<u>1995</u>	<u>1994</u>
General Fund - unrestricted	\$ 7.40	7.40
General Fund - restricted for Fire and Police Departments	16.45	16.47
Debt service funds	—	<u>3.40</u>
	\$ <u>23.85</u>	<u>27.27</u>

Expenditures in the General Fund totaled \$20,304,502 in 1995, an increase of 11.9% over 1994. The amount of expenditures in 1995 by general governmental function is shown in the following tabulation:

	<u>1995</u>		<u>Increase (Decrease) From 1994</u>
	<u>Amount</u>	<u>Percent of Total</u>	
General government	\$ 5,374,336	26.5%	\$ 773,200
Solid waste	1,668,662	8.2	76,892
Public safety	10,776,192	53.1	1,155,602
Highways and streets	663,860	3.3	153,610
Culture and recreation	1,227,579	6.0	(52,168)
City Court and Marshal	<u>593,873</u>	<u>2.9</u>	<u>57,643</u>
	\$ <u>20,304,502</u>	<u>100.0%</u>	\$ <u>2,164,779</u>

During 1995, total General Fund expenditures increased by 12% due primarily to additional personnel, salary increases, and increases in benefit costs. A 12% increase in public safety expenditures is mainly due to additional personnel.

Fund balance in the General Fund was maintained at an adequate level. The General Fund fund balance experienced an increase of \$437,504 bringing the total fund balance to \$3,906,168 at December 31, 1995, which represents 19.2% of 1995 expenditures.

The Honorable George Dement, Mayor  
 and Members of the City Council  
 March 8, 1996

**Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources. The total revenues of \$15,042,021 from these sources for 1995 reflects a net increase of 65.2% from 1994. Sales and use taxes, riverboat gaming, and intergovernmental revenues generated 92.8% of the total 1995 revenues compared to 94.8% in 1994. Sales tax revenues of \$3,033,810 were recorded in three special revenue funds established for the purposes of constructing and operating two new fire stations and a training facility, maintaining and operating the City jail and municipal buildings, and repair and maintenance of streets and drainage. Riverboat gaming revenue of \$9,510,317 was received as part of the agreement with the two riverboats that became operational during 1994. These funds are intended to be accumulated to \$15,000,000 that will be retained as a base amount, with 50% of the excess to be used for capital and other undetermined projects. Intergovernmental revenues of \$1,412,212 consisted primarily of Community Development Block Grant monies expended for programs designed to benefit low and moderate income residents and an allocation of \$525,000 from the State of Louisiana for the operation of the Civic Center. The Civic Center, in its sixth full year of operation, generated total revenues of \$782,979, primarily from the State grant and rental fees. Other special revenue funds were used to account for the Metropolitan Planning Commission and the Court Witness Fee Fund.

**Debt Administration**

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's financial position. During 1995, the City had available debt service funds in excess of its bonded debt resulting from interest earnings on funds available to provide for debt service. These excess funds were transferred through a residual equity transfer to other funds to be used for projects consistent with the original purpose of the bond issue and in accordance with applicable bond ordinances.

Bonded indebtedness activity for 1995 is summarized in the following table:

	Outstanding December 31, <u>1994</u>	<u>Issued</u>	<u>Retired</u>	Outstanding December 31, <u>1995</u>
General obligation bonds	\$ 1,230,000	—	(1,230,000)	—
Revenue bonds applicable to general city, water and sewerage, and Medical Center operations	<u>60,090,000</u>	<u>—</u>	<u>(2,790,000)</u>	<u>57,300,000</u>
	<u>\$ 61,320,000</u>	<u>—</u>	<u>(4,020,000)</u>	<u>57,300,000</u>

On November 1, 1995, the City defeased its remaining general obligation debt of \$740,000. Therefore at December 31, 1995, there was no general obligation debt recorded in the financial statements of the City. Tables 6 to 10C of this report present more detailed information about the debt position of the City.

The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

### Pension Plans

The City and the State of Louisiana collectively have six pension plans to provide substantially all full-time City employees with retirement, death, and disability benefits. Employees, other than fire, police, and Bossier Medical Center, are covered under the Municipal Employees' Retirement System of Louisiana. The City contributed 3.0% through June 1994 and 3.75% effective July 1995 of eligible earnings to the state for administration of this system.

Employees of the Bossier Medical Center are eligible for coverage in the Bossier Medical Center Employee's Pension Fund, which is administered commercially. The plan is noncontributory and is funded on a current basis.

City-administered Fire and Police Pension and Relief Funds currently serve 163 active and retired members. These pension plans were established by state statutes without providing for adequate levels of contribution to fund the benefits offered by the plans. The latest actuarial valuation, dated January 1, 1996, indicated that the unfunded pension benefit obligation for active and retired employees covered by these plans is \$42,579,456. According to the latest actuarial report, the estimated annual contribution required to pay normal cost and to fund the unfunded prior service cost over a 30-year period from 1983 is approximately \$3,039,024.

The unfunded actuarial liability of the Policemen's Plan increased from 1994 to 1995 primarily due to a reassessment of survivors' and widows' benefits. The unfunded actuarial liability of the Firemen's Plan increased less than expected this year due to larger than expected interest income. Generally, the unfunded actuarial liability of these plans can be expected to increase for the next few years before beginning to decrease. Growth in these numbers should not be viewed as an indication of underfunding as the City continues to keep the plans actuarially sound by making the required contributions.

A one-half cent sales tax was approved by the voters in 1982 with a portion of the tax dedicated to liquidate the unfunded liabilities of the Fire and Police Pension and Relief Funds over 30 years.

### Cash Management

The City has a cash management program which consists of pooling cash and investments for all funds of the City except the pension trust funds. Available cash was invested in obligations collateralized by instruments issued by the United States Government or United States Government agencies created by an act of Congress or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned during 1995 was \$4,358,533. This was \$814,071 more than interest earned during 1994.

The Honorable George Dement, Mayor  
 and Members of the City Council  
 March 8, 1996

**Risk Management**

The City maintains a combination of self-insurance and stop-loss coverage to manage its risk of loss from property damage, theft, and claims against employees. In addition, the City is partially self-insured for group hospitalization, disability, and life insurance. During 1995, the Insurance Fund deficit decreased by approximately \$492,232 to \$81,984 as of December 31, 1995, due primarily to increased funding by participants. A restructuring of the insurance coverage, which became effective January 1, 1995, along with additional personnel hires, is expected to improve the fund balance in the Insurance Fund. During 1995, the City implemented Governmental Accounting Standards Board Statement No. 10 concerning risk management. As discussed in footnote 13 to the financial statements, the implementation had no material financial impact.

**Capital Project Funds**

The capital project funds are used to account for the acquisition or construction of major capital facilities other than those financed by proprietary funds or trust funds. Expenditures for capital improvement projects in 1995 totaled \$6,569,306. The primary sources of funding the City's capital improvement program are sales taxes.

The capital project funds balances, totaling \$11,332,822 at December 31, 1995, were invested through the City's cash management program in certificates of deposit and U.S. government obligations.

**General Fixed Assets**

The general fixed assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of enterprise funds. As of December 31, 1995, the general fixed assets of the City amounted to \$41,553,204. This amount represents the original cost of the assets. Depreciation of general fixed assets is not recognized in the City's accounting system, nor is interest capitalized.

**Enterprise Funds**

Comparative data for the water and sewerage system for the past two fiscal years is presented in the following tabulation:

	<u>1995</u>		<u>1994</u>	
	<u>Water</u>	<u>Sewer</u>	<u>Water</u>	<u>Sewer</u>
Gross operating revenues	\$ 3,948,019	4,429,264	3,704,270	4,090,249
Operating expenses	<u>3,084,265</u>	<u>3,772,846</u>	<u>3,090,134</u>	<u>3,821,154</u>
Operating income	\$ <u>863,754</u>	<u>656,418</u>	<u>614,136</u>	<u>269,095</u>

The Honorable George Dement, Mayor  
 and Members of the City Council  
 March 8, 1996

The results of the water and sewer systems have continued to improve during 1995 due primarily to increased service revenues, continuation of the meter replacement program, and a decrease in repairs and maintenance due to improved experience with cave-ins.

Comparative data for the Bossier Medical Center and Emergency Medical Services for the past two years is presented in the following tabulation:

	<u>Bossier Medical Center</u>		<u>Emergency Medical Services</u>	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
Gross operating revenues	\$ 53,521,501	43,854,926	1,676,832	1,485,712
Operating expenses	<u>48,406,108</u>	<u>42,319,182</u>	<u>1,565,794</u>	<u>1,243,403</u>
Operating income	\$ <u>5,115,393</u>	<u>1,535,744</u>	<u>111,038</u>	<u>242,309</u>
Net income	\$ <u>2,790,264</u>	<u>1,332,827</u>	<u>128,165</u>	<u>248,863</u>

Net income for the Bossier Medical Center increased in 1995 primarily due to increases in rates in 1994. The Emergency Medical Services Fund was profitable for 1995 due primarily to a policy that became effective during 1994 of billing for insurance coverage related to in-town service calls and increased rates that became effective in 1994.

## OTHER INFORMATION

### Independent Audit

Section 3.10 of the City Charter of Bossier City requires that the City Council designate annually a certified public accountant or firm of certified public accountants to provide an annual independent audit of every agency and department of the City. The City Council designated KPMG Peat Marwick LLP to meet these requirements and their report follows as an integral component of this report.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, are presented in a separate report.

The Honorable George Dement, Mayor  
and Members of the City Council  
March 8, 1996

### **Certificate of Achievement of Excellence**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bossier City for its comprehensive annual financial report for the fiscal year ended December 31, 1994.

In order to be awarded a Certificate of Achievement for Excellence, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement for Excellence Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### **Acknowledgments**

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the assistance of the City's external auditors, KPMG Peat Marwick LLP. I would like to express my appreciation to all members of the Department who assisted and contributed to its preparation. I should also like to thank the Mayor and the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Charles E. Glover  
Director of Finance



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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bossier City,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1994

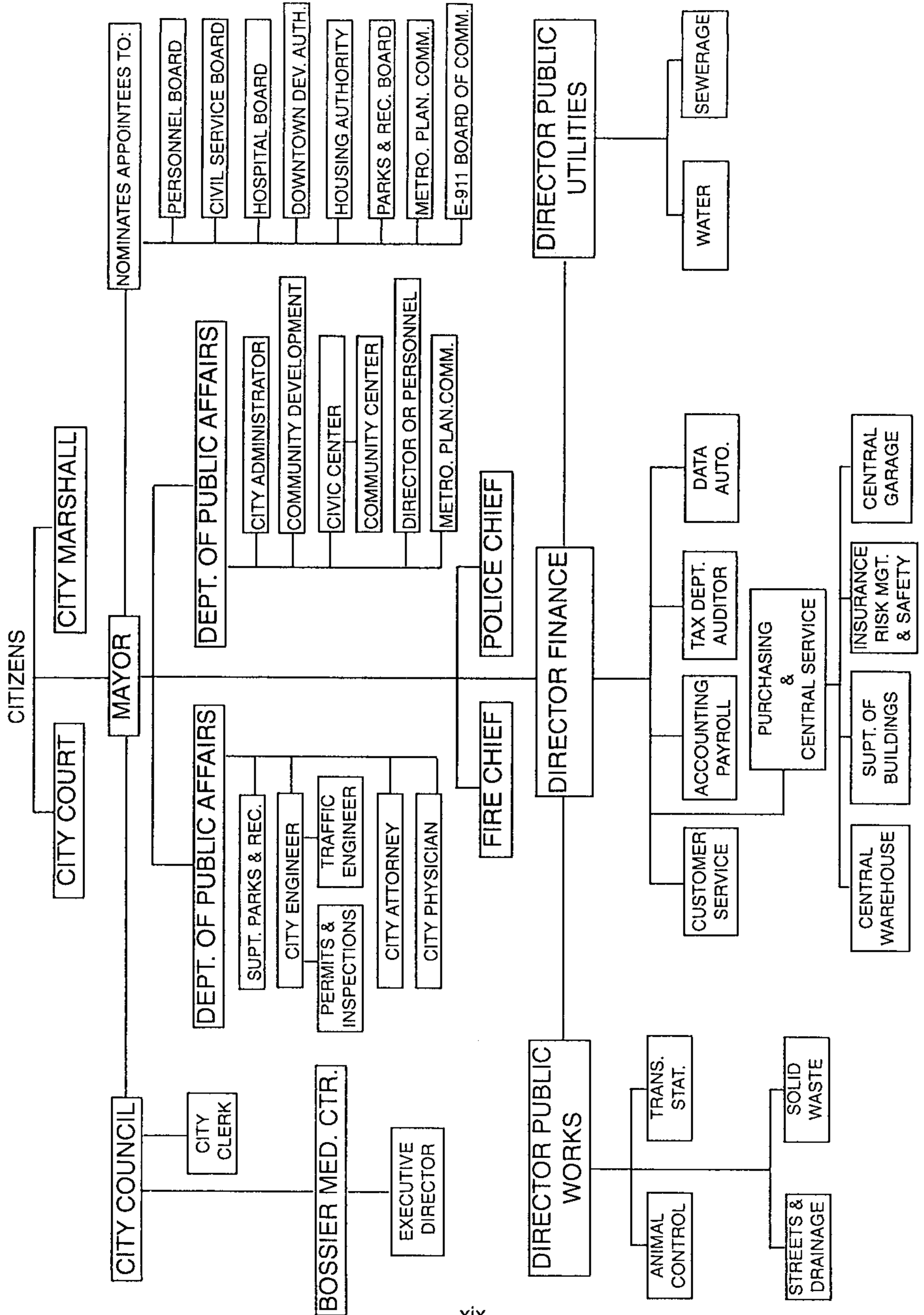
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# ORGANIZATION CHART



## ELECTED OFFICIALS



**MAYOR GEORGE DEMENT**



**Council Member at Large  
REG W. ADAMS**



**Council Member at Large  
P.O. DePRANG, JR.**



**Council Member District 1  
GORDON BLACKMAN**



**Council Member District 2  
JIM SAWYER**



**Council Member District 3  
LEVONE WOODARD**



**Council Member District 4  
BILLY C. WILLIAMS**



**Council Member District 5  
JAMES ROGERS**

# FINANCIAL SECTION

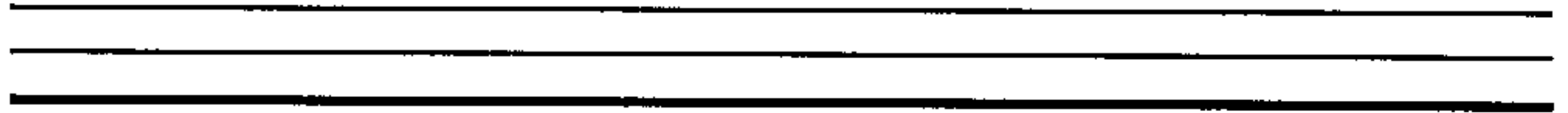
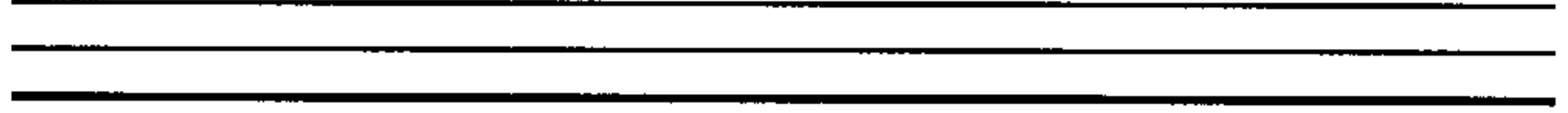
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- **INDEPENDENT AUDITORS' REPORT**
  - **COMBINED FINANCIAL STATEMENTS —  
OVERVIEW**
  - **COMBINING AND INDIVIDUAL FUND AND  
ACCOUNT GROUP STATEMENTS AND  
SCHEDULES**
- 
- 
-

**INDEPENDENT  
AUDITORS' REPORT —  
OPINION OF INDEPENDENT  
CERTIFIED PUBLIC  
ACCOUNTANTS**



# **KPMG** Peat Marwick LLP

1900 Commercial National Tower  
333 Texas Street  
Shreveport, LA 71101-3692

## Independent Auditors' Report

To the Honorable Members of the City Council  
and the Honorable George Dement, Mayor,  
City of Bossier City, Louisiana:

We have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana, as of and for the year ended December 31, 1995, as listed in the accompanying Table of Contents as Exhibits 1-7 and Exhibits A-1 to I-1. These financial statements and schedules are the responsibility of the City of Bossier City, Louisiana, management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit. We did not audit the financial statements of the Bossier Public Trust Financing Authority whose statements reflect total assets of \$18,751,437 as of November 30, 1995, and total revenues of \$1,774,019 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for the Bossier Public Trust Financing Authority in the component unit columns of Exhibits 1, 4, 5 and 6, is based on the report of the other auditors.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the 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. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors whose report expressed an unqualified opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Bossier City, Louisiana, as of December 31, 1995, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Bossier City, Louisiana, as of December 31, 1995, and the results of operations of such funds and the cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 8, 1996, on our consideration of the internal control structure of the City of Bossier City, Louisiana, and a report dated March 8, 1996, on its compliance with laws and regulations.

The schedules of historical pension information listed as Exhibits J-1 and J-2 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying financial information listed as Statistical Tables 1-14 is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Bossier City, Louisiana. The information has not been audited by us, and accordingly we express no opinion on this information.

*KPMG Peat Marwick LLP*

March 8, 1996

# COMBINED FINANCIAL STATEMENTS — OVERVIEW

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The Combined Financial Statements include all funds and account groups of the City and are designed to provide an overview of the financial position and results of operations for the City as a whole. Additional information in the form of combining and individual fund and account group statements and schedules is included elsewhere in this report.

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CITY OF BOSSIER CITY, LOUISIANA

Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Units

December 31, 1995  
with comparative totals for 1994

Assets and Other Debits	Governmental Fund Types				Fiduciary Fund Type Trust and Agency Funds	Account Groups		Totals		Component Units 1995	
	General	Special Revenue	Debt Service	Capital Projects		Enterprise Funds	Proprietary Fund Types Internal Service	General Fixed Assets	Long-Term Obligation		(Memorandum Only) Primary Government 1994
Cash and cash equivalents (note 2)	\$ 1,607,624	18,287,787	5,810,530	11,693,202	775,004	413,116	—	—	50,752,267	40,222,135	304,349
Investments (note 2)	—	—	—	—	23,146,051	—	—	—	23,146,051	21,216,021	107,000
Receivables, net:											
Property taxes (note 3)	1,989,253	—	—	—	—	—	—	—	1,989,253	1,148,586	2,321
Customers (net of allowance for uncollectible accounts of \$3,315,656)	—	—	—	—	—	—	—	—	—	—	—
Accrued interest	—	—	87,385	172,641	—	—	—	—	12,892,610	11,392,561	—
Other	845,551	529,213	—	12,899	202,106	3,203	—	—	594,488	509,434	—
Due from other funds	—	—	—	—	—	21,899	—	—	1,409,562	1,041,613	—
Due from other governmental units	272,284	740	—	—	4,029	—	—	—	277,053	999,612	—
Prepaid items	—	—	—	—	69,819	—	—	—	69,819	74,064	—
Inventories, at cost	—	—	—	—	—	161,297	—	—	604,963	842,298	—
Restricted assets (note 5):	86,056	—	—	—	—	—	—	—	1,017,513	1,200,621	—
Cash and cash equivalents	—	—	—	—	—	—	—	—	8,266,669	5,409,828	88,963
Investments, at cost	—	—	—	—	—	—	—	—	100,000	3,124,863	18,608,941
Accrued interest	—	—	—	—	—	—	—	—	72,504	27,242	53,533
Property, plant, and equipment, net (note 4)	—	—	—	—	—	—	—	—	—	—	—
Other assets (note 16)	—	2,877	—	—	—	—	—	—	108,264,766	106,344,408	35,860
Amount available in debt service funds	—	—	—	—	—	—	—	—	1,524,567	928,869	—
Amount to be provided for retirement of general long-term obligations	—	—	—	—	—	—	—	—	5,897,915	8,421,355	—
Total assets and other debits	\$ 4,800,768	18,820,617	5,897,915	11,878,742	24,197,009	577,616	41,553,204	30,771,596	30,771,596	31,157,332	19,200,967

CITY OF BOSSIER CITY, LOUISIANA

Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Units

Liabilities	Governmental Fund Types				Fiduciary Fund Type Trust and Agency Funds	Account Groups		Totals		Component Units 1995
	General	Special Revenue	Debt Service	Capital Projects		General Fixed Assets	General Long-Term Obligation	(Memorandum Only) Primary Government 1994	1995	
Accounts payable	\$ 758,452	294,337	—	517,341	53,830	—	4,924,370	5,246,174	208,413	
Estimates and retainages payable	—	14,000	—	28,579	—	—	186,507	114,371	—	
Due to other funds (note 11)	4,769	138,447	—	—	2,884	—	999,612	277,053	—	
Due to other governmental units	—	—	—	—	27,860	—	50,000	27,860	27,000	
Refundable deposits and other	—	—	—	—	—	—	463,352	472,262	—	
Accrued vacation (note 5 and 17)	—	—	—	—	—	—	1,322,821	1,466,587	—	
Payable from restricted assets:										
Accrued interest	—	—	—	—	—	—	—	—	—	
Revenue bonds - current portion (note 5)	—	—	—	—	—	—	514,341	477,834	—	
Deferred revenues	131,379	25,000	—	—	—	—	1,080,000	1,160,000	—	
Deferred compensation benefits payable (note 14)	—	—	—	—	—	—	156,379	156,379	—	
Note payable (note 16)	—	—	—	—	—	—	—	—	—	
General obligation bonds payable (note 5)	—	—	—	—	2,540,855	—	1,982,685	2,540,855	—	
Revenue bonds payable (note 5):										
Enterprise funds	—	—	—	—	—	—	—	440,331	—	
General city operations	—	—	—	—	—	—	—	—	—	
Component units	—	—	—	—	—	—	—	—	—	
Total liabilities	<u>894,600</u>	<u>471,784</u>	<u>—</u>	<u>545,920</u>	<u>2,625,429</u>	<u>—</u>	<u>71,918,034</u>	<u>68,519,706</u>	<u>18,525,000</u>	
Equity and Other Credits										
Contributed capital (note 8)	—	—	—	—	—	—	—	—	—	
Investment in general fixed assets (note 4)	—	—	—	—	—	—	—	35,723,541	—	
Retained earnings:										
Reserved for revenue bond requirements (note 5)	—	—	—	—	—	—	—	41,553,204	35,860	
Unreserved	—	—	—	—	—	—	—	2,184,488	—	
Fund balance:										
Reserved for:										
Debt service (note 5)	—	—	5,897,915	—	—	—	—	5,897,915	—	
Prepaid expenditures	—	—	—	—	—	—	—	—	—	
Encumbrances	135,162	7,224	—	582,776	—	—	—	725,162	—	
Employees' retirement systems (note 9)	—	—	—	—	—	—	—	—	—	
Unreserved:										
Designated for subsequent years' expenditures	—	—	—	—	—	—	—	21,571,580	—	
Undesignated	3,771,006	18,341,602	—	10,750,046	—	—	—	10,750,046	—	
Total retained earnings fund balances	3,906,168	18,348,833	5,897,915	40,720,843	21,571,580	—	87,815,694	13,362,759	404,694	
Total equity and other credits	3,906,168	18,348,833	5,897,915	76,444,384	21,571,580	—	162,142,808	22,112,615	440,554	
Total liabilities, equity, and other credits	<u>\$ 4,800,768</u>	<u>18,820,617</u>	<u>5,897,915</u>	<u>11,878,742</u>	<u>24,197,009</u>	<u>41,553,204</u>	<u>234,060,842</u>	<u>247,651,596</u>	<u>19,200,967</u>	

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Units

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)		Component Units 1995
					1995	1994	
<b>Revenues:</b>							
Taxes (notes 3 and 6)	\$ 11,218,222	3,033,810	4,128,607	3,455,919	21,836,558	20,141,119	—
Riverboat gaming	—	9,510,317	—	—	9,510,317	6,530,353	—
Licenses and permits	1,776,977	—	—	—	1,776,977	1,629,674	—
Intergovernmental	437,745	—	—	—	437,745	2,088,825	—
Fines and penalties	800,191	1,412,212	—	—	2,212,403	559,107	—
Racing Commission - Louisiana Downs	578,126	40,618	—	—	618,744	849,383	—
Video poker	403,699	—	—	—	403,699	790,170	—
Rental fees	—	200,425	—	—	200,425	200,697	—
Interest	56,583	801,745	438,066	661,403	1,957,797	1,127,080	8,815
Sanitation charges	1,610,322	—	—	—	1,610,322	1,559,195	—
Miscellaneous	1,211,141	42,894	—	60,129	1,314,164	1,216,167	603,138
<b>Total revenues</b>	<b>18,093,006</b>	<b>15,042,021</b>	<b>4,566,673</b>	<b>4,177,451</b>	<b>41,879,151</b>	<b>36,691,770</b>	<b>611,953</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	5,374,336	218,420	—	—	5,592,756	4,862,690	185,455
Solid waste	1,668,662	—	—	—	1,668,662	1,591,770	—
Public safety	10,776,192	120,592	—	—	10,896,784	9,771,221	334,350
Highways and streets	663,860	191,261	—	—	855,121	510,250	—
Culture and recreation	1,227,579	412,561	—	—	1,640,140	1,699,778	—
City Court and Marshal	593,873	87,368	—	—	681,241	575,485	—
Miscellaneous	—	328,979	—	—	328,979	637,465	27,000
Capital outlay	—	835,497	—	6,569,306	7,404,803	6,752,350	8,903
Debt service:							
Principal retirement (note 5)	—	—	2,203,389	—	2,203,389	2,085,000	—
Advance refunding escrow (note 5)	—	—	741,981	—	741,981	—	—
Interest and fiscal charges (note 5)	—	—	2,484,356	—	2,484,356	2,614,778	—
<b>Total expenditures</b>	<b>20,304,502</b>	<b>2,194,678</b>	<b>5,429,726</b>	<b>6,569,306</b>	<b>34,498,212</b>	<b>31,100,787</b>	<b>555,708</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,211,496)</b>	<b>12,847,343</b>	<b>(863,053)</b>	<b>(2,391,855)</b>	<b>7,389,939</b>	<b>5,590,983</b>	<b>56,245</b>
<b>Other financing sources (uses):</b>							
Operating transfers in (note 11)	2,700,000	51,000	—	150,000	2,901,000	1,927,413	—
Operating transfers out (note 11)	(51,000)	(2,100,000)	(150,000)	(50,000)	(2,351,000)	(1,377,413)	—
<b>Total other financing sources (uses)</b>	<b>2,649,000</b>	<b>(2,049,000)</b>	<b>(150,000)</b>	<b>100,000</b>	<b>550,000</b>	<b>550,000</b>	<b>—</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>437,504</b>	<b>10,798,343</b>	<b>(1,013,053)</b>	<b>(2,291,855)</b>	<b>7,930,939</b>	<b>6,140,983</b>	<b>56,245</b>
<b>Fund balances at beginning of year</b>	<b>3,468,664</b>	<b>6,961,458</b>	<b>8,421,355</b>	<b>13,564,264</b>	<b>32,415,741</b>	<b>26,274,758</b>	<b>222,329</b>
Residual equity transfer in (note 13)	—	589,032	—	60,413	649,445	—	—
Residual equity transfer out (note 13)	—	—	(1,510,387)	—	(1,510,387)	—	—
<b>Fund balances at end of year</b>	<b>\$ 3,906,168</b>	<b>18,348,833</b>	<b>5,897,915</b>	<b>11,332,822</b>	<b>39,485,738</b>	<b>32,415,741</b>	<b>278,574</b>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General and Special Revenue Fund Types

Year ended December 31, 1995

	General Fund		Special Revenue Fund				Variance Favorable (Unfavorable)
	Actual	Budget	Variance Favorable (Unfavorable)	Funds Budgeted on a Project Basis	Adjusted Actual	Budget	
<b>Revenues:</b>							
Taxes	\$ 11,218,222	9,814,428	1,403,794	3,033,810	3,033,810	2,515,893	517,917
Riverboat gaming	—	—	—	9,510,317	—	—	—
Licenses and permits	1,776,977	1,486,000	290,977	—	—	—	—
Intergovernmental	437,745	672,355	(234,610)	1,412,212	559,400	400,813	158,587
Fines and penalties	800,191	500,667	299,524	40,618	—	—	—
Racing Commission - Louisiana Downs	578,126	650,000	(71,874)	—	—	—	—
Video poker	403,699	800,000	(396,301)	—	—	—	—
Rental fees	—	—	—	200,425	200,425	27,500	172,925
Interest	56,583	30,000	26,583	801,745	172,189	51,000	121,189
Sanitation charges	1,610,322	1,615,000	(4,678)	—	—	—	—
Miscellaneous	1,211,141	1,213,546	(2,405)	42,894	42,894	18,764	24,130
<b>Total revenues</b>	<b>18,093,006</b>	<b>16,781,996</b>	<b>1,311,010</b>	<b>15,042,021</b>	<b>4,008,718</b>	<b>3,013,970</b>	<b>994,748</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	5,374,336	5,113,202	(261,134)	218,420	103,395	104,764	1,369
Solid waste	1,668,662	1,623,728	(44,934)	—	—	—	—
Public safety	10,776,192	10,476,302	(299,890)	120,592	—	—	—
Highways and streets	663,860	522,636	(141,224)	191,261	—	—	—
Culture and recreation	1,227,579	1,219,703	(7,876)	412,561	372,574	389,913	17,339
City Court and Marshal	593,873	569,588	(24,285)	87,368	—	—	—
Miscellaneous	—	—	—	328,979	—	—	—
Capital outlay	—	—	—	835,497	835,497	1,393,950	558,453
<b>Total expenditures</b>	<b>20,304,502</b>	<b>19,525,159</b>	<b>(779,343)</b>	<b>2,194,678</b>	<b>1,311,466</b>	<b>1,888,627</b>	<b>577,161</b>
Excess (deficiency) of revenues over expenditures	(2,211,496)	(2,743,163)	531,667	12,847,343	2,697,252	1,125,343	1,571,909
<b>Other financing sources (uses):</b>							
Operating transfers in	2,700,000	2,700,000	—	51,000	51,000	51,600	(600)
Operating transfers out	(51,000)	(51,000)	—	(2,100,000)	(2,100,000)	(2,100,000)	—
<b>Total other financing sources (uses)</b>	<b>2,649,000</b>	<b>2,649,000</b>	<b>—</b>	<b>(2,049,000)</b>	<b>(2,049,000)</b>	<b>(2,048,400)</b>	<b>(600)</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	437,504	(94,163)	531,667	10,798,343	648,252	(923,057)	1,571,309
Fund balances at beginning of year	3,468,664	3,468,664	—	6,961,458	2,603,582	2,603,582	—
Residual equity transfer in	—	—	—	589,032	589,032	—	589,032
Fund balances at end of year	\$ 3,906,168	3,374,501	531,667	18,348,833	3,840,866	1,680,525	2,160,341

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings Fund Balance - All Proprietary Fund Types and Similar Trust Funds and Discretely Presented Component Unit

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Proprietary Fund Types		Fiduciary Fund Type Pension Trust Funds	Totals (Memorandum Only)		Component Unit - Bossier Public Trust Financing Authority 1995
	Enterprise Funds	Internal Service		1995	1994	
Operating revenues:	\$ 62,802,608	—	—	62,802,608	52,098,804	—
Charges for services	—	—	2,900,000	2,900,000	2,732,205	—
Sales taxes, net (note 6)	—	—	1,498,134	1,498,134	1,447,351	1,673,219
Interest income	—	—	—	—	—	—
Contributions (notes 9 and 13):	—	—	—	—	—	—
City	—	3,292,716	962,933	4,255,649	2,472,385	—
Employees	—	631,216	47,582	678,798	666,960	—
Miscellaneous	773,008	246,794	3,140	1,022,942	1,189,995	100,800
Total revenues	<u>63,575,616</u>	<u>4,170,726</u>	<u>5,411,789</u>	<u>73,158,131</u>	<u>60,607,700</u>	<u>1,774,019</u>
Operating expenses:	27,341,346	—	—	27,341,346	24,147,603	—
Personal services	9,173,557	—	—	9,173,557	8,660,874	—
Supplies	1,145,693	—	—	1,145,693	1,146,060	—
Utilities	751,260	—	—	751,260	772,696	—
Repairs and maintenance	4,969,814	—	—	4,969,814	3,505,281	—
Provision for bad debts	7,703,166	—	—	7,703,166	7,033,891	—
Other medical	1,136,824	3,522,146	76,241	4,735,211	3,637,409	—
Miscellaneous	4,607,353	—	—	4,607,353	4,005,636	—
Depreciation and amortization	—	—	3,790,870	3,790,870	3,564,377	—
Benefit payments	—	—	—	—	—	—
Cost of services	—	—	—	—	—	—
Total expenses	<u>56,829,013</u>	<u>3,522,146</u>	<u>3,867,111</u>	<u>64,218,270</u>	<u>56,473,827</u>	<u>1,644,738</u>
Operating income	<u>6,746,603</u>	<u>648,580</u>	<u>1,544,678</u>	<u>8,939,861</u>	<u>4,133,873</u>	<u>129,281</u>
Nonoperating revenues (expenses):	899,982	2,620	—	902,602	970,031	—
Interest income	(1,545,739)	—	—	(1,545,739)	(1,128,994)	—
Interest expense	—	—	—	—	(34,927)	—
Arbitrage penalty	(34,525)	—	—	(34,525)	(79,378)	—
Amortization	(1,427,992)	—	—	(1,427,992)	7,265	—
Loss on sale of investments	(2,108,274)	2,620	—	(2,105,654)	(266,003)	—
Total nonoperating revenues (expenses)	<u>4,638,329</u>	<u>651,200</u>	<u>1,544,678</u>	<u>6,834,207</u>	<u>3,867,870</u>	<u>129,281</u>
Income before operating transfers	<u>(550,000)</u>	—	—	<u>(550,000)</u>	<u>(550,000)</u>	—
Operating transfers out (note 11)	4,088,329	651,200	1,544,678	6,284,207	3,317,870	129,281
Net income	<u>685,247</u>	—	—	<u>685,247</u>	<u>671,000</u>	—
Amounts charged to contribution accounts - depreciation on contributed assets (note 8)	36,111,995	(574,216)	20,026,902	55,564,681	51,575,811	(3,161)
Retained earnings (accumulated deficit)/fund balance at beginning of year, as previously reported	<u>(164,728)</u>	—	—	<u>(164,728)</u>	<u>(164,728)</u>	—
Prior period adjustment (note 17)	—	—	—	—	—	—
Retained earnings (accumulated deficit)/fund balance at beginning of year, as restated	<u>35,947,267</u>	<u>(574,216)</u>	<u>20,026,902</u>	<u>55,399,953</u>	<u>51,411,083</u>	<u>(3,161)</u>
Retained earnings fund balance at end of year	<u>\$ 40,720,843</u>	<u>76,984</u>	<u>21,571,580</u>	<u>62,369,407</u>	<u>55,399,953</u>	<u>126,120</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit 5

Combined Statement of Cash Flows - All Proprietary Fund Types  
and Discretely Presented Component UnitYear ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Enterprise Funds	Internal Service Funds	Totals (Memorandum Only) Primary Government		Component Unit - Bossier Public Trust Financing Authority 1995
			1995	1994	
Cash flows from operating activities:					
Operating income	\$ 6,746,603	648,580	7,395,183	2,674,260	129,281
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	4,641,311	—	4,641,311	4,031,004	570,114
Provision for bad debts	4,969,814	—	4,969,814	3,505,281	—
Increase in accounts receivable	(6,469,862)	—	(6,469,862)	(5,946,221)	—
Decrease in other receivable	25,909	—	25,909	83,294	—
Decrease in due from other funds	—	—	—	55,265	—
Decrease (increase) in prepaid expense	110,228	(28,670)	81,558	(183,001)	—
Decrease (increase) in inventories	164,072	—	164,072	(78,025)	—
Decrease in accrued interest receivable	—	—	—	—	28,296
Decrease (increase) in other assets	13,881	—	13,881	(20,575)	—
Increase (decrease) in accounts payable and accrued expenses	(552,001)	—	(552,001)	710,766	18,732
Increase in accrued vacation	112,942	—	112,942	106,306	—
Decrease in due to other funds	(104,761)	(216,946)	(321,707)	(64,172)	—
Increase in refundable deposits	39,634	—	39,634	24,925	—
Decrease in accrued claims	—	(24,468)	(24,468)	(112,661)	—
Net cash provided by operating activities	<u>9,697,770</u>	<u>378,496</u>	<u>10,076,266</u>	<u>4,786,446</u>	<u>746,423</u>
Cash flows from noncapital financing activities:					
Principal paid on revenue bond maturities	—	—	—	—	(11,748,948)
Proceeds from issuance of bonds	—	—	—	—	18,493,331
Operating transfers out	(654,761)	—	(654,761)	(314,286)	—
Net cash provided (used) by noncapital financing activities	<u>(654,761)</u>	<u>—</u>	<u>(654,761)</u>	<u>(314,286)</u>	<u>6,744,383</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(4,196,473)	—	(4,196,473)	(7,017,136)	—
Contributions received for purchase of property and equipment	587,441	—	587,441	185,316	—
Proceeds received from disposal of capital assets	488	—	488	1,908	—
Capital contributed by subdividers and customers	73,996	—	73,996	272,900	—
Capital contributed by Consolidated Debt Service Fund	860,942	—	860,942	—	—
Interest paid on general obligation bonds	(15,080)	(313)	(15,393)	(34,925)	—
Contributions for interest on general obligation bonds	15,080	—	15,080	34,925	—
Principal paid on revenue bond maturities	(1,080,000)	—	(1,080,000)	(1,030,000)	—
Interest paid on revenue bonds	(1,506,641)	—	(1,506,641)	(1,551,407)	—
Arbitrage penalty paid	—	—	—	(34,927)	—
Acquisition of physician practices	(209,076)	—	(209,076)	—	—
Payments of note payable	(316,445)	—	(316,445)	—	—
Restricted donations received	30,000	—	30,000	—	—
Net cash used for capital and related financing activities	<u>(5,755,768)</u>	<u>(313)</u>	<u>(5,756,081)</u>	<u>(9,173,346)</u>	<u>—</u>
Cash flows from investing activities:					
Purchases of investments	—	—	—	(1,000,560)	(18,608,941)
Maturities and sales of investments	1,566,672	—	1,566,672	9,040,803	8,693,266
Principal payments received on mortgage loans	—	—	—	—	2,149,345
Interest received	783,320	—	783,320	865,246	—
Rental property	14,029	—	14,029	2,426	—
Net cash provided (used) by investing activities	<u>2,364,021</u>	<u>—</u>	<u>2,364,021</u>	<u>8,907,915</u>	<u>(7,766,330)</u>
Net increase (decrease) in cash and cash equivalents	5,651,262	378,183	6,029,445	4,206,729	(275,524)
Cash and cash equivalents at beginning of year	<u>14,780,411</u>	<u>34,933</u>	<u>14,815,344</u>	<u>10,608,615</u>	<u>364,487</u>
Cash and cash equivalents at end of year	\$ <u>20,431,673</u>	<u>413,116</u>	<u>20,844,789</u>	<u>14,815,344</u>	<u>88,963</u>
Noncash transactions:					
Acquisition of assets through assumption of note payable	\$ 756,776	—	756,776	—	—
Prior period adjustment	\$ 164,728	—	164,728	164,728	—
Amortization	\$ 196,859	—	196,859	79,378	—
Capitalized interest	\$ —	—	—	440,760	—

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit 6

Combining Balance Sheet - Component Units

December 31, 1995

Assets	Governmental Fund Types		Proprietary Fund Type Bossier Public Trust Financing Authority	Totals
	City Court of Bossier City	Bossier City Marshal's Office		
Assets:				
Cash and cash equivalents	\$ 173,219	131,130	—	304,349
Investments (note 2)	107,000	—	—	107,000
Receivables	2,321	—	—	2,321
Restricted assets:				
Cash and cash equivalents	—	—	88,963	88,963
Investments	—	—	18,608,941	18,608,941
Accrued interest	—	—	53,533	53,533
Property and equipment	—	35,860	—	35,860
Total assets	\$ 282,540	166,990	18,751,437	19,200,967
Liabilities, Equity, and Other Credits				
Liabilities:				
Accounts payable and accrued liabilities	\$ 86,000	22,096	100,317	208,413
Due to other governmental unit	27,000	—	—	27,000
Revenue bonds payable (note 5)	—	—	18,525,000	18,525,000
Total liabilities	113,000	22,096	18,625,317	18,760,413
Equity and other credits:				
Investment in general fixed assets	—	35,860	—	35,860
Retained earnings	—	—	126,120	126,120
Fund balances - undesignated	169,540	109,034	—	278,574
Total fund balances	169,540	109,034	126,120	404,694
Total equity and other credits	169,540	144,894	126,120	440,554
Total liabilities, equity, and other credits	\$ 282,540	166,990	18,751,437	19,200,967

See accompanying notes to combined financial statements and accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit 7

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Component Units

Year ended December 31, 1995

	Governmental Fund Types			Totals
	City Court of Bossier City	Bossier City Marshal's Office		
Revenues:				
Fees, charges, and commissions for services	\$ 237,619	365,519		603,138
Interest income	<u>8,815</u>	<u>          </u>		<u>8,815</u>
Total revenues	<u>246,434</u>	<u>365,519</u>		<u>611,953</u>
Expenditures:				
Current:				
General government	185,455	—		185,455
Public safety	<u>          </u>	334,350		334,350
Miscellaneous	27,000	—		27,000
Capital outlay	<u>          </u>	<u>8,903</u>		<u>8,903</u>
Total expenditures	<u>212,455</u>	<u>343,253</u>		<u>555,708</u>
Excess of revenues over expenditures	33,979	22,266		56,245
Fund balances at beginning of year	<u>135,561</u>	<u>86,768</u>		<u>222,329</u>
Fund balances at end of year	\$ <u>169,540</u>	<u>109,034</u>		<u>278,574</u>

See accompanying notes to combined financial statements and accompanying independent auditors' report.



CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

December 31, 1995

(1) **Summary of Significant Accounting Policies**

The City of Bossier City, Louisiana (the "City"), was incorporated in 1907 and operates under a City Charter dated July 1, 1977, which provides for a strong Mayor-Council form of government. The City provides the following services as authorized by its charter: public health and safety, streets, sanitation, water and sewerage, planning and zoning, recreation, and general administrative services. Education and welfare are administered by other governmental entities.

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

**Blended Component Unit**

**Metropolitan Planning Commission**

The Metropolitan Planning Commission (Commission) is responsible for the orderly physical development of the City and the surrounding planning area. The Commission makes recommendations to the City Council and the Parish Police Jury. The Commission consists of nine members with four appointed by both the City and the Bossier Parish Police Jury, and one member is elected by joint action of the governing authorities. Although the Commission is legally separate, the City acts as its fiscal agent and has the ability to modify and approve its budget. Separate financial statements are not issued on the Commission since it has been historically included as a fund within the City's financial statements. Since the Commission provides services almost entirely to the City and due to the significance of the fiscal dependency relationship, it has been blended with the City's financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

#### **Discretely Presented Component Units**

The component units columns in the combined financial statements include the financial data of the City's component units. They are reported in a separate column to emphasize that they are legally separate from the City.

#### **City Court of Bossier City**

The City Court of Bossier City (City Court) was created by special legislative act. Its jurisdiction includes the incorporated area of the City. The City judge is elected and cannot be removed by City officials. The City Court is fiscally dependent on the City. The City has the ability to modify or approve its budget which comes from the General Fund. There are certain funds collected by the City Court, pursuant to state statute, which are under the control of the City Court. The City Court serves the citizenry of the City. The financial statements of the City Court included in the accompanying financial statements are as of and for the fiscal year ended December 31, 1995.

#### **Bossier City Marshal's Office**

The Bossier City Marshal's Office (City Marshal) is an elected official. The City Marshal is fiscally dependent on the City. The City has the ability to modify or approve the budget which comes from the General Fund. There are certain funds collected as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the citizenry of the City. The financial statements of the City Marshal included in the accompanying financial statements are as of and for the fiscal year ended December 31, 1995.

#### **Bossier Public Trust Financing Authority**

The Bossier Public Trust Financing Authority was created by a trust indenture, pursuant to state enabling legislation, which made the City the beneficiary. There are five trustees appointed by the City Council for terms of five years. Per terms of the trust indenture, the City has no power to transact business for the trustees nor to control or direct the actions of the trustees. The City is entitled solely to the benefits of the trust, and at the termination of the trust it shall receive the residual of the trust. The City cannot access the organization's funds at will, although there is some ability to access them at the discretion of the Bossier Public Trust Financing Authority. The Bossier Public Trust Financing Authority serves the citizenry of the City. The financial statements of the Bossier Public Trust Financing Authority included in the accompanying financial statements are as of and for the fiscal year ended November 30, 1995.

**CITY OF BOSSIER CITY, LOUISIANA**

**Notes to Combined Financial Statements**

Complete financial statements of the individual component units may be obtained at the following addresses:

City Court of Bossier City  
P.O. Box 5337  
Bossier City, Louisiana 71171

Bossier City Marshal's Office  
P.O. Box 5337  
Bossier City, Louisiana 71171

Bossier Public Trust Financing Authority  
710 Benton Road  
Bossier City, Louisiana 71171

**Other Related Organizations**

**Bossier Housing Authority**

The Bossier Housing Authority was created by state statute, and it is legally separate from the City. The Mayor appoints the five commissioners; however, the City cannot impose its will on the Bossier Housing Authority since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the commissioners. The Bossier Housing Authority is fiscally independent and there is no financial benefit or burden relationship with the City. Therefore, it is not included in the City's financial statements.

**Industrial Park Fund**

The Industrial Park Fund was organized in 1976 as a joint venture between the City and the Bossier Parish Police Jury for the purpose of purchasing land and the development of an industrial park.

The City has a 50 percent interest in the assets of the Industrial Park Fund. Both governing bodies share equally in the approval process for budgeting and financing activities. Advances by the City to the Industrial Park Fund have been expensed in the fund making the advance, and the City's equity interest in the net assets of the fund has not been recorded in the General Fixed Asset Account Group because it is immaterial.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Condensed unaudited financial information as of December 31, 1995, is as follows:

<u>Balance Sheet Data</u>	<u>Total</u>	<u>City's Share</u>
Total assets	\$ <u>92,540</u>	<u>46,270</u>
Total fund balance	\$ <u>92,540</u>	<u>46,270</u>
 <u>Statement of Revenues, Expenditures, and Changes in Fund Balance</u>  		
Revenues	\$ 33,720	16,860
Expenditures	<u>61,300</u>	<u>30,650</u>
Excess expenditures over revenues	(27,580)	(13,790)
Fund balance, January 1, 1995	<u>120,120</u>	<u>60,060</u>
Fund balance, December 31, 1995	\$ <u>92,540</u>	<u>46,270</u>

During 1995, the Industrial Park Fund was essentially inactive having completed its primary activity of prior years which consisted of funding the construction of a 420 foot road and a utility easement on behalf of an industrial company relocating to the Bossier City area. Complete financial statements of the joint venture may be obtained at the following address:

Bossier Parish Police Jury  
P.O. Box 68  
Bossier City, Louisiana 71006

The accounting policies of the City of Bossier City, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. The accounting policies of the discretely presented component units are consistent with those of the City. The following is a summary of the more significant policies:

**(A) Basis of Presentation - Fund Accounting**

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the City:

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

#### **GOVERNMENTAL FUNDS**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. All governmental funds are accounted for on a spending measurement focus; that is, the measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental fund types:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds at December 31, 1995, were Metropolitan Planning Commission, State and Federal Grant, Court Witness Fee, Civic Center, Fire Improvements and Operations, Jail and Municipal Buildings, Streets and Drainage, and Riverboat Gaming.

Debt Service Funds - The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The debt service funds receive a portion of all ad valorem and sales taxes paid to the City.

Capital Project Funds - Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

#### **PROPRIETARY FUNDS**

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. All proprietary funds and the pension trust funds are accounted for on a capital maintenance measurement focus; that is, the measurement focus is upon determination of net income. The following are the proprietary funds maintained by the City:

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City's enterprise funds are the Department of Water and Sewerage, Bossier Medical Center, and Emergency Medical Services.

The Department of Water and Sewerage is operated as a self-sustaining utility of the City and is responsible for providing the residents of the City of Bossier City, Louisiana, with water and sewerage treatment.

Bossier Medical Center is a municipal health care facility owned and operated by the City of Bossier City, Louisiana. The Bossier Medical Center is governed by a Board of Directors which is appointed by the Mayor and approved by the City Council. The City Council approves and has the right to change the annual operating and capital budgets, if it so desires. The Board administers the daily operations of the hospital within the budgetary and fiscal controls established by the City Council as a self-sustaining entity of the City.

The Emergency Medical Services department is operated as a self-sustaining service of the City and is responsible for providing the residents of the City of Bossier City, Louisiana, with emergency medical services.

Internal Service Funds - Internal service funds are used to account for the financing of services provided by one department of the City to other departments on a cost-reimbursement basis. The City maintains two internal service funds for medical and workmen's compensation insurance coverage.

### **FIDUCIARY FUNDS**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Pension Trust Funds - The City maintains three retirement funds which are accounted for and reported as fiduciary funds since capital maintenance is critical. These funds are the Firemen's Pension and Relief Fund, the Policemen's Pension and Relief Fund, and the Bossier Medical Center Pension Fund.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

Agency Funds - Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The Consolidated Sales Tax Fund accounts for the collection of a two and one-half percent city sales and use tax and the distribution of this tax to the various funds which account for operations or projects for which the tax was levied. This fund also accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board and various municipalities within the parish. The Deferred Compensation Fund accounts for the assets held under the City's Internal Revenue Code Section 457 plan. The Riverboat Gaming Agency Fund accounts for the receipt and distribution of funds received from the riverboats and paid to other local government agencies under the terms of the agreements with the riverboats.

### ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. The following are the City's account groups:

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

General Long-Term Obligation Account Group - This group of accounts is established to account for all long-term obligations of the City except those accounted for in the proprietary funds.

### **(B) Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. This reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financial sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

# CITY OF BOSSIER CITY, LOUISIANA

## Notes to Combined Financial Statements

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligation Account Group, not in the governmental funds. Long-term liabilities accounted for in the General Long-Term Obligation Account Group are retired from the General Fund and debt service funds while long-term liabilities accounted for in the proprietary funds are retired from the respective funds in which they are recorded.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Special reporting treatments are also applied to governmental fund prepaid expenditures to indicate that they do not represent "available spendable resources," even though they are a component of net current assets. Such amounts are generally offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Obligation Account Group.

All proprietary funds and pension trust funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets (including fixed assets) and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation recognized on fixed assets acquired through intergovernmental grants, entitlements, or shared revenues externally restricted to capital acquisitions is allocated to contributed capital, while depreciation on fixed assets acquired with proprietary fund resources is allocated to retained earnings.

Accumulated depreciation is reported on the proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	15-50 years
Structures:	
Water reservoir and treatment plant	10-50 years
Transmission and distribution system	10-50 years
Equipment and vehicles	3-20 years



CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(C) Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by all governmental funds (General Fund, special revenue funds, debt service funds, agency funds, and capital projects funds). Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Ad valorem taxes are considered "measurable" at the time of levy whereas such items as tobacco taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Licenses and permits, charges for general governmental services, fines and penalties, Racing Commission revenues, video poker revenues, riverboat gaming revenues, and miscellaneous other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Taxes, charges for services, and investment earnings are recorded as earned since they are measurable and available (see note 3 for property tax accrual policy).

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

The accrual basis of accounting is used by the proprietary and pension trust funds. Revenues are recognized when earned and expenses are recognized when incurred. The reserve method is used to account for bad debt expenses on enterprise fund receivables. Unbilled service revenues are not accrued by the City. Unbilled service receivables of the Department of Water and Sewerage Fund and Emergency Medical Services Fund not reflected in the accompanying financial statements were approximately \$300,241 and \$58,019, respectively, at December 31, 1995. Management does not consider these amounts material to the financial position or results of operations of the Department of Water and Sewerage or the Emergency Medical Services Fund.

The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, APB opinions, and ARBS.

#### **(D) Budgetary Data**

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to November 15, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 15, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department and by principal object of expenditure. The City Charter provides that expenditures may not legally exceed appropriations on a departmental basis after considering fund surpluses or deficits. The Council may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. Amendments to the budget were made and adopted by the Council during 1995.
- (5) The City utilizes formal budgetary integration as a management control device for the General Fund, special revenue funds, and capital projects funds. This process is not employed for the debt service funds because effective budgetary control is achieved through general bond indenture provisions.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

- (6) Comparison of budgeted and actual amounts as shown in Exhibit 3 in the accompanying financial report includes the General Fund and those special revenue funds which are included in the annual operating budget (Metropolitan Planning Commission, Civic Center, Fire Improvements and Operations, Jail and Municipal Buildings, and Streets and Drainage). Annual operating budgets are not prepared for the State and Federal Grant, Court Witness Fee, and Riverboat Gaming special revenue funds, but rather these funds are budgeted on a project basis. The capital budget ordinances which encompass the capital projects funds present cumulative as opposed to annual budget amounts and thus budget and actual comparisons are not reported in the accompanying financial report for these funds.
- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations which are not expended lapse at year-end, except appropriations for capital improvements, which do not lapse until the purpose of the appropriation has been accomplished or abandoned.
- (8) The City is legally required to prepare annual operating budgets for the Department of Water and Sewerage, Bossier Medical Center, and the Emergency Medical Services. The annual operating and capital budgets of the Bossier Medical Center are prepared by the staff of the hospital and are then reviewed and approved by the City Council. The City is not, however, required to present an actual-to-budget comparison for the enterprise funds. Budgets are not prepared for the internal service funds.

#### **(E) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

#### **(F) Investments**

For all funds, except for the Deferred Compensation Fund, investments are stated at cost or amortized cost. The investments at December 31, 1995, were primarily U.S. government and U.S. government agency securities (see note 2 for the City's investment policy). Investments of the Deferred Compensation Fund are stated at market and consist of investments in life insurance contracts.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(G) Prepaid Items**

Prepaid items consist of items such as prepaid insurance and other prepaid expenditures. The cost is recorded as an asset at the time such items are purchased. The reserve for prepaid expenditures in governmental fund types is equal to the amount of prepaid expenditures to indicate a portion of the fund balance is not available for future expenditure.

**(H) Inventories**

Inventories are valued at cost (first-in, first-out). Inventories in the General Fund consist of expendable supplies held for consumption. The cost is recorded as an asset at the time individual inventory items are purchased and charged as an expenditure when used. No reserve for inventories is provided since no minimum amounts of inventories are required to be maintained. Inventories in the enterprise funds consist of repair materials, spare parts, drugs, and medical supplies.

**(I) Refundable Deposits**

The Department of Water and Sewerage of the City of Bossier City requires that its water and sewer customers place a deposit before service is rendered. These monies are not restricted by law and are generally used by the Department of Water and Sewerage in meeting current operating cash requirements.

The Sales Tax Department requires deposits of certain establishments involved in special events and before being allowed to sell alcohol. The deposits are used to offset delinquent tax bills or are returned upon the respective activity ceasing.

**(J) Deferred Revenues**

Certain licenses are collected in advance; therefore, the recognition of revenue is deferred until the following year. In addition, certain insignificant grant revenues were collected in excess of allowable expenditures and were thus, deferred.

**(K) Contributions**

Contributions recorded in the Department of Water and Sewerage Fund, the Emergency Medical Services Fund, and the Bossier Medical Center Fund include amounts advanced for aid in construction and other expenses paid or incurred on behalf of these funds by the City of Bossier City - General Fund and capital projects funds, various federal and state grants-in-aid of construction, and other contributions in aid of construction primarily from contractors and developers. The contributions or grants-in-aid of construction received do not reduce the cost basis of the respective assets acquired. Such contributions and grants are charged currently with the depreciation of the respective assets.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(L) Vacation and Sick Leave**

City employees are granted vacation and sick leave in varying amounts. The maximum allowable accumulation of vacation and sick leave is up to 30 days and 100 days, respectively. In the event of termination, an employee is reimbursed for accumulated vacation days up to the maximum allowable accumulation. For financial reporting purposes, the City does not accrue vacation earned but not paid in the governmental funds since the liability will be funded from future resources. Vacation and sick leave are recorded as an expenditure when paid in governmental funds. The estimated liability for unused vacation for governmental funds is recorded in the General Long-Term Debt Account Group. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as it is earned by the employees.

**(M) Comparative Total Data**

Comparative total data for the prior year have been presented in the accompanying combined financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements, since their inclusion would make the statements unduly complex and difficult to read. Certain amounts relating to 1994 have been reclassified in the accompanying financial statements in order to conform with the 1995 presentation.

**(N) Total Columns on Combined Statements**

Total columns on the combined statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to consolidation. Interfund eliminations have not been made in the aggregation of this data.

**(O) Pension Plans**

The City of Bossier City, Louisiana, the Bossier Medical Center, and the State of Louisiana collectively have six pension plans which cover substantially all employees who meet certain length of service requirements. See note 9 for details of these plans.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(P) Medicare**

The Bossier Medical Center is paid for the cost of services provided to health insurance program patients and adjustments may sometimes occur when such costs have been audited and reported on by the Medicare Intermediary. An estimate of the amounts due to the Intermediary has been included in current liabilities. Amounts by which the Bossier Medical Center's standard billing rates exceed the Medicare reimbursement have reduced operating revenues.

The Bossier Medical Center grants credit to patients, substantially all of whom are local residents, under terms requiring timely repayment. The Bossier Medical Center does not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies (e.g., Medicare, Blue Cross, and commercial insurance policies).

At December 31, 1995, the Bossier Medical Center had receivables from the Federal Government (Medicare), net of contractual allowances, totaling \$2,503,419. Receivables from Blue Cross and commercial insurance carriers, net of contractual allowances, totaled \$1,614,885 and \$3,901,450, respectively, at December 31, 1995.

Amounts applicable to sick pay, which are accounted for on the accrual basis for financial statement purposes, are reimbursable by Medicare on the cash basis. The reimbursable costs related to the amount of unpaid sick pay for financial reporting purposes are reported as "other assets" in the balance sheet.

**(Q) Reserves**

Use of the term "reserve" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance is not appropriable for expenditures or is legally segregated for a specific future use.

**(R) Interfund Transactions**

Interfund transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the City, such as routine employer contributions from the General Fund to the pension trust funds, are accounted for as revenues and expenditures, or expenses in the funds involved. Nonrecurring or nonroutine transfers of equity between funds and transfers of residual balances of discontinued funds are treated as residual equity transfers. Residual equity transfers are reported as additions to or deductions from beginning fund balance for governmental funds. For proprietary funds, they are reported as an addition or deduction to contributed capital. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. Operating transfers to the appropriate funds and

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

legally authorized transfers from the Bossier Medical Center to other funds are distinguished from revenues, expenses, or expenditures in financial statements. These transfers are reported in the "Other Financing Sources (Uses)" section in the statement of revenues, expenditures, and changes in fund balance (governmental funds) and in the "Operating Transfers" section in the statement of revenues, expenses, and changes in retained earnings (proprietary funds).

#### **(S) Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied in November of each year and are due on or before December 31. The City bills and collects its own property taxes. City property tax revenues are recognized when levied to the extent that they are available. Property taxes levied for the current year are considered available in the current year as they are budgeted for and expected to be used to finance expenditures within the year levied. In addition, historically 96 percent of the taxes have been collected within 60 days after the due date. Available property taxes are recognized as current year revenues in accordance with generally accepted accounting principles as applicable to governmental units.

The City currently levies the maximum tax allowed by state statutes and the Louisiana Constitution for general governmental services other than taxes for special purposes (such as the funds designated for the Fire and Police Departments) or the payment of long-term debt. The City is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose for the payment of principal and interest on long-term debt after approval by the voters of the City.

#### **(T) Grants From Other Governmental Agencies**

Federal and state governmental agencies represent an important source of supplementary funding to finance housing, employment and construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General Fund, special revenue funds, capital projects funds, and enterprise funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are subject to audit by the granting agency or its representative.

#### **(U) Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers each fund's equity investment in the pooled cash account and all highly liquid debt instruments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(V) Postretirement Benefits**

The City provides certain postretirement benefits to its employees as described in note 13.

**(W) Self-Insurance Claims**

The City is self-insured for medical benefits and workmen's compensation coverage. Self-insured claims are recorded in the City's Internal Service funds in accordance with Governmental Accounting Standards Board Statement Number 10.

Incurred but not reported claims are recorded as liabilities in the Insurance Fund and Liability Insurance Fund. An estimate for these claims is provided by a third party administrator based on historical experience.

**(2) Cash and Investments**

**City of Bossier City (Primary Government)**

All deposits of the City are held by area financial institutions. At December 31, 1995, the carrying amount of the City's deposits was \$35,340,513, and the bank balance was \$37,199,668. This difference is due to the outstanding checks at December 31, 1995.

The City maintains a pooled cash and investments account for all funds of the City except the Firemen's Pension and Relief Fund, the Policemen's Pension and Relief Fund, Bossier Medical Center Fund, and the Bossier Medical Center Pension Fund. Each fund's equity in pooled cash and investments is presented as "Cash and Cash Equivalents" on the combined balance sheet. Interest income is allocated to each respective individual fund monthly based on each fund's average daily cash balance.

The City's deposits at year-end were entirely covered by federal depository insurance or were collateralized with securities held by the City's agent (one of its custodial banks) in the City's name. Statutes require that securities pledged for deposits of the City be held by a bank other than the pledging bank.

State statutes authorize the City to invest in United States bonds, treasury notes, government agencies' securities, certificates and 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 mutual or trust fund institutions which have underlying investments consisting solely of and limited to securities of the United States government or its agencies. In addition, the Firemen's Pension and Relief Fund, the Policemen's Pension and Relief Fund, and the Bossier Medical Center Pension Fund may invest in bonds of the State of Louisiana or of the City of Bossier City. During 1995, the City invested in certificates of deposit, U.S. government and U.S. government agency securities, collateralized mortgage obligations, and mortgage-backed securities and mutual funds backed by government agency securities. The funds of the Deferred Compensation Fund are invested in a life insurance contract.



CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

The City's investments are categorized below to give an indication of the level of risk assumed by the City at December 31, 1995. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

	Category			Carrying Amount	Market Value
	<u>1</u>	<u>2</u>	<u>3</u>		
U.S. government and U.S. government agency securities	\$ <u>42,365,932</u>	<u>—</u>	<u>—</u>	42,365,932	43,468,599
Mortgage-backed securities in Bossier Medical Center Pension Fund and Firemen's Pension and Relief Fund	\$ <u>1,517,687</u>	<u>—</u>	<u>—</u>	1,517,687	1,527,943
Mutual Fund in Bossier Medical Center Pension Fund				500,000	493,310
Life Insurance Contract in Deferred Compensation Fund				<u>2,540,855</u>	<u>2,540,855</u>
Total investments				46,924,474	48,030,707
Total deposits				<u>35,340,513</u>	<u>35,340,513</u>
Total cash, cash equivalents, and investments, including restricted cash				\$ <u>82,264,987</u>	<u>83,371,220</u>

The pension trust funds own approximately 2.4 percent of the City's deposits in financial institutions and 50.1 percent of the U.S. government and U.S. government agency securities.

**Component Units**

All deposits of the component units are held by area financial institutions. At the respective year-ends, all deposits are insured or collateralized with securities held in the component unit's name by its agent (the trust department of a bank other than the pledging bank). The investments of the Bossier Public Trust Financing Authority at November 30, 1995, consist primarily of mortgage-backed securities and investment agreements which are considered category 1 investments. The securities have a market value of \$18,927,175 at November 30, 1995.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(3) Ad Valorem Property Taxes

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Bossier Parish Tax Assessor and approved by the State of Louisiana Tax Commission. Total assessed value was \$184,287,480 and \$163,245,850 in 1995 and 1994, respectively. Property taxes are recorded as receivables and revenues in the year assessed. The General Fund property tax receivable at December 31, 1995 and 1994, is shown net of an allowance for uncollectible taxes of \$67,010. The distribution of the City's levy (tax rate per \$1,000 assessed value) was as follows for 1995 and 1994:

	<u>Levy</u>	
	<u>1995</u>	<u>1994</u>
General Fund - unrestricted	\$ 7.40	7.40
General Fund - restricted for Fire and Police Departments	16.45	16.47
Debt service funds	<u>—</u>	<u>3.40</u>
	\$ <u>23.85</u>	<u>27.27</u>

A revaluation of all property is required to be completed no less than every 4 years. A revaluation was completed for the tax roll as of January 1, 1992.

(4) Fixed Assets

A summary of changes in general fixed assets is as follows:

	Balance January 1, <u>1995</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>1995</u>
Land and land improvements	\$ 4,777,217	748,874	—	5,526,091
Buildings and structures	24,373,049	474,701	—	24,847,750
Equipment and vehicles	<u>10,305,519</u>	<u>1,126,579</u>	<u>(252,735)</u>	<u>11,179,363</u>
	\$ <u>39,455,785</u>	<u>2,350,154</u>	<u>(252,735)</u>	<u>41,553,204</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

A summary of proprietary fund types property, plant, and equipment at December 31, 1995, follows:

Department of Water and Sewerage:

Land	\$ 555,258
Water reservoir and treatment plant	33,707,808
Transmission and distribution system	24,411,079
Equipment	3,951,715
Construction in progress	<u>1,086,497</u>
	63,712,357
Less accumulated depreciation	<u>(19,979,903)</u>
Total Department of Water and Sewerage	<u>43,732,454</u>

Bossier Medical Center:

Land and land improvements	1,839,516
Buildings	12,366,749
Fixed equipment	12,562,940
Major movable equipment	21,319,206
Minor equipment	1,042,900
Construction in progress	<u>130,804</u>
	49,262,115
Less accumulated depreciation	<u>(26,589,477)</u>
Total Bossier Medical Center	<u>22,672,638</u>

Emergency Medical Services - equipment	742,295
Less accumulated depreciation	<u>(435,825)</u>
Total Emergency Medical Services	<u>306,470</u>
Total all proprietary fund types	<u>\$ 66,711,562</u>

Included in construction in progress for the enterprise funds are the following major projects as of December 31, 1995:

<u>Department of Water and Sewerage</u>	
Water plant expansion	\$ 446,986
Benton Road sewer line expansion	539,221

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(5) **Long-Term Debt**

**City of Bossier City (Primary Government)**

A summary of changes in general long-term obligations follows:

	<u>Accrued Vacation</u>	<u>General Obligation Bonds Payable</u>	<u>Revenue Bonds Payable - General City Operations</u>	<u>Total</u>
Balance, January 1, 1995	\$ 448,687	1,230,000	37,900,000	39,578,687
Debt issues/additions	30,824	—	—	30,824
Debt retirements/defeased	<u>—</u>	<u>(1,230,000)</u>	<u>(1,710,000)</u>	<u>(2,940,000)</u>
Balance, December 31, 1995	\$ <u>479,511</u>	<u>—</u>	<u>36,190,000</u>	<u>36,669,511</u>

The following is a summary of bond transactions for the year ended December 31, 1995:

	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
Bonds payable at January 1, 1995	\$ 1,230,000	60,090,000	61,320,000
Debt retired/defeased - serial bonds	<u>(1,230,000)</u>	<u>(2,790,000)</u>	<u>(4,020,000)</u>
Bonds payable at December 31, 1995	\$ <u>—</u>	<u>57,300,000</u>	<u>57,300,000</u>

In addition to \$4,020,000 of bonds retired, the City paid \$3,990,997 in interest.

Bonds payable at December 31, 1995, are comprised of the following issues:

Revenue bonds - applicable to general city operations:

\$6,500,000 1979 Public Improvement Sales Tax Serial Bonds due in annual installments of \$310,000 to \$500,000 through December 1, 2003; interest at 5.9% to 6.25%	\$ 3,260,000
\$1,300,000 1987 Public Improvement Sales Tax Serial Bonds due in annual installments of \$280,000 to \$305,000 through 1997; maturing November 1 of each year; interest at 12%	585,000
\$10,000,000 1989 Public Improvement Sales Tax Serial Bonds due in annual installments of \$190,000 to \$875,000 through 2014; maturing November 1 of each year; interest at 6.8% to 12%; callable on or after November 1, 1999	9,140,000
\$8,190,000 1991 Revenue Refunding Bonds due in annual installments of \$155,000 to \$840,000 through 2010; maturing December 1 of each year; interest at 5.85% to 6.85%; callable on or after December 1, 2001	5,705,000

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

\$11,675,000 1992 Revenue Refunding Bonds due in annual installments of \$120,000 to \$1,080,000 through 2012; maturing November 1 of each year; interest at 4.5% to 6.35%; callable on or after November 1, 1997 \$ 11,330,000

\$6,325,000 1993 Public Improvement Sales Tax Refunding Bonds, due in annual installments of \$75,000 to \$640,000 through 2010; maturing December 1 of each year; interest at 3.2% to 5.3%; callable on or after July 1, 1996 6,170,000  
36,190,000

Revenue bonds - applicable to water and sewer operations:

\$9,995,000 1990 Utilities Revenue Serial Bonds due in annual installments of \$320,000 to \$890,000 through 2010; maturing October 1 of each year; interest at 6.4% to 7.4%; callable on or after October 1, 2000 8,560,000

\$6,695,000 1992 Utilities Revenue Serial Bonds due in annual installments of \$225,000 to \$560,000 through 2012; maturing October 1 of each year; interest at 4.1% to 6.1% 6,255,000  
14,815,000

Revenue bonds - applicable to Medical Center operations:

\$10,165,000 1987 Hospital Refunding Serial Bonds due in annual installments of \$480,000 to \$840,000 through 2005, maturing January 1 of each year; interest at 6.25% to 7.85%; callable on or after July 1, 1997 6,295,000

Total revenue bonds \$ 57,300,000

The annual requirements, including interest, to amortize all debt outstanding as of December 31, 1995, are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 2,995,000	3,729,181	6,724,181
1997	3,055,000	3,520,271	6,575,271
1998	3,010,000	3,302,954	6,312,954
1999	3,185,000	3,109,574	6,294,574
2000	3,390,000	2,905,486	6,295,486
2001-2005	18,460,000	11,091,926	29,551,926
2006-2010	16,870,000	5,486,510	22,356,510
2011-2014	<u>6,335,000</u>	<u>863,276</u>	<u>7,198,276</u>
	\$ <u>57,300,000</u>	<u>34,009,178</u>	<u>91,309,178</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

The Consolidated Debt Service Fund has been dedicated revenues from approximately 3% of the ad valorem taxes paid to the City. Such taxes are used for the payment of principal and interest on the City's general obligation bonds. During 1995, the remaining general obligation bonds were paid off and the funds remaining in the debt service fund were distributed through a residual equity transfer to various funds consistent with the original purpose of the bond issue in accordance with the applicable bond ordinance. In addition, proceeds from the City's sales tax revenues, to the extent of current year debt service requirements, have been dedicated for retirement of the Sales Tax Bonds, series 1979, 1987, 1989, 1991 Refunding, 1992 Refunding, and 1993 Refunding. The total ad valorem and sales taxes dedicated to the Bond and Interest Sinking Funds amounted to \$4,128,607 and \$4,690,205 in 1995 and 1994, respectively (see note 6).

The 1985 Hospital Revenue Refunding Bonds are considered to be defeased and the liability for those bonds has been removed from the Bossier Medical Center Enterprise Fund. At December 31, 1995, \$5,720,000 of Bossier Medical Center bonds are outstanding, but considered defeased.

The 1986 and 1987 Series bonds are considered to be defeased and the liability for those bonds has been removed from the General Long-Term Debt Account Group. At December 31, 1995, \$5,535,000 and \$9,850,000 of the 1986 and 1987 bonds, respectively, are outstanding, but considered defeased.

On November 1, 1995, the City set aside funds totaling \$741,981 to advance refund \$740,000 of outstanding general obligation bonds. The advance refunding was for the following issues of general obligation bonds:

General Obligation Bonds dated 1/1/73 Series 1973	\$ 480,000
Public Improvement Bonds Series 1974-A	145,000
General Obligation Bonds dated 1/1/75 Series 1975-A, B, & C	75,000
General Obligation Bonds dated 11/1/78	40,000

Funds of \$741,566 were provided for the advance refunding of the above bonds from restricted deposits related to the bond issues. The City provided \$415 of funds from general revenues. The funds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. Defeasing the bonds resulted in a net positive cash flow to the City of \$57,584. Since the bonds are considered defeased, they are not recorded in the financial statements of the City. The amount of defeased bonds outstanding at December 31, 1995 was \$740,000.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Changes in Bossier Medical Center retained earnings reserved for debt service and unreserved during the year ended December 31, 1995 and 1994, were as follows:

	<u>1995</u>	<u>1994</u>
Bossier Medical Center Fund:		
Reserved:		
Balance at beginning of year	\$ 1,035,206	1,814,893
Transfer to unreserved retained earnings	<u>—</u>	<u>(779,687)</u>
Balance at end of year	<u>1,035,206</u>	<u>1,035,206</u>
Unreserved:		
Balance at beginning of year	26,745,681	24,633,167
Net income	2,790,264	1,332,827
Transferred from reserved	<u>—</u>	<u>779,687</u>
Balance at end of year	<u>29,535,945</u>	<u>26,745,681</u>
Total retained earnings	\$ <u>30,571,151</u>	<u>27,780,887</u>

Changes in the Department of Water and Sewerage retained earnings reserved for debt service and unreserved during the year ended December 31, 1995 and 1994, were as follows:

	<u>1995</u>	<u>1994</u>
Department of Water and Sewerage Fund:		
Reserved:		
Balance at beginning of year	\$ 1,086,541	1,938,091
Transfer from (to) unreserved retained earnings	<u>62,741</u>	<u>(851,550)</u>
Balance at end of year	<u>1,149,282</u>	<u>1,086,541</u>
Unreserved:		
Balance at beginning of year, as previously reported	6,711,648	4,933,291
Prior period adjustment - understatement of accrued expenses	<u>(109,805)</u>	<u>(109,805)</u>
Balance at beginning of year, as restated	6,601,843	4,823,486
Net income	1,169,900	256,470
Amounts charged to contribution accounts for depreciation	684,622	670,337
Transferred from (to) reserves	<u>(62,741)</u>	<u>851,550</u>
Balance at end of year	<u>8,393,624</u>	<u>6,601,843</u>
Total retained earnings	\$ <u>9,542,906</u>	<u>7,688,384</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Details of restricted assets at December 31, 1995 and 1994, are as follows:

	<u>1995</u>	<u>1994</u>
Department of Water and Sewerage:		
Water Division:		
Utility Revenue Bond Funds - 1990 and 1992 Utility Revenue Serial Bonds Debt Service Fund:		
Cash and cash equivalents	\$ 1,937,676	1,937,602
Accrued interest receivable	<u>29,251</u>	<u>15,168</u>
	<u>1,966,927</u>	<u>1,952,770</u>
Water Capital Additions and Contingencies Fund:		
Cash and cash equivalents	1,128,342	137,237
Accrued interest receivable	<u>17,033</u>	<u>1,074</u>
	<u>1,145,375</u>	<u>138,311</u>
	<u>3,112,302</u>	<u>2,091,081</u>
Total restricted assets applicable to the Water Division		
Sewerage Division - Sewerage Capital Additions and Contingencies Fund:		
Cash and cash equivalents	1,736,849	1,405,124
Accrued interest receivable	<u>26,220</u>	<u>11,000</u>
	<u>1,763,069</u>	<u>1,416,124</u>
	<u>1,763,069</u>	<u>1,416,124</u>
Total Department of Water and Sewerage restricted assets	\$ <u>4,875,371</u>	<u>3,507,205</u>
Bossier Medical Center:		
Revenue Bond Retirement Fund - cash and cash equivalents	\$ <u>1,855,396</u>	<u>1,823,318</u>
Designated for plant and equipment additions and replacements:		
Cash and cash equivalents	608,406	106,547
Certificate of deposit	100,000	100,000
Government agency securities	<u>1,000,000</u>	<u>3,024,863</u>
	<u>1,708,406</u>	<u>3,231,410</u>
	<u>3,563,802</u>	<u>5,054,728</u>
Total restricted assets applicable to Bossier Medical Center	\$ <u>3,563,802</u>	<u>5,054,728</u>



CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

State law allows a maximum of 10% of assessed valuation of bonded debt for any one purpose or 35% of the total assessed value for all purposes. The City assessed property value at December 31, 1995, is \$184,287,480. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 1995, is \$18,428,748 and \$64,500,618, respectively. The City currently has no general bonded debt outstanding. Therefore, at December 31, 1995, the City has a debt margin of \$64,500,618 available for issuance pursuant to the 35% limitation.

**Component Units**

The bonds payable of the Bossier Public Trust Financing Authority at November 30, 1995, consist of \$18,525,000 Single Family Mortgage Revenue Bonds, 1995 Series dated August 1, 1995, with interest at rates ranging from 4.2% to 6.5% and maturing through August 1, 2028. The 1992 Series bonds were refunded by the issuance of \$10,080,000 of the 1995B Series bonds having an average interest rate of approximately 5.97%. As a result of the refunding, additional aggregate debt service payments of \$3,429,000 will be required over the next thirty three years. The refunding resulted in an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1,938,000. At November 30, 1995, the Authority has cash and cash equivalents, investments, and accrued interest receivable of \$88,963; \$18,608,941; \$53,533; respectively, restricted for repayment of the bonds.

Scheduled bond principal maturities are as follows:

1996	\$	—
1997		—
1998		130,000
1999		135,000
2000		140,000
Thereafter		<u>18,120,000</u>
	\$	<u>18,525,000</u>

Under provisions of the indenture, the Bossier Public Trust Financing Authority has the option to redeem remaining outstanding bonds in whole at any time on or after August 1, 2005, from available funds at an initial redemption price of 102% of par and subsequently at prices declining to par. The bonds are collateralized by the income derived from the mortgage loans and the funds and accounts held under or pledged to the program pursuant to the indenture.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(6) Sales Tax

The Consolidated Sales Tax Agency Fund accounts for the collection of a two and one-half cent City sales and use tax and the distribution of this tax to other funds of the City. This fund also accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board and various municipalities within the parish. For financial reporting purposes, sales taxes are recorded as revenue in the individual funds which account for operations or projects for which the taxes were levied and as approved for expenditure by ordinance of the Council.

The original one cent sales tax is used initially to pay operating expenses incurred in the administration and collection of sales taxes. Scheduled payments are made on a monthly basis into the Sales Tax Bond and Interest Sinking Funds for debt service requirements. After these payments, the amount, if any, up to one-half of the total monthly sales tax revenues (net of collection expense) are payable to the General Fund for Fire and Police Department operations and maintenance. The remaining amount, if any, is payable to the Sales Tax Capital Improvement Fund.

A half cent sales tax was approved by the voters in 1982. This revenue, net of expenses incurred in collecting the tax, is to be paid to the Firemen's and Policemen's Pension and Relief Funds to liquidate the unfunded liabilities of the plans over 30 years. The remaining amount, if any, is payable to the General Fund for salaries of police, fire, and other City employees.

In 1987, a half cent sales tax was approved by the voters. The additional revenue, net of expenses incurred in collecting the tax, is to be used for retirement of principal and payment of interest on sales tax bonds issued for the design and construction of a parkway adjacent to the Red River. The remaining amount, if any, is payable to the Parkway Capital Projects Fund.

In 1991, an additional half cent sales tax was approved by the voters for the purposes of constructing and operating two new fire stations and a training facility, operating and maintaining the City jail and municipal buildings, maintaining and upgrading streets and drainage, and for salaries for personnel other than firemen and policemen.

The cost associated with collecting and distributing the sales tax is funded by the City and the Bossier Parish School Board. The two entities fund the sales tax departmental expenditures on a pro rata basis. The various municipalities are charged a 1% commission on sales tax collected and distributed. The amounts recorded as sales tax revenue in the various funds are net of operating expenses of the sales tax department and includes other miscellaneous revenue related to the operation of the department and the collection of the tax.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(7) City Charter Provisions - Department of Water and Sewerage

The City Charter, which became effective July 1, 1977, authorized annual transfers from the Department of Water and Sewerage operating accounts of an amount equal to debt service on general obligation bonds issued for water and sewerage purposes to the Bond and Interest Sinking Funds.

However, the transfer to the Bond and Interest Sinking Funds for debt service on general obligation bonds issued for water and sewerage purposes has not been made because, in the opinion of the City attorney, the Charter provisions are in conflict with previous contractual obligations arising from issuance of general obligation and water revenue refunding bonds, and the transfer may not be required at this time. The amount of this transfer for the year ended December 31, 1995, would amount to approximately \$265,082.

(8) Contributed Capital

Changes in contributed capital during the year ended December 31, 1995, were as follows:

	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Total
Balances at January 1, 1995	\$ 31,943,367	2,922,230	5,732	34,871,329
Contributions	1,537,459	—	—	1,537,459
Amounts charged to contribution account for depreciation	<u>(684,622)</u>	<u>—</u>	<u>(625)</u>	<u>(685,247)</u>
Balances at December 31, 1995	\$ <u>32,796,204</u>	<u>2,922,230</u>	<u>5,107</u>	<u>35,723,541</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(9) Defined Benefit Pension Plans

(A) Description of Plans

The City, Bossier Medical Center, and the State of Louisiana collectively have six pension plans which provide substantially all full-time employees with retirement, death, and disability benefits. These plans are:

SINGLE EMPLOYER DEFINED BENEFIT PLANS - PUBLIC EMPLOYEE RETIREMENT SYSTEMS

Administered by the City

- **The Firemen's Pension and Relief Fund ("Firemen's Fund")** - Covers substantially all members of the City's Fire Department employed by the City before January 1, 1980. All firemen employed by the City on or after January 1, 1980, must join the Firefighter's Retirement System of Louisiana Plan.

Pension Benefits - Employees with 20 years of service are eligible to receive monthly retirement benefits. These benefits are equal to two-thirds (2/3) of average final compensation, as defined. The beneficiary receives an additional amount equal to one (1) percent of such salary for each year of service after the member has reached the age of 50 years and has served 20 years, provided that the maximum benefit shall not exceed seventy-five (75) percent of the salary. Benefits can only be paid out monthly and employee and employer contributions are forfeited upon termination of an employee without the required length of service.

Death and Disability Benefits - If an active employee or an employee eligible for or receiving benefits shall die from any cause, a monthly benefit shall be paid to the member's surviving spouse and children. The spouse, while remaining unmarried, shall receive fifty (50) percent of the eligible benefits to which the deceased member would be entitled. Each surviving minor child under the age of eighteen (18) years shall receive twenty-four (24) percent of said benefits until the age of eighteen (18) or until married, whichever is sooner. These amounts paid to the family of the deceased will not exceed two-thirds (2/3) of the member's salary.

If an active employee becomes disabled by reason of serving the department, he shall receive monthly a sum which, with the benefits from the Workmen's Compensation Act, shall be equal to seventy-five (75) percent of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he became disabled. The benefits shall continue as long as the disability shall continue or until he becomes eligible for retirement on a service basis, whichever is sooner. If an active member with at least ten years of service becomes disabled by reason of causes not arising or developing directly from employment, with certain exceptions, he shall receive monthly a sum equal to

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

one-third (1/3) of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he became disabled, plus an additional two (2) percent of such salary for each year of active service rendered over five years. The maximum benefit shall not exceed two-thirds (2/3) of the monthly salary.

Deferred Retirement Option Plan - The Firemen's Fund provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has at least twenty years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation begin being paid to the retiree. The participant may elect to receive payment in the form of one lump sum or an annuity based upon the account balance.

Funding Sources - The Plan is funded from the following sources, as established by City ordinance:

- Proceeds from the City's portion of the State of Louisiana 2% Fire Insurance Tax Account.
- The sale of condemned property owned and used by the Fire Department.
- Five percent of the salaries of all employees of the Fire Department who are eligible for participation in the Firemen's Plan.
- A matching five percent of employees' salaries paid by the General Fund.
- Reimbursement by the General Fund for the operating deficit, if any.
- Income from investments owned by the Firemen's Plan.
- Amounts from the sales tax levy and annual General Fund appropriations sufficient to liquidate the unfunded liability over a period not to exceed 30 years.

As of December 31, 1995, the Firemen's Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	<u>66</u>
DROP members	<u>18</u>
Current employees:	
Vested	17
Nonvested	<u>    </u>
	<u>17</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

- **The Policemen's Pension and Relief Fund ("Policemen's Fund")** - Covers a limited number of members of the City's Police Department not covered under the Municipal Police Employee Retirement System of Louisiana. All policemen employed on or after September 9, 1977, must join the Municipal Police Employee Retirement System of Louisiana Plan.

Pension Benefits - Employees with 20 years of service or employees with 18 consecutive years of service and that have reached 65 years of age are eligible for monthly retirement benefits. These benefits shall be two-thirds (2/3) of average final compensation, as defined. Benefits can only be paid monthly and employee contributions are forfeited upon termination of an employee without the required length of service.

The Policemen's Plan provides for a joint and survivor benefit option. This option gives the recipient the choice of reducing the amount of retirement drawn and increases amounts paid to survivors upon death. This option is actuarially equivalent to the original service retirement benefit. Benefits paid regardless of option remains at two-thirds (2/3) of monthly salary.

Deferred Retirement Option Plan - The Policemen's Plan provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has at least twenty years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation will begin being paid to the retiree. The participant may elect to receive payment in the form of no more than two payments per year in increments of at least \$1,000 or an annuity based upon the account balance.

Death and Disability Benefits - If a member of the Police Department dies while in police service, while on or off official duty, or while receiving a pension, and leaves a child or children under seventeen years of age, a widow, or a dependent mother; these survivors should be paid as follows: dependent mother, one hundred dollars per month; widow, one thousand dollars per month for as long as she remains unmarried if the member's death occurred prior to January 1, 1985, or 3 1/3 percent for each year of service multiplied by the member's final average compensation if the member's death occurred subsequent to January 1, 1985; each child under eighteen years of age or who is attending college, one hundred fifty dollars per month, regardless of the number of children.

If a member becomes disabled while in the performance of his duties, he shall receive pension benefits as stated above for normal retirees.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

Funding Sources - The funding policy of the BMC Fund provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate needed assets to pay benefits when due. Level percentages of employer payroll contribution rates are determined using the Frozen Entry Age actuarial funding method. At this time, a supplemental unfunded actuarial accrued liability of \$114,830 exists.

Contributions for the 1995 plan year totaling \$639,946 were made in 1995, and contributions totaling \$142,372 are payable at December 31, 1995, in accordance with contribution requirements determined through an actuarial valuation performed at January 1, 1995. An amount of \$619,570 of these contributions represents funding for normal cost. Contributions made by Bossier Medical Center represent 6.5 percent of covered payroll for the year.

Significant actuarial assumptions used to compute contribution requirements are the same as those used to compute the standardized measure of the pension obligation. There were no significant changes in 1995 in actuarial assumptions, benefit provisions, the actuarial funding method, or any other significant factors used in the computation of the pension contribution requirements.

As of January 1, 1995, membership in the BMC Fund consisted of 45 retirees, beneficiaries, and terminated employees entitled to benefits currently receiving benefits and 354 current employees of which 255 were vested and 99 were nonvested.

BMC Fund assets are held in pension funding contracts with a life insurance company.

### MULTIPLE-EMPLOYER COST-SHARING BENEFIT PLANS - PUBLIC EMPLOYEE RETIREMENT SYSTEMS

#### Administered by the State of Louisiana

- **The Municipal Employees' Retirement System of Louisiana ("Employees' System")** - Covers substantially all employees of the City not covered by the fire, police, and Bossier Medical Center pension plans.

Pension Benefits - Employees are eligible to receive monthly retirement benefits upon reaching age 55 with 30 years and age 60 with 10 years of service. Benefits are equal to 2 percent of the employee's final compensation multiplied by years of service. For employees with less than 30 years of service, benefits are reduced by 3 percent for each year that the employee is below age 62 at the time of retirement. Elected officials receive an additional 1/2 of 1 percent for each year of elective service. Benefits cannot exceed 100 percent of the employee's final salary.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Death and Disability Benefits - If an employee dies prior to eligibility with 20 or more years of service, a monthly benefit shall be paid to the employee's spouse based on the spouse's age and spouse's eligibility for other benefits. Benefits cease upon remarriage or upon becoming eligible for other retirement benefits. If an employee who is eligible for normal retirement dies, the surviving spouse shall receive benefits based on the spouse's age for life.

If an active member becomes disabled and has at least 10 years of service, he shall receive a disability benefit of 2 percent of final compensation multiplied by years of service but not less than 30 percent of his final compensation. Upon reaching the earliest normal retirement age, the disability benefit shall be converted to a normal retirement allowance. If the employee dies while receiving disability benefits, his survivors shall be eligible for benefits provided such beneficiaries were his spouse or children at the time he became disabled.

Deferred Retirement Option Plan - The Employees' System provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has been an active contributing member for one full year after becoming eligible for normal retirement may elect to defer receipt of these benefits for a period of three years. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the *monthly benefits that were being paid into the DROP account during the period of participation* will begin being paid to the retiree. The participant may elect to receive payment in the form of one lump sum, an annuity based upon the account balance, or any other approved method of payment.

Funding Sources - Covered employees are required to contribute 5 percent of their salary to the plan. The City is required to contribute 3 percent of covered employees' salaries through June 1994 and 3.75 percent of covered employees salary effective July 1994. The employer and employee contribution obligations are established by state statute.



## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

- **The Municipal Police Employees' Retirement System of Louisiana ("MPERS")** - Covers all members of the City's Police Department not covered under the Policemen's Fund. All new employees of the Police Department must join this plan.

Pension Benefits - Employees are eligible to receive monthly retirement benefits upon reaching age 50 with 20 years of service, upon reaching age 55 with 12 years of service, or upon reaching 25 years of service at any age. These benefits are equal to 3 1/3 percent of the employee's average final compensation multiplied by the years of service. Employees covered by the system who leave employment subsequent to reaching the required years of service but prior to attaining the required age are eligible to receive pension benefits upon reaching the required age.

Death and Disability Benefits - If an employee is killed in the line of duty, the member's spouse shall receive a monthly benefit of two-thirds of the employee's final pay. If an employee dies from a cause not in line of duty, the surviving spouse shall be paid a monthly benefit of the greater of \$200 or \$20 times years of service. Benefits shall cease upon remarriage of the spouse. Surviving minor children shall receive \$75 per month each, not to exceed \$150.

If an active member is disabled in the line of duty, he shall receive a monthly pension of 60 percent of his average salary. If a member becomes disabled because of illness or injury not in the line of duty and he has 5 years of service, he shall receive 75 percent of the retirement salary to which he would be entitled.

Deferred Retirement Option Plan - The MPERS provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has at least twenty years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation will begin being paid to the retiree. The participant may elect to receive payment in the form of one lump sum, an annuity based upon the account balance, or any other approved method of payment.

Funding Sources - Covered employees were required to contribute 8 percent of their salary to the plan until the system is fully funded, at which time the contribution rate declined to 7.5 percent. This occurred as of July 1, 1994. The City is required to contribute 9 percent of covered employees' salaries. The employer and employee contribution obligations are established by state statute.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

- **The Fire Fighter's Retirement System of Louisiana ("FFRS")** - Covers all members of the City's Fire Department not covered under the Firemen's Fund. All new employees of the Fire Department must join this plan.

Pension Benefits - Employees with 20 years of service who have attained the age of 50 years, employees with 12 years of service who have attained the age of 55 years, or employees with 25 years of service at any age are eligible to receive monthly retirement benefits. These benefits are equal to 3 1/3 percent of the employee's average final compensation multiplied by years of service. Employees covered by the system who leave employment subsequent to reaching the required years of service but prior to attaining the required age are eligible to receive pension benefits upon reaching the required age.

Death and Disability Benefits - If an active employee is killed in the line of duty, a monthly benefit shall be paid to the member's spouse of two-thirds of the employee's average final compensation. If an employee dies from a cause not in the line of duty, the spouse shall be paid a monthly benefit equal to 3% of the deceased member's average final compensation multiplied by his total years of credited service. Benefits shall cease upon remarriage of the spouse. Surviving minor children shall receive the greater of \$200 per month or 10% of average final compensation.

If an active member becomes disabled resulting from injury received in the line of duty, he shall receive a monthly pension of 60 percent of his average final compensation. If a member becomes disabled because of illness or injury received not in the line of duty and who has five years of service, he shall receive 75 percent of the retirement salary to which he would have been entitled. If a disabled member dies while on disability, his surviving spouse shall receive a monthly benefit of \$200.

Deferred Retirement Option Plan - The FFRS provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has at least twenty years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The *monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance* will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation will begin being paid to the retiree. The participant may elect to receive payment in the form of one lump sum, an annuity based upon the account balance, or any other approved method of payment.

Funding Sources - Covered employees are required to contribute 8 percent of their salaries to the plan. The City is required to contribute 9 percent of covered employees' salaries. The employer and employee contribution obligations are established by state statute.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**Total Payroll and Amount Contributed - All Plans -** Payroll of City employees covered by pension plans for 1995 and contributions made by the City were as follows:

	<u>Payroll</u>	<u>Amount Contributed</u>
Firemen's Pension and Relief Fund	\$ 917,422	2,035,175
Policemen's Pension and Relief Fund	29,147	1,187,812
BMC Fund	9,553,000	639,946
Employees' System	5,748,560	195,511
MPERS	3,596,861	323,718
FFRS	2,970,162	283,441
City employees not covered by a pension plan (includes part-time employees)	<u>2,217,973</u>	<u>—</u>
	<u>\$ 25,033,125</u>	<u>4,665,603</u>

\* Does not include overtime not subject to retirement or earnings of DROP participants.

In addition to the employers' contributions above, during 1995, the employees contributed \$45,833 and \$1,749 to the Firemen's and Policemen's Funds, respectively, which represent 5.0% and 6.0%, respectively, of covered payroll. The estimated annual contributions for 1995, as actuarially determined at January 1, 1995, were calculated to be approximately \$1,944,978, \$983,296, and \$639,946 for the Firemen's Fund, Policemen's Fund, and BMC Fund, respectively, of which \$188,201, \$20,991, and \$619,570, respectively, were to pay normal costs (20.5%, 72.0%, and 6.5%, respectively, of covered payroll) and \$1,756,777, \$962,305, and \$20,376, respectively, to pay actual benefits and amortize the unfunded actuarial accrued liability (191.5%, 3,301.6%, and 0.2%, respectively, of covered payroll).

The City's contribution to the Employees' System, MPERS, and FFRS for 1995 represent approximately 10.6%, 2.3%, and 6.8%, respectively, of the total employer contributions to the respective plans for the plan years ended June 30, 1995.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(B) Securities Included in Public Employee Retirement System Assets**

Firemen's Fund:	
U.S. government and agency obligations	\$ 10,491,890
U.S. government agency mortgage-backed pool	<u>995,312</u>
	<u>\$ 11,487,202</u>
Policemen's Fund:	
Bank certificates of deposit	\$ 74,979
U.S. Treasury Bonds	<u>4,238,352</u>
	<u>\$ 4,313,331</u>
BMC Fund:	
U.S. Treasury Bonds and U.S. government and agency obligations	\$ 3,782,288
Mortgage-backed securities	522,375
Mutual funds	<u>500,000</u>
	<u>\$ 4,804,663</u>

**(C) Funding Status and Progress**

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the plans on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the plans.

The pension benefit obligation was computed as part of an actuarial valuation performed as of January 1, 1995, for the Firemen's and Policemen's Funds and as of January 1, 1994, for the BMC Fund. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.0 percent a year compounded annually for the Firemen's Fund, 6.0 percent annually for the Policemen's Fund, and 8.0 percent for the BMC Fund and (b) projected salary increases of 2.0 percent a year for inflation and from 3.0 to 6.4 percent a year for years of service for the Firemen's and Policemen's Funds, and 5.0 percent a year for inflation and 1.0 percent a year for years of service for the BMC Fund. The net assets available for benefits in the following schedule are valued at cost, which approximates market, and are as of December 31, 1995, for the Firemen's and Policemen's Funds and as of December 31, 1994, for the BMC Fund.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Total unfunded pension benefit obligation applicable to the City's employees was as follows:

	Firemen's Fund	Policemen's Fund	BMC Fund	Total
Pension benefit obligations:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 34,120,283	20,644,665	579,000	55,343,948
Current employees:				
Accumulated employee contributions	313,232	—	—	313,232
Employer-financed vested	1,402,297	—	3,333,000	4,735,297
Employer-financed nonvested	<u>2,565,074</u>	<u>—</u>	<u>1,465,000</u>	<u>4,030,074</u>
Total pension benefit obligations	38,400,886	20,644,665	5,377,000	64,422,551
Net assets available for benefits, at cost, which approximates market				
	<u>12,144,887</u>	<u>4,321,208</u>	<u>4,449,000</u>	<u>20,915,095</u>
Unfunded pension benefit obligations	\$ <u>26,255,999</u>	<u>16,323,457</u>	<u>928,000</u>	<u>43,507,456</u>

\* This does not include contributions made by Bossier Medical Center of \$142,372 and \$173,289 made in 1995 and 1994, but applicable to the prior plan year.

**(D) Actuarially Determined Contribution Requirements and Contributions Made**

The City's funding policy for its single employer public employee retirement systems provides for contributions to be made by individual employees participating in the plans as described in (A) above.

The actuarially determined pension benefit obligation at the date of the latest actuarial report of \$38,400,886 for the Firemen's Fund and \$20,644,665 for the Policemen's Fund is currently being funded. The estimated annual contribution for 1995 required to pay normal cost and to fund unfunded prior service cost over a 30-year period from December 31, 1983, based on the latest actuarial report dated January 1, 1996, is calculated to be approximately \$1,977,970 for the Firemen's Fund, of which \$134,175 is to pay normal cost, and \$1,061,054 for the Policemen's Fund, of which none is to pay normal cost. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation as described in (C) above.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Effective January 1, 1982, the Firemen's Fund and the Policemen's Fund retroactively changed their methods of recording the unfunded pension liability to comply with generally accepted accounting principles as applicable to governmental units. New employees are no longer allowed to enter these plans; however, the City is bound by state statute to continue funding of benefits until the plan members and qualifying dependents are deceased. The unfunded accounting liability was not computed as of January 1, 1982, when the method was changed and has not been computed since that date. Since the difference between cumulative prior period accounting liabilities and the amounts actually funded were unknown, the actuarially determined unfunded pension benefit obligation has been omitted from the account group because it represents an actuarial liability and not an accounting liability. All required contributions have been made by the City since 1982.

The City's funding policy for its multiple-employer cost-sharing public employee retirement systems provides for contributions to be made by the City and by the individual employees participating in the plans as described in (A) above.

The systems do not make separate measurements of assets and pension benefit obligation for individual employers. The following information has been obtained from the latest actuarial information of the systems dated June 30, 1995.

Significant actuarial assumptions used in the valuation include: (a) a rate of return on the investment of present and future assets of 8 percent for the Employees' System and 7 percent for the MPERS and the FFRS and (b) projected salary increases of 5.5 percent for the Employees' System, increases based upon Department of Commerce publications for the MPERS, and increases of between 4.0 and 8.3 percent for the FFRS.

	Employee's System	MPERS	FFRS
Net assets available for benefits	\$ 59,345,360	766,365,130	352,392,368
Pension benefit obligation	65,581,563	736,846,804	392,663,345
Estimated annual contribution for 1994/1995	1,827,973	20,597,110	9,334,406
Total payroll	33,750,064	100,454,990	64,860,138
Employer contributions for 1994/1995	1,640,392	9,237,134	5,367,780
Employee contributions for 1994/1995	1,713,075	7,791,235	4,777,827
Percentage of employer contributions to total payroll	4.9%	9.2	8.3
Percentage of employee contributions to total payroll	5.0%	7.8	7.4

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(E) Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found in Exhibits J-1 and J-2 of the City's Comprehensive Annual Financial Report. Historical trend information for 1995, 1994, and 1993 is as follows:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Percentage of net assets available for benefits to pension benefit obligation:			
Firemen's Fund	31.6%	30.3	29.9
Policemen's Fund	20.9	20.8	18.5
BMC Fund	82.7	86.3	84.1
Percentage of unfunded pension benefit obligation to annual covered payroll:			
Firemen's Fund	2,861.9	2,339.4	1,652.3
Policemen's Fund	56,003.9	18,578.8	4,105.0
BMC Fund	9.7	8.0	9.9
Percentage of City contributions to annual covered payroll:			
Firemen's Fund	221.8	170.4	118.1
Policemen's Fund	4,075.2	1,373.7	302.4
BMC Fund	6.7	6.5	6.6

Ten-year historical trend information is available in the separately issued retirement system reports of the plans administered by the State of Louisiana. The trend information provides information about progress made in accumulating sufficient assets to pay benefits when due.

**(10) Lease Commitments**

The City has commitments under several operating lease agreements for equipment, land, and a water supply reservoir. With the exception of the water supply reservoir, these lease agreements are cancelable by the City at any time. City management does feel, however, that such leases will generally be renewed or replaced each year. The City's lease agreement for the water supply reservoir calls for fixed annual payments of \$1,000 for the next 6 years, with an option to renew for another 30 years.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Bossier Medical Center has future minimum lease payments under operating leases that have initial or remaining lease terms in excess of one year as of December 31, 1995, as follows:

<u>Year Ending December 31,</u>	<u>Minimum Lease Payments</u>
1996	\$ 415,218
1997	364,643
1998	106,700
1999	91,533
2000	<u>94,150</u>
Total minimum lease payments	\$ <u>1,072,244</u>

Total rental expense for 1995 and 1994 for all City and Bossier Medical Center operating leases was \$2,109,533 and \$1,794,106, respectively.

**(11) Other Required Individual Fund Disclosures**

**(A) Interfund Receivables and Payables**

Individual fund interfund receivable and payable balances at December 31, 1995, were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 272,284	4,769
Special revenue funds:		
State and Federal Grant	—	138,447
Court Witness Fee	740	—
Enterprise funds - Bossier Medical Center	—	130,953
Pension trust funds – Firemen’s Pension and Relief Fund	4,029	—
Agency funds - Consolidated Sales Tax Fund	<u>—</u>	<u>2,884</u>
	\$ <u>277,053</u>	<u>277,053</u>



CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(B) Segments of Enterprise Activities**

There are three services provided by the City which are financed by user charges – water and sewer services, hospital services and emergency medical services. The key financial data for the year ended December 31, 1995, for the three services are as follows:

	Water and Sewer Services	Hospital Services	Emergency Medical Services	Total
Operating revenues	\$ <u>8,377,283</u>	<u>53,521,501</u>	<u>1,676,832</u>	<u>63,575,616</u>
Operating expenses:				
Depreciation	1,566,289	2,960,183	80,881	4,607,353
Other	<u>5,400,627</u>	<u>45,445,925</u>	<u>1,539,836</u>	<u>52,386,388</u>
	<u>6,857,111</u>	<u>48,406,108</u>	<u>1,565,794</u>	<u>56,829,013</u>
Operating income	\$ <u>1,520,172</u>	<u>5,115,393</u>	<u>111,038</u>	<u>6,746,603</u>
Operating transfers (out)	\$ <u>—</u>	<u>(550,000)</u>	<u>—</u>	<u>(550,000)</u>
Net income	\$ <u>1,169,900</u>	<u>2,790,264</u>	<u>128,165</u>	<u>4,088,329</u>
Contributions received	\$ <u>1,537,459</u>	<u>—</u>	<u>—</u>	<u>1,537,459</u>
Assets	\$ <u>58,357,943</u>	<u>44,214,464</u>	<u>683,807</u>	<u>103,256,214</u>
Bonds payable	\$ <u>14,815,000</u>	<u>6,295,000</u>	<u>—</u>	<u>21,110,000</u>
Fund equity	\$ <u>42,339,110</u>	<u>33,493,381</u>	<u>611,893</u>	<u>76,444,384</u>
Net working capital	\$ <u>8,284,297</u>	<u>12,770,073</u>	<u>305,423</u>	<u>21,359,793</u>
Acquisition of property, plant, and equipment	\$ <u>2,450,813</u>	<u>1,645,764</u>	<u>171,382</u>	<u>4,267,959</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

**(C) Operating Transfers**

A reconciliation of operating transfers follows:

	Year ended		Year ended	
	<u>December 31, 1995</u>		<u>December 31, 1994</u>	
	<u>In</u>	<u>Out</u>	<u>In</u>	<u>Out</u>
General Fund	\$ 2,700,000	51,000	1,675,000	62,413
Special revenue funds:				
Metropolitan Planning Commission Fund	51,000	—	43,000	—
Court Witness Fee Fund	—	—	19,413	—
Fire Improvements and Operations Fund	—	1,150,000	—	525,000
Jail and Municipal Buildings Fund	—	625,000	—	425,000
Streets and Drainage Fund	—	325,000	—	75,000
Debt service funds - Parkway Sales Tax Bond Sinking and Reserve Fund	—	150,000	—	190,000
Capital projects funds:				
Parkway Capital Projects Fund	150,000	—	190,000	—
Parkway Sales Tax Bond Fund	—	50,000	—	100,000
Enterprise funds - Bossier Medical Center Fund	—	<u>550,000</u>	—	<u>550,000</u>
	<u>\$ 2,901,000</u>	<u>2,901,000</u>	<u>1,927,413</u>	<u>1,927,413</u>

During 1987, the City Council adopted an ordinance by which annual transfers will be made from Bossier Medical Center to various funds of the City. In accordance with the ordinance, \$550,000 was transferred in 1995, of which \$419,047 was paid during 1995 and \$130,953 is reflected as a due from (to) between the funds as of December 31, 1995. Future transfers are subject to various financial ratios and earnings of the Bossier Medical Center.

In 1994, the City Council adopted an ordinance budgeting the Bossier Medical Center transfers to the General Fund. Within the General Fund's budget, the City Council considered the General Fund's operating transfer from Bossier Medical Center for expenditures in connection with the general operations of the City.

**(D) Residual Equity Transfers**

During 1995, the City advance refunded its remaining outstanding general obligation debt of \$740,000 (note 5), whose debt service was accounted for in the Consolidated Debt Service Fund. After defeasing the outstanding bonds, excess funds related to these bonds were available in the Consolidated Debt Service Fund. The excess funds were transferred to various other funds to be used in accordance with the intent of the original bond ordinance. The transfer of funds of \$1,510,387 is reflected as a residual equity transfer out in the Consolidated Debt Service Fund. The residual equity transfer in is reflected as follows in the funds effected:

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Residual equity transfer in:	
Jail and Municipal Building Fund	\$ 211,447
Streets and Drainage Fund	377,585
Riverboat Gaming Capital Projects Fund	<u>60,413</u>
	649,445
 Addition to contributed capital – Department of Water and Sewerage Fund	 <u>860,942</u>
	\$ <u>1,510,387</u>

(12) Fund Deficits and Budget Comparisons

For those funds for which a budget to actual comparison was made, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund:			
General government:			
Municipal building	\$ 645,822	744,016	(98,194)
Finance	439,081	475,705	(36,624)
City garage	414,459	460,092	(45,633)
Traffic engineering and safety	558,805	564,877	(6,072)
Purchasing	233,670	270,954	(37,284)
Engineering	438,552	448,054	(9,502)
Personnel	99,327	101,690	(2,363)
Permits and Inspections	305,667	308,186	(2,519)
Public works	146,977	198,312	(51,335)
Animal control	196,789	210,329	(13,540)
Information Services	241,002	252,500	(11,498)
Herbicide	103,467	117,512	(14,045)
Payments to other governmental agencies	533,533	565,067	(31,534)
Solid waste	1,623,728	1,668,662	(44,934)
Public safety - fire	4,296,575	4,435,034	(138,459)
Public safety - police	6,179,727	6,341,158	(161,431)
Highways and streets	522,636	663,860	(141,224)
Culture and recreation	1,219,703	1,227,579	(7,876)
City Court	276,784	301,440	(24,656)
Special revenue funds:			
Fire Improvements and Operations Fund – capital outlay	295,000	518,819	(223,819)

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

The Fire Improvements and Operations Fund unfavorable balance of \$223,819 is due to the 1995 operating budget not reflecting capital project appropriations. The fund had a carryover capital project budget of \$238,810 from 1994 which did not lapse in accordance with the City Charter. Considering the unlapsed portion of the 1994 capital project budget, the fund has a favorable variance of \$14,991.

The Insurance Fund had a deficit fund balance of \$81,984 at December 31, 1995. This deficit is due to medical claims exceeding revenues in recent years. The deficit was reduced by \$492,232 through various changes in insurance coverage and contribution rates, which are effective in 1995, and additional transfers as necessary. These changes included raising the annual contribution rates per employee from \$2,200 to \$2,700. The current employee deductible is \$250 and coinsurance payment percentages are 70% for City and 30% for employees. Management intends for the deficit balance to be eliminated in 1996.

The State and Federal Grant Fund had a deficit fund balance of \$13,899. The deficit is temporary and expected to be eliminated in 1996 through funding provided by grant revenues.

#### (13) Commitments and Contingencies

##### Construction Projects

There are certain construction projects in progress at December 31, 1995. These include, among others, various phases of the Red River Parkway project, projects associated with enhancement to the wastewater treatment plants, and the Shed Road project. As approved by the voters, \$22,000,000 in sales tax revenue bonds have been issued to fund the Red River Parkway and other projects. Also, the City has issued approximately \$16,690,000 in utility revenue bonds to fund the wastewater treatment plant improvements and other related utility improvement projects.

##### Pension Funds

According to existing legislative acts of the State of Louisiana, the City of Bossier City is required to reimburse the Firemen's Pension and Relief Fund and the Policemen's Pension and Relief Fund for operating deficits that may occur in any fiscal year.

##### Insurance Funds

The City adopted the provisions of Governmental Accounting Standards Board Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues (GASB 10)*, in 1995. Internal service funds were already being utilized to account for the risk activities and the internal service funds were recording the receipts from the various funds as revenue and the paying funds were recording the payments as expenditures/expenses. The following disclosures have also been added to comply with the requirements of GASB 10.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

The City is self-insured for medical benefits and workmen's compensation coverage. Payments are made from the operating funds to the Insurance Fund and the Liability Insurance Fund which are accounted for as internal service funds. Payments are accounted for as revenues by the receiving fund and expenditures/expense by the paying funds. Employees also contribute to the Insurance Fund for dependent medical benefits coverage. The City maintains stop-loss coverage with an insurance company of \$75,000 per claim for medical coverage and \$175,000 per occurrence for workmen's compensation coverage. Employee life insurance premiums are also paid from the Insurance Fund.

Bossier Medical Center participates in the Louisiana Hospital Association Trust Fund and the State of Louisiana Patients' Compensation Fund for medical malpractice claims. The Louisiana Hospital Association Trust Fund provides malpractice insurance coverage to Bossier Medical Center for claims up to \$100,000 and the State of Louisiana Patients' Compensation Fund provides an additional \$400,000 of coverage. These funds provide coverage on an occurrence basis. As a participant in the State of Louisiana Patients' Compensation Fund, Bossier Medical Center has a statutory limitation of liability which provides that no award can be rendered against it in excess of \$500,000, plus interest and costs.

The Hospital is self-insured for employee medical claims up to \$75,000 per individual per year. Insurance coverage on claims exceeding \$75,000 but not greater than \$1,000,000 is provided by a commercial insurance carrier.

A reconciliation of changes in the aggregate liabilities for claims for the self-insurance funds is as follows:

	Accrued Claims January 1, <u>1995</u>	Claims Incurred	Claims Paid	Accrued Claims December 31, <u>1995</u>
Insurance Fund	\$ 357,270	1,753,601	(1,799,586)	311,285
Liability Insurance Fund	<u>167,831</u>	<u>798,198</u>	<u>(776,682)</u>	<u>189,347</u>
	<u>\$ 525,101</u>	<u>2,551,799</u>	<u>(2,576,268)</u>	<u>500,632</u>

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Combined Financial Statements

#### **Postretirement Benefits**

As an established practice, the City provides for a portion of the health care costs of all retirees that meet the minimum service requirements of the retirement plan (as described in note 9) in which the employee participates. These costs are accounted for on a pay-as-you-go basis. At December 31, 1995, 99 retirees are currently eligible to receive or are receiving benefits under the plan. The costs of providing these benefits totaled approximately \$116,295 for 1995.

#### **Litigation**

The City is defendant in a number of legal actions, most of which are adequately covered by insurance. There are certain suits including employee discrimination and civil rights violations suits which are in the early stages of discovery and for which the availability of insurance coverage or estimates of the ultimate liability of the City cannot be determined. Resolution of some of these cases could involve liability to the City in excess of insurance limits if the courts find in favor of the various plaintiffs. In the opinion of the City attorney, the City's ultimate uninsured exposure cannot be presently determined. It is the policy of the City to pay uninsured judgments against the City on a current basis from the excess of revenues over expenditures.

#### **Revenues From the State of Louisiana**

The General Fund receives various revenues from the State of Louisiana including cigarette tax, beer tax, traffic signalization, and Racing Commission revenues. Financial difficulties at the state level may result in the reduction or elimination of certain revenues to be received by the City in future years.

#### **(14) Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditor of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of management that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Investments are managed by the plan's trustee under a life insurance contract.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(15) Subsequent Event

On February 1, 1996, the City issued Utilities Revenue Refunding Bonds, Series 1996 in the amount of \$7,595,000 to advance refund \$6,605,000 of Utilities Revenue Bonds Series 1990. The proceeds of the new bonds, net of issuance cost, were deposited in a irrevocable trust fund. The trust fund will use the proceeds to purchase direct general obligations of the U.S. government sufficient to pay the principal and interest of the refunded bonds, as they come due.

(16) Cost in Excess of Acquired Net Assets

During 1995, Bossier Medical Center purchased the net assets of physician employee practices. Cost in excess of the fair market value of the net assets of \$719,387 (net of amortization) is recorded as of December 31, 1995, and is being amortized on a straight-line basis over the life of the physician's contracts with the Hospital (less than five years). The accumulated amortization and amortization expense totaling \$91,334 at December 31, 1995, is included in depreciation and amortization expense.

The physician practice acquisition was financed with an unsecured loan agreement. The outstanding balance of the note payable at December 31, 1995 is \$440,331. The loan bears interest at an annual rate of 9.25% and is to be repaid by November 7, 1996. Payments of principal and interest totaling \$50,000 are required each month.

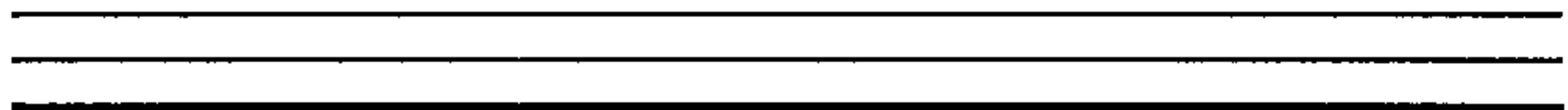
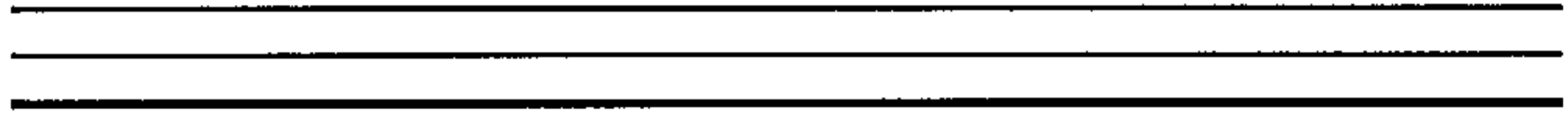
(17) Prior Period Adjustment

Prior to 1995, vacation earned but not taken by employees was not accrued as a liability in the Department of Water and Sewerage Fund and the Emergency Medical Service enterprise funds. During 1995, the City determined the accrued vacation liability and has elected to record the amounts in the financial statements.

This accounting change is being treated as a correction of an error. Therefore, the beginning balance of the effected funds/account group have been restated as follows:

	<u>Enterprise Funds</u>	<u>General Long-Term Obligation Account Group</u>
Balances at December 31, 1994, as previously reported:		
Retained earnings	\$ 36,111,995	
Long-term obligations payable – total		39,130,000
Restatement for accrued vacation	<u>(164,728)</u>	<u>448,687</u>
Balances at December 31, 1994, as restated:		
Retained earnings	\$ <u>35,947,267</u>	
Long-term obligations payable – total		\$ <u>39,578,687</u>

**COMBINING AND  
INDIVIDUAL FUND  
AND ACCOUNT GROUP  
STATEMENTS  
AND SCHEDULES**





# GOVERNMENTAL FUNDS

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- GENERAL FUND
- SPECIAL REVENUE FUNDS
- DEBT SERVICE FUNDS
- CAPITAL PROJECTS FUNDS

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# GENERAL FUND

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The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

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CITY OF BOSSIER CITY, LOUISIANA

Exhibit A-1

General Fund

Comparative Balance Sheets

December 31, 1995 and 1994

	1995	1994	<u>Liabilities and Fund Balance</u>	1995	1994
<b>Assets</b>					
Cash and cash equivalents	\$ 1,607,624	1,491,323		\$ 758,452	542,044
Ad valorem property taxes receivable, less allowance for uncollectible taxes of \$67,010 in 1995 and 1994	1,989,253	998,221	Liabilities:	—	16,990
Other accounts receivable	845,551	805,914	Accounts payable	4,029	4,062
Due from other funds:			Due to other funds:	740	740
Consolidated Sales Tax Fund	2,884	78,358	Policemen's Pension and Relief Fund	—	—
State and Federal Grant Fund	138,447	84,255	Firemen's Pension and Relief Fund	—	—
Bossier Medical Center	130,953	235,714	Court Witness Fee Fund	4,769	21,792
Insurance Fund	272,284	615,273		—	—
Prepaid expenditures	—	155,777	Deferred revenues:	46,285	50,990
Inventories, at cost	86,056	117,737	Licenses	85,094	100,755
			Other	131,379	151,745
			Total liabilities	894,600	715,581
			Fund balance:		
			Reserved for:		
			Prepaid expenditures	135,162	155,777
			Encumbrances	3,771,006	30,246
			Unreserved - undesignated	3,906,168	3,282,641
			Total fund balance	—	3,468,664
			Total liabilities and fund balance	\$ 4,800,768	\$ 4,184,245
Total assets	\$ 4,800,768	4,184,245			

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit A-2

## General Fund

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Taxes:				
Sales, net	\$ 4,465,268	5,456,420	991,152	4,851,606
Ad valorem	4,010,160	4,387,805	377,645	3,899,997
Utility	845,000	843,199	(1,801)	838,328
Telephone	150,000	163,338	13,338	113,893
Franchise:				
Cable television	295,000	318,687	23,687	178,341
Chain store	46,500	47,835	1,335	46,340
Taxi	2,500	938	(1,562)	1,075
	<u>9,814,428</u>	<u>11,218,222</u>	<u>1,403,794</u>	<u>9,929,580</u>
Licenses and permits	1,486,000	1,776,977	290,977	1,629,674
Intergovernmental:				
Grants	175,000	—	(175,000)	—
State and parish revenues:				
Cigarette tax	240,000	235,413	(4,587)	235,916
Beer tax	94,000	69,955	(24,045)	83,548
Special funds from State of Louisiana	<u>163,355</u>	<u>132,377</u>	<u>(30,978)</u>	<u>155,517</u>
	<u>672,355</u>	<u>437,745</u>	<u>(234,610)</u>	<u>474,981</u>
Fines and penalties	500,667	800,191	299,524	539,265
Racing Commission - Louisiana Downs	650,000	578,126	(71,874)	849,383
Video poker	800,000	403,699	(396,301)	790,170
Interest	30,000	56,583	26,583	28,765
Sanitation charges	1,615,000	1,610,322	(4,678)	1,559,195
Miscellaneous:				
Payment in lieu of taxes - Federal Housing Authority	48,750	43,963	(4,787)	46,893
Parks and recreation	450,000	379,231	(70,769)	397,709
Engineering fees	30,000	41,396	11,396	48,842
Enterprise funds and Civic Center Fund pro rata share of general and administrative expenses	263,796	240,956	(22,840)	170,000
Police Department revenues	160,000	149,053	(10,947)	144,503
Other income	<u>261,000</u>	<u>356,542</u>	<u>95,542</u>	<u>287,145</u>
	<u>1,213,546</u>	<u>1,211,141</u>	<u>(2,405)</u>	<u>1,095,092</u>
Total revenues	<u>16,781,996</u>	<u>18,093,006</u>	<u>1,311,010</u>	<u>16,896,105</u>

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit A-2, Cont.

## General Fund

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Expenditures:				
Current:				
General government:				
Administration	\$ 225,161	221,438	3,723	221,960
Municipal building	645,822	744,016	(98,194)	698,497
Finance	439,081	475,705	(36,624)	512,219
City garage	414,459	460,092	(45,633)	410,935
Traffic engineering and safety	558,805	564,877	(6,072)	530,835
Purchasing	233,670	270,954	(37,284)	227,304
Engineering	438,552	448,054	(9,502)	382,590
Personnel	99,327	101,690	(2,363)	85,818
Permits and Inspections	305,667	308,186	(2,519)	288,504
City attorney	199,612	187,786	11,826	170,931
Public works	146,977	198,312	(51,335)	124,785
City Council	125,610	122,894	2,716	118,192
Community development	205,668	124,924	80,744	69,361
Animal control	196,789	210,329	(13,540)	191,999
Information Services	241,002	252,500	(11,498)	—
Herbicide	103,467	117,512	(14,045)	113,001
Payments to other governmental agencies	533,533	565,067	(31,534)	454,205
	<u>5,113,202</u>	<u>5,374,336</u>	<u>(261,134)</u>	<u>4,601,136</u>
Solid Waste	1,623,728	1,668,662	(44,934)	1,591,770
Public safety:				
Fire	4,296,575	4,435,034	(138,459)	3,934,317
Police	6,179,727	6,341,158	(161,431)	5,686,273
	<u>10,476,302</u>	<u>10,776,192</u>	<u>(299,890)</u>	<u>9,620,590</u>
Highways and streets	522,636	663,860	(141,224)	510,250
Culture and recreation	1,219,703	1,227,579	(7,876)	1,279,747
City Court and Marshal:				
City Court	276,784	301,440	(24,656)	259,268
Marshal's office	292,804	292,433	371	276,962
	<u>569,588</u>	<u>593,873</u>	<u>(24,285)</u>	<u>536,230</u>
Total expenditures	<u>19,525,159</u>	<u>20,304,502</u>	<u>(779,343)</u>	<u>18,139,723</u>
Excess of expenditures over revenues	(2,743,163)	(2,211,496)	531,667	(1,243,618)
Other financing sources (uses):				
Operating transfers in	2,700,000	2,700,000	—	1,675,000
Operating transfers out	(51,000)	(51,000)	—	(62,413)
	<u>2,649,000</u>	<u>2,649,000</u>	<u>—</u>	<u>1,612,587</u>
Excess of revenues and other sources over expenditures and other uses	(94,163)	437,504	531,667	368,969
Fund balance at beginning of year	<u>3,468,664</u>	<u>3,468,664</u>	<u>—</u>	<u>3,099,695</u>
Fund balance at end of year	\$ <u>3,374,501</u>	<u>3,906,168</u>	<u>531,667</u>	<u>3,468,664</u>

See accompanying notes to combined financial statements.

# SPECIAL REVENUE FUNDS

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Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes. The City has eight special revenue funds.

**Metropolitan Planning Commission** — This fund accounts for revenues received and operating expenses incurred in the administration of the City's planning and zoning department.

**State and Federal Grant** — This fund accounts for the receipt and disbursement of funds received under the Community Development Block Grant and other grant programs.

**Court Witness Fee** — This fund accounts for the proceeds of a special case charge on criminal matters. The revenues generated are dedicated to the payment of a special witness fee to law officers who are called to testify in City Court.

**Civic Center** — This fund accounts for the revenues received and operating expenses incurred in the operations of the City's Civic Center Complex.

**Fire Improvements and Operations** — This fund accounts for the revenues received and operating expenses incurred in the construction and operation of two new fire stations and a new training facility.

**Jail and Municipal Buildings** — This fund accounts for the revenues received and the operating expenses incurred to operate and maintain the City Jail in accordance with Federally Mandated Standards and to operate and maintain City buildings.

**Streets and Drainage** — This fund accounts for the revenues received and the operating expenses incurred in maintaining and upgrading streets and drainage.

**Riverboat Gaming** — This fund accounts for the monthly payments made by the riverboats of the City's percentage of their monthly revenues. The funds will be used for capital and other undetermined projects.

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CITY OF BOSSIER CITY, LOUISIANA

Special Revenue Funds  
Combining Balance Sheet

December 31, 1995  
with comparative totals for 1994

Assets	Metropolitan Planning Commission	State and Federal Grant	Court Witness Fee	Civic Center	Fire Improvements and Operations	Jail and Municipal Buildings	Streets and Drainage	Riverboat Gaming	Totals
	1995	1995	1995	1995	1995	1995	1995	1995	1995
Cash and cash equivalents	\$ 40,482	—	—	883,131	676,033	1,139,807	1,284,083	14,264,251	18,287,787
Other receivables	610	195,922	—	30,155	9,365	16,726	18,785	257,650	529,213
Other assets	—	936	—	1,941	—	—	—	—	2,877
Due from other funds:									
General Fund	—	—	740	—	—	—	—	—	740
Jail and Municipal Buildings Fund	—	—	740	—	—	—	—	—	740
Total assets	\$ 41,092	196,858	740	915,227	685,398	1,156,533	1,302,868	14,521,901	18,820,617
<b>Liabilities and Fund Balances (Deficit)</b>									
Liabilities:									
Accounts payable	\$ 287	33,310	25	13,421	242,837	—	3,707	750	294,337
Retainages payable	—	14,000	—	—	—	—	—	—	14,000
Due to other funds:									
General Fund	—	138,447	—	—	—	—	—	—	138,447
Streets and Drainage Fund	—	138,447	—	—	—	—	—	—	138,447
Deferred revenue	—	25,000	—	—	—	—	—	—	25,000
Total liabilities	\$ 287	210,757	25	13,421	242,837	—	3,707	750	471,784
Fund balances (deficit):									
Reserved for encumbrances	—	—	—	1,697	5,527	—	—	—	7,224
Unreserved - undesignated	40,805	(13,899)	715	900,109	437,034	1,156,533	1,299,161	14,521,151	18,341,609
Total fund balances (deficit)	40,805	(13,899)	715	901,806	442,561	1,156,533	1,299,161	14,521,151	18,348,833
Total liabilities and fund balances	\$ 41,092	196,858	740	915,227	685,398	1,156,533	1,302,868	14,521,901	18,820,617

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Metropolitan Planning Commission	State and Federal Grant	Court Witness Fee	Civic Center	Fire Improvements and Operations	Jail and Municipal Buildings	Streets and Drainage	Riverboat Gaming	Totals
									1995
<b>Revenues:</b>									
Sales tax, net	—	—	—	—	1,327,291	758,453	948,066	9,510,317	3,033,810
Riverboat gaming	—	—	—	—	—	—	—	—	9,510,317
Intergovernmental:									
U.S. government grants and entitlements	34,400	807,259	3,229	525,000	—	—	—	42,324	807,259
State and parish shared revenues	34,400	807,259	3,229	525,000	—	—	—	42,324	604,953
Fines and penalties	—	—	40,618	—	—	—	—	—	40,618
Rental fees	—	—	—	200,425	—	—	—	—	200,425
Interest	1,850	—	—	38,814	34,845	50,818	45,862	629,556	801,745
Miscellaneous	24,154	—	—	18,740	—	—	—	—	42,894
Total revenues	60,404	807,259	43,847	782,979	1,362,136	809,271	993,928	10,182,197	15,042,021
<b>Expenditures:</b>									
Current:									
General government	103,395	115,025	—	—	—	—	—	—	218,420
Public safety	—	120,592	—	—	—	—	—	—	120,592
Highways and streets	—	191,261	—	—	—	—	—	—	191,261
Culture and recreation	—	39,987	—	372,574	—	—	—	—	412,561
City Court and Marshal	—	43,521	43,847	—	—	—	—	—	87,368
Miscellaneous	—	328,979	—	65,007	518,819	—	251,671	—	328,979
Capital outlay	—	—	—	437,581	518,819	—	251,671	—	835,497
Total expenditures	103,395	839,365	43,847	437,581	518,819	—	251,671	—	2,194,678
Excess (deficiency) of revenues over expenditures	(42,991)	(32,106)	—	345,398	843,317	809,271	742,257	10,182,197	12,847,343
Other financing sources (uses):									
Operating transfers in	51,000	—	—	—	(1,150,000)	(625,000)	(325,000)	—	51,000
Operating transfers out	(51,000)	—	—	—	(1,150,000)	(625,000)	(325,000)	—	(2,100,000)
Excess (deficiency) of revenues and other sources over expenditures and other uses	8,009	(32,106)	—	345,398	(306,683)	184,271	417,257	10,182,197	10,798,343
Fund balances at beginning of year	32,796	18,207	715	556,408	749,244	760,815	504,319	4,338,954	6,961,458
Residual equity transfer in	—	—	—	—	—	211,447	377,585	—	589,032
Fund balances (deficit) at end of year	\$ 40,805	(13,899)	715	901,806	442,561	1,156,533	1,299,161	14,521,151	18,348,833

See accompanying notes to combined financial statements.



## CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-3

Special Revenue Fund  
Metropolitan Planning Commission FundStatement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues:				
Intergovernmental - Bossier Parish Police Jury	\$ 34,400	34,400	—	35,000
Interest	—	1,850	1,850	1,257
Miscellaneous - zoning permits	18,764	24,154	5,390	26,578
Total revenues	<u>53,164</u>	<u>60,404</u>	<u>7,240</u>	<u>62,835</u>
Expenditures:				
General government - administration:				
Salaries, fringe benefits, and payroll taxes	94,239	93,889	350	88,747
Car allowances	3,600	3,600	—	3,600
Advertising	1,500	598	902	1,038
Office and operating supplies	1,500	1,537	(37)	1,337
Insurance	3,000	2,627	373	1,955
Telephone	125	136	(11)	145
Travel/seminars	300	433	(133)	589
Professional services	350	—	350	—
Other	150	575	(425)	388
Total expenditures	<u>104,764</u>	<u>103,395</u>	<u>1,369</u>	<u>97,799</u>
Excess of expenditures over revenues	(51,600)	(42,991)	8,609	(34,964)
Other financing sources - operating transfer in	<u>51,600</u>	<u>51,000</u>	<u>(600)</u>	<u>43,000</u>
Excess of revenues and other financing sources over expenditures	—	8,009	8,009	8,036
Fund balance at beginning of year	<u>32,796</u>	<u>32,796</u>	—	<u>24,760</u>
Fund balance at end of year	\$ <u>32,796</u>	<u>40,805</u>	<u>8,009</u>	<u>32,796</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-4

Special Revenue Fund  
Civic Center FundStatement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
<b>Revenues:</b>				
Intergovernmental - state and parish shared revenues	\$ 366,413	525,000	158,587	525,000
Rental fees	27,500	200,425	172,925	200,697
Interest	6,000	38,814	32,814	16,407
Miscellaneous	—	18,740	18,740	17,248
Total revenues	<u>399,913</u>	<u>782,979</u>	<u>383,066</u>	<u>759,352</u>
<b>Expenditures:</b>				
Culture and recreation:				
Salaries, fringe benefits, and payroll taxes	201,397	193,968	7,429	182,400
Insurance	8,270	8,966	(696)	5,769
Professional services	2,500	2,500	—	2,628
Utilities	89,500	86,702	2,798	94,899
Office and operating supplies	36,100	28,121	7,979	32,173
Administrative expenses	10,000	5,633	4,367	4,485
Travel and training	5,800	2,089	3,711	4,514
Maintenance	17,250	22,698	(5,448)	17,304
Other	19,096	21,898	(2,802)	15,403
Capital outlay	65,000	65,006	(6)	—
Total expenditures	<u>454,913</u>	<u>437,581</u>	<u>17,332</u>	<u>359,575</u>
Excess of revenues over expenditures	(55,000)	345,398	400,398	399,777
Fund balance at beginning of year	<u>556,408</u>	<u>556,408</u>	—	<u>156,631</u>
Fund balance at end of year	\$ <u>501,408</u>	<u>901,806</u>	<u>400,398</u>	<u>556,408</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-5

Special Revenue Fund  
Fire Improvements and Operations FundStatement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for the year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues:				
Sales tax, net	\$ 1,092,428	1,327,291	234,863	1,207,063
Interest	20,000	34,845	14,845	31,509
Total revenues	<u>1,112,428</u>	<u>1,362,136</u>	<u>249,708</u>	<u>1,238,572</u>
Expenditures - capital outlay	<u>295,000</u>	<u>518,819</u>	<u>(223,819)</u>	<u>701,298</u>
Excess of revenues over expenditures	817,428	843,317	25,889	537,274
Other financing use - operating transfer out	<u>(1,150,000)</u>	<u>(1,150,000)</u>	<u>—</u>	<u>(525,000)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>(332,572)</u>	<u>(306,683)</u>	<u>25,889</u>	<u>12,274</u>
Fund balance at beginning of year	<u>749,244</u>	<u>749,244</u>	<u>—</u>	<u>736,970</u>
Fund balance at end of year	\$ <u>416,672</u>	<u>442,561</u>	<u>25,889</u>	<u>749,244</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-6

Special Revenue Fund  
Jail and Municipal Buildings FundStatement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for the year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues:				
Sales tax, net	\$ 662,077	758,453	96,376	689,750
Interest	10,000	50,818	40,818	29,059
Total revenues	<u>672,077</u>	<u>809,271</u>	<u>137,194</u>	<u>718,809</u>
Other financing use - operating transfer out	<u>(625,000)</u>	<u>(625,000)</u>	—	<u>(425,000)</u>
Excess of revenues over other uses	47,077	184,271	137,194	293,809
Fund balance at beginning of year	760,815	760,815	—	467,006
Residual equity transfer in	—	<u>211,447</u>	<u>211,447</u>	—
Fund balance at end of year	\$ <u>807,892</u>	<u>1,156,533</u>	<u>348,641</u>	<u>760,815</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-7

Special Revenue Fund  
Streets and Drainage FundStatement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and ActualYear ended December 31, 1995  
with comparative actual figures for the year ended December 31, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues:				
Sales tax, net	\$ 761,388	948,066	186,678	862,188
Intergovernmental - U.S. government grants and entitlements	—	—	—	50,980
Interest	<u>15,000</u>	<u>45,862</u>	<u>30,862</u>	<u>32,492</u>
Total revenues	<u>776,388</u>	<u>993,928</u>	<u>217,540</u>	<u>945,660</u>
Expenditures - capital outlay	<u>1,033,950</u>	<u>251,671</u>	<u>782,279</u>	<u>929,803</u>
Excess (deficiency) of revenues over expenditures	(257,562)	742,257	999,819	15,857
Other financing use - operating transfer out	<u>(325,000)</u>	<u>(325,000)</u>	<u>—</u>	<u>(75,000)</u>
Excess (deficiency) of revenues over expenditures and other uses	(582,562)	417,257	999,819	(59,143)
Fund balance at beginning of year	504,319	504,319	—	563,462
Residual equity transfer in	<u>—</u>	<u>377,585</u>	<u>377,585</u>	<u>—</u>
Fund balance at end of year	\$ <u>(78,243)</u>	<u>1,299,161</u>	<u>1,377,404</u>	<u>504,319</u>

See accompanying notes to combined financial statements.

## DEBT SERVICE FUNDS

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The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The debt service funds receive a portion of ad valorem and sales taxes paid to the City.

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CITY OF BOSSIER CITY, LOUISIANA

Exhibit C-1

Debt Service Funds  
Bond and Interest Sinking Funds

Combining Balance Sheet

December 31, 1995  
with comparative totals for 1994

Assets	Consolidated Debt Service Fund	Sales Tax Bond Sinking and Reserve Fund	Parkway Sales Tax Bond Sinking and Reserve Fund	Totals	
				1995	1994
Cash and cash equivalents	\$ —	3,358,828	2,451,702	5,810,530	8,205,250
Ad valorem property taxes receivable	—	—	—	—	150,365
Accrued interest	—	49,398	37,987	87,385	65,740
Total assets	\$ —	<u>3,408,226</u>	<u>2,489,689</u>	<u>5,897,915</u>	<u>8,421,355</u>
<b>Fund Balances</b>					
Fund balances - reserved for debt service	\$ —	<u>3,408,226</u>	<u>2,489,689</u>	<u>5,897,915</u>	<u>8,421,355</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit C-2

Debt Service Funds  
Bond and Interest Sinking FundsCombining Statement of Revenues, Expenditures,  
and Changes in Fund BalancesYear ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Consolidated Debt Service Fund	Sales Tax Bond Sinking and Reserve Fund	Parkway Sales Tax Bond Sinking and Reserve Fund	Totals	
				1995	1994
Revenues:					
Taxes:					
Sales, net	\$ —	2,072,539	2,056,068	4,128,607	4,135,169
Ad valorem tax and reallocations	193	—	—	193	555,036
Interest	82,006	209,113	146,754	437,873	362,837
Total revenues	<u>82,199</u>	<u>2,281,652</u>	<u>2,202,822</u>	<u>4,566,673</u>	<u>5,053,042</u>
Expenditures - debt service:					
Principal retirement	493,389	1,140,000	570,000	2,203,389	2,085,000
Advance refunding escrow	741,981	—	—	741,981	—
Interest and fiscal charges	49,855	944,795	1,489,706	2,484,356	2,614,778
Total expenditures	<u>1,285,225</u>	<u>2,084,795</u>	<u>2,059,706</u>	<u>5,429,726</u>	<u>4,699,778</u>
Excess (deficiency) of revenues over expenditures	(1,203,026)	196,857	143,116	(863,053)	353,264
Other financing uses - operating transfers out	—	—	(150,000)	(150,000)	(190,000)
	—	—	(150,000)	(150,000)	(190,000)
Excess (deficiency) of revenues over expenditures and other uses	(1,203,026)	196,857	(6,884)	(1,013,053)	163,264
Fund balances at beginning of year	2,713,413	3,211,369	2,496,573	8,421,355	8,258,091
Residual equity transfer out	(1,510,387)	—	—	(1,510,387)	—
Fund balances at end of year	\$ <u>—</u>	<u>3,408,226</u>	<u>2,489,689</u>	<u>5,897,915</u>	<u>8,421,355</u>

See accompanying notes to combined financial statements.



# CAPITAL PROJECTS FUNDS

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Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Brief descriptions of each fund follow:

**Sales Tax Capital Improvement Fund** — This fund is used to account for expenditures associated with street improvements, the Shed Road projects, and the Golden West project and is funded by the excess one-half cent sales tax after payment of debt service sales tax revenue bond issues and interest earned.

**Parkway Capital Projects Fund** — This fund is used to account for miscellaneous capital expenditures as budgeted by the City Council and is funded by the excess one-half cent sales tax after payment of debt service on the Parkway Bond Issue and interest earned.

**1987 Parkway Sales Tax Bond Fund** — This fund is used to account for expenditures associated with the Red River Parkway Construction, Airline Drive widening and utility relocation, Shed Road Phase II and Phase III, and Canes Landing projects and is funded by the 1987 Parkway Bond proceeds and interest earned.

**1989 Parkway Bond Construction Fund** — This fund is used to account for expenditures associated with the Red River Parkway Construction, Airline Drive widening and utility relocation, Shed Road Phase II and Phase III, and Canes Landing projects and is funded by the 1989 Parkway Bond proceeds and interest earned.

**Special Project Fund** — This fund is used to account for expenditures associated with the completion of the Red River Parkway and is funded with the refunding of the 1979 Single Family Mortgage Revenue Bond Issue. No more funds will be transferred into this fund.

**Special Capital Projects Fund** — This fund is used to account for improvements to water and sewer lines in the industrial park and is funded by miscellaneous residual monies remaining from other projects. No more funds will be transferred into this fund.

**Land Acquisition Fund** — This fund is used to account for special land purchases and sales not associated with bond issue related expenditures.

**Equipment Replacement Fund** — This fund is used to account for purchases and sales of various equipment not associated with bond issue related expenditures.

**Riverboat Gaming Capital Projects Fund** — This fund is used to account for expenditures associated with downtown development, major park improvements, and other major capital projects and is funded by the initial payments made by the two riverboat casinos and related interest earnings.

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CITY OF BOSSIER CITY, LOUISIANA

Capital Projects Funds  
Combining Balance Sheet

December 31, 1995  
with comparative totals for 1994

Assets	Sales Tax Capital Improvement Fund	Parkway Capital Projects Fund	1987 Parkway Sales Tax Bond Fund	1989 Parkway Bond Construction Fund	Special Project Fund	Special Capital Projects Fund	Land Acquisition Fund	Equipment Replacement Fund	Riverboat Gaming Capital Projects Fund	Totals	
										1995	1994
Cash and cash equivalents	\$ 1,290,085	824,687	140,616	4,557,143	2,625,402	—	8,430	48,306	2,198,533	11,693,202	13,625,591
Accounts receivable	—	12,899	—	—	—	—	—	—	—	12,899	—
Accrued interest	18,980	9,083	2,122	68,787	39,628	—	127	729	33,185	172,641	105,178
Due from other funds	—	—	—	—	—	—	—	—	—	—	190,000
Total assets	\$ 1,309,065	846,669	142,738	4,625,930	2,665,030	—	8,557	49,035	2,231,718	11,878,742	13,920,769
<b>Liabilities and Fund Balances</b>											
<b>Liabilities:</b>											
Accounts payable	\$ 353,010	123,102	22,548	14,819	—	—	1,644	—	2,218	517,341	166,505
Retainages payable	—	—	28,579	—	—	—	—	—	—	28,579	—
Due to other funds	—	—	—	—	—	—	—	—	—	—	190,000
Total liabilities	\$ 353,010	123,102	51,127	14,819	—	—	1,644	—	2,218	545,920	356,505
<b>Fund balances:</b>											
Reserved for encumbrances	443,013	105,083	—	2,620	—	—	—	—	32,060	582,776	201,505
Unreserved - designated for subsequent years' expenditures	513,042	618,484	91,611	4,608,491	2,665,030	—	6,913	49,035	2,197,440	10,750,046	13,362,759
Total fund balances	956,055	723,567	91,611	4,611,111	2,665,030	—	6,913	49,035	2,229,500	11,332,822	13,564,264
Total liabilities and fund balances	\$ 1,309,065	846,669	142,738	4,625,930	2,665,030	—	8,557	49,035	2,231,718	11,878,742	13,920,769

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Capital Projects Funds

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	1987	1989	Special	Land	Equipment	Riverboat	Totals
	Parkway	Parkway	Capital	Acquisition	Replacement	Gaming	1995
	Sales Tax	Bond	Projects	Fund	Fund	Capital	1994
	Improvement	Construction	Fund		Fund	Projects	
	Fund	Fund			Fund	Fund	
Revenues:							
Sales taxes, net	\$ 1,719,724	—	—	—	—	—	3,455,919
Riverboat gaming	—	—	—	—	—	—	2,762,333
Interest	71,900	265,677	—	597	2,615	117,521	2,275,000
Other income	1,791,624	129	—	597	2,615	60,000	541,153
Total revenues	1,791,624	265,677	—	597	2,615	177,521	4,177,451
Expenditures - project expenditures and engineering fees	1,972,135	661,475	14,313	13,147	—	170,661	6,569,306
Excess (deficiency) of revenues over expenditures	(180,511)	(395,798)	(14,313)	(12,550)	2,615	6,860	(2,391,855)
Other financing sources (uses) - operating transfers in (out):							
Debt Service Fund	—	—	—	—	—	—	150,000
General Fund - inspection fees	—	—	—	—	—	—	(50,000)
Total other financing sources (uses)	—	—	—	—	—	—	100,000
Excess (deficiency) of revenues and other sources over expenditures and other uses	(180,511)	(395,798)	(14,313)	(12,550)	2,615	6,860	(2,291,855)
Fund balances at beginning of year	1,136,566	5,006,909	14,313	19,463	46,420	2,162,227	13,564,264
Residual equity transfer in	—	—	—	—	—	60,413	60,413
Fund balances at end of year	\$ 956,055	4,611,111	2,665,030	6,913	49,035	2,229,500	11,332,822

See accompanying notes to combined financial statements.

**PROPRIETARY  
AND FIDUCIARY  
FUNDS**

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- **ENTERPRISE FUNDS**
  - **INTERNAL SERVICE FUNDS**
  - **FIDUCIARY FUNDS**
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# ENTERPRISE FUNDS

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The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in that the cost of goods and services are recovered primarily through user charges. Accountability over enterprise funds are directed at the periodic determination of revenues earned, expenses incurred, and net income.

The enterprise funds reported in this section are the Department of Water and Sewerage, Bossier Medical Center, and Emergency Medical Services.

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## Enterprise Funds

## Combining Balance Sheet

December 31, 1995  
with comparative totals for 1994

Assets	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Totals	
				1995	1994
Current assets:					
Cash and cash equivalents	\$ 8,290,442	3,614,915	259,647	12,165,004	9,370,583
Accounts receivable - customers	712,603	15,367,234	128,429	16,208,266	14,085,382
Less allowance for doubtful accounts	<u>(75,312)</u>	<u>(3,225,608)</u>	<u>(14,736)</u>	<u>(3,315,656)</u>	<u>(2,692,821)</u>
	637,291	12,141,626	113,693	12,892,610	11,392,561
Accrued interest receivable	125,156	—	3,997	129,153	69,769
Other accounts receivable	899	21,000	—	21,899	50,110
Prepaid expenses	—	443,666	—	443,666	553,894
Inventories, at cost	<u>191,697</u>	<u>739,760</u>	<u>—</u>	<u>931,457</u>	<u>1,082,884</u>
Total current assets	<u>9,245,485</u>	<u>16,960,967</u>	<u>377,337</u>	<u>26,583,789</u>	<u>22,519,801</u>
Restricted assets:					
Cash and cash equivalents	4,802,867	3,463,802	—	8,266,669	5,409,828
Investments, at cost	—	100,000	—	100,000	3,124,863
Accrued interest	<u>72,504</u>	<u>—</u>	<u>—</u>	<u>72,504</u>	<u>27,242</u>
	<u>4,875,371</u>	<u>3,563,802</u>	<u>—</u>	<u>8,439,173</u>	<u>8,561,933</u>
Property, plant, and equipment:					
Land and land improvements	555,258	1,839,516	—	2,394,774	2,168,551
Water reservoir and treatment plant	33,707,808	—	—	33,707,808	32,793,615
Buildings	—	12,366,749	—	12,366,749	12,055,767
Transmission and distribution system	24,411,079	—	—	24,411,079	24,173,827
Equipment	<u>3,951,715</u>	<u>34,925,046</u>	<u>742,295</u>	<u>39,619,056</u>	<u>37,966,622</u>
	62,625,860	49,131,311	742,295	112,499,466	109,158,382
Less accumulated depreciation	<u>(19,979,903)</u>	<u>(26,589,477)</u>	<u>(435,825)</u>	<u>(47,005,205)</u>	<u>(42,575,846)</u>
	42,645,957	22,541,834	306,470	65,494,261	66,582,536
Construction in progress	<u>1,086,497</u>	<u>130,804</u>	<u>—</u>	<u>1,217,301</u>	<u>306,087</u>
Net property, plant, and equipment	<u>43,732,454</u>	<u>22,672,638</u>	<u>306,470</u>	<u>66,711,562</u>	<u>66,888,623</u>
Other assets:					
Cost in excess of acquired net assets, less accumulated amortization	—	719,387	—	719,387	—
Deferred bond costs, at cost less amortization	504,633	210,860	—	715,493	791,959
Other assets	<u>—</u>	<u>86,810</u>	<u>—</u>	<u>86,810</u>	<u>134,649</u>
Total other assets	<u>504,633</u>	<u>1,017,057</u>	<u>—</u>	<u>1,521,690</u>	<u>926,608</u>
Total assets	\$ <u>58,357,943</u>	<u>44,214,464</u>	<u>683,807</u>	<u>103,256,214</u>	<u>98,896,965</u>

Enterprise Funds  
Combining Balance Sheet

Liabilities, Contributions, and Retained Earnings	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Totals	
				1995	1994
Current liabilities (payable from current assets):					
Accounts payable and accrued expenses	\$ 307,329	2,797,262	16,991	3,121,582	3,530,943
Accrued vacation	109,805	822,348	54,923	987,076	874,134
Estimates and retainages payable	71,792	—	—	71,792	158,237
Refundable deposits	472,262	—	—	472,262	432,628
Due to other funds	—	130,953	—	130,953	378,086
Note payable	—	440,331	—	440,331	—
Total current liabilities (payable from current assets)	<u>961,188</u>	<u>4,190,894</u>	<u>71,914</u>	<u>5,223,996</u>	<u>5,374,028</u>
Current liabilities (payable from restricted assets):					
Accrued interest on revenue bonds	242,645	235,189	—	477,834	514,341
Current portion of long-term debt	<u>575,000</u>	<u>585,000</u>	<u>—</u>	<u>1,160,000</u>	<u>1,080,000</u>
Total current liabilities (payable from restricted assets)	<u>817,645</u>	<u>820,189</u>	<u>—</u>	<u>1,637,834</u>	<u>1,594,341</u>
Total current liabilities	<u>1,778,833</u>	<u>5,011,083</u>	<u>71,914</u>	<u>6,861,830</u>	<u>6,968,369</u>
Long-term debt	<u>14,240,000</u>	<u>5,710,000</u>	<u>—</u>	<u>19,950,000</u>	<u>21,110,000</u>
Total liabilities	<u>16,018,833</u>	<u>10,721,083</u>	<u>71,914</u>	<u>26,811,830</u>	<u>28,078,369</u>
Fund equity:					
Contributions:					
Contributions from municipality	10,366,081	2,922,230	—	13,288,311	13,409,352
Contributions from Federal Revenue Sharing Fund	2,132,501	—	—	2,132,501	2,186,737
Contributions from Public Improvement Sales Tax Bond Fund	2,846,116	—	—	2,846,116	2,918,471
Contributions from Sales Tax Capital Fund	1,595,831	—	1,642	1,597,473	1,242,061
Contributions from subdividers and customers	1,720,173	—	—	1,720,173	1,689,902
Contributions from other governmental agencies	12,616,299	—	3,465	12,619,764	12,749,798
Contributions from Consolidated Debt Service Fund	860,942	—	—	860,942	—
Contributions from capital additions	227,055	—	—	227,055	232,832
Contributions from Bond and Interest Sinking Fund	431,206	—	—	431,206	442,176
Total contributions	<u>32,796,204</u>	<u>2,922,230</u>	<u>5,107</u>	<u>35,723,541</u>	<u>34,871,329</u>
Retained earnings:					
Reserved for revenue bond requirements	1,149,282	1,035,206	—	2,184,488	2,121,747
Unreserved	<u>8,393,624</u>	<u>29,535,945</u>	<u>606,786</u>	<u>38,536,355</u>	<u>33,825,520</u>
Total retained earnings	<u>9,542,906</u>	<u>30,571,151</u>	<u>606,786</u>	<u>40,720,843</u>	<u>35,947,267</u>
Total fund equity	<u>42,339,110</u>	<u>33,493,381</u>	<u>611,893</u>	<u>76,444,384</u>	<u>70,818,596</u>
Total liabilities and fund equity	\$ <u>58,357,943</u>	<u>44,214,464</u>	<u>683,807</u>	<u>103,256,214</u>	<u>98,896,965</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit E-2

## Enterprise Funds

Combining Statement of Revenues, Expenses, and  
Changes in Retained EarningsYear ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Totals	
				1995	1994
Operating revenues:					
Charges for services:					
Metered water sales	\$ 3,847,570	—	—	3,847,570	3,530,551
Sewerage service charges	4,301,161	—	—	4,301,161	3,962,261
Revenue from hospital services	—	53,018,279	—	53,018,279	43,160,214
Ambulance fees	—	—	1,635,598	1,635,598	1,445,778
	<u>8,148,731</u>	<u>53,018,279</u>	<u>1,635,598</u>	<u>62,802,608</u>	<u>52,098,804</u>
Miscellaneous - other revenues	<u>228,552</u>	<u>503,222</u>	<u>41,234</u>	<u>773,008</u>	<u>1,036,353</u>
Total revenues	<u>8,377,283</u>	<u>53,521,501</u>	<u>1,676,832</u>	<u>63,575,616</u>	<u>53,135,157</u>
Operating expenses:					
Personal services	2,581,208	23,599,943	1,160,195	27,341,346	24,147,603
Supplies	664,153	8,410,982	98,422	9,173,557	8,660,874
Utilities	541,869	578,189	25,635	1,145,693	1,146,060
Repairs and maintenance	462,121	258,956	30,183	751,260	772,696
Provision for bad debts	62,215	4,894,689	12,910	4,969,814	3,505,281
Other medical	—	7,703,166	—	7,703,166	7,033,891
Miscellaneous	979,256	—	157,568	1,136,824	1,201,832
Depreciation and amortization	<u>1,566,289</u>	<u>2,960,183</u>	<u>80,881</u>	<u>4,607,353</u>	<u>4,005,636</u>
Total expenses	<u>6,857,111</u>	<u>48,406,108</u>	<u>1,565,794</u>	<u>56,829,013</u>	<u>50,473,873</u>
Operating income	<u>1,520,172</u>	<u>5,115,393</u>	<u>111,038</u>	<u>6,746,603</u>	<u>2,661,284</u>
Nonoperating revenues (expenses):					
Interest income	683,894	198,961	17,127	899,982	962,910
Interest expense	(999,641)	(546,098)	—	(1,545,739)	(1,128,994)
Arbitrage penalty	—	—	—	—	(34,927)
Amortization	(34,525)	—	—	(34,525)	(79,378)
Loss on sale of investments	—	(1,427,992)	—	(1,427,992)	7,265
Total nonoperating revenues (expenses)	<u>(350,272)</u>	<u>(1,775,129)</u>	<u>17,127</u>	<u>(2,108,274)</u>	<u>(273,124)</u>
Income before operating transfers	1,169,900	3,340,264	128,165	4,638,329	2,388,160
Operating transfers out	—	(550,000)	—	(550,000)	(550,000)
Net income	<u>1,169,900</u>	<u>2,790,264</u>	<u>128,165</u>	<u>4,088,329</u>	<u>1,838,160</u>
Amounts charged to contribution accounts - depreciation on contributed assets					
	<u>684,622</u>	<u>—</u>	<u>625</u>	<u>685,247</u>	<u>671,000</u>
Retained earnings at beginning of year, as previously reported	7,798,189	27,780,887	532,919	36,111,995	33,602,835
Prior period adjustment	<u>(109,805)</u>	<u>—</u>	<u>(54,923)</u>	<u>(164,728)</u>	<u>(164,728)</u>
Retained earnings at beginning of year, as restated	<u>7,688,384</u>	<u>27,780,887</u>	<u>477,996</u>	<u>35,947,267</u>	<u>33,438,107</u>
Retained earnings at end of year	\$ <u>9,542,906</u>	<u>30,571,151</u>	<u>606,786</u>	<u>40,720,843</u>	<u>35,947,267</u>

See accompanying notes to combined financial statements.



## CITY OF BOSSIER CITY, LOUISIANA

Exhibit E-3

## Enterprise Funds

## Combining Statement of Cash Flows

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Totals	
				1995	1994
Cash flows from operating activities:					
Operating income	\$ 1,520,172	5,115,393	111,038	6,746,603	2,661,284
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	1,566,289	2,994,141	80,881	4,641,311	4,031,004
Provision for bad debts	62,215	4,894,689	12,910	4,969,814	3,505,281
Increase in accounts receivable	(138,860)	(6,312,469)	(18,533)	(6,469,862)	(5,946,221)
Decrease (increase) in other receivable	3,388	24,823	(2,302)	25,909	83,294
Decrease in due from other funds	—	—	—	—	55,265
Decrease (increase) in prepaid expenses	—	110,228	—	110,228	(50,374)
Decrease (increase) in inventories	21,723	142,349	—	164,072	(78,025)
Decrease (increase) in other assets	—	13,881	—	13,881	(20,575)
Increase (decrease) in accounts payable and accrued expenses	(280,653)	(284,565)	13,217	(552,001)	710,766
Increase in accrued vacation	—	112,942	—	112,942	106,306
Decrease in due to other funds	—	(104,761)	—	(104,761)	(86,181)
Increase in refundable deposits	39,634	—	—	39,634	24,925
Net cash provided by operating activities	<u>2,793,908</u>	<u>6,706,651</u>	<u>197,211</u>	<u>9,697,770</u>	<u>4,996,749</u>
Net cash used by noncapital financing activities – operating transfer out	—	(654,761)	—	(654,761)	(314,286)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(2,450,813)	(1,574,278)	(171,382)	(4,196,473)	(7,017,136)
Contributions received for purchase of property and equipment	587,441	—	—	587,441	185,316
Proceeds received from disposal of capital assets	—	488	—	488	1,908
Capital contributed by subdividers and customers	73,996	—	—	73,996	272,900
Capital contributed by Consolidated Debt Service Fund	860,942	—	—	860,942	—
Interest paid on general obligation bonds	(15,080)	—	—	(15,080)	(34,925)
Contributions for interest on general obligation bonds	15,080	—	—	15,080	34,925
Principal paid on revenue bond maturities	(545,000)	(535,000)	—	(1,080,000)	(1,030,000)
Interest paid on revenue bonds	(984,561)	(522,080)	—	(1,506,641)	(1,551,407)
Arbitrage penalty paid	—	—	—	—	(34,927)
Acquisition of physician practices	—	(209,076)	—	(209,076)	—
Payments of note payable	—	(316,445)	—	(316,445)	—
Restricted donation received	—	30,000	—	30,000	—
Net cash used by capital and related financing activities	<u>(2,457,995)</u>	<u>(3,126,391)</u>	<u>(171,382)</u>	<u>(5,755,768)</u>	<u>(9,173,346)</u>
Cash flows from investing activities:					
Purchases of investments	—	—	—	—	(1,000,560)
Maturities and sales of investments	—	1,566,672	—	1,566,672	9,040,803
Interest received	581,550	184,643	17,127	783,320	858,061
Rental property	—	14,029	—	14,029	2,426
Net cash provided by investing activities	<u>581,550</u>	<u>1,765,344</u>	<u>17,127</u>	<u>2,364,021</u>	<u>8,900,730</u>
Net increase in cash and cash equivalents	917,463	4,690,843	42,956	5,651,262	4,409,847
Cash and cash equivalents at beginning of year	<u>12,175,846</u>	<u>2,387,874</u>	<u>216,691</u>	<u>14,780,411</u>	<u>10,370,564</u>
Cash and cash equivalents at end of year	\$ <u>13,093,309</u>	<u>7,078,717</u>	<u>259,647</u>	<u>20,431,673</u>	<u>14,780,411</u>
Noncash transactions:					
Prior period adjustment	\$ <u>109,805</u>	—	<u>54,923</u>	<u>164,728</u>	<u>164,728</u>
Acquisition of cost in excess of acquired net assets through assumption of note payable	\$ —	<u>672,645</u>	—	<u>672,645</u>	—
Acquisition of fixed assets through assumption of note payable	\$ —	<u>71,486</u>	—	<u>71,486</u>	—
Acquisition of inventory through assumption of note payable	\$ —	<u>12,645</u>	—	<u>12,645</u>	—
Amortization	\$ <u>34,525</u>	—	—	<u>34,525</u>	<u>79,378</u>
Capitalized interest	\$ —	—	—	—	<u>440,760</u>

See accompanying notes to combined financial statements.

# INTERNAL SERVICE FUNDS

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The internal service funds are used to account for the costs of providing insurance coverage for the City. The City has two internal service funds.

**Insurance Fund** — This fund is used to account for contributions from City departments and withholdings from employee's payroll used to pay the costs of providing medical coverage for City employees.

**Liability Insurance Fund** — This fund is used to account for contributions from City departments for the payment of workmen's compensation and liability insurance claims.

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## CITY OF BOSSIER CITY, LOUISIANA

Exhibit F-1

## Internal Service Funds

## Combining Balance Sheet

December 31, 1995  
with comparative totals for 1994

<u>Assets</u>	Insurance <u>Fund</u>	Liability Insurance <u>Fund</u>	<u>Totals</u>	
			<u>1995</u>	<u>1994</u>
Cash and cash equivalents	\$ 229,301	183,815	413,116	34,933
Accrued interest receivable	—	3,203	3,203	271
Prepaid expense	—	<u>161,297</u>	<u>161,297</u>	<u>132,627</u>
Total assets	\$ <u>229,301</u>	<u>348,315</u>	<u>577,616</u>	<u>167,831</u>
<u>Liabilities and Retained Earnings (Deficit)</u>				
Liabilities:				
Accrued claims	\$ 311,285	189,347	500,632	525,101
Due to other fund - General Fund	—	—	—	216,946
Total liabilities	<u>311,285</u>	<u>189,347</u>	<u>500,632</u>	<u>742,047</u>
Retained earnings (deficit) - unreserved	<u>(81,984)</u>	<u>158,968</u>	<u>76,984</u>	<u>(574,216)</u>
Total liabilities and retained earnings (deficit)	\$ <u>229,301</u>	<u>348,315</u>	<u>577,616</u>	<u>167,831</u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit F-2

## Internal Service Funds

Combining Statement of Revenues, Expenses, and  
Changes in Retained Earnings (Deficit)December 31, 1995  
with comparative totals for 1994

	Insurance Fund	Liability Insurance Fund	<u>Totals</u>	
			<u>1995</u>	<u>1994</u>
Revenues:				
Employer's contributions/premiums	\$ 1,905,383	1,387,333	3,292,716	1,615,683
Employees' contributions	631,216	—	631,216	607,226
Refunds and reimbursements	<u>200,980</u>	<u>45,814</u>	<u>246,794</u>	<u>153,642</u>
Total revenues	<u>2,737,579</u>	<u>1,433,147</u>	<u>4,170,726</u>	<u>2,376,551</u>
Expenses - miscellaneous:				
Claims	1,836,322	500,355	2,336,677	1,929,182
Legal fees	—	309,546	309,546	—
Employee insurance premiums	317,416	456,620	774,036	258,353
Other	<u>91,609</u>	<u>10,278</u>	<u>101,887</u>	<u>176,040</u>
Total expenses	<u>2,245,347</u>	<u>1,276,799</u>	<u>3,522,146</u>	<u>2,363,575</u>
Operating income	492,232	156,348	648,580	12,976
Nonoperating revenues - interest income	<u>—</u>	<u>2,620</u>	<u>2,620</u>	<u>7,121</u>
Net income	492,232	158,968	651,200	20,097
Retained earnings (deficit) at beginning of year	<u>(574,216)</u>	<u>—</u>	<u>(574,216)</u>	<u>(594,313)</u>
Retained earnings (deficit) at end of year	\$ <u><u>(81,984)</u></u>	<u><u>158,968</u></u>	<u><u>76,984</u></u>	<u><u>(574,216)</u></u>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit F-3

## Internal Service Funds

## Combining Statement of Cash Flows

Year ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Insurance Fund	Liability Insurance Fund	Totals	
			1995	1994
Cash flows from operating activities:				
Operating income	\$ 492,232	156,348	648,580	12,976
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Increase in prepaid expense	—	(28,670)	(28,670)	(132,627)
Increase (decrease) in due to other funds	(216,946)	—	(216,946)	22,009
Increase (decrease) in accrued claims	(45,985)	21,517	(24,468)	(112,661)
Net cash provided (used) by operating activities	<u>229,301</u>	<u>149,195</u>	<u>378,496</u>	<u>(210,303)</u>
Net cash used by capital and related financing activities – interest paid	—	(313)	(313)	—
Net cash provided by investing activities – interest on investments	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,185</u>
Net increase (decrease) in cash	229,301	148,882	378,183	(203,118)
Cash and cash equivalents at beginning of year	<u>—</u>	<u>34,933</u>	<u>34,933</u>	<u>238,051</u>
Cash and cash equivalents at end of year	\$ <u>229,301</u>	<u>183,815</u>	<u>413,116</u>	<u>34,933</u>

See accompanying notes to combined financial statements.

## FIDUCIARY FUNDS

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**Pension Trust Funds** — The pension trust funds are used to account for assets held by the City in a trustee capacity. The pension trust funds reported in this section are the Firemen's Pension and Relief Fund, the Policemen's Pension and Relief Fund, and the Bossier Medical Center Pension Fund.

**Agency Funds** — The Consolidated Sales Tax Fund accounts for the collection of a two percent City sales and use tax and the distribution of this tax to the various funds which account for operations and projects for which the tax was levied. This fund also accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board and various municipalities within the parish. The Deferred Compensation Fund accounts for the assets and benefits payable under the City's Internal Revenue Code Section 457 Plan. The Riverboat Gaming Agency Fund accounts for the receipt and disbursement of funds from the riverboats that the City receives and disburses to other local government agencies in accordance with the contractual provisions.

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CITY OF BOSSIER CITY, LOUISIANA

Fiduciary Funds

Combining Balance Sheet

December 31, 1995  
with comparative totals for December 31, 1994

Assets	Pension Trust Funds			Agency Funds			Totals
	Firemen's Pension and Relief Fund	Policemen's Pension and Relief Fund	Bossier Medical Center Pension Fund	Consolidated Sales Tax Fund	Agency Funds Deferred Compensation Fund	Riverboat Gaming Agency Fund	
Cash and cash equivalents	\$ 521,690	7,877	245,437	—	—	—	775,004
Investments, at cost, which approximates market:							462,075
Certificates of deposit	—	74,979	—	—	—	—	74,979
U.S. treasury bonds and U.S. government and agency obligations	10,491,890	4,238,352	3,782,288	—	—	—	18,076,312
Mortgage-backed securities	995,312	—	522,375	—	—	—	522,375
Mutual funds	—	—	500,000	—	—	—	500,000
Life insurance contract	11,487,202	4,313,331	4,804,663	—	2,540,855	—	1,982,685
					2,540,855		21,216,021
Accrued interest receivable	131,966	—	70,140	—	—	—	202,106
Due from other funds:							
General Fund	4,029	—	—	—	—	—	4,029
Bossier Medical Center Fund	4,029	—	—	—	—	—	142,372
							163,424
Due from other governmental units	—	—	—	69,819	—	—	69,819
Total assets	\$ 12,144,887	4,321,208	5,120,240	69,819	2,540,855	—	24,197,009
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	—	14,755	—	39,075	—	—	53,830
Deferred compensation benefits payable	—	—	—	—	2,540,855	—	2,540,855
Due to other funds - General Fund	—	—	—	2,884	—	—	2,884
Due to other governmental units	—	—	—	—	—	—	50,000
Refundable deposits	—	—	—	27,860	—	—	27,860
Total liabilities	—	14,755	—	69,819	2,540,855	—	2,625,429
Fund balances - reserved for employees' retirement system	12,144,887	4,306,453	5,120,240	—	—	—	21,571,580
Total liabilities and fund balances	\$ 12,144,887	4,321,208	5,120,240	69,819	2,540,855	—	24,197,009
							22,184,060

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit G-2

## Fiduciary Funds

Combining Statement of Revenues, Expenses, and  
Changes in Fund Balances - Pension Trust FundsYear ended December 31, 1995  
with comparative totals for year ended December 31, 1994

	Firemen's Pension and Relief Fund	Policemen's Pension and Relief Fund	Bossier Medical Center Pension Fund	Totals	
				1995	1994
Operating revenues:					
Sales taxes, net	\$ 1,900,000	1,000,000	—	2,900,000	2,732,205
Interest income	843,232	315,942	338,960	1,498,134	1,447,351
Other	3,140	—	—	3,140	—
Contributions from City:					
Fire insurance premiums	89,342	—	—	89,342	79,172
Employer's contributions	45,833	—	639,946	685,779	624,175
City Court fines	—	176,983	—	176,983	141,308
City liquor licenses	—	10,829	—	10,829	12,047
	<u>135,175</u>	<u>187,812</u>	<u>639,946</u>	<u>962,933</u>	<u>856,702</u>
Employees' contributions	<u>45,833</u>	<u>1,749</u>	<u>—</u>	<u>47,582</u>	<u>59,734</u>
Total revenues	<u>2,927,380</u>	<u>1,505,503</u>	<u>978,906</u>	<u>5,411,789</u>	<u>5,095,992</u>
Operating expenses:					
Pensions and benefits	1,889,341	1,300,950	600,579	3,790,870	3,564,377
Miscellaneous	42,298	14,230	19,713	76,241	72,002
Total expenses	<u>1,931,639</u>	<u>1,315,180</u>	<u>620,292</u>	<u>3,867,111</u>	<u>3,636,379</u>
Net income	995,741	190,323	358,614	1,544,678	1,459,613
Fund balances at beginning of year	<u>11,149,146</u>	<u>4,116,130</u>	<u>4,761,626</u>	<u>20,026,902</u>	<u>18,567,289</u>
Fund balances at end of year	\$ <u>12,144,887</u>	<u>4,306,453</u>	<u>5,120,240</u>	<u>21,571,580</u>	<u>20,026,902</u>

See accompanying notes to combined financial statements.



## CITY OF BOSSIER CITY, LOUISIANA

Exhibit G-3

## Fiduciary Funds

Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds

Year ended December 31, 1995

	Balance January 1, 1995	Additions	Deductions	Balance December 31, 1995
<b>Consolidated Sales Tax Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 35,396	32,593,914	32,629,310	—
Accrued interest receivable	258	—	258	—
Sales tax receivable	—	32,357,636	32,357,636	—
Due from other governmental units	<u>74,064</u>	<u>162,636</u>	<u>166,881</u>	<u>69,819</u>
	<u>\$ 109,718</u>	<u>65,114,186</u>	<u>65,154,085</u>	<u>69,819</u>
<b>Liabilities</b>				
Accounts payable	\$ 636	79,044	40,605	39,075
Sales tax distributions payable	—	13,305,239	13,305,239	—
Due to other funds:				
General Fund	78,358	5,458,324	5,533,798	2,884
Sales Tax Bond Sinking and Reserve Fund	—	2,072,539	2,072,539	—
Parkway Sales Tax Bond Sinking and Reserve Fund	—	2,056,068	2,056,068	—
Policemen's Pension and Relief Fund	—	1,000,000	1,000,000	—
Firemen's Pension and Relief Fund	—	1,900,000	1,900,000	—
Sales Tax Capital Improvement Fund	—	1,719,724	1,719,724	—
Parkway Capital Projects Fund	—	1,736,195	1,736,195	—
Jail and Municipal Building Fund	—	758,463	758,463	—
Fire Improvements and Operations Fund	—	1,327,292	1,327,292	—
Streets and Drainage Fund	—	948,066	948,066	—
	<u>78,358</u>	<u>18,976,671</u>	<u>19,052,145</u>	<u>2,884</u>
Refundable deposits	<u>30,724</u>	<u>16,848</u>	<u>19,712</u>	<u>27,860</u>
	<u>\$ 109,718</u>	<u>32,377,802</u>	<u>32,417,701</u>	<u>69,819</u>
<b>Deferred Compensation Fund</b>				
<b>Assets</b>				
Investments	\$ <u>1,982,685</u>	<u>651,895</u>	<u>93,725</u>	<u>2,540,855</u>
<b>Liabilities</b>				
Deferred compensation benefit payable	\$ <u>1,982,685</u>	<u>651,895</u>	<u>93,725</u>	<u>2,540,855</u>
<b>Riverboat Gaming</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ <u>50,000</u>	<u>2,000,000</u>	<u>2,050,000</u>	—
<b>Liabilities</b>				
Due to other governmental units	\$ <u>50,000</u>	<u>2,000,000</u>	<u>2,050,000</u>	—
<b>Totals All Agency Funds</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 85,396	34,593,914	34,679,310	—
Investments	1,982,685	651,895	93,725	2,540,855
Accrued interest receivable	258	—	258	—
Sales tax receivable	—	32,357,636	32,357,636	—
Due from other governmental units	<u>74,064</u>	<u>162,636</u>	<u>166,881</u>	<u>69,819</u>
	<u>\$ 2,142,403</u>	<u>67,766,081</u>	<u>67,297,810</u>	<u>2,610,674</u>
<b>Liabilities</b>				
Accounts payable	\$ 636	79,044	40,605	39,075
Sales tax distributions payable	—	13,305,239	13,305,239	—
Deferred compensation benefit payable	1,982,685	651,895	93,725	2,540,855
Due to other funds	78,358	18,976,671	19,052,145	2,884
Due to other governmental units	50,000	2,000,000	2,050,000	—
Refundable deposits	<u>30,724</u>	<u>16,848</u>	<u>19,712</u>	<u>27,860</u>
	<u>\$ 2,142,403</u>	<u>35,029,697</u>	<u>34,561,426</u>	<u>2,610,674</u>

See accompanying notes to combined financial statements.

# ACCOUNT GROUPS

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**GENERAL  
FIXED ASSETS  
ACCOUNT GROUP**

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This account group is established to account for all fixed assets of the City, other than those accounted for in the proprietary and pension trust funds. Capital outlay in funds other than the proprietary funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for municipalities, depreciation is not recorded in the General Fixed Assets Account Group.

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CITY OF BOSSIER CITY, LOUISIANA

Exhibit H-1

General Fixed Assets Account Group

Comparative Schedules of General Fixed Assets - By Source

December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
General fixed assets:		
Land and land improvements	\$ 5,526,091	4,777,217
Buildings and structures	24,847,750	24,373,049
Equipment and vehicles	<u>11,179,363</u>	<u>10,305,519</u>
	\$ <u>41,553,204</u>	<u>39,455,785</u>
Investment in general fixed assets:		
Investment, December 31, 1978	\$ 2,896,020	2,896,020
Subsequent to December 31, 1978:		
General obligation bonds	1,491,879	1,491,879
Federal Revenue Sharing	2,411,744	2,635,419
Sales tax revenues	11,488,384	9,455,282
Sales tax revenue bonds	18,230,125	17,988,182
Community Development Block Grant	825,351	830,205
Contributions from other governmental agencies	1,874,499	1,893,147
General Fund	1,873,511	1,804,229
Donations	<u>461,691</u>	<u>461,422</u>
	\$ <u>41,553,204</u>	<u>39,455,785</u>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets -  
By Function and Activity

Year ended December 31, 1995

<u>Function and Activity</u>	<u>General Fixed Assets January 1, 1995</u>	<u>Additions</u>	<u>Retirements</u>	<u>Interdepartmental Transfers</u>	<u>General Fixed Assets December 31, 1995</u>
<b>General government:</b>					
Administration	\$ 260,444	1,547	(10,103)	(37,527)	214,361
Municipal building	13,587,649	782,986	(8,021)	—	14,362,614
Finance	67,430	—	(2,705)	3,775	68,500
City garage	293,183	3,460	(10,186)	39,989	326,446
Traffic engineering and safety	4,332,015	—	(22,469)	226	4,309,772
Purchasing	75,792	8,130	(356)	5,890	89,456
Engineering	177,968	2,748	(8,717)	(14,809)	157,190
Personnel	49,478	—	(3,374)	(1,077)	45,027
Permits	97,894	—	(2,602)	19,041	114,333
City attorney	55,468	2,504	(2,499)	(11,683)	43,790
City Council	56,859	670	—	(6,320)	51,209
Data processing	53,258	10,137	(593)	587,460	650,262
Community development	<u>138,551</u>	<u>—</u>	<u>(11,849)</u>	<u>(41,965)</u>	<u>84,737</u>
	<u>19,245,989</u>	<u>812,182</u>	<u>(83,474)</u>	<u>543,000</u>	<u>20,517,697</u>
<b>Public safety:</b>					
Fire	3,492,331	305,916	(108,232)	(87,531)	3,602,484
Police	<u>3,708,043</u>	<u>1,094,266</u>	<u>(218,171)</u>	<u>(151,469)</u>	<u>4,432,669</u>
	<u>7,200,374</u>	<u>1,400,182</u>	<u>(326,403)</u>	<u>(239,000)</u>	<u>8,035,153</u>
Highways and streets	1,530,702	52,804	(53,947)	(14,970)	1,514,589
Rabies control, pest, and vegetation	142,084	1,418	(860)	10,701	153,343
Culture and recreation	5,637,542	54,795	(58,694)	21,426	5,655,069
Civic Center	5,444,041	—	(6,948)	(11,747)	5,425,346
City Court and Marshal:					
City Court	98,498	7,626	(5,190)	(28,914)	72,020
Marshal's office	<u>156,555</u>	<u>21,147</u>	<u>—</u>	<u>2,285</u>	<u>179,987</u>
	<u>255,053</u>	<u>28,773</u>	<u>(5,190)</u>	<u>(26,629)</u>	<u>252,007</u>
<b>Total general fixed assets</b>	<b>\$ 39,455,785</b>	<b>2,350,154</b>	<b>(535,516)</b>	<b>282,781</b>	<b>41,553,204</b>

See accompanying notes to combined financial statements.

## CITY OF BOSSIER CITY, LOUISIANA

Exhibit H-3

## General Fixed Assets Account Group

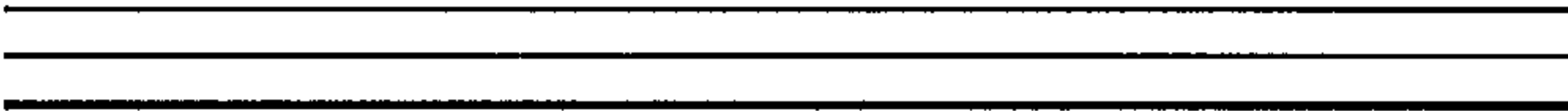
Schedule of General Fixed Assets -  
By Function and Activity

December 31, 1995

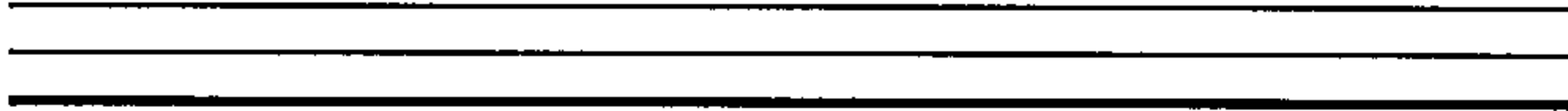
<u>Function and Activity</u>	<u>Total</u>	<u>Land and Land Improvements</u>	<u>Buildings and Structures</u>	<u>Equipment and Vehicles</u>
General government:				
Administration	\$ 214,361	—	—	214,361
Municipal building	14,362,614	1,682,250	12,511,621	168,743
Finance	68,500	—	—	68,500
City garage	326,446	2,500	43,901	280,045
Traffic engineering and safety	4,309,772	753,489	3,031,595	524,688
Purchasing	89,456	—	—	89,456
Engineering	157,190	—	—	157,190
Personnel	45,027	—	—	45,027
Permits	114,333	—	—	114,333
City attorney	43,790	—	—	43,790
City Council	51,209	—	—	51,209
Data processing	650,262	—	—	650,262
Community Development	84,737	—	—	84,737
	<u>20,517,697</u>	<u>2,438,239</u>	<u>15,587,117</u>	<u>2,492,341</u>
Public safety:				
Fire	3,602,484	270,015	879,553	2,452,916
Police	4,432,669	57,758	1,038,491	3,336,420
	<u>8,035,153</u>	<u>327,773</u>	<u>1,918,044</u>	<u>5,789,336</u>
Highways and streets	1,514,589	—	—	1,514,589
Rabies control, pest, and vegetation	153,343	—	—	153,343
Culture and recreation	5,655,069	2,691,639	2,436,659	526,771
Civic Center	5,425,346	68,440	4,905,930	450,976
City Court and Marshal:				
City Court	72,020	—	—	72,020
Marshal's office	179,987	—	—	179,987
	<u>252,007</u>	<u>—</u>	<u>—</u>	<u>252,007</u>
Total general fixed assets allocated to functions	\$ <u>41,553,204</u>	<u>5,526,091</u>	<u>24,847,750</u>	<u>11,179,363</u>

See accompanying notes to combined financial statements.

**GENERAL LONG-TERM  
OBLIGATION ACCOUNT  
GROUP**



This account group represents a summary of all general obligation debt of the City.



CITY OF BOSSIER CITY, LOUISIANA

General Long-Term Obligation Account Group

Schedule of Changes in Long-Term Obligations

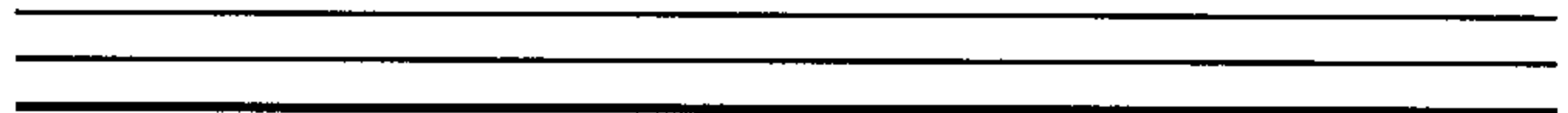
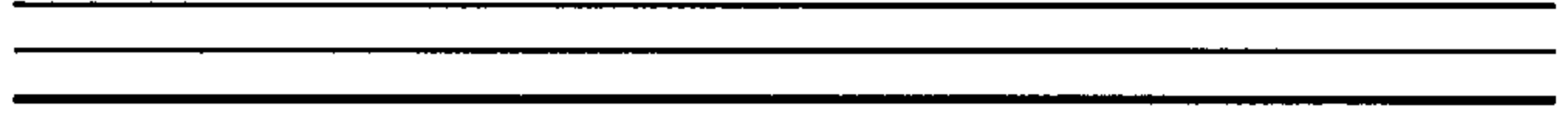
Year ended December 31, 1995

	January 1, 1995	Additions	Payments/ Reductions	Debt Service Fund Operations	December 31, 1995
Amount available in debt service funds	\$ 8,421,355	—	(1,510,387)	(1,013,053)	5,897,915
Amount to be provided for payment of accrued vacation	448,687	30,824	—	—	479,511
Amount to be provided for retirement of general long-term debt	<u>30,708,645</u>	<u>—</u>	<u>(416,560)</u>	<u>—</u>	<u>30,292,085</u>
	\$ <u>39,578,687</u>	<u>30,824</u>	<u>(1,926,947)</u>	<u>(1,013,053)</u>	<u>36,669,511</u>
Long-term obligations payable:					
Accrued vacation	\$ 448,687	30,824	—	—	479,511
General obligation bonds payable	1,230,000	—	(1,230,000)	—	—
Revenue bonds payable - general city operations	<u>37,900,000</u>	<u>—</u>	<u>(1,710,000)</u>	<u>—</u>	<u>36,190,000</u>
	\$ <u>39,578,687</u>	<u>30,824</u>	<u>(2,940,000)</u>	<u>—</u>	<u>36,669,511</u>

See accompanying notes to combined financial statements.



**SUPPLEMENTARY  
INFORMATION**



CITY OF BOSSIER CITY, LOUISIANA

Exhibit J-1

Analysis of Pension Funding Progress

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded	Unfunded Pension Benefit Obligation	Annual Covered Payroll	Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll
<b>Firemen's Pension and Relief Fund</b>						
1986	\$ 4,078,697	20,689,975 (1)	19.7	16,611,278	1,652,970	1,004.9%
1987	5,033,558	22,177,845 (2)	22.7	17,144,287	1,859,683	921.9
1988	5,945,525	22,692,011 (3)	26.2	16,746,486	1,648,934	1,015.6
1989	6,784,502	24,871,050 (4)	27.3	18,086,548	1,579,709	1,144.9
1990	7,756,986	26,964,259 (5)	28.8	19,207,273	1,649,522	1,164.4
1991	8,743,992	31,336,910 (6)	27.9	22,592,918	1,721,195	1,312.6
1992	9,631,818	32,389,434 (7)	29.7	22,757,616	1,719,978	1,323.1
1993	10,357,579	34,614,943 (8)	29.9	24,257,364	1,468,092	1,652.3
1994	11,149,146	36,737,989 (9)	30.3	25,588,843	1,093,808	2,339.4
1995	<u>12,144,887</u>	<u>38,400,886</u> (10)	<u>31.6</u>	<u>26,255,999</u>	<u>917,422</u>	<u>2,861.9</u>
<b>Policemen's Pension and Relief Fund</b>						
1986	\$ 1,660,690	12,638,027 (1)	13.1	10,977,337	592,926	1,851.4%
1987	1,783,504	13,497,520 (2)	13.2	11,714,016	637,347	1,837.9
1988	2,125,227	14,809,118 (3)	14.4	12,683,891	627,301	2,022.0
1989	2,435,180	15,338,010 (4)	15.9	12,902,830	487,906	2,644.5
1990	2,768,623	17,119,123 (5)	16.2	14,350,500	482,195	2,976.1
1991	3,071,222	18,692,524 (6)	16.4	15,621,302	448,472	3,483.2
1992	3,309,487	19,736,616 (7)	16.8	16,427,129	436,309	3,765.0
1993	3,737,255	20,246,836 (8)	18.5	16,509,581	402,178	4,105.0
1994	4,116,130	19,745,030 (9)	20.8	15,628,900	84,122	18,578.8
1995	<u>4,306,453</u>	<u>20,644,665</u> (10)	<u>20.9</u>	<u>16,323,457</u>	<u>29,147</u>	<u>56,003.9</u>
<b>Bossier Medical Center Pension Fund</b>						
1986	\$ 1,377,000	1,650,000 (11)	83.4	273,000	4,930,000	5.5%
1987	1,722,000	2,052,000 (1)	83.9	330,000	4,855,000	6.8
1988	2,092,000	2,222,000 (2)	94.1	130,000	4,940,000	2.6
1989	2,492,000	3,157,000 (3)	78.9	665,000	5,351,000	12.4
1990	2,603,000	3,583,000 (4)	72.6	980,000	5,386,000	18.2
1991	2,852,000	3,894,000 (5)	73.2	1,042,000	6,226,000	16.7
1992	3,470,000	4,447,000 (6)	78.0	997,000	7,222,000	13.5
1993	3,965,000	4,715,000 (7)	84.1	750,000	7,525,000	9.9
1994	4,434,000	5,138,000 (8)	86.3	704,000	8,829,000	8.0
1995	<u>4,449,000</u>	<u>5,377,000</u> (9)	<u>82.7</u>	<u>928,000</u>	<u>9,553,000</u>	<u>9.7</u>

- (1) As of January 1, 1987
- (2) As of January 1, 1988
- (3) As of January 1, 1989
- (4) As of January 1, 1990
- (5) As of January 1, 1991
- (6) As of January 1, 1992
- (7) As of January 1, 1993
- (8) As of January 1, 1994
- (9) As of January 1, 1995
- (10) As of January 1, 1996
- (11) Estimated by actuaries based on valuations under different assumptions which approximate calculations under the projected unit credit actuarial cost method.

**Note** - Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the Plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan. However, since no new employees are allowed to enter into the Firemen's and Policemen's Plans, the number of employees will continue to decline, indicating an increasing burden on the City to provide for pension benefits.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit J-2

Pension Funds - Revenues by Source and Expenses by Type

Fiscal years ended December 31, 1986  
through December 31, 1995

Policemen's Pension and Relief Fund

Fiscal Year	Revenues by Source						Employer Contribution as a Percentage of Annual Covered Payroll
	Interest Income	Contributions From City	Employee Contributions	Other Income	Total	Annual Covered Payroll	
1986	\$ 98,513	831,334	39,647	27,501	996,995	592,926	140.21%
1987	144,940	604,274	37,912	1,238	788,364	637,347	94.81
1988	161,114	865,449	37,233	—	1,063,796	627,301	137.96
1989	190,638	888,631	28,988	—	1,108,257	487,906	182.13
1990	210,261	923,334	21,862	—	1,155,457	482,195	191.49
1991	224,878	983,374	19,371	—	1,227,623	448,472	219.27
1992	267,922	1,071,708	22,991	—	1,362,621	436,309	245.63
1993	275,515	1,215,994	18,685	—	1,510,194	402,178	302.35
1994	304,387	1,155,563	5,047	—	1,464,997	84,122	1,373.68
1995	<u>315,942</u>	<u>1,187,812</u>	<u>1,749</u>	<u>—</u>	<u>1,505,503</u>	<u>29,147</u>	<u>4,075.24</u>

Fiscal Year	Expenses by Type		
	Pensions and Benefits	Miscellaneous	Total
1986	\$ 615,356	18,453	633,809
1987	660,411	5,139	665,550
1988	715,818	6,255	722,073
1989	792,784	5,520	798,304
1990	816,111	5,903	822,014
1991	919,216	5,808	925,024
1992	1,116,934	7,422	1,124,356
1993	1,072,358	10,068	1,082,426
1994	1,078,458	7,664	1,086,122
1995	<u>1,300,950</u>	<u>14,230</u>	<u>1,315,180</u>

Note - Contributions were made in accordance with actuarially determined contribution requirements beginning January 1, 1985.

Unaudited - see accompanying independent auditors' report.

## Pension Funds - Revenues by Source and Expenses by Type

Firemen's Pension and Relief Fund

Fiscal Year	Revenues by Source					Annual Covered Payroll	Employer Contribution as a Percentage of Annual Covered Payroll
	Interest Income	Contributions From City	Employee Contributions	Other Income	Total		
1986	\$ 299,515	1,574,969	92,881	—	1,967,365	1,652,970	95.28%
1987	334,371	1,312,364	92,946	—	1,739,681	1,859,683	70.57
1988	404,301	1,335,312	82,431	—	1,822,044	1,648,934	80.98
1989	527,833	1,272,853	78,521	—	1,879,207	1,579,709	80.58
1990	608,646	1,400,482	83,283	—	2,092,411	1,649,522	84.90
1991	678,703	1,504,547	63,246	—	2,246,496	1,721,195	87.41
1992	737,256	1,682,340	63,558	—	2,483,154	1,719,978	97.81
1993	764,559	1,734,398	60,516	—	2,559,473	1,468,092	118.14
1994	823,967	1,863,856	54,687	—	2,742,510	1,093,808	170.40
1995	<u>843,232</u>	<u>2,035,175</u>	<u>45,833</u>	<u>3,140</u>	<u>2,927,380</u>	<u>917,422</u>	<u>221.83</u>

Fiscal Year	Expenses by Type		
	Pensions and Benefits	Miscellaneous	Total
1986	\$ 752,563	6,545	759,108
1987	780,611	4,209	784,820
1988	905,547	4,530	910,077
1989	1,019,935	20,295	1,040,230
1990	1,083,747	36,180	1,119,927
1991	1,222,395	37,095	1,259,490
1992	1,553,847	41,481	1,595,328
1993	1,785,256	48,456	1,833,712
1994	1,905,274	45,669	1,950,943
1995	<u>1,889,341</u>	<u>42,298</u>	<u>1,931,639</u>

Note - Contributions were made in accordance with actuarially determined contribution requirements beginning January 1, 1985.

Unaudited - see accompanying independent auditors' report.

## Pension Funds - Revenues by Source and Expenses by Type

**Bossier Medical Center Pension Fund**

Fiscal Year	Revenues by Source			Annual Covered Payroll	Employer Contribution as a Percentage of Annual Covered Payroll
	Employer Contributions (1)	Investments Income (1)	Total		
1986	\$ 207,529	160,442	367,971	4,930,000	4.21%
1987	253,200	148,366	401,566	4,855,000	5.22
1988	252,724 (2)	195,521	448,245	4,940,000	5.12
1989	351,000	268,294	619,294	5,351,000	6.56
1990	375,886	223,511	599,397	5,386,000	6.98
1991	445,954	243,260	689,214	6,226,000	7.20
1992	503,001	245,983	748,984	7,222,000	6.96
1993	501,264	286,945	788,209	7,525,000	6.66
1994	569,488	318,997	888,485	8,829,000	6.45
1995	<u>639,946</u>	<u>338,960</u>	<u>978,906</u>	<u>9,553,000</u>	<u>6.70</u>

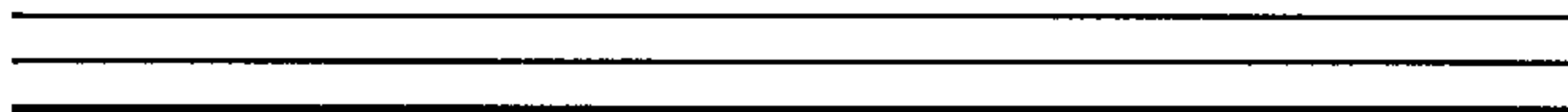
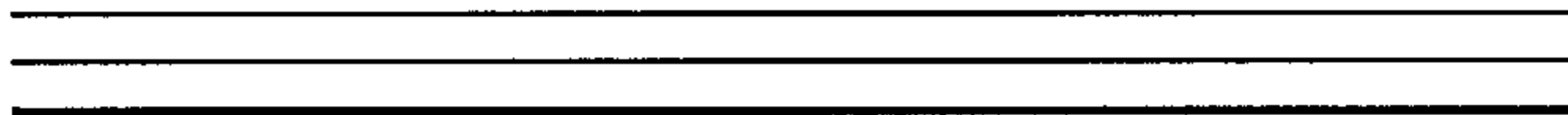
Fiscal Year	Expenses by Type		
	Benefits (1)	Administrative Expenses (1)	Total
1986	\$ 15,916	6,704	22,620
1987	23,415	7,745	31,160
1988	41,207	12,007	53,214
1989	126,285	21,075	147,360
1990	394,476	13,224	407,700
1991	254,094	15,263	269,357
1992	317,866	17,783	335,649
1993	373,586	17,775	391,361
1994	580,645	18,669	599,314
1995	<u>600,579</u>	<u>19,713</u>	<u>620,292</u>

Notes:

- (1) Information per the trustee's statement of plan assets.
- (2) The \$252,724 contribution shown for 1988 was made December 28, 1988, but not included in the trustee's statement of plan assets.

Unaudited - see accompanying independent auditors' report.

**STATISTICAL  
SECTION**



CITY OF BOSSIER CITY, LOUISIANA

General Governmental Expenditures by Function (1)

Fiscal years ended December 31, 1986  
through December 31, 1995

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Solid Waste</u>	<u>Culture and Recreation</u>	<u>City Court</u>	<u>Marshal's Office</u>	<u>Total</u>
1986	\$ 3,626,804	6,261,030	720,618	— (2)	823,681	163,510	120,124	11,715,767
1987	3,576,144	6,249,675	821,325	—	788,887	221,251	162,123	11,819,405
1988	3,142,757	6,265,108	408,825	—	571,040	226,563	164,890	10,779,183
1989	3,384,506	6,398,328	418,340	—	675,833	257,398	176,099	11,310,504
1990	3,644,798	6,887,050	672,980	—	1,067,605	254,339	204,994	12,731,766
1991	3,776,397	7,583,613	706,552	—	1,084,552	262,304	357,645	13,771,063
1992	4,421,031	8,285,954	522,979	1,539,181 (3)	1,044,810	244,140	276,855	16,334,950
1993	4,469,444	8,814,295	479,996	1,726,361	1,094,266	231,428	292,645	17,108,435
1994	4,601,136	9,620,590	510,250	1,591,770	1,279,747	259,268	276,962	18,139,723
1995	<u>5,374,336</u>	<u>10,776,192</u>	<u>663,860</u>	<u>1,668,662</u>	<u>1,227,579</u>	<u>301,440</u>	<u>292,433</u>	<u>20,304,502</u>

Notes:

- (1) Includes General Fund expenditures only.
- (2) In 1986, the Solid Waste Disposal Fund was established as an enterprise fund to account for sanitation revenues and expenses.
- (3) In 1992, the Solid Waste Disposal Fund was re-established as a department within the General Fund.

Unaudited - see accompanying independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

## General Revenues by Source (1)

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Fines and Penalties	Louisiana Downs, Inc.	Video Poker	Charges for Services	Interest and Miscellaneous	Total
1986	\$ 6,037,228	1,072,269	515,660	421,702	1,880,777	—	— (2)	650,832	10,578,468
1987	6,077,637	1,061,322	367,313	606,044	1,922,062	—	—	723,809	10,758,187
1988	6,005,369	1,088,027	313,116	526,411	2,355,478	—	—	614,327	10,902,728
1989	6,335,855	1,079,079	367,396	472,779	1,755,988	—	—	781,074	10,792,171
1990	6,641,833	1,137,385	458,672	438,239	2,116,905	—	—	1,155,115	11,948,149
1991	7,703,792	1,209,928	458,098	393,640	2,000,691	—	—	1,066,217	12,832,366
1992	8,126,626	1,362,775	457,304	370,709	1,423,886	—	1,627,182 (3)	948,413	14,316,895
1993	8,572,269	1,404,210	477,847	534,646	1,284,194	661,058 (4)	1,587,568	1,050,903	15,572,695
1994	9,929,580	1,629,674	474,981	539,265	849,383	790,170	1,559,195	1,123,857	16,896,105
1995	11,218,222	1,776,977	437,745	800,191	578,126	403,699	1,610,322	1,267,724	18,093,006

## Notes:

- (1) Includes General Fund revenues only. Operating transfers in are not included.
- (2) In 1986, the Solid Waste Disposal Fund was established as an enterprise fund to account for sanitation revenues and expenses.
- (3) In 1992, the Solid Waste Disposal Fund was re-established as a department within the General Fund.
- (4) Video poker was legalized in 1993.

Unaudited - see accompanying independent auditors' report.



CITY OF BOSSIER CITY, LOUISIANA

Table 4

Assessed and Estimated Actual Value  
of Taxable Property

Fiscal years ended December 31, 1986  
through December 31, 1995

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Percent of Total Assessed to Estimated Actual Value</u>
1986	\$ 145,041,710	1,233,553,410	11.76%
1987	146,524,880	1,167,528,924	12.55
1988	145,904,130	1,226,328,247	11.90
1989	146,247,190	1,260,137,980	11.61
1990	147,906,800	1,267,029,620	11.67
1991	150,847,340	1,292,083,040	11.67
1992	154,223,650	1,340,404,177	11.51
1993	159,654,090	1,393,412,567	11.46
1994	163,245,850	1,417,208,267	11.52
1995	<u>184,287,480</u>	<u>1,582,975,867</u>	<u>11.64</u>

Note: Assessed values are established by the Bossier Parish Tax Assessor on January 1 of each year at approximately 10-15% of assumed market value. A revaluation of all property is required to be completed no less than every 4 years. The last revaluation was completed for the roll of January 1, 1992.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Property Tax Rates and Tax Levies -  
Direct and Overlapping Governments

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Tax Rates per \$1,000 Assessed Value					Tax Levies				
	City	School	Parish	Recreational Districts	Total	City	School	Parish	Recreational Districts	Total
1986	\$ 24.83	39.85	33.24	1.54	99.46	3,601,408	5,779,912	3,675,735	261,994	13,319,049
1987	24.00	39.83	31.70	1.54	97.07	3,516,597	5,839,016	3,436,052	268,955	13,060,620
1988	25.01	39.44	30.14	1.55	96.14	3,649,136	5,754,459	3,379,501	239,987	13,023,083
1989	25.43	39.59	31.51	1.54	98.27	3,719,082	5,787,001	4,932,520	194,237	14,632,840
1990	23.30	39.79	31.69	1.54	96.32	3,445,405	5,885,212	4,687,166	197,402	14,215,185
1991	28.50	39.79	31.69	1.54	101.52	4,299,164	6,002,216	4,780,352	186,910	15,268,642
1992	28.37	39.92	40.93	1.54	110.76	4,375,380	6,156,608	6,312,374	201,912	17,044,224
1993	27.37	39.42	44.19	1.54	112.52	4,369,789	6,293,564	7,055,114	209,665	17,928,132
1994	27.27	39.42	43.79	1.54	111.99	4,451,725	6,435,151	7,145,638	214,832	18,247,346
1995	23.85	39.42	41.27	1.54	106.08	4,395,265	7,264,612	7,605,544	241,362	19,506,783

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Fiscal years ended December 31, 1986 through December 31, 1995

Fiscal Year	Population	Assessed Value	Gross Bonded Debt (3)	Less Debt Service Funds	Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1986	56,109 (1)	\$ 145,041,710	7,080,000	2,497,045	4,582,955	3.16%	\$ 81.68
1987	57,911 (1)	146,524,880	6,176,000	2,460,121	3,715,879	2.54	64.17
1988	58,515 (1)	145,904,130	5,231,000	2,525,917	2,705,083	1.85	46.23
1989	58,886 (1)	146,247,190	4,235,000	2,540,462	1,694,538	1.16	28.78
1990	52,721 (2)	147,906,800	3,575,000	2,647,987	927,013	0.63	17.58
1991	53,199 (1)	150,847,340	2,900,000	2,632,209	267,791	0.18	5.03
1992	53,999 (1)	154,223,650	2,210,000	2,597,170	(387,170) (4)	(0.25)	(7.17)
1993	54,507 (1)	159,654,090	1,720,000	2,628,550	(908,550)	(0.57)	(16.67)
1994	55,653 (1)	163,245,850	1,230,000	2,713,413	(1,483,413)	(0.91)	(26.65)
1995	55,988 (1)	184,287,480					

Notes:

- (1) Per Special Census.
- (2) Per 1990 Census.
- (3) Includes all general obligation debt.
- (4) As of December 31, 1992, there are funds available to service the general obligation bonds in excess of the debt service requirements. It is anticipated the excess funds will be used for projects consistent with the original purpose of the bond issue and in accordance with applicable bond ordinances.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Computation of Legal Debt Margin (1)

December 31, 1995

	Industrial Bonds	Water and Sewerage Improvements	Public Buildings	Parks and Recreation	Street Improvements	Drainage Improvements	Solid Waste Disposal
Assessed value \$184,287,480							
Debt limit - 10% of assessed value for any one purpose (1)	\$ 18,428,748	18,428,748	18,428,748	18,428,278	18,428,748	18,428,278	18,428,278
Less general bonded debt	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Legal debt margin	<u>\$ 18,428,748</u>	<u>18,428,748</u>	<u>18,428,748</u>	<u>18,428,748</u>	<u>18,428,748</u>	<u>18,428,748</u>	<u>18,428,748</u>

Note:  
 (1) State law allows a maximum of 10% of assessed valuation for bonded debt for any one purpose or 35% of the total assessed value for all purposes. A total of approximately \$64,500,618 is available for issuance pursuant to the 35% limitation.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 8

Computation of Direct and Overlapping Debt

December 31, 1995

<u>Jurisdiction</u>	<u>Net Debt</u>	<u>Percentage of Debt Applicable to the City (1)</u>	<u>City's Share of Debt</u>
Bossier Parish, Louisiana			
Bossier Parish School Board:			
School District #13	\$ 3,780,000	97%	\$ 3,666,600
School District #27	<u>670,000</u>	73	<u>489,100</u>
Total direct and overlapping debt	\$ <u>4,450,000</u>		\$ <u>4,155,700</u>

Notes:

- (1) Based on 1995 assessed valuation.
- (2) As of December 31, 1995, there are no general obligation bonds recorded in the financial statements of the City.

Unaudited - see accompanying independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

Table 9

Ratio of Annual Debt Service Expenditures  
for General Bonded Debt to Total General ExpendituresFiscal years ended December 31, 1986  
through December 31, 1995

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures (1)</u>	<u>Debt Service as a Percentage of Total General Expenditures</u>
1986	\$ 848,000	360,454	1,208,454	11,715,767 (2)	10.31%
1987	904,000	321,660	1,225,660	11,819,405	10.37
1988	945,000	274,147	1,219,147	10,779,183	11.31
1989	996,000	228,591	1,224,591	11,310,504	10.83
1990	660,000	188,676	848,676	12,731,766	6.67
1991	675,000	158,396	833,396	13,771,063	6.05
1992	690,000	130,182	820,182	16,334,950 (3)	5.02
1993	490,000	103,214	593,214	17,108,435	3.47
1994	490,000	77,311	567,311	18,139,723	3.13
1995	<u>493,389 (4)</u>	<u>49,844</u>	<u>543,233</u>	<u>20,304,142</u>	<u>2.68</u>

Notes:

- (1) Includes General Fund expenditures only.
- (2) In 1986, the Solid Waste Disposal Fund was established as an enterprise fund to account for sanitation expenses which were previously accounted for in the General Fund.
- (3) In 1992, the Solid Waste Disposal Fund was reestablished as a department within the General Fund.
- (4) Does not include \$741,981 paid by the City to advance refund bonds.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 10A

Revenue Bond Coverage

Utility Bonds

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1986	\$ 4,803,687	3,714,382	1,089,305	120,000	4,225	124,225	8.7688
1987	4,844,237	3,821,218	1,023,019	10,000 (3)	325	10,325	—
1988	5,045,308	3,568,270	1,477,038	—	—	—	—
1989	4,941,883	3,558,810	1,383,073	—	—	—	—
1990	5,746,523	4,099,724	1,646,799	— (4)	—	—	—
1991	7,500,644	4,242,075	3,258,569	255,000	722,798	977,798	3.3326
1992	7,227,951	5,383,460	1,844,491	270,000	716,188	986,188	1.8703
1993	7,411,516	5,904,195	1,507,321	285,000	982,340	1,267,340	1.1894
1994	8,300,738	5,432,004	2,868,734	520,000	1,028,603	1,548,603	1.8525
1995	9,061,177	5,290,822	3,770,355	545,000	984,561	1,529,561	2.4650

Notes:

- (1) Includes operating revenues and interest income.
- (2) Includes all operating expenses except depreciation and excludes interest paid on debt service and other nonoperating expenses.
- (3) The 1963 series of water bonds matured in 1987.
- (4) 1990 Utility Revenue Bond debt service requirements began in 1991.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Revenue Bond Coverage

Sales Tax Bonds

Fiscal years ended December 31, 1986 through December 31, 1995

Fiscal Year	Gross Revenue	Operating Expenditures (1)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1986	\$ 7,118,716	128,698	6,990,018	430,000	1,588,967	2,018,967	3.4622
1987	7,755,560 (2)	145,111	7,610,449	640,000	1,853,945	2,493,945	3.0516
1988	9,076,199	122,833	8,953,366	840,000	2,931,531	3,771,531	2.3739
1989	9,580,717	151,763	9,428,954	915,000	2,755,841	3,670,841	2.5686
1990	10,315,425	181,979	10,133,446	1,135,000	3,536,061	4,671,061	2.1694
1991	11,117,766 (3)	195,730	10,922,036	1,040,000 (4)	3,077,124	4,117,124	2.6528
1992	13,558,778	203,909	13,354,869	1,215,000 (5)	2,632,350	3,847,350	3.4712
1993	14,556,334	208,065	14,348,269	1,425,000 (6)	2,643,628	4,068,628	3.5366
1994	17,478,649	234,898	17,243,751	1,595,000	2,537,467	4,132,467	4.1727
1995	19,215,597	238,935	18,976,661	1,710,000	2,434,501	4,144,501	4.5787

Notes:

- (1) Sales tax department operating expenditures.
- (2) An additional one-half cent sales tax was assessed in 1987, the net proceeds of which are dedicated to construction of a parkway adjacent to the Red River.
- (3) An additional one-half cent sales tax was assessed in 1991, the net proceeds of which were dedicated to the construction and operation of two fire stations and a training facility, the maintenance and operation of the City jail and municipal buildings, and streets and drainage improvements.
- (4) Does not include \$713,955 paid by the City in connection with refunding the 1982 and 1983 Series Bonds.
- (5) Does not include \$381,686 paid by the City in connection with refunding the 1987 Series Bonds.
- (6) Does not include \$200,151 paid by the City in connection with refunding the 1986 Series Bonds.

Unaudited - see accompanying independent auditors' report.



CITY OF BOSSIER CITY, LOUISIANA

Table 10C

Revenue Bond Coverage

Hospital Bonds

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1986	\$ 21,351,230	18,572,053	2,779,177	—	850,904	850,904	3.2661
1987	22,274,790	18,813,155	3,461,635	310,000	807,643	1,117,643	3.0973
1988	23,786,155	21,194,243	2,591,912	430,000	736,653	1,166,653	2.2217
1989	27,483,527	23,498,075	3,985,452	510,000	707,699	1,217,699	3.2729
1990	31,890,416	27,067,322	4,823,094	540,000	635,068	1,175,068	4.1045
1991	35,581,380	33,172,641	2,408,739	420,000	621,437	1,041,437	2.3129
1992	39,288,408	36,816,892	2,471,516	450,000	582,567	1,032,567	2.3936
1993	41,118,193	39,476,007	1,642,186	475,000	554,224	1,029,224	1.5956
1994	44,305,063	42,319,182	1,985,881	510,000	522,804	1,032,804	1.9228
1995	53,720,462	48,406,108	5,314,354	535,000	522,080	1,057,080	5.0274

Notes:

- (1) Includes operating revenues and interest income.
- (2) Includes all operating expenditures including depreciation but excluding interest paid on debt service.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 11

Demographic Statistics

Fiscal years ended December 31, 1986  
through December 31, 1995

<u>Fiscal Year</u>	<u>Population</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate(1)</u>
1986	56,109 (3)	25.6	12,020	13.2%
1987	57,911 (3)	26.6	11,748	11.7
1988	58,515 (3)	28.0	11,471	10.2
1989	58,886 (3)	30.0	11,355	9.8
1990	52,721 (4)	30.0	11,374	7.2
1991	53,199 (3)	30.0	11,109	7.3
1992	53,999 (3)	30.6	11,997	7.6
1993	54,507 (3)	30.7	12,188	9.8
1994	55,653 (3)	30.7	12,024	7.6
1995	<u>55,988 (3)</u>	<u>30.7</u>	<u>12,386</u>	<u>7.3</u>

Notes:

- (1) State of Louisiana Research and Statistics for 1984-1992, Shreveport, Bossier, and Webster Parish Unemployment and Median Age Information from the Louisiana Office of Statistics for 1993 - 1995
- (2) Bossier Parish School Board
- (3) Per Special Census
- (4) 1990 U.S. Census

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 12

Property Value, Construction, and Bank Deposits

Fiscal years ended December 31, 1986  
through December 31, 1995

Fiscal Year	Commercial Construction (1)		Residential Construction (1)		Commercial	Residential	Total (2)(3)
	Number of Units	Value	Number of Units	Value			
1986	89	\$ 17,335,198	247	\$ 19,115,685	—	—	1,233,553,410
1987	44	10,851,716	468	20,287,350	—	—	1,167,528,924
1988	27	4,358,891	95	7,408,250	—	—	1,226,328,247
1989	39	3,515,184	86	7,598,663	319,904,080	940,233,900	1,260,137,980
1990	19	6,005,668	117	9,146,777	331,256,120	935,773,500	1,267,029,620
1991	9	2,932,276	179	13,639,932	349,761,640	942,321,400	1,292,083,040
1992	24	14,125,672	272	21,873,965	403,664,627	936,739,550	1,340,404,177
1993	23	9,139,939	343	28,890,264	406,256,667	987,155,900	1,393,412,567
1994	42	32,323,310	326	30,715,389	414,681,066	1,002,527,201	1,417,208,267
1995	37	59,111,229	324	31,554,341	464,392,988	1,118,582,879	1,582,975,867

Notes:

- (1) Permits and Inspection Department, City of Bossier City, Louisiana.
- (2) Sufficient data was not available to identify commercial and residential property values separately for years prior to 1989. This information was based on estimates supplied by the Bossier Parish Tax Assessor.
- (3) A revaluation of all property is required to be completed no less than every four years. During 1984, 1988, and 1992, evaluations were completed.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 13

Principal Taxpayers

December 31, 1995

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1995 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Horseshoe Entertainment	Riverboat Gambling	\$ 8,162,570	4.43%
Isle of Capri	Riverboat Gambling	7,314,490	3.97
BellSouth Telecommunications	Telephone	5,492,470	2.98
Louisiana Downs, Inc.	Horse Racing	5,120,430	2.77
Southwestern Electric Power Company	Electric Utility	4,607,880	2.50
Premier Bank, N.A.	Banking	2,290,230	1.24
Bossier Plaza Associates, Inc.	Pierre Bossier Mall	1,844,470	1.00
Dillard's, Inc.	Retail	1,187,080	.65
Red River Motor Company	Auto Sales	1,146,110	.62
Louisiana Machinery	Equipment Sales	<u>1,132,090</u>	<u>.62</u>
Total amount for ten principal taxpayers		38,297,820	20.78
Total for remaining taxpayers		<u>145,989,660</u>	<u>79.22</u>
Total amount for all taxpayers		\$ <u>184,287,480</u>	<u>100.00%</u>

Unaudited - see accompanying independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

Table 14

## Miscellaneous Statistics

December 31, 1995

Date of settlement	1843
Form of government	Mayor-Council
Date established	1977
Date of incorporation	1907
Area-square miles	39.3
Miles of streets:	
Paved	179
Unimproved	—
Police protection - number of policemen and officers	178
Fire protection - number of firemen and officers	170
Recreation:	
Parks - number of acres	286
Number of playgrounds	17
Number of picnic areas	8
Number of street lights	4,422
Number of water storage tanks	3
Total capacity of water storage tanks	5,500,000 gallons
Raw water reservoir capacity	5,700,000 gallons
Municipal water plant:	
Number of accounts	18,641
Daily average consumption	7.3 gallons
Employees- classified, appointed, elected, and exempt	679

Unaudited - see accompanying independent auditors' report.