

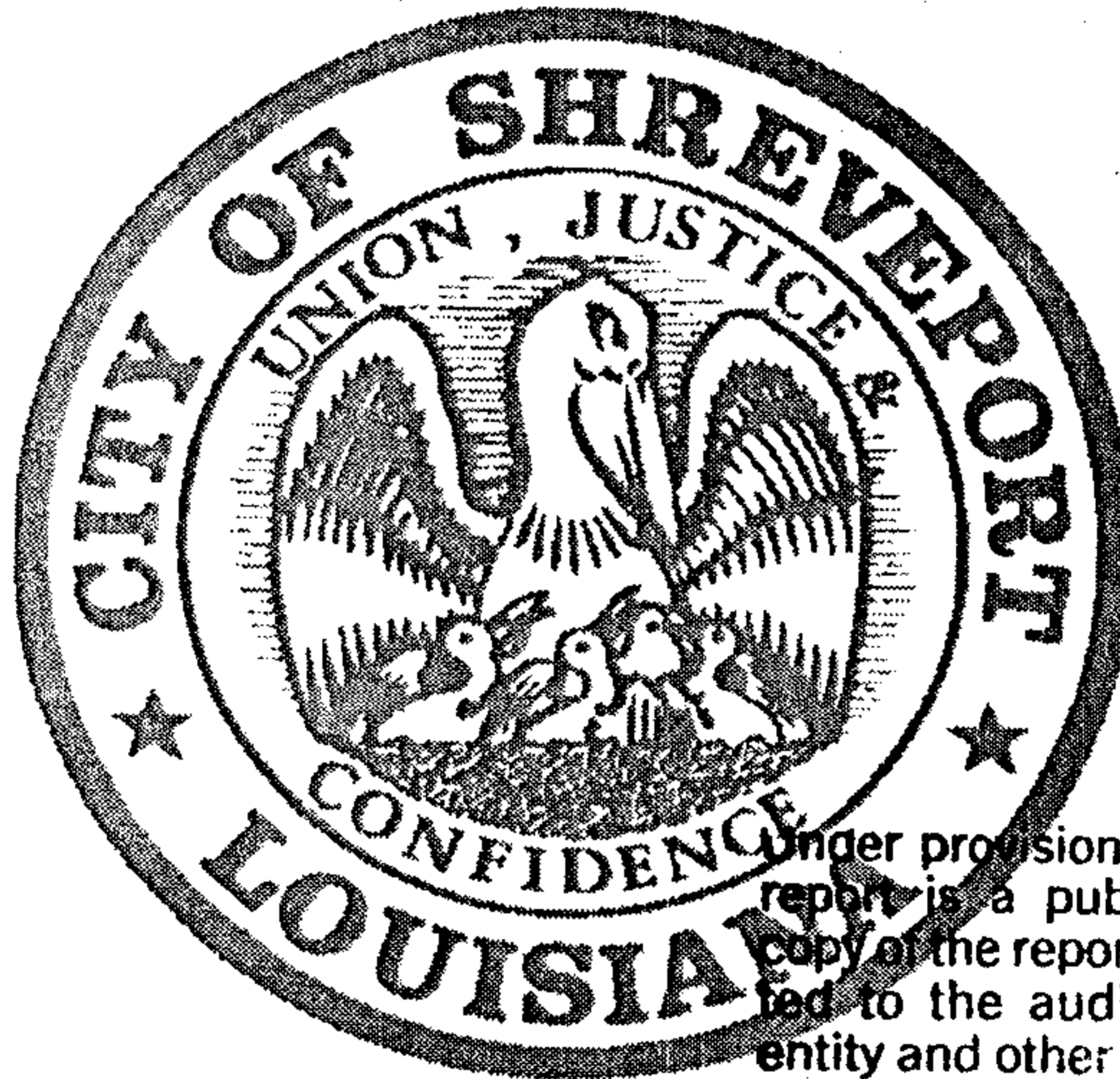
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# COMPREHENSIVE ANNUAL FINANCIAL REPORT



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

Release Date 7-31-96

## CITY OF SHREVEPORT, LOUISIANA

For the Year Ended December 31, 1995

Finance Department  
Elizabeth B. Washington, Director

CITY OF SHREVEPORT, LOUISIANA

FINANCE DEPARTMENT

Department Director

Elizabeth B. Washington

Division Directors

George Murphy  
Dan Thomas  
Stan Neuse  
Lynda Flurry  
Tom Cody

Accounting  
Data Processing  
Revenue Collection  
Purchasing  
Risk Management

Accounting Staff

Erma Johnson  
John Pistorius  
Wanda Lewis  
James Rolfs  
Sharon Penson  
G-Ray Evans  
Linda Long  
Charles Madden  
Harold Williams  
Evelyn Jones

Cynthia May  
Shirley Dupree  
Danny Hawks  
Mary Sylvie  
Pamela Moore  
Dorothy Cole  
Sammie Doggett  
Glenda Douglas  
Louise Broom  
David Pietsch

CITY OF SHREVEPORT, LOUISIANA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 1995  
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# CITY OF SHREVEPORT, LOUISIANA

## PRINCIPAL OFFICIALS

Robert W. "Bo" Williams  
Mayor

W. F. Collins  
Chief Administrative Officer

### Members of City Council

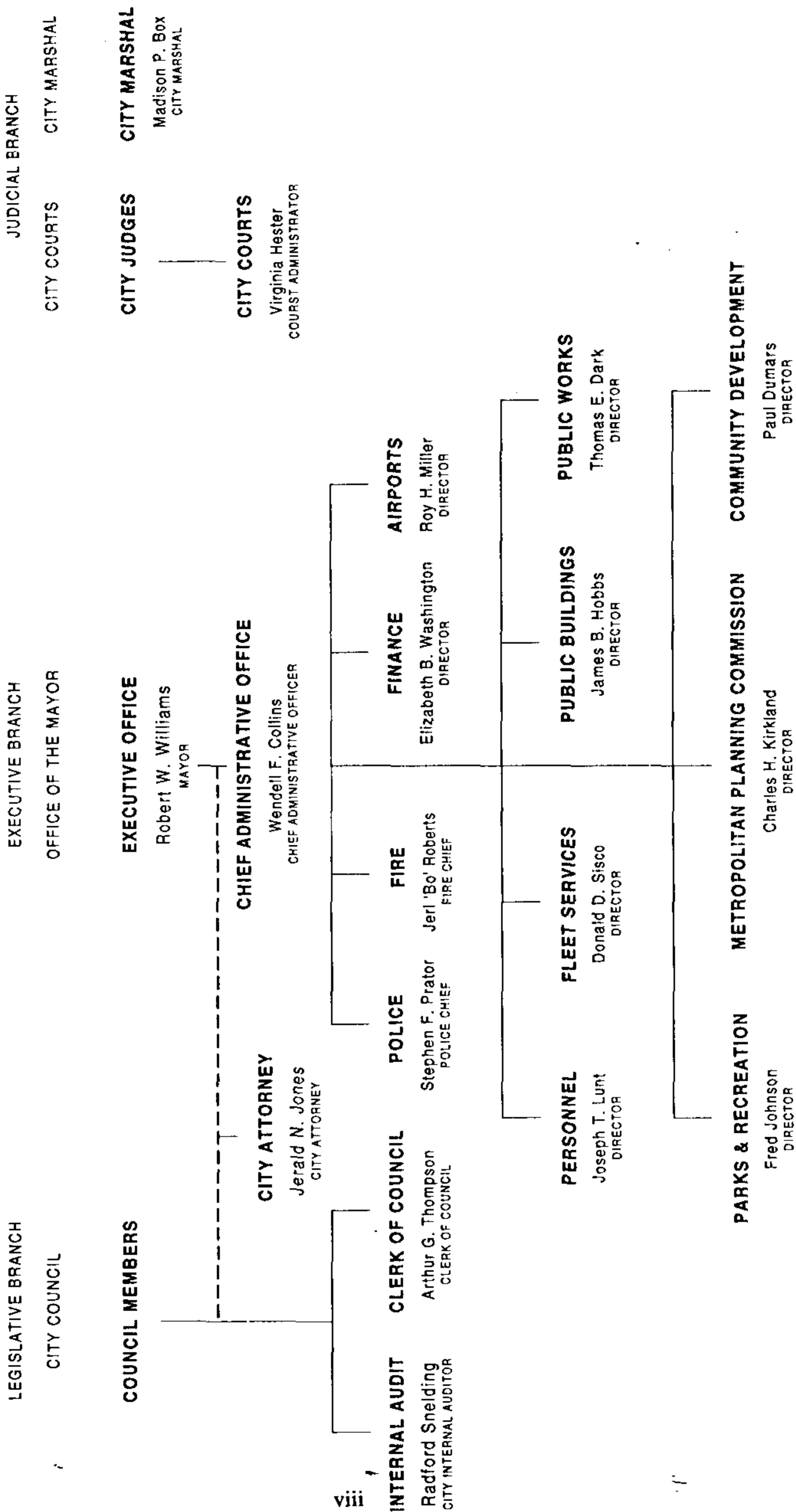
Leonard Barnes  
John David Stewart  
Keith Hightower  
Philip Serio  
Pat Spigener  
James Green  
Roy Burrell

District A  
District B  
District C  
District D  
District E  
District F  
District G

# CITY OF SHREVEPORT

## Table of Organization

December 31, 1995







# CITY OF SHREVEPORT

1234 TEXAS AVE. P.O. BOX 3409 SHREVEPORT, LOUISIANA 71130

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March 22, 1996

Mayor Robert W. Williams  
Members of the City Council  
City of Shreveport, Louisiana

Mayor and Members of the City Council:

In accordance with Section 10.02, paragraph (j), of the City Charter, I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 1995. I believe this report presents comprehensive information about the City's financial and operating activities during 1995 that is useful to taxpayers, citizens and other interested persons.

This report was prepared by the Accounting Division of the Finance Department. Responsibility for the accuracy, completeness and fairness of the data presented, including all disclosures, rests with the City's management. To the best of my knowledge, the information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City.

**The Introductory Section** familiarizes the reader with the City's organizational structure, the nature and scope of services provided and a summary of its financial activities. The section also includes information about economic conditions in the City and future initiatives.

**The Financial Section** includes the auditors' report and the City's (the primary government) and its component units financial statements and schedules. The City's complete financial operations are depicted in the combined statements and thus present an overview of the City's operations. The combined financial statements, along with the notes and the required supplementary information, make up the general purpose financial statements. Following these statements are the combining and individual fund and account group financial statements and schedules.

**The Statistical Section** includes a number of tables of unaudited data depicting the financial history of the City of Shreveport on a multi-year basis, information on overlapping governments, demographic and other miscellaneous information.

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 auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in a separate single audit report.

Receipt Acknowledged  
Legislative Auditor

By \_\_\_\_\_



### **City of Shreveport -- Its Location and Size**

The City of Shreveport was incorporated in 1839. It is located on the west bank of the Red River in Northwest Louisiana, approximately thirty miles south of Arkansas and fifteen miles east of Texas. Shreveport is the seat of Caddo Parish and the center of a metropolitan area that includes Bossier, Caddo and Webster Parishes. Although located primarily in Caddo Parish, a small portion of the City extends into Bossier Parish. The current area of the City is approximately 117 square miles.

### **City of Shreveport -- Its Government**

The City of Shreveport has been organized under a mayor-council form of government since 1978, when the current City charter was adopted by the voters. The charter provides for a seven member council, with each member selected for four-year terms from separate districts of the City. The mayor is elected at-large for a four-year term, is not a member of the council, but has veto power over council action.

### **City of Shreveport -- The Financial Reporting Entity and Its Services**

The City provides a wide range of services including public safety, highways and streets, sanitation, water and sewer services, airports, transportation, recreational activities, general administration functions and others.

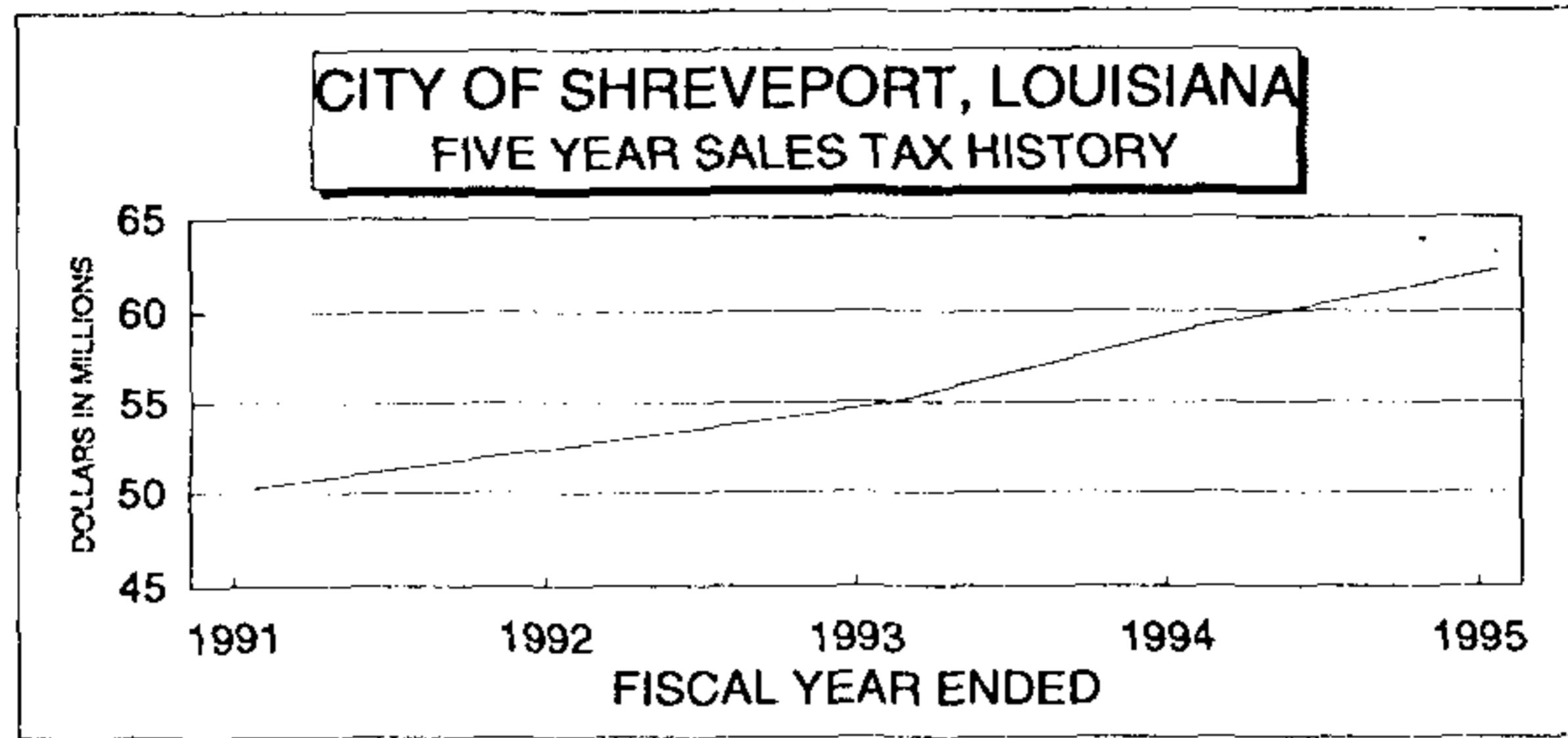
These financial statements present the City of Shreveport (the primary government) and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The Metropolitan Planning Commission (MPC) is included as a blended component unit. MPC is reported as if it were part of the primary government. The City acts as its fiscal agent and it provides services almost entirely to the City.

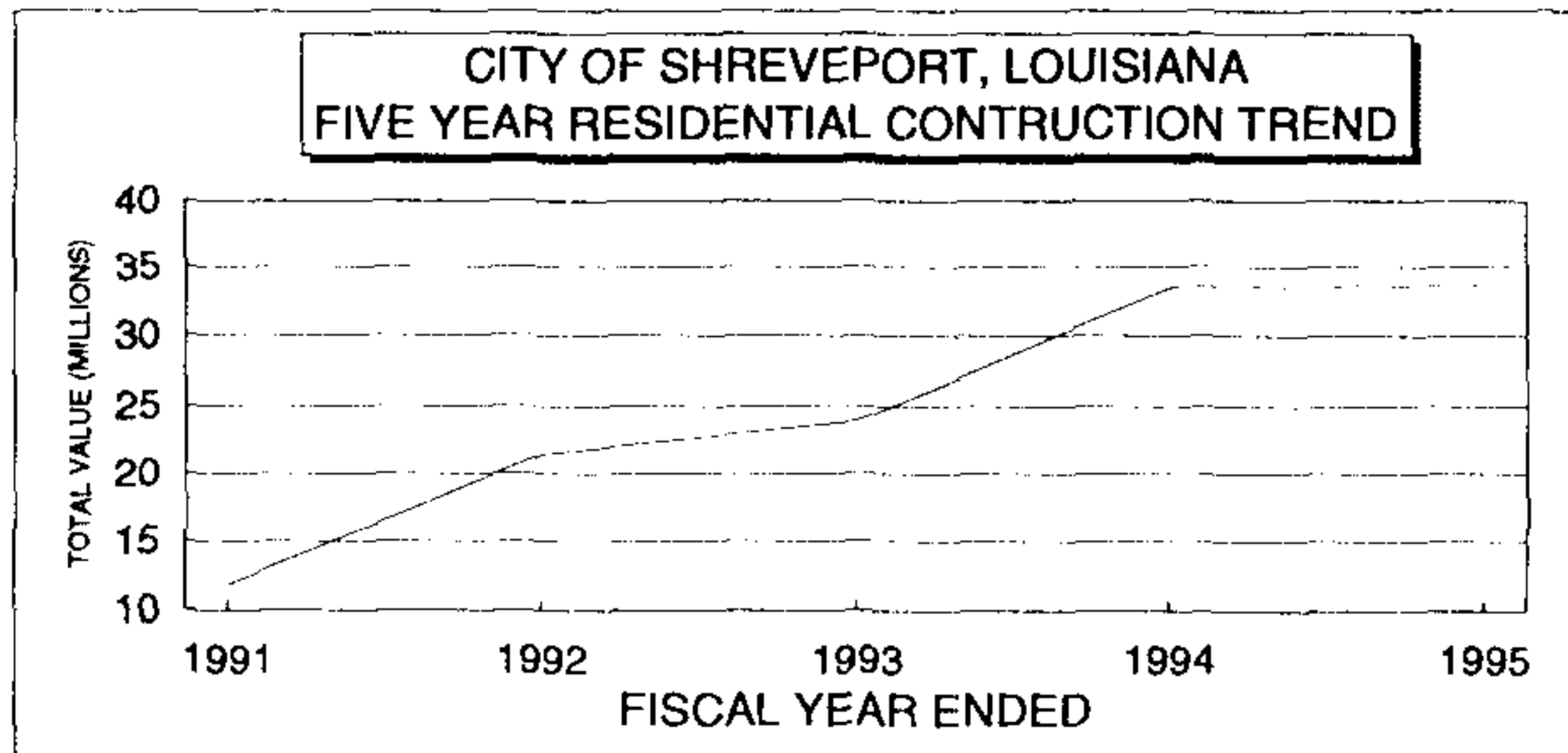
Included as discretely presented component units is the financial data for the City Courts, City Marshal, the Downtown Development Authority and Shreveport Home Mortgage Authority. They are reported in a separate column to emphasize that they are legally separate from the City.

### **Economic Condition and Outlook**

During 1995, Shreveport experienced increases in most economic indicators. Retail sales of \$2.51 billion in 1995 exceed 1994 sales of \$2.37 billion. Area employment is the healthiest it has been since 1990. Hotel/Motel revenues in 1995 increased 14.0% from 1994. This shows the revenue effect of having the three area riverboat casinos open for their first full year in 1995. Sales tax receipts continue their upward trend. Shreveport continues to reap the benefits of economic diversification.



New residential construction, continued the growth trend that began in 1990. Shreveport had housing starts valued at \$34.1 million. New residential total construction also included a \$10 million apartment complex located on Clyde Fant Parkway.



Shreveport's commercial and industrial construction was \$33.9 million in 1995. Major new construction projects in Shreveport included renovations at three churches, a car dealership, a hospital, a new community health center, a hotel, a supermarket and a restaurant.

The increased economic growth that began in late 1991 in Shreveport, continued into 1995. Shreveport had 481 more companies operating in 1995 than it had in 1990. The majority of the growth has been in companies with 100 or fewer employees.

The strength of our economy is the fact that we are very diversified with the new Shreveport/Bossier port, a growing tourism industry, the Biomedical Research Institute, entertainment and the industrial component. The industry in Shreveport appears stable with some manufacturers having plans for further expansion. A \$200 million expansion at Atlas Processing Company is scheduled to be completed in late 1996, and it will create 50 full-time jobs. Beard Industries added a railroad tank car manufacturing division and invested \$1.5



million in its plant in 1995. The James River Corporation will complete a \$23 million expansion in mid-1996 and will hire 155 new employees. General Motors will begin producing a new product in 1996 and another in 1997 which should keep the plant at full production. General Electric, Libbey Glass, NorAm Energy and AT&T expect 1996 to be a steady and stable year. A new 256 unit apartment complex with an estimated cost of over \$10 million will be completed in mid-1996. For 1996, the economic outlook continues to look bright. The optimistic view is based on the increased diversity among manufacturers and industrial companies.

### **Major Initiatives**

#### **For the Current Year**

Several major initiatives were begun in 1995. The City administration restructured the Departments of Urban Development, Economic Development and the Permits and Inspection Division of the Public Works Department under one umbrella department, the Department of Community Development. This department will streamline these functions into a more efficient process that is citizen friendly. The City signed long-term contracts with the local Double A minor league baseball team and the Continental Basketball Association franchise that will ensure that they play here several years into the future. During the year, several projects were begun on construction and improvements to the City's combined waterworks and sewer plant system from the \$28,100,000 bonds issued in 1994.

#### **Future Years**

During 1996, the City administration and the Shreveport Police Department will remain focused on exploring new methods of addressing crime and fear of crime in our City. The Public Works Department is working to have one of the first landfills in the State to meet the new Environmental Protection Agency requirements. Public Works is also working with the Northwest Louisiana Council of Governments and several other agencies to develop a Geographic Information System for Shreveport and Caddo Parish.

### **Department Focus**

The Shreveport Fire Department provides the citizens of Shreveport with fire protection, emergency medical treatment and transportation, hazardous materials response, a bomb squad, water rescue, aircraft rescue/fire fighting and other related services.

In 1995, 70 new firefighters were hired to replace those lost to attrition and to place an additional medic unit in service. The Emergency Medical Services Division was merged with the Operations Division to better unify the command structure. A physical fitness program was initiated, the third Citizens' Fire Academy was held, smoke detectors were placed in several hundred low-income homes and nine Shreveport Fire Department employees traveled to Oklahoma City to assist in the bomb disaster.

Intense training was held for hazardous materials technicians, emergency medical technicians and paramedics, company officers and fire apparatus drivers, to maintain their certification and improve their skills.

The Shreveport Fire Department does not rest in its quest to improve the level of care and protection for residents of our City.

## **Financial Information**

### **Accounting System and Budgetary Control**

Recordkeeping and financial reporting are organized on a fund basis. Funds are established to segregate accounting for specific activities or objectives in accordance with specific regulations. The activities are recorded and/or reported in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board.

The City's internal control structure consists of three elements: the control environment, the accounting system and control procedures. The control environment represents the collective effect of various factors on establishing, enhancing or mitigating the effectiveness of specific policies and procedures. The control environment reflects the overall attitude, awareness and actions of management concerning the importance of control and the emphasis on the City. Control procedures are those policies and procedures that the City has established to provide reasonable assurance that specific City objectives will be achieved. They include such procedures as providing adequate safeguards over access to and use of assets and records.

In developing the City's accounting system, consideration is given to establishing methods and records that will: (1) identify and record all valid transactions, (2) describe on a timely basis the transactions in sufficient detail to permit proper classification of transactions for financial reporting, (3) measure the value of transactions in a manner that permits recording their proper monetary value in the financial statements, (4) determine the time period in which transactions occurred to permit recording of transactions in the proper accounting period and (5) present properly the transactions and related disclosures in the financial statements.

In addition to internal controls established by management and those built into the accounting system, the Office of Internal Audit periodically reviews the adequacy of internal controls. The Internal Auditor and his staff are independent of the Finance Department.

As a recipient of federal and state financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the annual audit performed by independent certified public accountants selected by the City.

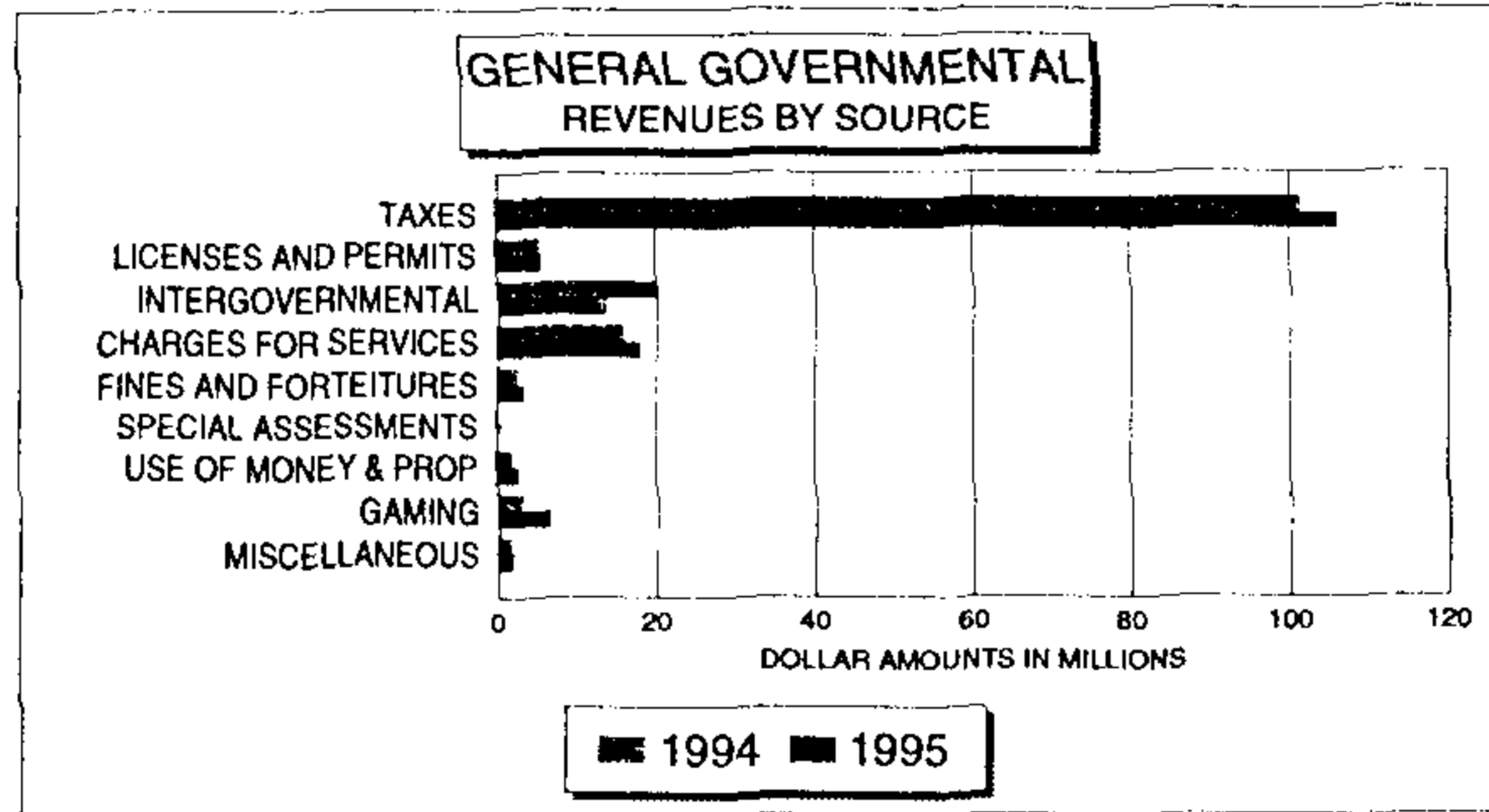
All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control for operating funds is maintained at the object level within each department. Budgetary accounts are formally integrated into the accounting system for the General Fund and certain Special Revenue Funds (Economic Development, Metropolitan Planning Commission, and Riverfront Development) which have annual appropriations. The Economic Development Fund is comprised of two subfunds. An annual budget is adopted for business development and services. The workforce development portion of the fund, which is financed with Jobs Training Partnership Act monies, is controlled through restrictive grant provisions, and it is on a different fiscal year. The Enrichment Fund does not adopt an annual operating budget. The remaining Special Revenue Funds and the Capital Projects Funds have budgetary accounts which are integrated into the accounting system; however, project length budgets are adopted. All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) except that (1) encumbrances are treated as budgeted expenditures in the year of the commitment to purchase and

## General Governmental Functions

The general governmental functions of the City are summarized in the following schedules and narrative which include the General Fund, Special Revenue Funds, and the Debt Service Fund. The Capital Projects Funds have been excluded.

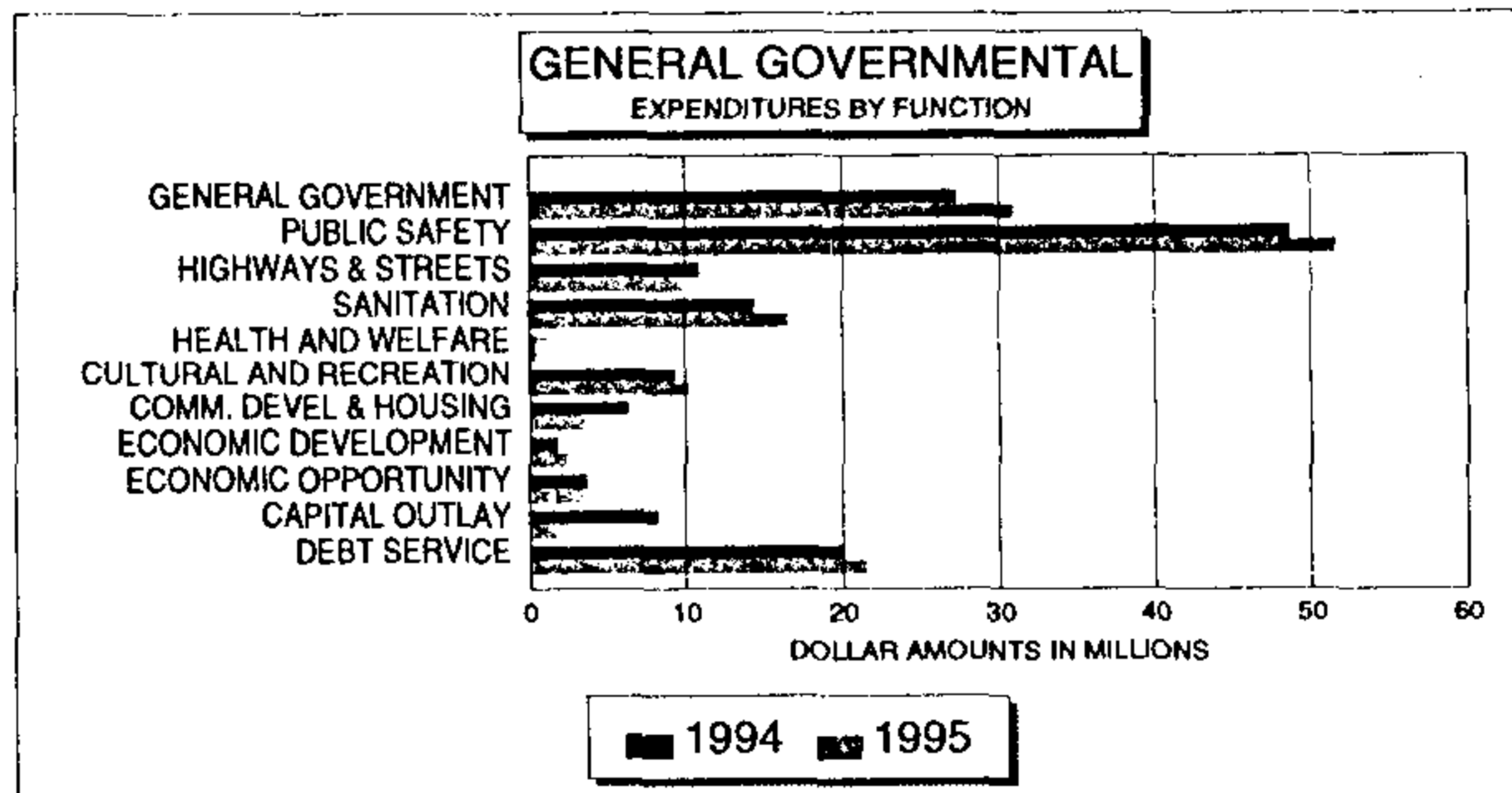
<u>Revenues by Source</u>	<u>1995</u>	<u>1994</u>	<u>Increase (Decrease)</u> <u>over (under) 1994</u>	
			<u>Amount</u>	<u>Percent</u>
Taxes	\$106,051,704	\$101,640,909	\$ 4,410,795	4.3
Licenses and permits	5,704,505	5,621,340	83,165	1.5
Intergovernmental	13,653,901	20,260,037	(6,606,136)	(32.6)
Charges for services	17,924,530	16,073,377	1,851,153	11.5
Fines and forfeitures	3,343,529	2,807,106	536,423	19.1
Special assessments	15,779	17,112	(1,333)	(7.8)
Use of money and property	2,800,754	2,130,230	670,524	31.5
Gaming	6,436,562	3,371,774	3,064,788	90.9
Miscellaneous	<u>1,816,735</u>	<u>1,937,468</u>	<u>(120,733)</u>	<u>(6.2)</u>
<b>Total revenues</b>	<b><u>\$157,747,999</u></b>	<b><u>\$153,859,353</u></b>	<b><u>\$ 3,888,646</u></b>	<b><u>2.5</u></b>



Intergovernmental revenue decreased by 32.6% in 1995 primarily due to a decrease of \$3,036,863 in the Community Development Block Grant entitlement. Charges for services increased 11.5% due primarily to an increase in landfill user charges. Fines and forfeitures increased 19.1% due primarily to an increase in available jail space. Use of money and property increased 31.5%. The Riverfront Development Fund received \$382,995 interest on proceeds from certificates of indebtedness in 1995. No certificate of indebtedness interest revenue was recognized in the fund in 1994. The fund equity earned \$119,533 more interest income in 1995 than in 1994. Also, rental on riverfront property used by Harrah's Casino was \$140,164 higher in 1995 than in 1994. Gaming revenue was \$3,064,788 more in 1995 than in 1994.



<u>Expenditures by Function</u>	<u>1995</u>	<u>1994</u>	<u>Increase (Decrease)</u> <u>over (under) 1994</u>	
			<u>Amount</u>	<u>Percent</u>
Current:				
General government	\$ 30,888,942	\$ 27,358,947	\$ 3,529,995	12.9
Public safety	51,541,031	48,624,309	2,916,722	6.0
Highways and streets	9,593,210	10,818,984	(1,225,774)	(11.3)
Sanitation	16,395,033	14,420,615	1,974,418	13.7
Health and welfare	359,734	403,518	(43,784)	(10.9)
Cultural and recreation	10,029,829	9,238,424	791,405	8.6
Community development and housing	3,598,589	6,297,506	(2,698,917)	(42.9)
Economic development	2,267,197	1,745,045	522,152	29.9
Economic opportunity	3,366,535	3,674,523	(307,988)	(8.4)
Capital outlay	2,295,908	8,150,156	(5,854,248)	(71.8)
Debt service	<u>21,350,303</u>	<u>20,145,759</u>	<u>1,204,544</u>	<u>6.0</u>
<b>Total expenditures</b>	<b><u>\$151,686,311</u></b>	<b><u>\$150,877,786</u></b>	<b><u>\$ 808,525</u></b>	<b><u>0.5</u></b>



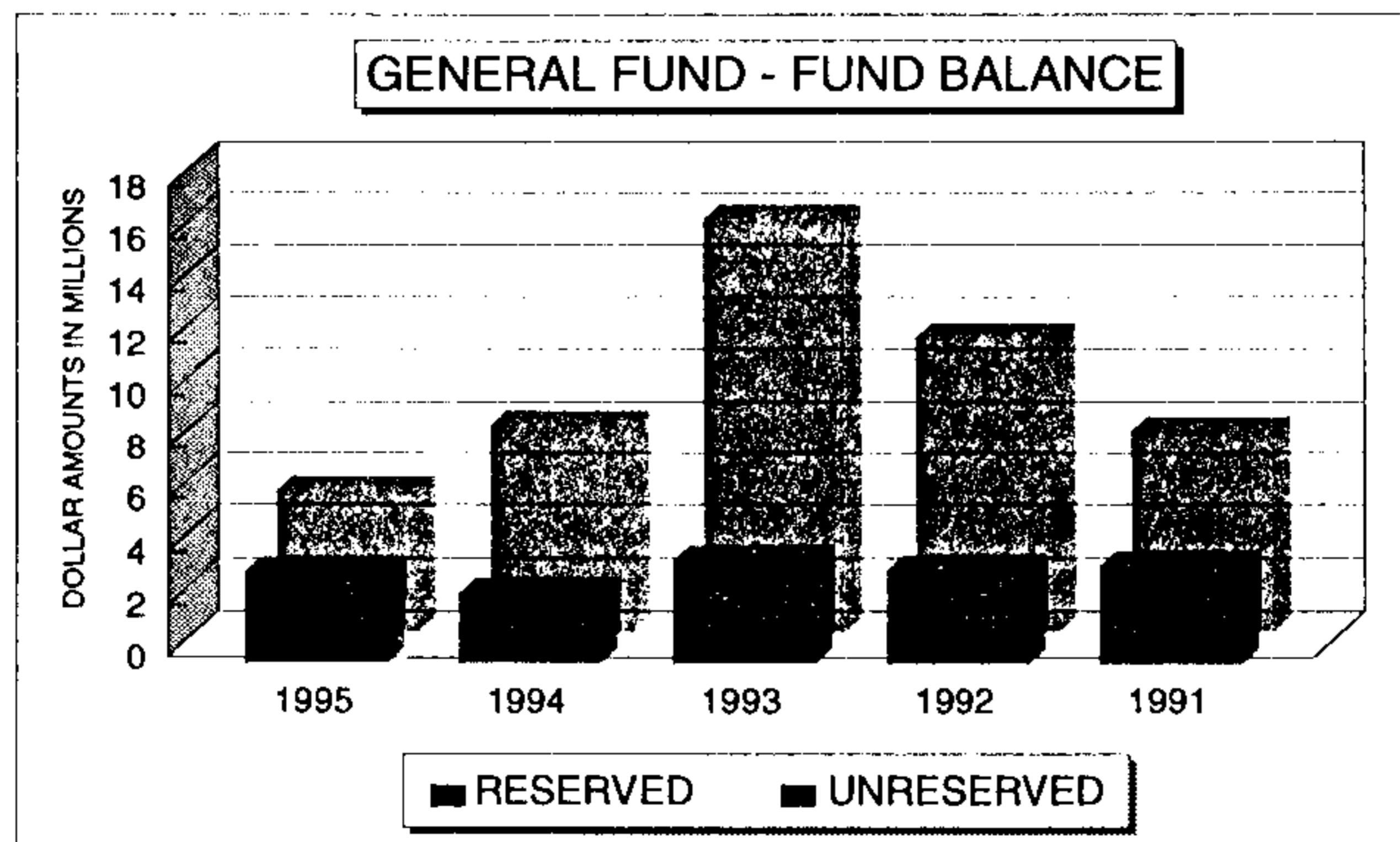
General government expenditures increased 12.9% due primarily to an increase in the number of probable claims. Highways and streets expenditures decreased by 11.3% primarily due to the reduction in the street overlay expenditures. Sanitation expenditures are 13.7% higher than 1994. This is primarily due to the increase in professional services charges at the landfill. Health and welfare expenditures decreased 10.9% in 1995. The Community Partnership for a Drug-Free Shreveport expended \$32,993 less in 1995 than in 1994. Community development and housing expenditures decreased 42.9% primarily because Urban Development expenditures for housing programs decreased. Economic development expenditures increased by 29.9%. The City paid \$1,000,000 through the Riverfront Development Fund to the Shreveport Pirates of the Canadian Football League in 1995. Capital Outlay expenditures decreased by 71.8%. Economic Development expended \$4,832,933 less on the Independence Stadium and \$1,399,804 less on the Riverfront Park Plaza Riverwalk project in 1995 than in 1994.

## General Fund Fund Balance

The major general governmental fund of the City is the General Fund. It accounts for most essential City services. The fund balance of the General Fund is significant because it represents the financial resources available to be spent or appropriated in future periods.

The unreserved fund balance decreased from \$7,888,687 to \$5,309,708 in 1995. The unreserved fund balance decrease was primarily a result of an increase in the expenditures for liability claims. This unreserved fund balance represents 4.6% of 1995 General Fund expenditures before transfers. Presented below are the past five years of changes which have occurred in reserved and unreserved General Fund fund balance:

	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
<b>FUND BALANCE</b>					
Reserved	\$ 3,453,404	\$ 2,655,736	\$ 3,882,894	\$ 3,544,629	\$ 3,701,588
Unreserved	<u>5,309,708</u>	<u>7,888,687</u>	<u>15,739,677</u>	<u>11,170,780</u>	<u>7,611,051</u>
<b>Total Fund Balance</b>	<b>\$ <u>8,763,112</u></b>	<b>\$ <u>10,544,423</u></b>	<b>\$ <u>19,622,571</u></b>	<b>\$ <u>14,715,409</u></b>	<b>\$ <u>11,312,639</u></b>
<b>Expenditures</b>	<b>\$ <u>116,171,156</u></b>	<b>\$ <u>109,369,944</u></b>	<b>\$ <u>92,724,108</u></b>	<b>\$ <u>85,735,828</u></b>	<b>\$ <u>82,892,014</u></b>
<b>% Reserved/Total Expenditures</b>	<b>3.0%</b>	<b>2.4%</b>	<b>4.2%</b>	<b>4.1%</b>	<b>4.5%</b>
<b>% Unreserved/Total Expenditures</b>	<b>4.6%</b>	<b>7.2%</b>	<b>17.0%</b>	<b>13.0%</b>	<b>9.2%</b>



## Proprietary Operations

### Enterprise Funds

Pertinent information concerning the City's four enterprise funds is summarized below:

#### Municipal and Regional Airports

The Regional Airport implemented a passenger facilities charge effective in February, 1994 and \$924,102 was received in 1995. The revenues will be used to fund renovations at the airport.

The combined operating revenues from the Municipal and Regional Airports were \$4,943,313 in 1995 and remained about the same as 1994. Operating expenses were \$4,925,301 and this was a 13.5% decrease from 1994 primarily due to reduced requirements for maintenance supplies and services and depreciation expenses were less in 1995 due to some assets becoming nearly or totally depreciated in 1994. Net income was \$293,450 in 1995 compared to a net loss of \$1,022,546 in 1994 primarily due to the reduction in expenses.

#### Transit System

Revenues from the Transit System operations were \$1,971,160 in 1995. Passenger charges were 6.5% above the 1994 farebox revenues. Operating expenses of \$6,992,999 were 2.4% over 1994. Net loss was \$807,875 which represents depreciation expense, a non-cash item which has not been reimbursed through subsidies. Operating subsidies by the City, State and Federal Government totalled \$4,237,164 in 1995. The City's portion of the subsidies was \$2,470,937.

#### Water and Sewerage System

Operating revenues were \$36,043,731 which represented a 2.1% increase over 1994. Operating expenses were \$28,564,250 and 11.9% over 1994. The increase is primarily due to increased chemical, gas and diesel fuel usages, hand tools and small equipment purchased, increased use of professional services, increased Retained Risk charges and increased depreciation expense. Net income was \$4,630,098 compared to a net income in 1994 of \$4,849,737.

#### Golf

Combined revenues for the City's three golf courses remained about the same as 1994. Operating revenues were \$1,203,362 in 1995. Operating expenses were \$1,353,720 and 8.8% over 1994 primarily due to program services scheduled for 1994 (such as shrubbery planting, pesticide controls, and fertilization), being completed in 1995 and increased concessions, maintenance supplies and utilities charges. Net income was \$69,144 compared to a net loss of \$36,695 in 1994. The net income is primarily a result of an operating transfer in from the General Fund.

### Internal Service Funds

The City has two internal service funds. Their operating results are summarized below:

#### Employees Health Care

Revenues were \$12,455,113 and operating expenses were \$12,176,835. Net income for 1995 was \$603,839 which represents a 53.0% decrease from 1994 due to an increase in claims expenses.



### Retained Risk

Operating revenues and transfers-in were \$9,981,469 in 1995. Premiums revenue was received from the General Fund, the Department of Water and Sewerage and the Municipal and Regional Airports. Operating expenses were \$9,620,808. Net income for 1995 was \$676,273 which represents an increase of \$376,901 or 125.9% over 1994.

### Fiduciary Operations

#### Pension Trust Funds

Substantially all City employees are eligible for and are covered by the following pension plans:

#### Firefighter Pension Plans

Full-time firefighters of the City participate in the Statewide Firefighters Retirement System. There are 455 active City employees and 315 retired employees and beneficiaries participating in the plan. Covered employees are required to contribute 8% of compensation to the plan. The City's matching contribution is 9% of compensation.

The pension benefit obligation for the Statewide System, as a whole, was \$392,663,345 at June 30, 1995. Net assets available for benefits were \$352,392,368 (market value \$366,556,713) which results in an unfunded pension benefit obligation of \$40,270,977. Available assets were sufficient to fund 89.7% of the pension benefit obligation.

In addition to participating in the Statewide Firefighters Retirement System, certain firemen were guaranteed the benefits they enjoyed under the local firefighters retirement plan. The pension benefit obligation for the guaranteed benefits at December 31, 1995, was \$12,715,000. Net assets available for benefits, at market value, were \$4,275,655 which results in an unfunded pension benefit obligation of \$8,439,345. Available assets were sufficient to fund 33.6% of the pension benefit obligation.

#### Police Officer Pension Plans

Full-time police officers of the City participate in the Municipal Police Employees Retirement System. As of December 31, 1995, there were 493 active City employees and 299 retired employees and beneficiaries participating in this system. Covered employees are required to contribute 7.5% of compensation to the plan. The City's matching contribution is 9% of compensation.

The Municipal Police Employees Retirement System's pension benefit obligation, as a whole, was \$736,846,804 at June 30, 1995. Net assets available for benefits were \$766,365,130 (\$794,697,065 market value) leaving assets in excess of pension benefit obligation of \$29,518,326. Available assets were sufficient to fund 104.0% of the pension benefit obligation.

Certain police officers were also guaranteed the benefits they enjoyed under the local police retirement plan. The pension benefit obligation for the guaranteed benefits at December 31, 1995, was \$8,737,000. Net assets available for benefits, at market value, were \$4,029,021 which results in an unfunded pension benefit obligation of \$4,707,979. Available assets were sufficient to fund 46.1% of the pension benefit obligation.

#### Employees' Retirement System

There are 2,159 City employees who are active and retired members of this plan. The Employees' Retirement System's funding policy provides for actuarially determined contributions at rates that, for

individual employees, remain level as a percentage of compensation. Employees contribute at a rate of 9% of compensation. The City contributes at a rate of 9.15% of an individual employee's compensation.

At December 31, 1995, the date of the actuarial update, the total pension benefit obligation was \$95,950,000. Net assets available for benefits were \$102,920,000 (\$116,249,493, market value) resulting in assets in excess of pension benefit obligation of \$6,970,000. Available assets were sufficient to fund 107.3% of the pension benefit obligation.

### 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 debt position to municipal management, citizens, and investors. The data for the City at the end of the 1995 fiscal year were as follows:

	<u>Amount</u>	Ratio of Debt to <u>Assessed Value</u>	<u>Debt per Capita</u>
Net direct general obligation bonded debt	\$143,321,051	18.8%	\$732

Outstanding bonded indebtedness of the City is summarized in the following table (in thousands):

	<u>January 1, 1995</u>	<u>1995 Activity</u>		<u>December 31, 1995</u>
		<u>Additions</u>	<u>Reductions</u>	
General obligation bonds/notes	\$167,982	\$ 397	\$ 9,784	\$158,595
Water and Sewer				
General obligation bonds/notes	2,814	202	629	2,387
Revenue bonds - other	174,280	2,775	7,156	169,899
Revenue bonds - to be redeemed through funds held in escrow	36,695	2,053	--	38,748
Golf	--	63	--	63
Municipal and Regional Airports	<u>6,300</u>	<u>--</u>	<u>100</u>	<u>6,200</u>
<b>Total</b>	<b><u>\$388,071</u></b>	<b><u>\$5,490</u></b>	<b><u>\$17,669</u></b>	<b><u>\$375,892</u></b>

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any purpose or 35% of the total assessed valuation for all general obligation purposes. A total of \$115,871,479 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$763,224,730 pursuant to the 35% limitation. Included in the total assessed valuation of property within the City is \$7,769,890 of assessed valuation which has been adjudicated to Caddo Parish.

## Cash Management

The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by statutes or other legal reasons. At the end of each business day, collected balances in all City bank accounts are deposited into a Sweep Account. These funds are invested in U.S. Government and U.S. Agency securities under the terms of an overnight repurchase agreement. In addition, the City invests in other open repurchase agreements and U.S. treasury bills and notes. As of December 31, 1995, the City's cash resources were invested as follows:

U.S. Government Securities	50.1%
Open and Term Repurchase Agreements	40.7
Overnight Repurchase Agreement (Sweep Account)	<u>9.2</u>
Total	<u>100.0%</u>

The City's investment policy is to exercise that judgment and care which men of prudence, discretion and intelligence exercise in the management of their own affairs. Investments are selected as investments, not for speculation, considering the probable safety of the capital, as well as the probable income to be derived. Accordingly, deposits are either insured by federal depository insurance or collateralized. Approximately thirty-three percent of the investments held by the City are classified in the category of lowest risk as defined by the Governmental Accounting Standards Board. Remaining investments were held by the fiscal agency bank as trustee for pension funds or in accordance with bond indentures. State statutes require that all public funds should be insured or collateralized. The City's policy is not to have uninsured/uncollateralized funds which it controls.

## Risk Management

The City retains the risk for its automobile and general liability exposures. It also retains \$225,000 per occurrence on its workers' compensation coverage. The balance of the workers' compensation exposure is insured with a third-party carrier. Property insurance is maintained with a third-party carrier, subject to a \$50,000 per occurrence retention.

Risk Management completed a procedures manual during 1995 and it was issued to all operating departments. Policies and procedures have been implemented such as the Light Duty Program, On-Scene Accident Investigations and the Accident Review Board. A Risk Management Committee was authorized and its first meeting was held in August, 1995. Risk Management outsourced many of the accident investigation and claim adjustment functions previously handled in-house.

## Other Relevant Information

### Independent Audit

In accordance with Section 4.28 of the City Charter, the City Council is required to provide for an annual independent audit of the accounts and financial transactions of the City by a firm of independent certified public accountants duly licensed to practice in the State of Louisiana. The accounting firm of KPMG Peat Marwick LLP was selected by the City to conduct its annual audit. The audit was designed to meet the requirements of the federal Single Audit Act of 1984 and related Office of Management and Budget Circular A-128. The auditors' report on the general purpose financial statements, combining and individual fund



statements and account groups is included in the financial section of the City's Comprehensive Annual Financial Report. The auditors' reports related specifically to the single audit are included in a separate Single Audit Report.

#### Awards

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 Shreveport for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1994. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the City of Shreveport and its management. We are proud to have received this award each year for the past sixteen years (beginning with our Comprehensive Annual Financial Report for the fiscal year ended December 31, 1979).

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

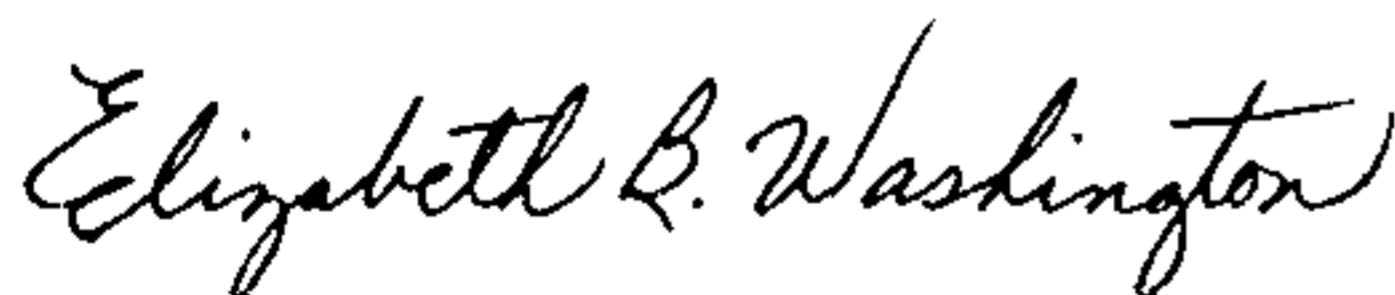
A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City has received the GFOA's Award for Distinguished Budget Presentation for its annual operating budget for the fiscal year beginning January 1, 1995. This is the eleventh year in which the City has received this award. In order to qualify for the Distinguished Budget Presentation, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

#### Acknowledgments

Special thanks is given to the Accounting Division staff, who had primary responsibility for the preparation of this report. I also wish to express my appreciation to the rest of the Finance Department staff, other departments and the external auditors who made contributions. The support of the Mayor and City Council in the fiscal operations is also appreciated.

Sincerely,



Elizabeth B. Washington  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shreveport,  
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.



*Timothy H. Riordan*  
President

*Jeffrey L. Esler*  
Executive Director

# KPMG Peat Marwick LLP

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

## Independent Auditors' Report

To the Members of the City Council and  
Honorable Robert W. Williams, Mayor  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and individual account group financial statements and schedules of the City of Shreveport, Louisiana, as of and for the year ended December 31, 1995, as listed in the foregoing Table of Contents as Exhibits 1-7 and Statement/Schedules A-1 to I-1. These financial statements and schedules are the responsibility of the management of the City of Shreveport, Louisiana. Our responsibility is to express an opinion on these financial statements and schedules based on our audit. We did not audit the component financial statements of the City Courts, City Marshal, and Downtown Development Authority, which statements reflect total assets of \$5,479,174 as of December 31, 1995, and total revenues of \$1,454,276 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 financial statements and schedules, insofar as it relates to the amounts included for the City Courts, City Marshal, and Downtown Development Authority in the component unit columns of Exhibits 1 and 2 and the governmental fund types and fiduciary fund type in Exhibits 6 and 7, 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 reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors whose reports 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 Shreveport, Louisiana, as of December 31, 1995, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and individual 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 individual account groups of the City of Shreveport, Louisiana, as of December 31, 1995, and the results of operations of such funds and the cash flows of the individual proprietary funds 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 22, 1996, on our consideration of the City of Shreveport, Louisiana's internal control structure and a report dated March 22, 1996, on its compliance with laws and regulations.

As described in note 18 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* in 1995.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund, and individual account group financial statements and schedules. The schedules of historical pension information listed as Required Supplemental Information in the Table of Contents 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 in Statistical Tables 1-16 is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Shreveport, Louisiana. The information has not been audited by us, and accordingly we express no opinion on this information.

*KPMG Peat Marwick LLP*

March 22, 1996

# **GENERAL PURPOSE FINANCIAL STATEMENTS**

The general purpose financial statements include all funds and account groups in order to provide an overview of the financial position and results of operation for the City as a whole. Detailed financial statements for each fund and account group are presented elsewhere in this report. Also included in the general purpose financial statements are the combining statements of the City's discretely presented component units.



CITY OF SHREVEPORT, LOUISIANA  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS  
 DECEMBER 31, 1995

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets:</b>				
Cash and cash equivalents (note 3)	\$ 8,252,776	\$ 12,783,818	\$ 9,970,641	\$ 24,021,249
Investments, at market value (note 3)	--	--	--	--
Interest receivable	--	36,405	--	193,123
Property taxes receivable (note 4)	4,587,189	--	6,280,912	--
Franchise taxes receivable	1,216,314	--	--	--
Accounts receivable, net (note 5)	2,873,695	568,310	1,380	--
Special assessments receivable	--	16,309	--	43,116
Due from other governmental units	7,194,764	1,004,314	--	--
Notes receivable	--	8,383,315	--	--
Mortgage loans receivable	--	--	--	--
Due from other funds (note 12)	53,161	167,186	--	10,053,664
Inventories, at cost	904,858	--	--	--
Prepaid items	--	--	--	--
<b>Restricted assets (note 9):</b>				
Cash and cash equivalents (note 3)	--	--	--	--
Investments (note 3):				
U.S. Government and agency securities	--	--	--	--
Guaranteed investment agreements (note 9)	--	--	--	--
Interest receivable	--	--	--	--
Due from other governmental units	--	--	--	--
Mortgage loans receivable	--	--	--	--
Note receivable	--	--	--	--
Fixed assets, net (note 7)	--	--	--	--
Other assets	--	--	--	--
<b>Total assets</b>	<u>25,082,757</u>	<u>22,959,657</u>	<u>16,252,933</u>	<u>34,311,152</u>
<b>Other debits:</b>				
Amount available in Debt Service Fund	--	--	--	--
Amount to be provided for payment of accrued vacation	--	--	--	--
Amount to be provided for retirement of general obligation bonds/notes	--	--	--	--
Amount to be provided for payment of pension liability (note 9)	--	--	--	--
Amount to be provided for post-closure care of landfill (notes 9 and 17)	--	--	--	--
<b>Total other debits</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total assets and other debits</b>	<u>\$ 25,082,757</u>	<u>\$ 22,959,657</u>	<u>\$ 16,252,933</u>	<u>\$ 34,311,152</u>



Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt			
\$ 16,202,492	\$ 5,967,652	\$ --	\$ --	\$ --	\$ 77,198,628	\$ 4,993,599	\$ 82,192,227
--	4,528,843	129,489,702	--	--	134,018,545	--	134,018,545
110,121	55,890	815,873	--	--	1,211,412	--	1,211,412
--	--	--	--	--	10,868,101	468,258	11,336,359
--	--	--	--	--	1,216,314	--	1,216,314
4,255,628	322,765	30,054	--	--	8,051,832	--	8,051,832
--	--	--	--	--	59,425	--	59,425
543,259	--	--	--	--	8,742,337	--	8,742,337
--	--	--	--	--	8,383,315	--	8,383,315
--	--	--	--	--	--	96,588	96,588
201,076	5,481,642	--	--	--	15,956,729	--	15,956,729
1,371,656	--	--	--	--	2,276,514	--	2,276,514
29,347	59,327	664,445	--	--	753,119	5,146	758,265
22,523,640	--	--	--	--	22,523,640	1,034,626	23,558,266
73,127,701	--	--	--	--	73,127,701	11,316,793	84,444,494
41,499,921	--	--	--	--	41,499,921	--	41,499,921
368,791	--	--	--	--	368,791	178,934	547,725
382,965	--	--	--	--	382,965	--	382,965
--	--	--	--	--	--	21,850,137	21,850,137
--	--	--	--	--	--	4,435,000	4,435,000
268,777,484	9,610	--	148,721,307	--	417,508,401	603,510	418,111,911
4,191,345	--	2,960,475	--	--	7,151,820	455,629	7,607,449
<u>433,585,426</u>	<u>16,425,729</u>	<u>133,960,549</u>	<u>148,721,307</u>	<u>--</u>	<u>831,299,510</u>	<u>45,438,220</u>	<u>876,737,730</u>
--	--	--	--	15,273,631	15,273,631	--	15,273,631
--	--	--	--	1,506,600	1,506,600	--	1,506,600
--	--	--	--	143,321,051	143,321,051	--	143,321,051
--	--	--	--	38,365,215	38,365,215	--	38,365,215
--	--	--	--	888,000	888,000	--	888,000
--	--	--	--	199,354,497	199,354,497	--	199,354,497
<u>\$ 433,585,426</u>	<u>\$ 16,425,729</u>	<u>\$ 133,960,549</u>	<u>\$ 148,721,307</u>	<u>\$ 199,354,497</u>	<u>\$ 1,030,654,007</u>	<u>\$ 45,438,220</u>	<u>\$ 1,076,092,227</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS  
 DECEMBER 31, 1995

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 2,699,193	\$ 438,443	\$ 2,678	\$ 1,848,699
Accrued liabilities	266,210	--	--	25,076
Accrued vacation (notes 8 and 9)	--	--	--	--
Due to other governmental units	319,697	183,900	--	--
Due to other funds (note 12)	11,192,368	1,718,867	--	1,304,721
Long-term debt-current (note 9)	--	--	--	--
1993A revenue bonds - to be redeemed through funds held in escrow	--	--	--	--
Liability and refund contracts payable-current	--	--	--	--
Deferred revenue	1,132,770	8,439,566	976,624	12,372
Liability and refund contracts payable-noncurrent	--	--	--	--
Deposits and deferred charges	709,407	--	--	--
Long-term debt (note 9)	--	--	--	--
Pension liability (note 9)	--	--	--	--
Landfill post-closure care liability (notes 9 and 17)	--	--	--	--
<b>Total liabilities</b>	<b>16,319,645</b>	<b>10,780,776</b>	<b>979,302</b>	<b>3,190,868</b>
<b>Equity and other credits:</b>				
Investment in general fixed assets	--	--	--	--
Contributed capital (note 11)	--	--	--	--
<b>Retained earnings:</b>				
Reserved for debt service	--	--	--	--
Unreserved	--	--	--	--
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Encumbrances	2,533,827	2,461,947	--	7,002,885
Inventories	904,858	--	--	--
Debt service	--	--	15,273,631	--
Employees' retirement systems	--	--	--	--
Endowments	14,719	--	--	--
<b>Unreserved:</b>				
Designated for subsequent years' expenditures	1,143,100	9,888,229	--	26,480,869
Undesignated	4,166,608	(171,295)	--	(2,363,470)
<b>Total retained earnings/fund balances</b>	<b>8,763,112</b>	<b>12,178,881</b>	<b>15,273,631</b>	<b>31,120,284</b>
<b>Total equity and other credits</b>	<b>8,763,112</b>	<b>12,178,881</b>	<b>15,273,631</b>	<b>31,120,284</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 25,082,757</b>	<b>\$ 22,959,657</b>	<b>\$ 16,252,933</b>	<b>\$ 34,311,152</b>

See accompanying notes to the financial statements.

(continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt			
\$ 2,091,299	\$ 1,004,937	\$ 10,209,149	\$ --	\$ --	\$ 18,294,398	\$ 350,659	\$ 18,645,057
1,955,271	6,508,266	--	--	--	8,754,823	145,176	8,899,999
--	--	--	--	1,506,600	1,506,600	--	1,506,600
--	--	--	--	--	503,597	--	503,597
507,360	27,538	1,205,875	--	--	15,956,729	--	15,956,729
47,955,000	--	--	--	--	47,955,000	2,634,000	50,589,000
38,748,043	--	--	--	--	38,748,043	--	38,748,043
13,542	--	--	--	--	13,542	--	13,542
969,882	--	--	--	--	11,531,214	--	11,531,214
22,420	--	--	--	--	22,420	--	22,420
667,369	--	927,651	--	--	2,304,427	462,007	2,766,434
130,594,399	--	--	--	158,594,682	289,189,081	34,537,132	323,726,213
--	--	--	--	38,365,215	38,365,215	--	38,365,215
--	--	--	--	888,000	888,000	--	888,000
223,524,585	7,540,741	12,342,675	--	199,354,497	474,033,089	38,128,974	512,162,063
--	--	--	148,721,307	--	148,721,307	603,510	149,324,817
121,231,036	1,715,600	--	--	--	122,946,636	--	122,946,636
4,396,061	--	--	--	--	4,396,061	1,891,075	6,287,136
84,433,744	7,169,388	--	--	--	91,603,132	691,256	92,294,388
--	--	--	--	--	11,998,659	--	11,998,659
--	--	--	--	--	904,858	--	904,858
--	--	--	--	--	15,273,631	--	15,273,631
--	--	121,617,874	--	--	121,617,874	--	121,617,874
--	--	--	--	--	14,719	--	14,719
--	--	--	--	--	37,512,198	1,228,189	38,740,387
--	--	--	--	--	1,631,843	2,895,216	4,527,059
88,829,805	7,169,388	121,617,874	--	--	284,952,975	6,705,736	291,658,711
210,060,841	8,884,988	121,617,874	148,721,307	--	556,620,918	7,309,246	563,930,164
\$ 433,585,426	\$ 16,425,729	\$ 133,960,549	\$ 148,721,307	\$ 199,354,497	\$ 1,030,654,007	\$ 45,438,220	\$ 1,076,092,227

CITY OF SHREVEPORT, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	Governmental Fund Types				Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects			
<b>Revenues:</b>							
Taxes	\$ 83,915,635	--	\$ 22,136,069	--	\$ 106,051,704	\$ 489,191	\$ 106,540,895
Licenses and permits	5,704,505	--	--	--	5,704,505	--	5,704,505
Intergovernmental	3,930,255	9,723,646	--	346,306	14,000,207	45,000	14,045,207
Charges for services	17,924,530	--	--	--	17,924,530	18,000	17,942,530
Fines and forfeitures	3,343,529	--	--	--	3,343,529	741,590	4,085,119
† Special assessments	--	15,779	--	35,003	50,782	--	50,782
Use of money and property	1,447,979	1,304,460	48,315	1,836,264	4,637,018	156,495	4,793,513
Gaming	--	6,436,562	--	--	6,436,562	--	6,436,562
Miscellaneous	608,766	1,207,095	874	81,238	1,897,973	4,000	1,901,973
<b>Total revenues</b>	<b>116,875,199</b>	<b>18,687,542</b>	<b>22,185,258</b>	<b>2,298,811</b>	<b>160,046,810</b>	<b>1,454,276</b>	<b>161,501,086</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	29,915,477	973,465	--	--	30,888,942	1,828,417	32,717,359
Public safety	50,451,000	1,090,031	--	--	51,541,031	--	51,541,031
Highways and streets	9,593,210	--	--	--	9,593,210	--	9,593,210
Sanitation	16,395,033	--	--	--	16,395,033	--	16,395,033
Health and welfare	--	359,734	--	--	359,734	--	359,734
Cultural and recreation	9,816,436	213,393	--	--	10,029,829	--	10,029,829
Community development and housing	--	3,598,589	--	--	3,598,589	--	3,598,589
Economic development	--	2,267,197	--	--	2,267,197	830,378	3,097,575
Economic opportunity	--	3,366,535	--	--	3,366,535	--	3,366,535
Capital outlay	--	2,295,908	--	20,324,942	22,620,850	115,620	22,736,470
<b>Debt service:</b>							
Principal	--	--	9,783,852	--	9,783,852	--	9,783,852
Interest and fiscal charges	--	--	11,561,682	--	11,561,682	--	11,561,682
Bond issuance costs	--	--	4,769	--	4,769	--	4,769
<b>Total expenditures</b>	<b>116,171,156</b>	<b>14,164,852</b>	<b>21,350,303</b>	<b>20,324,942</b>	<b>172,011,253</b>	<b>2,774,415</b>	<b>174,785,668</b>

Excess (deficiency) of revenues over (under) expenditures	704,043	4,522,690	834,955	(18,026,131)	(11,964,443)	(1,320,139)	(13,284,582)
Other financing sources (uses):							
Proceeds from certificates of indebtedness	366,524	--	--	--	366,524	--	366,524
Operating transfers in	937,800	1,427,209	2,429,199	16,166,594	20,960,802	--	20,960,802
Operating transfers out	(2,210,949)	(2,858,745)	--	(15,283,008)	(20,352,702)	--	(20,352,702)
Transfers to component units	(1,631,511)	--	--	--	(1,631,511)	--	(1,631,511)
Transfers from primary government	--	--	--	--	--	1,631,511	1,631,511
Total other financing sources (uses)	(2,538,136)	(1,431,536)	2,429,199	883,586	(656,887)	1,631,511	974,624
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,834,093)	3,091,154	3,264,154	(17,142,545)	(12,621,330)	311,372	(12,309,958)
Fund balances, beginning of year	10,544,423	9,087,727	12,009,477	48,262,829	79,904,456	3,812,033	83,716,489
Increase in reserve for inventory	52,782	--	--	--	52,782	--	52,782
Fund balances, end of year	\$ 8,763,112	\$ 12,178,881	\$ 15,273,631	\$ 31,120,284	\$ 67,335,908	\$ 4,123,405	\$ 71,459,313

See accompanying notes to the financial statements.



CITY OF SHREVEPORT, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS -  
 GENERAL AND CERTAIN SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	General Fund			Certain Special Revenue Funds		
	Budget	Actual on Budgetary Basis	Variance	Budget	Actual on Budgetary Basis	Variance
<b>Revenues:</b>						
Taxes	\$ 87,570,900	\$ 86,939,998	\$ (630,902)	\$ --	\$ --	\$ --
Licenses and permits	5,654,800	5,838,535	183,735	--	--	--
Intergovernmental	526,800	576,489	49,689	128,000	128,000	--
Charges for services	18,260,900	17,920,361	(340,539)	--	--	--
Fines and forfeitures	2,411,000	3,471,963	1,060,963	--	--	--
Use of money and property	300,000	303,632	3,632	525,000	1,260,535	735,535
Gaming	--	--	--	5,760,000	6,436,562	676,562
Miscellaneous	1,584,900	1,824,221	239,321	333,000	264,882	(68,118)
<b>Total revenues</b>	<b>116,309,300</b>	<b>116,875,199</b>	<b>565,899</b>	<b>6,746,000</b>	<b>8,089,979</b>	<b>1,343,979</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	29,409,484	31,731,210	(2,321,726)	985,722	968,292	17,430
Public safety	52,813,129	51,238,043	1,575,086	--	--	--
Public works	29,153,882	29,130,000	23,882	--	--	--
Cultural and recreation	6,683,647	6,605,730	77,917	--	--	--
Economic development	--	--	--	4,045,176	2,352,975	1,692,201
<b>Total expenditures</b>	<b>118,060,142</b>	<b>118,704,983</b>	<b>(644,841)</b>	<b>5,030,898</b>	<b>3,321,267</b>	<b>1,709,631</b>
Excess (deficiency) of revenues over (under) expenditures	(1,750,842)	(1,829,784)	(78,942)	1,715,102	4,768,712	3,053,610
<b>Other financing sources (uses):</b>						
Certificate of indebtedness	358,000	366,524	8,524	--	--	--
Operating transfers in	937,800	937,800	--	1,196,200	1,229,054	32,854
Operating transfers out	(2,255,100)	(2,210,949)	44,151	(3,400,000)	(2,796,504)	603,496
Transfers to component units	(1,653,700)	(1,631,511)	22,189	--	--	--
<b>Total other financing sources (uses)</b>	<b>(2,613,000)</b>	<b>(2,538,136)</b>	<b>74,864</b>	<b>(2,203,800)</b>	<b>(1,567,450)</b>	<b>636,350</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,363,842)	(4,367,920)	(4,078)	(488,698)	3,201,262	3,689,960
Fund balance, beginning of year	10,544,423	10,544,423	--	7,610,744	7,610,744	--
Increase in reserve for inventory	52,782	52,782	--	--	--	--
<b>Fund balances, end of year</b>	<b>\$ 6,233,363</b>	<b>\$ 6,229,285</b>	<b>\$ (4,078)</b>	<b>\$ 7,122,046</b>	<b>\$ 10,812,006</b>	<b>\$ 3,689,960</b>

See accompanying notes to the financial statements.



CITY OF SHREVEPORT, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS/FUND BALANCES  
 ALL PROPRIETARY FUND TYPES, PENSION TRUST FUNDS AND DISCREETLY PRESENTED COMPONENT UNIT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	Proprietary Fund Types		Fiduciary Fund Type		Totals		Component Unit - Shreveport Home Mortgage Authority	Totals Reporting Entity (Memorandum Only)
	Enterprise Funds	Internal Service Funds	Pension Trust Funds	Primary Government (Memorandum Only)	Reporting Entity (Memorandum Only)			
<b>Operating revenues:</b>								
Charges for sales and services	\$ 43,052,132	\$ --	\$ --	\$ 43,052,132	\$ --	\$ --	\$ 43,052,132	
Employer's contributions	--	6,864,746	4,855,452	11,720,198	--	--	11,720,198	
Employees' contributions	--	5,372,852	3,113,331	8,486,183	--	--	8,486,183	
Premiums	--	9,445,809	--	9,445,809	--	--	9,445,809	
Interest and dividends	--	--	5,310,441	5,310,441	2,989,469	--	8,299,910	
Net appreciation in fair value of investments	--	--	12,258,834	12,258,834	--	--	12,258,834	
Gain on sale of investments	--	--	6,815,296	6,815,296	--	--	6,815,296	
Life insurance proceeds	--	--	110,000	110,000	--	--	110,000	
Miscellaneous	1,109,434	648,175	61,921	1,819,530	562,210	--	2,381,740	
<b>Total operating revenues</b>	<b>44,161,566</b>	<b>22,331,582</b>	<b>32,525,275</b>	<b>99,018,423</b>	<b>3,551,679</b>	<b>102,570,102</b>		
<b>Operating expenses:</b>								
Pensions	--	--	6,846,706	6,846,706	--	--	6,846,706	
Refund of member contributions	--	--	1,164,154	1,164,154	--	--	1,164,154	
Claims	--	16,011,055	--	16,011,055	--	--	16,011,055	
Costs of sales and services	32,040,703	5,785,457	659,988	38,486,148	2,874,362	--	41,360,510	
Depreciation and amortization	9,795,567	1,131	--	9,796,698	309,304	--	10,106,002	
Loss on sale of investments	--	--	2,036	2,036	--	--	2,036	
<b>Total operating expenses</b>	<b>41,836,270</b>	<b>21,797,643</b>	<b>8,672,884</b>	<b>72,306,797</b>	<b>3,183,666</b>	<b>75,490,463</b>		
<b>Operating income</b>	<b>2,325,296</b>	<b>533,939</b>	<b>23,852,391</b>	<b>26,711,626</b>	<b>368,013</b>	<b>27,079,639</b>		
<b>Nonoperating revenues (expenses):</b>								
Operating subsidies	4,237,164	--	--	4,237,164	--	--	4,237,164	
Interest income	6,800,144	641,173	--	7,441,317	--	--	7,441,317	
Interest expense	(9,380,701)	--	--	(9,380,701)	--	--	(9,380,701)	
Passenger facility charges	924,102	--	--	924,102	--	--	924,102	
Loss on disposal of fixed assets	(8,088)	--	--	(8,088)	--	--	(8,088)	
<b>Total nonoperating revenues</b>	<b>2,572,621</b>	<b>641,173</b>	<b>--</b>	<b>3,213,794</b>	<b>--</b>	<b>3,213,794</b>		

Net income before operating transfers and extraordinary items	4,897,917	1,175,112	23,852,391	29,925,420	368,013	30,293,433
Operating transfers in	224,700	105,000	--	329,700	--	329,700
Operating transfers out	(937,800)	--	--	(937,800)	--	(937,800)
Net income before extraordinary items	4,184,817	1,280,112	23,852,391	29,317,320	368,013	29,685,333
Extraordinary items:						
Loss on early retirement of bonds	--	--	--	--	20,324	20,324
Loss on sale of loans	--	--	--	--	25,662	25,662
Net income	4,184,817	1,280,112	23,852,391	29,317,320	322,027	29,639,347
Depreciation on assets acquired through grants, entitlements or shared revenue which reduces contributed capital	3,307,842	--	--	3,307,842	--	3,307,842
Retained earnings/fund balances, beginning of year	81,337,146	5,889,276	97,765,483	184,991,905	2,260,304	187,252,209
Retained earnings/fund balances, end of the year	\$ 88,829,805	\$ 7,169,388	\$ 121,617,874	\$ 217,617,067	\$ 2,582,331	\$ 220,199,398

See accompanying notes to the financial statements.

CITY OF SHREVEPORT, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	Proprietary Fund Types		Totals		Component Unit - Shreveport Home Mortgage Authority	Totals Reporting Entity (Memorandum Only)
	Enterprise Funds	Internal Service Funds	Primary Government (Memorandum Only)	Reporting Entity (Memorandum Only)		
Cash flows from operating activities:						
Receipts from operations	\$ 43,341,326	\$ --	\$ 43,341,326	\$ 43,341,326	--	\$ 43,341,326
Other operating revenues	--	18,210,093	18,210,093	18,210,093	--	18,210,093
Claims	--	(14,205,303)	(14,205,303)	(14,205,303)	--	(14,205,303)
Payments for goods and services	(11,397,351)	(4,691,602)	(16,088,953)	(16,190,110)	(101,157)	(16,190,110)
Payments for employee services	(15,638,611)	(290,954)	(15,929,565)	(15,929,565)	--	(15,929,565)
Payments in lieu of taxes	(605,000)	--	(605,000)	(605,000)	--	(605,000)
Payments for direct and indirect costs	(3,796,244)	--	(3,796,244)	(3,796,244)	--	(3,796,244)
Interest received on loans	--	--	--	--	2,758,597	2,758,597
Principal payment on loans	--	--	--	--	9,942,035	9,942,035
Miscellaneous revenue	780,591	--	780,591	780,591	--	780,591
Other	--	--	--	--	(40,077)	(40,077)
	<u>12,684,711</u>	<u>(977,766)</u>	<u>11,706,945</u>	<u>11,706,945</u>	<u>12,559,398</u>	<u>24,266,343</u>
Net cash provided by (used in) operating activities						
Cash flows from noncapital financing activities:						
Operating subsidies	4,185,783	--	4,185,783	4,185,783	--	4,185,783
Operating transfers in	224,700	--	224,700	224,700	--	224,700
Operating transfers out	(937,800)	--	(937,800)	(937,800)	--	(937,800)
Interest paid on operations	(23,200)	--	(23,200)	(23,200)	--	(23,200)
Principal paid on bonds	--	--	--	--	(8,938,474)	(8,938,474)
Interest paid on bonds	--	--	--	--	(2,229,117)	(2,229,117)
Proceeds from issuance of bonds	--	--	--	--	13,913,415	13,913,415
Increase in note receivable	--	--	--	--	(4,435,000)	(4,435,000)
Contribution from investor	--	--	--	--	519,384	519,384
Payment of bond issuance costs	--	--	--	--	(515,075)	(515,075)
Cash bond received in lieu of performance bond	511	--	511	511	--	511
	<u>3,449,994</u>	<u>--</u>	<u>3,449,994</u>	<u>3,449,994</u>	<u>(1,684,867)</u>	<u>1,765,127</u>
Net cash provided by (used in) noncapital financing activities						
Cash flows from capital and related financing activities:						
Proceeds from issuance of debt	63,476	--	63,476	63,476	--	63,476
Acquisition and construction of capital assets	(12,968,001)	--	(12,968,001)	(12,968,001)	--	(12,968,001)
Payment on liability and refund contracts	(22,025)	--	(22,025)	(22,025)	--	(22,025)
Principal paid on debt	(7,795,509)	--	(7,795,509)	(7,795,509)	--	(7,795,509)
Interest paid on debt	(5,371,627)	--	(5,371,627)	(5,371,627)	--	(5,371,627)
Capital contributed by others	443,942	--	443,942	443,942	--	443,942

Capital grants	3,148,951	--	3,148,951	--	3,148,951
Payment of debt issuance costs	(286)	--	(286)	--	(286)
Sale of fixed assets	16,527	--	16,527	--	16,527
Passenger facility charge	924,102	--	924,102	--	924,102
Net cash used in capital and related financing activities	(21,560,450)	--	(21,560,450)	--	(21,560,450)
Cash flows from investing activities:					
Purchase of investments	(25,776,081)	(4,528,843)	(30,304,924)	(12,770,139)	(43,075,063)
Proceeds from sale and maturity of investments	27,701,201	3,010,698	30,711,899	2,149,185	32,861,084
Interest on investments	4,113,474	649,983	4,763,457	138,582	4,902,039
Net cash provided by (used in) investing activities	6,038,594	(868,162)	5,170,432	(10,482,372)	(5,311,940)
Net increase (decrease) in cash and cash equivalents	612,849	(1,845,928)	(1,233,079)	392,159	(840,920)
Cash and cash equivalents, beginning of year	38,113,283	7,813,580	45,926,863	1,237,135	47,163,998
Cash and cash equivalents, end of year	\$ 38,726,132	\$ 5,967,652	\$ 44,693,784	\$ 1,629,294	\$ 46,323,078
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income	\$ 2,325,296	\$ 533,939	\$ 2,859,235	\$ 368,013	\$ 3,227,248
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	9,795,567	1,131	9,796,698	309,304	10,106,002
Provision for uncollectible accounts	543,481	--	543,481	--	543,481
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(84,227)	(156,391)	(240,618)	286,803	46,185
(Increase) decrease in due from other funds	61,685	(3,837,726)	(3,776,041)	--	(3,776,041)
(Increase) in inventory	(16,242)	--	(16,242)	--	(16,242)
Decrease in prepaid items	5,509	74,852	80,361	--	80,361
Decrease in other assets	--	--	--	337,449	337,449
Increase in accounts payable	138,216	587,393	725,609	--	725,609
Increase in accrued liabilities	21,595	1,805,752	1,827,347	--	1,827,347
Increase (decrease) in due to other funds	(119,261)	13,284	(105,977)	--	(105,977)
(Decrease) in deferred revenue	(5)	--	(5)	--	(5)
Increase in customer deposits	4,452	--	4,452	--	4,452
Increase (decrease) in other liabilities	8,645	--	8,645	(403,570)	(394,925)
Contributions from investor	--	--	--	(519,384)	(519,384)
Interest on investments	--	--	--	(152,285)	(152,285)
Interest on bonds payable	--	--	--	2,756,423	2,756,423
Loan discount accretion	--	--	--	(365,390)	(365,390)
Principal reductions on mortgage loans	--	--	--	9,942,035	9,942,035
Total adjustments	10,359,415	(1,511,705)	8,847,710	12,191,385	21,039,095
Net cash provided by (used in) operating activities	\$ 12,684,711	\$ (977,766)	\$ 11,706,945	\$ 12,559,398	\$ 24,266,343

See accompanying notes to the financial statements.



CITY OF SHREVEPORT, LOUISIANA  
 COMBINING BALANCE SHEET - COMPONENT UNITS  
 ALL FUND TYPES  
 DECEMBER 31, 1995

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Type - Agency Funds			Totals
	City Courts	City Marshal	Downtown Development Authority		Shreveport Home Mortgage Authority	City Courts	City Marshal	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 1,858,793	\$ 1,477,532	\$ 566,491	\$ 594,668	\$ 400,074	\$ 96,041	\$ 4,993,599	
Property taxes receivable	--	--	468,258	--	--	--	468,258	
Mortgage loans receivable	--	--	--	96,588	--	--	96,588	
Prepaid items	--	--	5,146	--	--	--	5,146	
Restricted assets:								
Cash and cash equivalents	--	--	--	1,034,626	--	--	1,034,626	
Investments - U.S. Government and agency securities	--	--	--	11,316,793	--	--	11,316,793	
Interest receivable	--	--	--	178,934	--	--	178,934	
Mortgage loans receivable	--	--	--	21,850,137	--	--	21,850,137	
Note receivable	--	--	--	4,435,000	--	--	4,435,000	
Fixed assets, net	273,456	271,796	58,258	--	--	--	603,510	
Other assets	1,465	1,036	400	452,300	428	--	455,629	
<b>Total assets</b>	<b>\$ 2,133,714</b>	<b>\$ 1,750,364</b>	<b>\$ 1,098,553</b>	<b>\$ 39,959,046</b>	<b>\$ 400,502</b>	<b>\$ 96,041</b>	<b>\$ 45,438,220</b>	

**LIABILITIES, EQUITY AND OTHER CREDITS**

Liabilities:							
Accounts payable	\$ 21,620	\$ 379	\$ 232,619	--	\$ 96,041	\$ 350,659	
Accrued liabilities	--	--	1,098	144,078	--	145,176	
Long-term debt-current	--	--	--	2,634,000	--	2,634,000	
Deposits and other	--	--	--	61,505	400,502	462,007	
Long-term debt	--	--	--	34,537,132	--	34,537,132	
<b>Total liabilities</b>	<b>21,620</b>	<b>379</b>	<b>233,717</b>	<b>37,376,715</b>	<b>400,502</b>	<b>38,128,974</b>	
Equity and other credits:							
Investment in general fixed assets	273,456	271,796	58,258	--	--	603,510	
Retained earnings:							
Reserved for debt service	--	--	--	1,891,075	--	1,891,075	
Unreserved	--	--	--	691,256	--	691,256	

Fund balances:									
Unreserved:									
Designated for subsequent years' expenditures	--	1,178,189	50,000	--	--	--	--	--	1,228,189
Undesignated	1,838,638	300,000	756,578	--	--	--	--	--	2,895,216
Total retained earnings/fund balances	<u>1,838,638</u>	<u>1,478,189</u>	<u>806,578</u>						<u>6,705,736</u>
Total equity	<u>2,112,094</u>	<u>1,749,985</u>	<u>864,836</u>						<u>7,309,246</u>
Total liabilities, equity and other credits	<u>\$ 2,133,714</u>	<u>\$ 1,750,364</u>	<u>\$ 1,098,553</u>		<u>\$ 400,502</u>		<u>\$ 96,041</u>		<u>\$ 45,438,220</u>

See accompanying notes to the financial statements.

CITY OF SHREVEPORT, LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 COMPONENT UNITS  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	Governmental Fund Types					Totals
	City Courts	City Marshal	Downtown Development Authority			
<b>Revenues:</b>						
Taxes	\$ --	\$ --	\$ 489,191		\$ 489,191	
Intergovernmental	--	--	45,000		45,000	
Charges for services	--	--	18,000		18,000	
Fines and forfeitures	444,355	297,235	--		741,590	
Use of money and property	67,169	63,329	25,997		156,495	
Miscellaneous	--	--	4,000		4,000	
<b>Total revenues</b>	<u>511,524</u>	<u>360,564</u>	<u>582,188</u>		<u>1,454,276</u>	
<b>Expenditures:</b>						
<b>Current:</b>						
General government	1,281,786	546,631	--		1,828,417	
Economic development	--	--	830,378		830,378	
Capital outlay	46,015	48,277	21,328		115,620	
<b>Total expenditures</b>	<u>1,327,801</u>	<u>594,908</u>	<u>851,706</u>		<u>2,774,415</u>	
<b>Excess of expenditures over revenues</b>	(816,277)	(234,344)	(269,518)		(1,320,139)	
<b>Other financing sources-</b>						
Transfers from primary government	<u>1,109,667</u>	<u>521,844</u>	<u>--</u>		<u>1,631,511</u>	
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures</b>	293,390	287,500	(269,518)		311,372	
<b>Fund balances, beginning of year</b>	<u>1,545,248</u>	<u>1,190,689</u>	<u>1,076,096</u>		<u>3,812,033</u>	
<b>Fund balances, end of year</b>	<u>\$ 1,838,638</u>	<u>\$ 1,478,189</u>	<u>\$ 806,578</u>		<u>\$ 4,123,405</u>	

See accompanying notes to the financial statements.

**CITY OF SHREVEPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995**

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

The accounting policies of the City of Shreveport conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. The Financial Reporting Entity**

The City of Shreveport was incorporated in 1839, under the provisions of Louisiana R.S. 67. In May of 1978, the present City Charter was adopted which established a mayor-council form of government. The City provides a full range of municipal services as authorized by the charter. These include police and fire protection, emergency medical services, public works (streets and waste collection), public improvements, water and sewer services, parks and recreation, planning and zoning, public transportation, social, cultural and general administrative services.

The basic criterion for determining whether another 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 of Shreveport (the primary government) and its component units. The operations of the Shreveport Municipal and Regional Airports and the Shreveport Area Transit System are included as a part of the primary government. 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 is responsible for the orderly, physical development of the City of Shreveport and the surrounding planning area. The Commission makes recommendations to the City Council and the Parish Commission. The Metropolitan Planning Commission consists of nine members with four appointed by both the City of Shreveport and the Caddo Parish Commission and one member 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.



## **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 Courts**

The City Courts have jurisdiction over all violations of City ordinances and state misdemeanor cases. The Courts were created by special legislative act. Their jurisdiction includes the incorporated area of the City of Shreveport plus the fourth ward of Caddo Parish. City judges are elected and cannot be removed by City officials. The City Courts are fiscally dependent on the City of Shreveport. The City has the ability to modify or approve their budget which comes from the General Fund. There are certain funds collected by the City Courts, pursuant to state statute, which are under the control of the courts. The City Courts serve the citizenry.

### **City Marshal**

The City Marshal is the executive officer of the City Courts. The Marshal has the power of a sheriff in the execution of the courts' orders and mandates in making requests and preserving the peace. The City Marshal is an elected official. The City Marshal is fiscally dependent on the City of Shreveport. The City has the ability to modify or approve the budget which comes from the General Fund. Certain funds are collected such 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 of Shreveport plus Ward Four of Caddo Parish.

### **Shreveport Home Mortgage Authority**

The Shreveport Home Mortgage Authority is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to undertake various programs to assist in the financing of housing for persons of low to moderate income in the City of Shreveport. Five trustees are appointed by the City Council for terms of five years. Per the 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 assets 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 Authority. The Shreveport Home Mortgage Authority serves the citizenry of the City of Shreveport.

### **Downtown Development Authority**

The Downtown Development Authority was established by an ordinance of the City of Shreveport to provide for the revitalization of downtown Shreveport. Its purpose is to coordinate the efforts of the public and private sectors for the economic and overall development of the Downtown Development District. The Downtown Development District is a special taxing district within the City of Shreveport created by an act of the State legislature. The City Council appoints the seven voting members of the Authority. The Authority must submit to the City Council its proposals, programs and recommendations for the levy of special ad valorem taxes. The City has the ability to modify or approve the budget

of the Authority and its plan of work. The Authority's governing body is not substantively the same as the City's. The Authority provides services for a limited area of the City of Shreveport, which consists basically of the downtown area.

Complete financial statements of the individual component units may be obtained from their respective administrative offices.

**Administrative Offices:**

City Courts  
1234 Texas Avenue  
Shreveport, Louisiana 71101

Shreveport Home Mortgage Authority  
1400 Youree Drive  
Shreveport, Louisiana 71101

City Marshal  
1234 Texas Avenue  
Shreveport, Louisiana 71101

Downtown Development Authority  
400 Edwards Street  
Shreveport, Louisiana 71101

**Related Organization**

**Shreveport Housing Authority**

The 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 Authority since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the commissioners. The Authority is fiscally independent and no financial benefit or burden relationship exists with the City. Therefore, it is not included in the City's financial statements.

**Jointly Governed Organization**

**Caddo-Shreveport Sales and Use Tax Commission**

The Commission is an independent agency which collects sales taxes. It is legally separate from the City. The Commission is a jointly governed organization. The City does not retain an ongoing financial interest or responsibility in its operations. It is not included in the City's financial statements.

**B. Basis of Presentation - Fund Accounting**

The financial transactions of the City are recorded in individual funds and account groups. The various funds and account groups are reported by generic fund type in the financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The account groups are financial reporting devices designed to provide accountability for certain assets and liabilities that are not recorded in the funds. Account groups are concerned only with the measurement of financial position and do not measure results of operations.

The following fund categories, fund types, and account groups are used by the City:

## **GOVERNMENTAL FUNDS**

### General Fund

This is the principal fund of the City and is used to account for all activities of the City not included in other specified funds. The General Fund is used to account for the normal recurring activities of the City including police, fire, public works and general government.

### Special Revenue Funds

These funds are utilized to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government.

### Debt Service Fund

This fund is used to account for the payment of interest and principal on general obligation debt including debt payable from special assessments with governmental commitment. It does not include debt issued for services provided by a governmental enterprise fund. This fund is funded principally from ad valorem taxes levied by the City.

### Capital Projects Funds

These funds are used to account for resources derived principally from proceeds of bonds and U.S. Government grants and designated to construct or acquire capital facilities and improvements. These funds are also used to account for the construction of public improvements which are to be ultimately financed through assessments made on property owned by individuals.

In addition to the resources accounted for in the Capital Projects Funds, some of the City's capital projects receive additional funding from resources accounted for in other City funds. For financial statement presentation purposes, the expenditures of these resources have been reflected in the respective funds.

## **PROPRIETARY FUNDS**

### 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 Municipal and Regional Airports, Shreveport Area Transit System, the Department of Water and Sewerage and Golf.

### Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments, on a cost-reimbursement basis. The City uses the Internal Service Fund to account for its Employees Health Care Fund and the Retained Risk Fund for the self-insured portion of its liability, property damage and worker's compensation programs.

## **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.



### Trust Funds

The Pension Trust Funds are operated by carrying out specific terms of statutes, ordinances, and other governing regulations. The Pension Trust Funds are accounted for and reported in a manner similar to proprietary funds.

### Agency Fund

This fund is used to account for the employee deferred compensation plans. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Assets of the employee deferred compensation plans remain the property of the City until paid or made available to the participants, subject only to the City's general creditors. A third-party trustee accounts for all funds and employees have discretionary authority over the type of investments.

## **ACCOUNT GROUPS**

### General Fixed Assets Account Group

This account group is established to account for all fixed assets of the City and its blended component units, except those accounted for in the Enterprise Funds.

### General Long-Term Debt Account Group

This account group is established to account for all long-term obligations of governmental fund types, including special assessment debt for which the government is obligated in some manner.

## **C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Their 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.

Basis of accounting refers to the time at which 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.

All governmental fund types and agency funds use the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (when they become measurable and available as net current assets). Measurable means the amount of the transaction can be determined. Available means that revenues are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For property taxes, available means that revenues have been collected before the current fiscal year end or within 60 days thereafter. A one-year availability period is used for revenue recognition for all other governmental fund revenues.

Revenues which are susceptible to accrual are property taxes, franchise taxes, intergovernmental, special assessments and interest. Sales taxes in the hands of the intermediary collecting agency are recognized as revenue. Licenses and permits, charges for general governmental services (except



landfill fees), fines and forfeitures, and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due.

Proprietary funds and pension funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. 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: Financial Accounting Standards Board Statements and Interpretations, APB opinions, and ARBS (unless those pronouncements conflict with or contradict GASB pronouncements).

#### D. Budgets and Budgetary Accounting

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

<u>Action Taken</u>	<u>City Charter Requirements</u>	<u>Louisiana State Statutes Requirements</u>
1. The Mayor files with the Clerk of Council before October 1 a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources along with a budget message from the Mayor outlining the rationale for requested appropriations. A five year capital program and one year capital budget are presented simultaneously with the operating budget.	1. Proposed operating budget ordinances must be filed with the Clerk of Council prior to October 1 of each year. Section 7.02(b).  Proposed capital program and budget must be filed with the clerk by October 1 of each year. Section 7.03.	1. R.S. 39:1304 - The Budget message shall include a summary description of the proposed financial plan, policies, objectives, assumptions, budgetary basis, and a discussion of the most important features.  R.S. 39:1305 - Proposed budgets must be filed no later than 15 days prior to the beginning of the fiscal year. (In this case, the City Charter requirement is more stringent, therefore it should be followed.)
2. The Chief Administrative Officer maintains a complete copy of the proposed budgets in his/her office for public inspection. The Clerk of Council publishes a summary of the proposed budgets in the official journal.	2. Complete copy of the proposed budget must be made available as a public record, open to inspection every business day until final adoption. Section 7.02(d).  Publication of summary of budget and notice of public hearing in the official journal of the City must be made before November 15th of each year. Section 7.02(d) and 4.18.	2. R.S. 39:1306 requires the same as the City Charter.  R.S. 39:1306 requires the same as the City Charter, except does not require it to be made before November 15th. Also requires publication of notice of public hearing on the budgets.

<u>Action Taken</u>	<u>City Charter Requirements</u>	<u>Louisiana State Statutes Requirements</u>
3. The City Council conducts public hearings and proposes adoption of the various budget ordinances.	3. Section 4.18 requires the City Council to hold a public hearing, not less than five days after publication of the notice set forth above.	3. R.S. 39:1306 requires the public hearing to be held not less than ten days after publication. R.S. 39:1306(e) additionally requires the City to certify completion of the requirements for publication of the public hearing by publishing another notice that it has done so.
4. The City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.	4. Prior to December 15, the budgets are legally enacted through passage of ordinances. Section 7.02.	4. R.S. 39:1308 requires adoption of the budget prior to the end of the fiscal year. (In this case, the City Charter requirement is more stringent and should be followed.)  R.S. 39:1308(d) requires the Chief Administrative Officer to retain certified copies of the budget and adoption instrument.
5. Legal budgetary control for operating budgets is exercised at the department/object class. The ordinances provide lump sum appropriation at the object level.	5. Section 7.02(a) requires the operating budget to be in accordance with generally accepted accounting principles.	5. R.S. 39:1310(a) provides that the adopted budget and any adopted amendments shall form the framework to control expenditures.

<u>Action Taken</u>	<u>City Charter Requirements</u>	<u>Louisiana State Statutes Requirements</u>
<p>6. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department. Budgetary transfers across department lines or between classes of lump sum appropriations must be approved by the City Council. During the year, the City Council approves several amendments to the budget. The City Charter provides that expenditures may not legally exceed appropriations.</p>	<p>6. Section 7.02(f) provides that no funds shall be expended other than in accordance with the operating budget ordinances and allotments. Section 7.04 prohibits expenditures exceeding appropriations.</p>	<p>6. R.S. 39:1310(c) provides that the adopted budget constitutes the authority to incur liabilities and expenditures from the respective budgeted fund. R.S. 39:1308(b) provides that expenditures shall not exceed the total of estimated funds available.</p>
<p>7. Formal budgetary integration is employed as a management control device during the year for the General, certain Special Revenue, and Capital Projects Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.</p>		
<p>8. The budget and actual comparison presented in Exhibit 3 in the accompanying financial report includes the General Fund and certain Special Revenue Funds (Economic Development, Metropolitan Planning Commission and Riverfront Development) which are included in the annual operating budget. The Economic Development Fund is comprised of two subfunds. An annual operating budget is adopted for business development and services. The workforce development portion of the fund is financed with Jobs Training Partnership Act monies. Effective control is achieved through restrictive grant provisions. The Enrichment Fund does not adopt an annual operating budget. Effective control for the expenditures for the Community Partnership Fund and Police Grants Fund is achieved through restrictive grant provisions. The remaining Special Revenue Funds and the Capital Projects Funds adopt project length budgets. Annual budgets are adopted for the Municipal and Regional Airports, Shreveport Area Transit, the Department of Water and Sewerage and Golf, Enterprise Funds. In addition, an annual budget is adopted for Retained Risk, an Internal Service Fund.</p>		
<p>9. All appropriations which are not expended or encumbered lapse at year end.</p>		
<p>10. The budgets for governmental funds are adopted on a basis substantially consistent with generally accepted accounting principles with the following exceptions: (1) encumbrances are treated as budgeted expenditures in the year of the commitment to purchase and (2) capital leases are not budgeted as expenditures at the inception of the leases. The adjustments necessary to convert governmental fund actual expenditures in accordance with generally accepted accounting principles to the budgetary basis in Exhibit 3 are disclosed in Note 2. Budgeted amounts reflected in the accounting budget and actual comparison have been legally amended by the City Council during the fiscal year. The effect of the amendments on the original budget is disclosed in Note 2.</p>		



## **E. Encumbrances**

Encumbrance accounting is employed as an extension of formal budgetary integration in the General, Special Revenue, and Capital Projects Funds. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation. Encumbrances outstanding at year end are reported as reservations of fund balances and are carried forward.

## **F. Pooled Cash and Investments**

The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by state statutes or other legal requirements. Each fund's positive equity in the pooled cash and investment account is presented as "Cash and Cash Equivalents" on the balance sheets. Negative equity balances have been reclassified and are reflected as due to/from other funds. Interest income and expense are allocated to the various funds based upon their average monthly equity balances.

Investments are reported at cost or amortized cost except in the internal service and trust and agency funds, which are reported at market value. Interest is accrued as earned. For purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The Statement of Investment Policy approved by the City Council authorizes the City to invest in the following types of securities:

1. Direct obligations of the U.S. government, including such instruments as treasury bills, treasury notes and treasury bonds.
2. Money market mutual funds registered with the Securities and Exchange Commission.
3. Fully-collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana (classified as deposits for this footnote).
4. Repurchase agreements in government securities in (1) above made with the primary dealers that report and are regulated by the Federal Reserve Bank of New York.
5. Louisiana Asset Management Pool which is authorized under Louisiana Revised Statute 33:1321.
6. The City is prohibited from investing in derivatives.

In addition to the above types of securities, the pension trust funds are authorized by the City's Statement of Investment Policies to invest in the following types of securities:

1. Corporate bonds - no lower than Baa rated.
2. Investment contracts and pooled accounts maintained by trust companies, banks and investment managers.
3. Stocks traded on a national stock exchange.
4. Short-term money market securities.

Investment policies require that securities underlying repurchase agreements must have a minimum excess of market value of securities over the principal amount of the investment. Securities must have a maturity of less than 10 years.

#### **G. Unbilled Accounts Receivable**

Within the City's Water and Sewerage Fund, an estimated amount has been recorded for services rendered but not yet billed as of the close of the year. The receivable was computed by taking the cycle billings the City sent to its customers in January and prorating the amount of days applicable to the current year.

#### **H. Interfund Transactions**

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or reductions from fund balance. In the case of proprietary funds, residual equity transfers are recorded as additions to contributed capital and retained earnings. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds. Reference should be made to Note 12 regarding interfund transactions.

#### **I. Inventories**

Inventories are valued at cost using the first in, first out (FIFO) method. Inventory in the General Fund consists of materials and supplies held for consumption. Inventories are accounted for using the purchase method in the General Fund. Individual items are recorded as expenditures when they are acquired. Reported inventories in the General Fund are equally offset by a reservation of fund balance which indicates that although inventories are a component of net current assets, they do not constitute "available spendable resources". Inventories in the Enterprise Funds consist of pipes, meters, fittings and valves, repair materials, spare parts and items held for sale at the Municipal Golf Courses. These inventories are accounted for using the consumption method.

#### **J. Bond Discounts and Issuance Costs**

In governmental funds, bond discounts related to capital appreciation bonds are presented as a direct reduction of the face value of the debt. The net value of the bonds is accreted (the discount reduced) over the life of the bonds. In proprietary funds, bond discounts are amortized over the term of the bonds using the effective interest method.

In proprietary funds, bond issuance costs are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. The issuance costs are recorded as an asset. In governmental funds, bond issuance costs are recognized as expenditures when incurred.

#### **K. Deferred Revenues**

Deferred revenue represents amounts that have been collected or billed in advance of the revenue recognition criteria. The following items are collected or billed in advance; therefore, the recognition of revenue is deferred until future periods:

<u>Fund</u>	<u>Type of Revenue</u>
General Fund	Liquor licenses
Special Revenue Fund	Land lease
Capital Projects Fund	Paving assessments
Enterprise Fund	Building rental and unredeemed transit tickets

In addition, it also represents amounts that have been recognized as receivable, but are not available to finance current operations. Such revenues are described below:

<u>Fund</u>	<u>Type of Revenue</u>
General Fund	Property taxes not collected within 60 days of year end
Special Revenue Fund	Program income from loans financed by grants or City funds
Debt Service Fund	Property taxes not collected within 60 days of year end

#### **L. Fixed Assets and Long-Term Liabilities**

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. Such assets are valued at historical cost, if purchased, and at fair market value at date of gift, if donated. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized as general fixed assets.

Prior to 1978, the City had not maintained general fixed asset records on a current basis. Subsequently, the City completed reconstructing its general fixed asset records. In those cases where it was not feasible to determine the original actual cost, the assets were recorded at estimated cost derived by price level adjusted current replacement cost. It was not considered practicable to determine the source of investment in general fixed assets prior to January 1, 1978.

Fixed assets of the Proprietary Funds are recorded at cost, if purchased, and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense.

*Assets in the General Fixed Assets Account Group are not depreciated. Depreciation is computed on the straight-line method for the fixed assets of the Enterprise Funds and the Internal Service Funds. That portion of depreciation expense applicable to assets acquired with grants, entitlements and shared revenues is reflected as a reduction of the respective contribution account. The following average useful lives are used for depreciation purposes:*



<u>Classification</u>	<u>Range of Lives</u>
Buildings	10-50 years
Water plant	10-50 years
Wastewater treatment plant	50 years
Revenue vehicles	12 years
Runways, aprons and taxiways	20 years
Machinery, equipment and other	3-25 years

For proprietary fund assets, interest is capitalized on construction costs incurred with tax-exempt debt using the interest rate on the borrowed funds. The amount of interest cost incurred is reduced by the amount of interest earnings for the year. The capitalization period is from the date of the borrowing until the construction project is substantially complete.

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed with expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Debt Account Group. Long-term liabilities of all proprietary funds are accounted for in the respective funds.

#### **M. Compensated Absences and Other Employee Benefits**

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. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as it is earned by the employees. The estimated liability for unused vacation for governmental funds is recorded in the General Long-Term Debt Account Group.

#### **N. Claims and Judgments**

Claims and judgments are recorded as expenditures in governmental funds for the amount that will be liquidated with expendable available financial resources. The remainder of the liability is recorded in the Retained Risk Fund. Proprietary funds follow FASB Statement 5 without modification. An expense and liability are recorded in the fund when both of the following conditions have been met: (1) information is available prior to the issuance of the financial statements that it is probable that a liability has been incurred and (2) the amount of loss can be reasonably estimated.

#### **O. Capital Leases**

Capital leases are recorded as expenditures and other financing sources at inception in governmental funds at an amount equal to the present value of minimum lease payments. The asset is recorded in the General Fixed Assets Account Group and the related debt in the General Long-Term Debt Account Group. In proprietary funds, capital leases are recorded as assets and liabilities at inception within the funds at an amount equal to the present value of minimum lease payments.

#### **P. Reserves and Designation of Equity**

Use of the term "reserve" in describing fund balances/retained earnings indicates that a portion of the fund balances/retained earnings is not appropriable for expenditure or is legally segregated



for a specific future use. Designated portions of fund balance indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made. The nature and purpose of these reserves and designations are explained below.

Reserved For Encumbrances

Encumbrances outstanding at year-end represent the estimated amount the City intends to honor as a commitment regardless of the lapse in the appropriation.

Reserved For Inventories

This amount represents the portion of fund balance that is not available spendable resources even though the inventories are a component of net current assets.

Reserved for Debt Service

Certain assets have been reserved in the Debt Service and Enterprise Funds for future payment of debt service.

Reserved for Employees' Retirement Systems

Pension trust fund balances are reserved for future payments to beneficiaries of the Employees' Retirement System, Firemen's Pension and Relief Fund and the Policemen's Pension and Relief Fund.

Reserved For Endowments

This is an account to segregate monies donated for a City zoo. The City functions in a trustee capacity; however, due to the immaterial amount involved, it is carried in the General Fund.

Designated for Subsequent Year's Expenditures

The unreserved portion of fund balance designated for subsequent years' expenditures is the amount that has been legally authorized to make up the following years' budget.

**Q. Municipal Solid Waste Closure and Postclosure Care Costs**

Municipal solid waste closure and postclosure care costs are accounted for in accordance with guidelines recommended by GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs. The liability is recorded in the General Long-Term Debt Account Group. A complete explanation of the liability and its calculation is referenced in Note 17.

**R. Memorandum Only - Total Columns**

Amounts in the "Totals (Memorandum Only)" columns on the general purpose financial statements are presented for analytical purposes only. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. The data in these columns are not comparable to a consolidation and interfund eliminations have not been made in the aggregation of this data.

**(2) Compliance, Stewardship, and Accountability**

**A. Excess of Expenditures over Appropriations**

During 1995, based on the legally adopted level of control for budgetary purposes, the following departments had excess expenditures over appropriations:

<u>General Fund</u>	
Office of the Mayor	
Contractual services	\$ 1,637
Finance General Government	
Salaries, wages and employee benefits	59,377
Claims	3,279,089
Public Works	
Contractual services	588,479
Other charges	3,305
Parks and Recreation	
Other charges	28,967
<u>Metropolitan Planning Commission Fund</u>	
Salaries, wages and employee benefits	3,869

**B. Deficit Retained Earnings/Fund Balance**

The Community Development Block Grant Fund has a negative unreserved undesignated portion of fund balance in the amount of \$35,730. Expenditures are budgeted in this fund with obligations encumbered that will be financed through intergovernmental revenues.

The Metropolitan Planning Commission has a negative unreserved undesignated portion of fund balance in the amount of \$31,757. Expenditures are budgeted in this fund with obligations encumbered that will be financed through intergovernmental revenues and operating transfers from the General Fund.

The Community Partnership Fund has a negative unreserved undesignated portion of fund balance in the amount of \$5,375. Expenditures are budgeted in this fund with obligations encumbered that will be financed through intergovernmental revenues.

The Police Grants Fund has a negative unreserved undesignated portion of fund balance in the amount of \$98,433. Expenditures are budgeted in this fund with obligations encumbered that will be financed through intergovernmental revenues.

The 1980 General Obligation Bond Fund, a capital projects fund, has a negative unreserved undesignated portion of fund balance in the amount of \$933,037. Projects are budgeted in this fund with obligations encumbered that will be financed in part by other capital projects funds.

The 1990 General Obligation Bond Fund, a capital projects fund, has a negative unreserved undesignated portion of fund balance in the amount of \$1,430,433. Projects are budgeted in this fund with obligations encumbered that will be financed in part by other capital projects funds.

The Golf Fund has a deficit retained earnings of \$143,183 that should be funded by an increase in fees or other subsidies.

**C. Budgets and Budget Basis of Accounting**

Annual expenditure budgets are adopted for the General Fund, the Economic Development Fund, the Metropolitan Planning Commission and Riverfront Development Special Revenue Funds. Revisions made to the original budget for each fund were as follows:

	<u>Original Budget</u>	<u>Total Revision</u>	<u>Revised Budget</u>
General Fund	\$125,243,901	\$2,039,706	\$127,283,607
Special Revenue Funds:			
Economic Development	845,976	179,000	1,024,976
Metropolitan Planning Commission	1,002,722	(17,000)	985,722
Riverfront Development	<u>845,300</u>	<u>2,174,900</u>	<u>3,020,200</u>
Total	<u>\$127,937,899</u>	<u>\$4,376,606</u>	<u>\$132,314,505</u>

All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) except that: (1) encumbrances are treated as budgeted expenditures in the year of the commitment to purchase and (2) capital leases are not budgeted as expenditures at the inception of the leases.

Adjustments necessary to convert the expenditures at the end of the year on the budgetary basis to the GAAP basis are as follows:

	<u>General Funds</u>	<u>Special Revenue Funds</u>
Budgetary basis	\$118,704,983	\$ 3,321,267
Encumbrances outstanding at December 31, 1995	(2,533,827)	(55,606)
Special Revenue Funds without operating budgets	--	<u>10,899,191</u>
GAAP basis	<u>\$116,171,156</u>	<u>\$14,164,852</u>

(3) Cash and Investments

A. **Deposits**

All deposits of the City are held by one financial institution. At year-end, the carrying amount of the City's deposits was \$11,184,417 and the bank balances were \$9,086,269. The cash and certificates of deposit were all categorized as being insured by federal depository insurance or collateralized with securities held by the City's agent in the City's name.

Banks holding deposits and/or investments of the City are required to pledge securities to fully collateralize these transactions. The pledged securities are held by another bank or through book entry in a custodial account in the federal reserve system. The City must authorize in writing the release or substitution of the pledged securities.

## B. Investments

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

	Category			Amount	Carrying Market Value
	1	2	3		
Repurchase agreements	\$ 49,500,000	\$ --	\$ --	\$ 49,500,000	\$ 49,500,000
U.S. Government securities	61,084,675	--	72,474,297	133,558,972	133,829,087
Common stock	--	--	55,968,902	55,968,902	55,968,902
Corporate bonds	--	--	40,542,390	40,542,390	40,542,390
	<u>\$110,584,675</u>	<u>\$ --</u>	<u>\$168,985,589</u>	279,570,264	279,840,379
Guaranteed investment agreements				41,499,921	41,499,921
Mutual funds				15,014,235	15,014,235
Louisiana Asset Management Pool				<u>1,099,598</u>	<u>1,099,598</u>
Total investments				337,184,018	337,454,133
Total deposits				<u>11,184,417</u>	<u>11,184,417</u>
Cash, cash equivalents and investments including restricted assets				\$348,368,435	\$348,638,550

The investments in category 3 are owned by the following funds:

Employees Health Care Fund	\$ 4,528,843	2.7%
Pension Trust Fund	115,589,045	68.4
Department of Water and Sewerage	<u>48,867,701</u>	<u>28.9</u>
	<u>\$168,985,589</u>	<u>100.0%</u>

The pension trust funds are managed by fixed income and equity managers. Investments are held by the City's fiscal agent bank as trustee. The Department of Water and Sewerage investments in category 3 are the result of bond indentures which outline the requirements of accounts which hold funds for the benefit of bondholders.



**C. Discretely Presented Component Units - Deposits**

	<u>City Courts</u>	<u>City Marshal</u>	<u>Shreveport Home Mortgage Authority</u>
Deposits - Carrying Amount	<u>\$2,258,867</u>	<u>\$1,573,573</u>	<u>\$1,629,294</u>
Deposits - Bank Balances			
Insured by federal depository insurance	\$1,127,779	\$ 669,000	\$ --
Collateralized with securities held by pledging financial institution's trust department	1,131,221	1,306,338	--
Uncollateralized	<u>          --</u>	<u>          --</u>	<u>1,629,294</u>
Total Deposits-Bank Balances	<u>\$2,259,000</u>	<u>\$1,975,338</u>	<u>\$1,629,294</u>

**(4) 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 and Caddo Parish Tax Assessors and approved by the State of Louisiana Tax Commission.

Property Tax Calendar

Assessment date	January 1, 1995
Levy date	Not later than June 1, 1995
Tax bills mailed	On or about November 15, 1995
Total taxes are due	December 31, 1995
Penalties and interest are added	January 1, 1996
Lien date	January 1, 1996
Tax sale - 1995 delinquent property	July 1, 1996

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy. The City's property tax collection records show that 95.4% of the property taxes due were collected within 60 days after the due date. Historically, within 60 days after the due date, the City collects an average of 94% of adjusted taxes levied. Assessed values are established by the Bossier Parish and Caddo Parish Tax Assessors each year on a uniform basis at the following ratios to fair market value.

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service properties, excluding land

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

Property taxes receivable are net of allowances for uncollectible taxes of \$1,231,924 and \$1,242,428 in 1995 and 1994, respectively.

(5) **Receivables**

An allowance for uncollectible accounts has been recorded in the enterprise funds in the amount of \$469,835 for 1995 and \$392,425 in 1994. Within the City's Water and Sewerage Fund, unbilled accounts receivable have been recorded in the amount of \$1,397,354 at December 31, 1995.

(6) **Grants From Other Governmental Units**

Federal and State governmental units 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, Special Revenue, Capital Projects 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 audited annually under the single audit as mandated by the Single Audit Act of 1984.

During 1995 and 1994, the following amounts under various grants and entitlements are recorded as revenues, subsidies or contributions in the accompanying financial statements:

Grants from Other Governmental Units

<u>Fund</u>	<u>1995</u>	<u>1994</u>
General Fund	\$ 396,836	\$ 349,149
Special Revenue Funds:		
Economic Development	3,320,311	7,668,341
Community Development Block Grant	4,916,097	8,326,316
Metropolitan Planning Commission	128,000	128,000
Community Partnership	265,247	299,619
Riverfront Development	265,105	--
Police Grants	824,486	30,349
Enrichment	4,400	--
Capital Projects Funds:		
1983 General Obligation Bond	116,050	506,207
1990 General Obligation Bond	230,256	78,470
Enterprise Funds:		
Municipal and Regional Airports	1,389,917	3,099,332
Shreveport Area Transit System	1,766,264	1,605,787
Department of Water and Sewerage	<u>275,641</u>	<u>804,273</u>
Totals	<u>\$13,898,610</u>	<u>\$22,895,843</u>

(7) **Changes in Fixed Assets**

Summaries of changes in general fixed assets of the governmental funds and fixed assets of the Enterprise Funds follow:

	Balance January 1, 1995	Additions	Deletions	Balance December 31, 1995
<b>General Fixed Assets</b>				
<u>Account Group</u>				
Land and improvements	\$ 30,590,840	\$ 1,726,868	\$ --	\$ 32,317,708
Buildings and structures	66,109,629	357,528	--	66,467,157
Equipment	43,740,068	3,075,808	563,940	46,251,936
Construction in progress	<u>2,140,413</u>	<u>1,891,769</u>	<u>347,676</u>	<u>3,684,506</u>
Totals	<u>\$142,580,950</u>	<u>\$ 7,051,973</u>	<u>\$ 911,616</u>	<u>\$148,721,307</u>
<u>Fixed Assets of Enterprise Funds</u>				
Land	\$ 6,582,880	\$ 24,823	\$ --	\$ 6,607,703
Buildings	25,669,425	572,855	--	26,242,280
Water plant	123,931,113	5,069,570	--	129,000,683
Wastewater treatment plant	156,183,761	2,648,045	--	158,831,806
Revenue vehicles	7,751,098	64,090	202,172	7,613,016
Runways, aprons and taxiways	38,884,894	36,115	--	38,921,009
Machinery, equipment and other	12,932,535	1,082,415	185,155	13,829,795
Leased facilities	341,200	--	34,120	307,080
Construction in progress	<u>11,254,212</u>	<u>12,600,271</u>	<u>7,324,860</u>	<u>16,529,623</u>
	383,531,118	22,098,184	7,746,307	397,882,995
Less accumulated depreciation	<u>120,252,061</u>	<u>9,216,162</u>	<u>362,712</u>	<u>129,105,511</u>
Fixed assets (net of accumulated depreciation)	<u>\$263,279,057</u>	<u>\$12,882,022</u>	<u>\$ 7,383,595</u>	<u>\$268,777,484</u>

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

Airports:

Extend Runway 14/32 - Downtown Airport	\$ 453,789
Cargo Apron Expansion - Regional	1,067,679
Terminal Building Renovation - Regional	365,859

Water and Sewerage:

Water Main at Kouns and Ellerbe and the Inner Loop	355,211
Water Treatment Plant Renovations	594,589
Water Main Maintenance and Replacement	2,044,126
North Pierre Gravity Sewer Main	2,758,983
Lucas Waste Water Treatment Plant Upgrade	683,202
Rehabilitation of North Highland Interceptor	639,087
Chlorination Improvement at North Regional Waste Water Treatment Plant	372,206
Sewer Main Rehabilitation Replacement Program	724,956
Transmission Line at Lucas Waste Water Treatment Plant	435,534
Norris Ferry Sewer Main Extension	1,327,767
Water and Sewer Main at Audrey Lane	340,747

For the year ended December 31, 1995, the Department of Water and Sewerage capitalized interest totaling \$1,529,953 in construction in progress. Interest earned totaled \$6,511,008 of which \$2,613,416 was offset against interest cost. Total interest cost was \$10,882,256.

(8) Compensated Absences and Other Employee Benefits

Compensated Absences

Vacation earned is based on the number of years of services as follows:

<u>Total Employment</u>	<u>Days Earned Per Year</u>
Less than five years	10
Five to ten years	12
Ten to fifteen years	15
Fifteen to twenty years	18
Twenty or more years	21

A maximum of 240 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. Accumulated sick leave is forfeited at the time an employee terminates employment. However, accumulated sick leave is counted as creditable service at retirement if the employee has accumulated at least 175 hours. At December 31, 1995, unpaid vacation was \$1,506,600 for governmental funds, and it is included in the General Long-Term Debt Account Group.

Deferred Compensation

Under the guidelines established in accordance with the Internal Revenue Code Section 457, the City has two deferred compensation plans which are administered by Public Employees Benefit Service Corporation and ICMA Retirement Corporation on behalf of all participating employees. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred pay and any income earned on it is not subject to income taxes until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The assets in the plans remain the property of the City until paid or made available to participants, subject only to the claims of the City's general creditors. The participants have no vested interest or secured or preferred position with respect to the assets or have any claim against the City, except as a general creditor, in an amount equal to the fair market value of the participant's account.

It is the opinion of the City's legal counsel that the City is not liable for losses arising from depreciation or shrinkage in the value of any investments acquired under the deferred compensation plans. However, the City believes it has the duty of due care that would be required of an ordinary prudent investor. The City also believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

(9) Changes in Long-Term Debt

The following is a summary of debt transactions of the City for the year ended December 31, 1995 (in thousands of dollars):



	Balance January 1, <u>1995</u>	<u>Additions</u>	Debt Retired/ Payments	Balance December 31, <u>1995</u>
<b><u>General Long-Term Debt</u></b>				
<b><u>Account Group</u></b>				
General obligation bonds/notes	\$167,982	\$ 397	\$ 9,784	\$158,595
Pension liability	40,685	--	2,320	38,365
Claims and judgments	840	--	840	--
Accrued vacation	1,499	943	935	1,507
Capital leases	39	--	39	--
Landfill post-closure care liability	<u>570</u>	<u>318</u>	<u>--</u>	<u>888</u>
 Total General Long-Term Debt Account Group	 <u>211,615</u>	 <u>1,658</u>	 <u>13,918</u>	 <u>199,355</u>
 <b>Enterprise Funds</b>				
<b>Water and Sewer</b>				
General obligation bonds/notes, net	2,814	202	629	2,387
Revenue bonds	174,280	2,775	7,156	169,899
1993A Revenue Bonds-to be redeemed through funds held in escrow	<u>36,695</u>	<u>2,053</u>	<u>--</u>	<u>38,748</u>
Total Water and Sewer	213,789	5,030	7,785	211,034
 Golf	 --	 63	 --	 63
 Municipal and Regional Airports	 <u>6,300</u>	 <u>--</u>	 <u>100</u>	 <u>6,200</u>
 Total Enterprise Funds	 <u>220,089</u>	 <u>5,093</u>	 <u>7,885</u>	 <u>217,297</u>
 Total Changes in Long-Term Debt	 <u>\$431,704</u>	 <u>\$6,751</u>	 <u>\$21,803</u>	 <u>\$416,652</u>

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.

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. A total of approximately \$115,871,479 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$763,224,730 pursuant to the 35% limitation. Included in the total assessed valuation of property within the City is \$7,769,890 of assessed valuation which has been adjudicated to Caddo Parish. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 1995.

	<u>Debt limit - 10% of assessed value for any one purpose</u>	<u>Deduct - Amount of debt applicable to debt limit</u>	<u>Legal Debt margin</u>
Street Improvements	\$76,322,473	\$83,760,999	\$(7,438,526)
Police and Fire	76,322,473	2,627,254	73,695,219
Water and Sewer Improvements	76,322,473	2,259,874	74,062,599
Parks and Recreation	76,322,473	10,070,770	66,251,703
Public Buildings	76,322,473	2,162,626	74,159,847
Drainage	76,322,473	45,703,087	30,619,386
Sanitation and Incinerator	76,322,473	2,908,199	73,414,274
Industrial Bond	76,322,473	333,424	75,989,049
Airports	76,322,473	1,430,944	74,891,529

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

	Maturities (thousands of dollars)									
	Total	1996	1997	1998	1999	2000	2001- 2005	2006- 2010	2011- 2015	2016- 2018
<b>GENERAL OBLIGATION DEBT:</b>										
General Obligation Bonds Applicable to:										
All Purposes other than Water and Sewerage:										
1985 Refunding Issue - 5.00-9.375%	\$60,667	\$11,224	\$9,721	\$9,241	\$5,745	\$5,569	\$19,167	\$	\$	\$
Less: Unamortized Discount	(14,358)	(77)	(856)	(1,533)	(1,365)	(1,697)	(8,830)	--	--	--
	46,309	11,147	8,865	7,708	4,380	3,872	10,337	--	--	--
1987A Refunding Issue - 5.00-8.30%	56,700	(1)	50	4,875	4,870	4,865	24,280	17,760	--	--
Less: Unamortized Discount	(24,157)	--	(4)	(680)	(999)	(1,296)	(10,269)	(10,909)	--	--
	32,543	--	46	4,195	3,871	3,569	14,011	6,851	--	--
1987 Issue - 7.40-10.00%	125	60	65	--	--	--	--	--	--	--
1989A Issue - 7.25-9.00%	1,040	(1)	320	345	375	--	--	--	--	--
1990A Issue - 6.60-10.00%	16,240	590	640	690	745	810	5,130	7,635	--	--
1991 Issue - 6.20-9.00%	14,110	495	530	570	615	655	4,060	5,765	1,420	--
1993 Issue - 5.00-9.00%	15,000	465	495	525	560	595	3,610	4,950	3,800	--
1993 Refunding Issue - 2.70-5.50%	8,010	100	105	175	185	590	3,520	3,335	--	--
1993B Issue	17,880	605	640	675	710	750	4,425	5,785	4,290	--
<b>Water and Sewerage</b>										
1985 Refunding Issue - 5.00-9.375%	3,114	576	499	474	295	286	984	--	--	--
Less: Unamortized Discount	(737)	(4)	(44)	(79)	(70)	(87)	(453)	--	--	--
	2,377	572	455	395	225	199	531	--	--	--
Total General Obligation Bonds	153,634	14,034	12,161	15,278	11,666	11,040	45,624	34,321	9,510	--
<b>General Obligation Notes</b>										
Water and Sewerage	10	10	--	--	--	--	--	--	--	--
1993A Certificate of Indebtedness	610	195	200	215	--	--	--	--	--	--
1993B Certificate of Indebtedness	470	150	155	165	--	--	--	--	--	--
1994 Certificate of Indebtedness	5,375	1,705	1,790	1,880	--	--	--	--	--	--
1995 Certificate of Indebtedness	367	115	124	128	--	--	--	--	--	--
General Fund	516	23	26	467	--	--	--	--	--	--
Municipal Airport	6,200	100	100	300	300	300	1,500	1,500	1,500	600
1995 Certificate of Indebtedness-Golf	63	20	21	22	--	--	--	--	--	--
Total General Obligation Debt	167,245	16,352	14,577	18,455	11,966	11,340	47,124	35,821	11,010	600
<b>REVENUE BONDS --</b>										
Water and Sewerage	40,940	--	--	--	--	--	6,440	23,000	11,500	--
1986A Issue - 5.95%	1,995	1,995	--	--	--	--	--	--	--	--
1986B Refunding Issue - 6.00-8.00%	45,595	39,910	(2)	--	--	--	1,025	3,145	1,515	--
1986C Refunding Issue - 7.00-7.125%										
1992B Refunding Issue - 4.25-7.05%	69,211	4,405	5,980	5,980	5,980	5,980	22,526	12,730	5,630	--
Less: Unamortized Discount	(24,860)	(217)	(625)	(939)	(1,280)	(1,582)	(8,535)	(7,922)	(3,760)	--
	44,351	4,188	5,355	5,041	4,700	4,398	13,991	4,808	1,870	--

CITY OF SHREVEPORT, LOUISIANA  
ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>Revenues:</b>					
Intergovernmental	\$ 3,320,311	\$ (3,320,311)	\$ --	\$ --	\$ --
Use of money and property	36,606	--	36,606	--	36,606
Miscellaneous	185,401	--	185,401	220,000	(34,599)
<b>Total revenues</b>	<b>3,542,318</b>	<b>(3,320,311)</b>	<b>222,007</b>	<b>220,000</b>	<b>2,007</b>
<b>Expenditures:</b>					
<i>Current:</i>					
<b>Economic development</b>					
Salaries, wages and employee benefits	346,913	--	346,913	438,500	91,587
Materials and supplies	5,394	--	5,394	11,581	6,187
Contractual services	123,846	21,969	145,815	223,797	77,982
Other charges	131,322	--	131,322	282,700	151,378
Improvements and equipment	8,272	1,865	10,137	29,398	19,261
Indirect cost	39,000	--	39,000	39,000	--
<b>Total economic development</b>	<b>654,747</b>	<b>23,834</b>	<b>678,581</b>	<b>1,024,976</b>	<b>346,395</b>
<b>Economic opportunity</b>					
Salaries, wages and employee benefits	1,562,678	(1,562,678)	--	--	--
Materials and supplies	20,697	(20,697)	--	--	--
Contractual services	1,502,619	(1,502,619)	--	--	--
Other charges	87,198	(87,198)	--	--	--
Improvements and equipment	5,856	(5,856)	--	--	--
Indirect cost	37,900	(37,900)	--	--	--
<b>Total economic opportunity</b>	<b>3,216,948</b>	<b>(3,216,948)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Capital outlay:</b>	<b>272,461</b>	<b>(272,461)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total expenditures</b>	<b>4,144,156</b>	<b>(3,465,575)</b>	<b>678,581</b>	<b>1,024,976</b>	<b>346,395</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(601,838)</b>	<b>145,264</b>	<b>(456,574)</b>	<b>(804,976)</b>	<b>348,402</b>
<b>Other financing sources-</b>					
Operating transfer in	500,000	--	500,000	500,000	--
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures</b>	<b>(101,838)</b>	<b>145,264</b>	<b>43,426</b>	<b>(304,976)</b>	<b>348,402</b>
<b>Fund balance, beginning of year</b>	<b>886,161</b>	<b>--</b>	<b>886,161</b>	<b>886,161</b>	<b>--</b>
<b>Fund balance, end of year</b>	<b>\$ 784,323</b>	<b>\$ 145,264</b>	<b>\$ 929,587</b>	<b>\$ 581,185</b>	<b>\$ 348,402</b>

See accompanying notes to combined financial statements.

(continued)



CITY OF SHREVEPORT, LOUISIANA  
 METROPOLITAN PLANNING COMMISSION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL ON BUDGETARY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>Revenues:</b>					
Intergovernmental	\$ 128,000	\$ --	\$ 128,000	\$ 128,000	\$ --
Miscellaneous	79,481	--	79,481	113,000	(33,519)
<b>Total revenues</b>	<b>207,481</b>	<b>--</b>	<b>207,481</b>	<b>241,000</b>	<b>(33,519)</b>
<b>Expenditures:</b>					
Salaries, wages and employee benefits	771,338	--	771,338	767,469	(3,869)
Materials and supplies	19,384	547	19,931	21,343	1,412
Contractual services	75,155	555	75,710	76,050	340
Improvements and equipment	70,658	30,655	101,313	120,860	19,547
<b>Total expenditures</b>	<b>936,535</b>	<b>31,757</b>	<b>968,292</b>	<b>985,722</b>	<b>17,430</b>
Excess of expenditures over revenues	(729,054)	(31,757)	(760,811)	(744,722)	(16,089)
<b>Other financing sources-</b>					
Operating transfer in	729,054	--	729,054	696,200	32,854
Excess of expenditures over revenues and other financing sources	--	(31,757)	(31,757)	(48,522)	16,765
Fund balance, beginning of year	--	--	--	--	--
Fund balance, end of year	<u>\$ --</u>	<u>\$ (31,757)</u>	<u>\$ (31,757)</u>	<u>\$ (48,522)</u>	<u>\$ 16,765</u>

See accompanying notes to combined financial statements.

(continued)

CITY OF SHREVEPORT, LOUISIANA  
RIVERFRONT DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>Revenues:</b>					
Intergovernmental	\$ 265,105	\$ (265,105)	\$ --	\$ --	\$ --
Use of money and property	1,223,929	--	1,223,929	525,000	698,929
Gaming	6,436,562	--	6,436,562	5,760,000	676,562
Miscellaneous	209,312	(209,312)	--	--	--
<b>Total revenues</b>	<b>8,134,908</b>	<b>(474,417)</b>	<b>7,660,491</b>	<b>6,285,000</b>	<b>1,375,491</b>
<b>Expenditures:</b>					
Contractual services	56,675	--	56,675	101,500	44,825
Other charges	1,555,775	15	1,555,790	2,514,200	958,410
Capital outlay	366,936	(305,007)	61,929	404,500	342,571
<b>Total expenditures</b>	<b>1,979,386</b>	<b>(304,992)</b>	<b>1,674,394</b>	<b>3,020,200</b>	<b>1,345,806</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>6,155,522</b>	<b>(169,425)</b>	<b>5,986,097</b>	<b>3,264,800</b>	<b>2,721,297</b>
<b>Other financing sources (uses):</b>					
Operating transfers in	15,600	(15,600)	--	--	--
Operating transfers out	(2,796,504)	--	(2,796,504)	(3,400,000)	603,496
<b>Total other financing uses</b>	<b>(2,780,904)</b>	<b>(15,600)</b>	<b>(2,796,504)</b>	<b>(3,400,000)</b>	<b>603,496</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>3,374,618</b>	<b>(185,025)</b>	<b>3,189,593</b>	<b>(135,200)</b>	<b>3,324,793</b>
Fund balance, beginning of year	6,724,583	--	6,724,583	6,724,583	--
Fund balance, end of year	<u>\$ 10,099,201</u>	<u>\$ (185,025)</u>	<u>\$ 9,914,176</u>	<u>\$ 6,589,383</u>	<u>\$ 3,324,793</u>

See accompanying notes to combined financial statements.

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the payment of interest and principal on all general obligation debt including that payable from special assessments with governmental commitment. It does not include debt issued and serviced by an Enterprise Fund.

CITY OF SHREVEPORT, LOUISIANA  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
DECEMBER 31, 1995 AND 1994

ASSETS	<u>1995</u>	<u>1994</u>
Cash and cash equivalents	\$ 9,970,641	\$ 8,204,226
Property taxes receivable, less allowance for uncollectible taxes of \$711,692 in 1995 and \$717,999 in 1994	6,280,912	4,915,458
Accounts receivable	<u>1,380</u>	<u>3,441</u>
 Total assets	 <u>\$ 16,252,933</u>	 <u>\$ 13,123,125</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Accounts payable	\$ 2,678	\$ --
Deferred revenue	976,624	1,056,696
Deferred charges	<u>--</u>	<u>56,952</u>
 Total liabilities	 979,302	 1,113,648
 Fund balance - reserved for debt service	 <u>15,273,631</u>	 <u>12,009,477</u>
 Total liabilities and fund balance	 <u>\$ 16,252,933</u>	 <u>\$ 13,123,125</u>

See accompanying notes to combined financial statements.



CITY OF SHREVEPORT, LOUISIANA  
DEBT SERVICE FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
<b>Revenues:</b>		
Property taxes	\$ 22,136,069	\$ 21,471,219
Use of money and property	48,315	66,383
Miscellaneous	874	10,013
<b>Total revenues</b>	<u>22,185,258</u>	<u>21,547,615</u>
<b>Expenditures:</b>		
Debt service:		
Principal	9,783,852	9,028,328
Interest and fiscal charges	11,561,682	11,116,180
Bond issuance cost	4,769	1,251
<b>Total expenditures</b>	<u>21,350,303</u>	<u>20,145,759</u>
<b>Excess of revenues over expenditures</b>	834,955	1,401,856
<b>Other financing sources:</b>		
Operating transfers in:		
General Fund	437,695	44,253
Riverfront Development	1,991,504	--
<b>Total other financing sources</b>	<u>2,429,199</u>	<u>44,253</u>
<b>Excess of revenues and other financing sources over expenditures</b>	3,264,154	1,446,109
<b>Fund balance, beginning of year</b>	<u>12,009,477</u>	<u>10,563,368</u>
<b>Fund balance, end of year</b>	<u>\$ 15,273,631</u>	<u>\$ 12,009,477</u>

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA  
 CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 1995  
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	1980 General Obligation Bond Fund	1983 General Obligation Bond Fund	1989 General Obligation Bond Fund	1990 General Obligation Bond Fund	1991 General Obligation Bond Fund
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,845,350	\$ 4,576,559	\$ 802,535	\$ 21,517	\$ 414,927
Interest receivable	11,111	40,329	--	--	182
Special assessments receivable, less allowance for uncollectible accounts of \$360,651 in 1995 and \$388,044 in 1994	42,422	694	--	--	--
Due from other governmental units	--	--	--	--	--
Due from other funds	<u>3,813</u>	<u>1,556,076</u>	<u>388,823</u>	<u>712,906</u>	<u>492</u>
 Total assets	 <u>\$ 1,902,696</u>	 <u>\$ 6,173,658</u>	 <u>\$ 1,191,358</u>	 <u>\$ 734,423</u>	 <u>\$ 415,601</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 478,789	\$ 243,298	\$ 180,160	\$ 627,735	\$ 488
Accrued liabilities	--	--	--	25,076	--
Due to other funds	31,715	--	543	2,509	2,135
Deferred revenue	<u>12,372</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>522,876</u>	<u>243,298</u>	<u>180,703</u>	<u>655,320</u>	<u>2,623</u>
Fund balances:					
Reserved for encumbrances	2,312,857	2,836,923	101,152	1,509,536	--
Unreserved:					
Designated for subsequent years' expenditures	--	3,093,437	909,503	--	412,978
Undesignated	<u>(933,037)</u>	<u>--</u>	<u>--</u>	<u>(1,430,433)</u>	<u>--</u>
Total fund balances	<u>1,379,820</u>	<u>5,930,360</u>	<u>1,010,655</u>	<u>79,103</u>	<u>412,978</u>
 Total liabilities and fund balances	 <u>\$ 1,902,696</u>	 <u>\$ 6,173,658</u>	 <u>\$ 1,191,358</u>	 <u>\$ 734,423</u>	 <u>\$ 415,601</u>

See accompanying notes to combined financial statements.

1993 General Obligation Bond Fund	1993B General Obligation Bond Fund	Miscellaneous Capital Projects Fund	Totals	
			1995	1994
\$ 4,761,444	\$ 11,565,517	\$ 33,400	\$ 24,021,249	\$ 40,125,258
24,268	117,233	--	193,123	441,849
--	--	--	43,116	82,509
--	--	--	--	189,769
--	--	7,391,554	10,053,664	12,720,396
<u>\$ 4,785,712</u>	<u>\$ 11,682,750</u>	<u>\$ 7,424,954</u>	<u>\$ 34,311,152</u>	<u>\$ 53,559,781</u>
\$ 167,415	\$ 4,695	\$ 146,119	\$ 1,848,699	\$ 2,698,619
--	--	--	25,076	16,330
475,956	791,863	--	1,304,721	2,537,811
--	--	--	12,372	44,192
<u>643,371</u>	<u>796,558</u>	<u>146,119</u>	<u>3,190,868</u>	<u>5,296,952</u>
--	10,452	231,965	7,002,885	10,694,166
4,142,341	10,875,740	7,046,870	26,480,869	42,512,371
--	--	--	(2,363,470)	(4,943,708)
<u>4,142,341</u>	<u>10,886,192</u>	<u>7,278,835</u>	<u>31,120,284</u>	<u>48,262,829</u>
<u>\$ 4,785,712</u>	<u>\$ 11,682,750</u>	<u>\$ 7,424,954</u>	<u>\$ 34,311,152</u>	<u>\$ 53,559,781</u>

CITY OF SHREVEPORT, LOUISIANA  
 CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED DECEMBER 31, 1995  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1994

	1980 General Obligation Bond Fund	1983 General Obligation Bond Fund	1989 General Obligation Bond Fund	1990 General Obligation Bond Fund	1991 General Obligation Bond Fund
<b>Revenues:</b>					
Intergovernmental	\$ --	\$ 116,050	\$ --	\$ 230,256	\$ --
Special assessments	34,826	177	--	--	--
Use of money and property	221,864	337,799	39,076	2,386	69,692
Miscellaneous	57	1,181	--	80,000	--
<b>Total revenues</b>	<u>256,747</u>	<u>455,207</u>	<u>39,076</u>	<u>312,642</u>	<u>69,692</u>
<b>Expenditures:</b>					
Capital outlay	3,597,166	3,014,288	2,745,761	9,513,961	56,866
Bond issuance costs	--	--	--	--	--
<b>Total expenditures</b>	<u>3,597,166</u>	<u>3,014,288</u>	<u>2,745,761</u>	<u>9,513,961</u>	<u>56,866</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,340,419)</u>	<u>(2,559,081)</u>	<u>(2,706,685)</u>	<u>(9,201,319)</u>	<u>12,826</u>
<b>Other financing sources (uses):</b>					
General obligation bond proceeds	--	--	--	--	--
Operating transfers in:					
General Fund	--	--	--	--	--
Riverfront Development Fund	--	--	--	--	--
Community Development Block Grant Fund	27,959	18,682	--	--	--
Capital Projects Funds	3,404,258	822,768	3,058,786	7,995,296	--
<b>Total operating transfers in</b>	<u>3,432,217</u>	<u>841,450</u>	<u>3,058,786</u>	<u>7,995,296</u>	<u>--</u>
Operating transfers out:					
Capital Projects Funds	(182,458)	(3,402,792)	(1,148,527)	(203,772)	(733,414)
Community Development Block Grant Fund	--	(1,455)	--	--	--
<b>Total operating transfers out</b>	<u>(182,458)</u>	<u>(3,404,247)</u>	<u>(1,148,527)</u>	<u>(203,772)</u>	<u>(733,414)</u>
<b>Total other financing sources (uses)</b>	<u>3,249,759</u>	<u>(2,562,797)</u>	<u>1,910,259</u>	<u>7,791,524</u>	<u>(733,414)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(90,660)</u>	<u>(5,121,878)</u>	<u>(796,426)</u>	<u>(1,409,795)</u>	<u>(720,588)</u>
Fund balances, beginning of year	<u>1,470,480</u>	<u>11,052,238</u>	<u>1,807,081</u>	<u>1,488,898</u>	<u>1,133,566</u>
Fund balances, end of year	<u>\$ 1,379,820</u>	<u>\$ 5,930,360</u>	<u>\$ 1,010,655</u>	<u>\$ 79,103</u>	<u>\$ 412,978</u>

See accompanying notes to combined financial statements.



1993 General Obligation Bond Fund	1993B General Obligation Bond Fund	Miscellaneous Capital Projects Fund	Totals	
			1995	1994
\$ --	\$ --	\$ --	\$ 346,306	\$ 584,677
--	--	--	35,003	44,235
354,336	811,111	--	1,836,264	2,041,233
--	--	--	81,238	1,034
<u>354,336</u>	<u>811,111</u>	<u>--</u>	<u>2,298,811</u>	<u>2,671,179</u>
168,860	66,862	1,161,178	20,324,942	25,363,684
--	--	--	--	76,819
<u>168,860</u>	<u>66,862</u>	<u>1,161,178</u>	<u>20,324,942</u>	<u>25,440,503</u>
<u>185,476</u>	<u>744,249</u>	<u>(1,161,178)</u>	<u>(18,026,131)</u>	<u>(22,769,324)</u>
--	--	--	--	19,000,000
--	--	33,400	33,400	6,748,000
--	--	805,000	805,000	1,920,000
--	--	--	46,641	803,044
<u>445</u>	<u>--</u>	<u>--</u>	<u>15,281,553</u>	<u>20,213,567</u>
<u>445</u>	<u>--</u>	<u>838,400</u>	<u>16,166,594</u>	<u>29,684,611</u>
(2,058,876)	(7,551,714)	--	(15,281,553)	(20,213,567)
--	--	--	(1,455)	(28,550)
<u>(2,058,876)</u>	<u>(7,551,714)</u>	<u>--</u>	<u>(15,283,008)</u>	<u>(20,242,117)</u>
<u>(2,058,431)</u>	<u>(7,551,714)</u>	<u>838,400</u>	<u>883,586</u>	<u>28,442,494</u>
(1,872,955)	(6,807,465)	(322,778)	(17,142,545)	5,673,170
<u>6,015,296</u>	<u>17,693,657</u>	<u>7,601,613</u>	<u>48,262,829</u>	<u>42,589,659</u>
<u>\$ 4,142,341</u>	<u>\$ 10,886,192</u>	<u>\$ 7,278,835</u>	<u>\$ 31,120,284</u>	<u>\$ 48,262,829</u>

## ENTERPRISE FUNDS

Enterprise Funds are used to account for the acquisition, operation and maintenance of facilities and services which are entirely or predominantly self-supported by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

The following activities of the City are reported in this section:

**Municipal and Regional Airports** - This fund is used to account for the administration, operations and maintenance of the municipal and regional airports.

**Shreveport Area Transit System** - This fund accounts for the activities necessary to provide bus service for the residents of the City.

**Department of Water and Sewerage Fund** - This fund is used to account for water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and financing and related debt service.

**Golf** - This fund is used to account for the operations of the City's three golf courses. The fund's operations are financed by greens fees, golf equipment rentals, merchandise sales, memberships and concession sales to the public.

Golf	Totals	
	1995	1994
\$ 2,550	\$ 16,202,492	\$ 13,738,548
--	110,121	69,322
379	4,255,628	4,714,738
--	543,259	1,092,931
--	201,076	261,791
19,319	1,371,656	1,355,415
--	29,347	34,856
<u>22,248</u>	<u>22,713,579</u>	<u>21,267,601</u>
--	22,523,640	24,374,735
--	73,127,701	72,388,255
--	41,499,921	42,110,745
--	368,791	389,597
--	382,965	1,030,636
--	<u>137,903,018</u>	<u>140,293,968</u>
--	6,607,703	6,582,880
148,399	26,242,280	25,669,425
--	129,000,683	123,931,113
--	158,831,806	156,183,761
--	7,613,016	7,751,098
--	38,921,009	38,884,894
372,217	13,829,795	12,932,535
--	307,080	341,200
--	16,529,623	11,254,212
520,616	397,882,995	383,531,118
<u>(125,994)</u>	<u>(129,105,511)</u>	<u>(120,252,061)</u>
<u>394,622</u>	<u>268,777,484</u>	<u>263,279,057</u>
<u>1,238</u>	<u>4,191,345</u>	<u>4,736,346</u>
\$ <u>418,108</u>	\$ <u>433,585,426</u>	\$ <u>429,576,972</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	<u>Municipal and Regional Airports</u>	<u>Shreveport Area Transit System</u>	<u>Department of Water and Sewerage</u>
<b>LIABILITIES, CONTRIBUTED CAPITAL AND RETAINED EARNINGS (DEFICIT)</b>			
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 218,612	\$ 280,402	\$ 1,570,965
Accrued liabilities	81,269	518,895	1,306,303
Due to other funds	61,563	--	444,965
Long-term debt - current (net of unamortized discounts)	100,000	--	47,835,074
1993A revenue bonds - to be redeemed through funds held in escrow	--	--	38,748,043
Liability and refund contracts payable - current	--	--	13,542
<b>Total current liabilities</b>	<u>461,444</u>	<u>799,297</u>	<u>89,918,892</u>
<b>Other noncurrent liabilities:</b>			
Deferred revenue	32,373	881,482	27,824
Liability and refund contracts payable	--	--	22,420
Customer deposits	1,174	--	666,195
<b>Total other noncurrent liabilities</b>	<u>33,547</u>	<u>881,482</u>	<u>716,439</u>
<b>Long-term debt, excluding current portion above:</b>			
Notes payable	6,100,000	--	--
Revenue bonds payable (net of unamortized discounts)	--	--	122,646,774
General obligation bonds payable (net of unamortized discounts)	--	--	1,804,075
1993A revenue bonds - to be redeemed through funds held in escrow	--	--	--
<b>Total long-term debt</b>	<u>6,100,000</u>	<u>--</u>	<u>124,450,849</u>
<b>Total liabilities</b>	<u>6,594,991</u>	<u>1,680,779</u>	<u>215,086,180</u>
<b>Contributed capital and retained earnings:</b>			
Contributed capital	26,572,497	8,034,827	86,225,056
<b>Retained earnings (deficit):</b>			
Reserved for debt service	--	--	4,396,061
Unreserved	1,819,149	--	82,757,778
<b>Total retained earnings (deficit)</b>	<u>1,819,149</u>	<u>--</u>	<u>87,153,839</u>
<b>Total contributed capital and retained earnings (deficit)</b>	<u>28,391,646</u>	<u>8,034,827</u>	<u>173,378,895</u>
<b>Total liabilities, contributed capital and retained earnings (deficit)</b>	<u>\$ 34,986,637</u>	<u>\$ 9,715,606</u>	<u>\$ 388,465,075</u>

See accompanying notes to combined financial statements.



Golf	Totals	
	1995	1994
\$ 21,320	\$ 2,091,299	\$ 1,858,381
48,804	1,955,271	1,882,293
832	507,360	626,621
19,926	47,955,000	7,795,509
--	38,748,043	--
--	13,542	22,025
<u>90,882</u>	<u>91,270,515</u>	<u>12,184,829</u>
28,203	969,882	796,279
--	22,420	35,962
--	667,369	662,917
<u>28,203</u>	<u>1,659,671</u>	<u>1,495,158</u>
43,550	6,143,550	6,210,000
--	122,646,774	167,210,118
--	1,804,075	2,178,241
--	--	36,694,547
<u>43,550</u>	<u>130,594,399</u>	<u>212,292,906</u>
<u>162,635</u>	<u>223,524,585</u>	<u>225,972,893</u>
<u>398,656</u>	<u>121,231,036</u>	<u>122,266,933</u>
--	4,396,061	4,683,125
<u>(143,183)</u>	<u>84,433,744</u>	<u>76,654,021</u>
<u>(143,183)</u>	<u>88,829,805</u>	<u>81,337,146</u>
<u>255,473</u>	<u>210,060,841</u>	<u>203,604,079</u>
<u>\$ 418,108</u>	<u>\$ 433,585,426</u>	<u>\$ 429,576,972</u>

Golf	Totals	
	1995	1994
\$ --	\$ 19,370,689	\$ 19,041,896
--	15,928,030	15,603,776
335,473	335,473	319,882
539,046	539,046	542,291
--	1,959,550	1,837,537
--	1,373,890	1,328,198
--	1,847,487	1,802,980
--	1,697,967	1,525,867
<u>874,519</u>	<u>43,052,132</u>	<u>42,002,427</u>
<u>328,843</u>	<u>1,109,434</u>	<u>1,266,444</u>
<u>1,203,362</u>	<u>44,161,566</u>	<u>43,268,871</u>
693,164	15,627,090	14,968,520
214,313	3,855,968	3,428,554
277,076	8,222,147	6,742,772
110,099	3,245,756	3,034,981
35,614	1,089,742	1,383,269
<u>1,330,266</u>	<u>32,040,703</u>	<u>29,558,096</u>
<u>23,454</u>	<u>9,795,567</u>	<u>10,177,416</u>
<u>1,353,720</u>	<u>41,836,270</u>	<u>39,735,512</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
FOR THE YEAR ENDED DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1994

	<u>Municipal and Regional Airports</u>	<u>Shreveport Area Transit System</u>	<u>Department of Water and Sewerage</u>
Operating income (loss)	18,012	(5,021,839)	7,479,481
Nonoperating revenues (expenses):			
Operating subsidies	--	4,237,164	--
Interest income	289,136	--	6,511,008
Interest expense	--	(23,200)	(9,352,303)
Passenger facility charges	924,102	--	--
Loss on disposal of fixed assets	--	--	(8,088)
Total nonoperating revenues (expenses)	<u>1,213,238</u>	<u>4,213,964</u>	<u>(2,849,383)</u>
Net income (loss) before operating transfers	1,231,250	(807,875)	4,630,098
Operating transfer in- General Fund	--	--	--
Operating transfers out: General Fund	<u>(937,800)</u>	<u>--</u>	<u>--</u>
Total operating transfers in (out)	<u>(937,800)</u>	<u>--</u>	<u>--</u>
Net income (loss)	293,450	(807,875)	4,630,098
Depreciation on assets acquired with externally restricted capital contributions which reduces contributed capital	1,070,052	807,875	1,429,915
Retained earnings (deficit), beginning of year	<u>455,647</u>	<u>--</u>	<u>81,093,826</u>
Retained earnings (deficit), end of year	<u>\$ 1,819,149</u>	<u>\$ --</u>	<u>\$ 87,153,839</u>

See accompanying notes to combined financial statements.

Golf	Totals	
	1995	1994
<u>(150,358)</u>	<u>2,325,296</u>	<u>3,533,359</u>
--	4,237,164	4,107,770
--	6,800,144	4,683,086
(5,198)	(9,380,701)	(9,175,770)
--	924,102	698,994
--	(8,088)	--
<u>(5,198)</u>	<u>2,572,621</u>	<u>314,080</u>
(155,556)	4,897,917	3,847,439
224,700	224,700	--
--	(937,800)	(937,800)
<u>224,700</u>	<u>(713,100)</u>	<u>(937,800)</u>
69,144	4,184,817	2,909,639
--	3,307,842	3,848,439
(212,327)	81,337,146	74,579,068
<u>\$ (143,183)</u>	<u>\$ 88,829,805</u>	<u>\$ 81,337,146</u>



CITY OF SHREVEPORT, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1994

	<u>Municipal and Regional Airports</u>	<u>Shreveport Area Transit System</u>	<u>Department of Water and Sewerage</u>
<b>Cash flows from operating activities:</b>			
Receipts from operations	\$ 4,902,623	\$ 2,022,834	\$ 35,195,761
Payments for goods and services	(375,125)	(2,016,406)	(8,334,271)
Payment for employee services	(1,435,022)	(4,061,986)	(9,450,749)
Payment in lieu of taxes	--	--	(605,000)
Payment for direct and indirect costs	(1,102,400)	--	(2,627,744)
Miscellaneous revenue	23,969	11,610	745,012
Net cash provided by (used in) operating activities	<u>2,014,045</u>	<u>(4,043,948)</u>	<u>14,923,009</u>
<b>Cash flows from noncapital financing activities:</b>			
Operating subsidies	--	4,185,783	--
Operating transfers in	--	--	--
Operating transfers out	(937,800)	--	--
Interest paid on operations	--	(23,200)	--
Cash bond received in lieu of performance bond	--	--	511
Net cash provided by (used in) noncapital financing activities	<u>(937,800)</u>	<u>4,162,583</u>	<u>511</u>
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from issuance of debt	--	--	--
Acquisition and construction of capital assets	(1,970,425)	(749,800)	(10,173,156)
Payment on liability and refund contracts	--	--	(22,025)
Principal paid on debt	(100,000)	--	(7,695,509)
Interest paid on debt	--	--	(5,367,448)
Capital contributed by others	--	444,444	(502)
Capital grants	2,087,740	410,591	650,620
Refund (payment) of debt issuance costs	--	--	1,146
Sale of fixed assets	--	--	16,527
Passenger facility charges	924,102	--	--
Net cash provided by (used in) capital and related financing activities	<u>941,417</u>	<u>105,235</u>	<u>(22,590,347)</u>

Golf	Totals	
	1995	1994
\$ 1,220,108	\$ 43,341,326	\$ 40,179,276
(671,549)	(11,397,351)	(10,718,447)
(690,854)	(15,638,611)	(14,881,845)
--	(605,000)	(605,000)
(66,100)	(3,796,244)	(3,871,316)
--	780,591	920,770
(208,395)	12,684,711	11,023,438
--	4,185,783	4,141,279
224,700	224,700	--
--	(937,800)	(937,800)
--	(23,200)	(8,679)
--	511	411
224,700	3,449,994	3,195,211
63,476	63,476	28,398,382
(74,620)	(12,968,001)	(13,112,493)
--	(22,025)	(22,025)
--	(7,795,509)	(6,737,585)
(4,179)	(5,371,627)	(5,119,381)
--	443,942	850,251
--	3,148,951	3,891,378
(1,432)	(286)	(397,933)
--	16,527	--
--	924,102	698,994
(16,755)	(21,560,450)	7,750,594

(continued)

CITY OF SHREVEPORT, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1994

	<u>Municipal and Regional Airports</u>	<u>Shreveport Area Transit System</u>	<u>Department of Water and Sewerage</u>
Cash flows from investing activities:			
Purchase of investments	--	--	(25,776,081)
Proceeds from sale and maturity of investments	--	--	27,701,201
Interest on investments	264,897	--	3,848,577
	<hr/>	<hr/>	<hr/>
Net cash provided by (used in) investing activities	264,897	--	5,773,697
Net increase(decrease) in cash and cash equivalents	2,282,559	223,870	(1,893,130)
Cash and cash equivalents, beginning of year	4,042,211	699,888	33,368,184
Cash and cash equivalents, end of year	<u>\$ 6,324,770</u>	<u>\$ 923,758</u>	<u>\$ 31,475,054</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	<u>\$ 18,012</u>	<u>\$ (5,021,839)</u>	<u>\$ 7,479,481</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,834,795	807,875	7,129,443
Provision for uncollectible accounts	--	--	543,481
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	44,283	2,569	(131,297)
(Increase) decrease in due from other funds	970	60,715	--
(Increase) decrease in inventory	664	(39,642)	20,398
Decrease in prepaid items	--	5,509	--
Increase (decrease) in accounts payable	59,052	140,003	(65,193)
Increase in accrued liabilities	926	862	9,436
Increase (decrease) in due to other funds	54,174	--	(66,024)
Increase (decrease) in deferred revenue	(5)	--	--
Increase (decrease) in customer deposits	1,174	--	3,278
Increase in other liabilities	--	--	6
	<hr/>	<hr/>	<hr/>
Total adjustments	1,996,033	977,891	7,443,528
Net cash provided by (used in) operating activities	<u>\$ 2,014,045</u>	<u>\$ (4,043,948)</u>	<u>\$ 14,923,009</u>

See accompanying notes to combined financial statements.

Golf	Totals	
	1995	1994
--	(25,776,081)	(31,373,127)
--	27,701,201	6,415,145
--	4,113,474	2,751,913
--	6,038,594	(22,206,069)
(450)	612,849	462,168
3,000	38,113,283	37,651,115
\$ 2,550	\$ 38,726,132	\$ 38,113,283
\$ (150,358)	\$ 2,325,296	\$ 3,533,359
23,454	9,795,567	10,177,416
--	543,481	83,461
218	(84,227)	(1,184,823)
--	61,685	(97,275)
2,338	(16,242)	59,900
--	5,509	571
4,354	138,216	150,321
10,371	21,595	90,212
(107,411)	(119,261)	(896,944)
--	(5)	3,000
--	4,452	(929,017)
8,639	8,645	33,257
(58,037)	10,359,415	7,490,079
\$ (208,395)	\$ 12,684,711	\$ 11,023,438



## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments, on a cost-reimbursement basis.

**Employees Health Care Fund** - This fund is used to receive the employee and the City's contributions for the payment of health claims by the employees.

**Retained Risk Fund** - This fund is used to account for self-insurance activities involving property damage, worker's compensation and general liability claims.

CITY OF SHREVEPORT, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

ASSETS	Employees Health Care	Retained Risk	Totals	
			1995	1994
Cash and cash equivalents	\$ 1,119,412	\$ 4,848,240	\$ 5,967,652	\$ 7,813,580
Investments, at market value:				
U.S. government securities	4,528,843	--	4,528,843	3,010,698
Interest receivable	24,312	31,578	55,890	64,700
Accounts receivable	320,087	2,678	322,765	166,374
Due from other funds	--	5,481,642	5,481,642	1,538,916
Prepaid items	--	59,327	59,327	134,179
Total current assets	5,992,654	10,423,465	16,416,119	12,728,447
Fixed assets				
Equipment	--	11,306	11,306	11,306
Less accumulated depreciation	--	(1,696)	(1,696)	(565)
Fixed assets (net of accumulated depreciation)	--	9,610	9,610	10,741
Total assets	\$ 5,992,654	\$ 10,433,075	\$ 16,425,729	\$ 12,739,188
<b>LIABILITIES, CONTRIBUTED CAPITAL, AND RETAINED EARNINGS</b>				
Liabilities:				
Accounts payable	\$ 433,402	\$ 571,535	\$ 1,004,937	\$ 417,544
Accrued liabilities	1,263,158	5,245,108	6,508,266	3,862,514
Due to other funds	--	27,538	27,538	14,254
Total liabilities	1,696,560	5,844,181	7,540,741	4,294,312
Contributed capital and retained earnings:				
Contributed capital	--	1,715,600	1,715,600	2,555,600
Retained earnings - unreserved	4,296,094	2,873,294	7,169,388	5,889,276
Total contributed capital and retained earnings	4,296,094	4,588,894	8,884,988	8,444,876
Total liabilities, contributed capital and retained earnings	\$ 5,992,654	\$ 10,433,075	\$ 16,425,729	\$ 12,739,188

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	Employees Health Care	Retained Risk	Totals	
	1995	1994	1995	1994
Cash flows from operating activities:				
Other operating revenues	\$ 12,143,812	\$ 6,066,281	\$ 18,210,093	\$ 17,885,257
Claims	(6,974,879)	(7,230,424)	(14,205,303)	(10,790,860)
Payments for goods and services	(4,711,110)	19,508	(4,691,602)	(5,546,851)
Payments for employee services	(58,346)	(232,608)	(290,954)	(275,071)
Net cash provided by (used in) operating activities	<u>399,477</u>	<u>(1,377,243)</u>	<u>(977,766)</u>	<u>1,272,475</u>
Cash flows from noncapital financing activities				
Contributions	--	--	--	664,600
Cash flows from capital and related financing activities				
Acquisition of capital assets	--	--	--	(11,306)
Cash flows from investing activities:				
Purchase of investments	(4,528,843)	--	(4,528,843)	(3,010,698)
Proceeds from sale and maturity of investments	3,010,698	--	3,010,698	1,968,378
Interest on investments	341,664	308,319	649,983	300,218
Net cash provided by (used in) investing activities	<u>(1,176,481)</u>	<u>308,319</u>	<u>(868,162)</u>	<u>(742,102)</u>
Net increase (decrease) in cash and cash equivalents	(777,004)	(1,068,924)	(1,845,928)	1,183,667
Cash and cash equivalents, beginning of year	1,896,416	5,917,164	7,813,580	6,629,913
Cash and cash equivalents, end of year	<u>\$ 1,119,412</u>	<u>\$ 4,848,240</u>	<u>\$ 5,967,652</u>	<u>\$ 7,813,580</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income	\$ 278,278	\$ 255,661	\$ 533,939	\$ 1,246,872
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	--	1,131	1,131	565
Change in assets and liabilities:				
(Increase) in accounts receivable	(153,713)	(2,678)	(156,391)	(37,169)
(Increase) decrease in due from other funds	--	(3,837,726)	(3,837,726)	543,729
(Increase) decrease in prepaid items	--	74,852	74,852	(98,792)

Increase in accounts payable	65,941	521,452	587,393	33,824
Increase (decrease) in accrued liabilities	223,225	1,582,527	1,805,752	(124,906)
Increase (decrease) in due to other funds	(14,254)	27,538	13,284	(291,648)
Total adjustments	121,199	(1,632,904)	(1,511,705)	25,603
Net cash provided by (used in) operating activities	\$ 399,477	\$ (1,377,243)	\$ (977,766)	\$ 1,272,475

See accompanying notes to combined financial statements.



## **TRUST AND AGENCY FUNDS**

Trust and Agency 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** - This fund is used to account for assets held by the City in a fiduciary capacity. Such funds are operated by carrying out specific terms of statutes, ordinances and other governing regulations.

**Deferred Compensation Fund** - This fund is used to account for the employees' tax deferred compensation plan consisting of optional investment funds.

CITY OF SHREVEPORT, LOUISIANA  
TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 1995

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	Pension Trust Funds			Agency Fund	Totals	
	Employees' Retirement System	Firemen's Pension and Relief Fund	Policemen's Pension and Relief Fund		1995	1994
<b>ASSETS</b>						
Investments, at market value:						
U.S. government securities	\$ 18,922,964	\$ 77,428	\$ 77,361	\$ --	\$ 19,077,753	\$ 28,822,183
Mutual funds	--	2,282,182	2,212,095	9,406,380	13,900,657	10,299,512
Common stock	55,968,902	--	--	--	55,968,902	41,404,531
Corporate bonds	40,542,390	--	--	--	40,542,390	23,519,366
Total investments	<u>115,434,256</u>	<u>2,359,610</u>	<u>2,289,456</u>	<u>9,406,380</u>	<u>129,489,702</u>	<u>104,045,592</u>
Interest receivable	815,237	236	400	--	815,873	800,427
Accounts receivable	--	--	30,054	--	30,054	--
Due from other funds	--	--	--	--	--	182,239
Prepaid items	--	356,455	307,990	--	664,445	664,143
Other assets:						
Cash surrender value of life insurance policies	--	1,559,354	1,401,121	--	2,960,475	2,208,666
Total assets	<u>\$ 116,249,493</u>	<u>\$ 4,275,655</u>	<u>\$ 4,029,021</u>	<u>\$ 9,406,380</u>	<u>\$ 133,960,549</u>	<u>\$ 107,901,067</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 69,353	\$ 393,143	\$ 340,273	\$ 9,406,380	\$ 10,209,149	\$ 7,824,996
Accrued liabilities	--	--	--	--	--	2,575
Due to other funds	531,630	364,408	309,837	--	1,205,875	1,511,629
Employees' deposits held in escrow	927,651	--	--	--	927,651	796,384
Total liabilities	<u>1,528,634</u>	<u>757,551</u>	<u>650,110</u>	<u>9,406,380</u>	<u>12,342,675</u>	<u>10,135,584</u>
Fund balances -						
Reserved for employees' retirement systems	114,720,859	3,518,104	3,378,911	--	121,617,874	97,765,483
Total liabilities and fund balances	<u>\$ 116,249,493</u>	<u>\$ 4,275,655</u>	<u>\$ 4,029,021</u>	<u>\$ 9,406,380</u>	<u>\$ 133,960,549</u>	<u>\$ 107,901,067</u>

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1994

	Employees' Retirement System	Firemen's Pension and Relief Fund	Policemen's Pension and Relief Fund	Totals	
				1995	1994
<b>Operating revenues:</b>					
Employer's contributions	\$ 3,177,633	\$ 855,289	\$ 822,530	\$ 4,855,452	\$ 4,979,205
Employees' contributions	3,113,331	--	--	3,113,331	2,997,347
Interest and dividends	5,068,304	123,674	118,463	5,310,441	4,558,903
Net appreciation in fair value of investments	11,705,376	292,062	261,396	12,258,834	--
Gain on sale of investments	6,812,286	3,010	--	6,815,296	--
Life insurance proceeds	--	--	110,000	110,000	330,000
Miscellaneous	100	9,342	52,479	61,921	429
<b>Total operating revenues</b>	<b>29,877,030</b>	<b>1,283,377</b>	<b>1,364,868</b>	<b>32,525,275</b>	<b>12,865,884</b>
<b>Operating expenses:</b>					
Pensions	5,952,574	436,209	457,923	6,846,706	6,675,522
Refund of member contributions	1,164,154	--	--	1,164,154	835,970
<b>Cost of sales and services:</b>					
Administrative expenses	584,124	37,966	37,898	659,988	547,754
Life insurance	--	--	--	--	63,138
Cost of sales and services	584,124	37,966	37,898	659,988	610,892
Net depreciation in fair value of investments	--	--	--	--	5,547,321
Loss on sale of investments	--	--	2,036	2,036	923,254
<b>Total operating expenses</b>	<b>7,700,852</b>	<b>474,175</b>	<b>497,857</b>	<b>8,672,884</b>	<b>14,592,959</b>
Net income (loss)	22,176,178	809,202	867,011	23,852,391	(1,727,075)
Fund balances, beginning of year	92,544,681	2,708,902	2,511,900	97,765,483	99,492,558
Fund balances, end of year	\$ 114,720,859	\$ 3,518,104	\$ 3,378,911	\$ 121,617,874	\$ 97,765,483

See accompanying notes to combined financial statements.

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

The General Fixed Assets Account Group represents a summary of the fixed assets of the City, other than assets of the Enterprise Funds. Capital outlay in funds other than Enterprise 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 on general fixed assets.



CITY OF SHREVEPORT, LOUISIANA  
 COMPARATIVE SCHEDULES OF GENERAL FIXED ASSETS BY SOURCES  
 DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
<b><u>GENERAL FIXED ASSETS</u></b>		
Land and improvements	\$ 32,317,708	\$ 30,590,840
Buildings and structures	66,467,157	66,109,629
Equipment	46,251,936	43,740,068
Construction in progress	<u>3,684,506</u>	<u>2,140,413</u>
Total general fixed assets	<u>\$ 148,721,307</u>	<u>\$ 142,580,950</u>
 <b><u>INVESTMENT IN GENERAL FIXED ASSETS</u></b>		
As of December 31, 1977	\$ 30,805,196	\$ 30,805,196
Subsequent to December 31, 1977:		
General Fund	27,272,268	23,702,719
Federal Revenue Sharing	21,907,446	21,894,405
Community Development Block Grant	12,142,489	12,178,116
State Revenue Sharing	644,636	644,636
General obligation bonds	50,198,358	47,642,651
Donations	<u>5,750,914</u>	<u>5,713,227</u>
Total investment in general fixed assets	<u>\$ 148,721,307</u>	<u>\$ 142,580,950</u>

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA  
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY SOURCES  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>Land and Improvements</u>	<u>Buildings and Structures</u>	<u>Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General fixed assets, January 1, 1995	\$ 30,590,840	\$ 66,109,629	\$ 43,740,068	\$ 2,140,413	\$ 142,580,950
Additions:					
Expenditures from capital projects funds:					
General obligation bonds	1,194,528	--	--	1,361,179	2,555,707
Community Development Block Grant	2,903	--	2,550	--	5,453
Federal Revenue Sharing	--	4,400	18,360	--	22,760
Expenditures from operating revenues	274,924	259,965	3,017,211	530,590	4,082,690
Donations	--	--	37,687	--	37,687
Jobs completed	<u>254,513</u>	<u>93,163</u>	<u>--</u>	<u>(347,676)</u>	<u>--</u>
Total additions	1,726,868	357,528	3,075,808	1,544,093	6,704,297
Deductions - fixed assets sold or retired	<u>--</u>	<u>--</u>	<u>(563,940)</u>	<u>--</u>	<u>(563,940)</u>
General fixed assets, December 31, 1995	<u>\$ 32,317,708</u>	<u>\$ 66,467,157</u>	<u>\$ 46,251,936</u>	<u>\$ 3,684,506</u>	<u>\$ 148,721,307</u>

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA  
SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
DECEMBER 31, 1995

Function and Activity	Land and Improvements	Buildings and Structures	Equipment	Total
<b>General government:</b>				
Mayor	\$ --	\$ 4,400	\$ 27,817	\$ 32,217
Chief administrative officer	165,539	--	353,724	519,263
City attorney	--	--	37,030	37,030
Metropolitan planning commission	225,293	134,244	118,127	477,664
Finance	409,898	32,210	3,461,303	3,903,411
City council	--	--	13,237	13,237
Internal audit	--	--	40,226	40,226
<b>Public works:</b>				
Administration and engineering	2,192,191	1,450,557	2,332,242	5,974,990
Permits and inspections	28,217	69,600	470,862	568,679
	<u>3,021,138</u>	<u>1,691,011</u>	<u>6,854,568</u>	<u>11,566,717</u>
<b>Public safety:</b>				
Police	10,540	838,026	8,898,768	9,747,334
Fire	614,556	3,420,609	11,142,321	15,177,486
Police and fire academy	72,000	1,102,445	78,082	1,252,527
	<u>697,096</u>	<u>5,361,080</u>	<u>20,119,171</u>	<u>26,177,347</u>
Highways and streets	304,204	170,200	885,423	1,359,827
Sanitation	3,186,445	7,157,773	11,178,687	21,522,905
Cultural and recreation	<u>25,108,825</u>	<u>52,087,093</u>	<u>7,214,087</u>	<u>84,410,005</u>
Total general fixed assets allocated to functions	<u>\$ 32,317,708</u>	<u>\$ 66,467,157</u>	<u>\$ 46,251,936</u>	145,036,801
Construction in progress				<u>3,684,506</u>
Total general fixed assets				<u>\$ 148,721,307</u>

See accompanying notes to combined financial statements.

1993A Issue - 5.520%	40,725	40,725	--	--	--	--	--	--	--	--	--	--
Less: Unamortized Discount	(1,977)	(1,977)	--	--	--	--	--	--	--	--	--	--
	<u>38,748</u>	<u>38,748</u>	--	--	--	--	--	--	--	--	--	--
1993B Issue - 6.00%	9,724	310	325	345	370	390	2,355	3,195	2,434			
1994A Issue - 5.13-9.00%	27,294	850	895	945	1,000	1,055	6,200	8,100	8,249			
Total Revenue Bonds -- Water and Sewerage	208,647	86,001	6,575	6,331	6,070	5,843	30,011	42,248	25,568			
Total Principal	375,892	102,353	21,152	24,786	18,036	17,183	77,135	78,069	36,578	600		

INTEREST REQUIREMENTS:

General Obligation Debt	81,339	4,855	5,329	6,344	6,134	6,547	33,434	17,864	832			
Revenue Bonds												
Water and Sewerage												
1986C Refunding Issue	8,243	3,238	404	404	404	404	2,007	1,103	279			
All Other Issues	82,704	7,009	5,176	5,380	5,605	5,783	27,684	19,194	6,873			
Total Interest Requirements	172,286	15,102	10,909	12,128	12,143	12,734	63,125	38,161	7,984			
Total Future Debt Requirements	\$548,178	\$117,455	\$32,061	\$36,914	\$30,179	\$29,917	\$140,260	\$116,230	\$44,562	\$600		

(1) The principal and interest for the 1987A Refunding and 1989A General Obligation Bond Issues which were due January 1, 1996 have been paid as of December 31, 1995. Thus, there is no requirement for 1996.

(2) The 1986 Refunding Series C Bonds will remain outstanding until they are partially defeased from proceeds of the 1993 Series A Refunding Bonds issues on December 1, 1996, the crossover date. The City will remain obligated to make all principal and interest payments until that time.



The Shreveport Home Mortgage Authority has debt that is significant in proportion to the total debt of all component units. The annual requirements to amortize all debt outstanding as of December 31, 1995, including interest requirements are as follows:

	Maturities (thousands of dollars)										
	1996	1997	1998	1999	2000	2001- 2005	2006- 2010	2011 2015	2016- 2020	2021- 2025	2026
<b>Bond Issues:</b>											
1984 Single Family	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 16,955	\$ --	\$ --
1985 Single Family	7,895	--	--	--	--	--	--	--	--	--	--
1988 Refunding	1,340	1,445	1,558	1,678	1,808	11,379	3,700	--	--	--	--
1995 Refunding	--	--	75	--	--	--	--	--	--	4,360	--
1995 Single Family	--	--	130	135	140	795	185	1,450	--	--	6,615
<b>Total principal on bonds</b>	<b>61,643</b>	<b>9,235</b>	<b>1,763</b>	<b>1,813</b>	<b>1,948</b>	<b>12,174</b>	<b>3,885</b>	<b>1,450</b>	<b>16,955</b>	<b>4,360</b>	<b>6,615</b>
<b>Less:</b>											
Unamortized discount	(24,472)	(6,601)	(182)	(212)	(228)	(1,463)	(466)	--	(15,124)	--	--
<b>Net principal</b>	<b>37,171</b>	<b>2,634</b>	<b>1,567</b>	<b>1,601</b>	<b>1,720</b>	<b>10,711</b>	<b>3,419</b>	<b>1,450</b>	<b>1,831</b>	<b>4,360</b>	<b>6,615</b>
<b>Total Interest</b>	<b>28,890</b>	<b>2,355</b>	<b>2,246</b>	<b>2,023</b>	<b>1,899</b>	<b>6,154</b>	<b>2,826</b>	<b>2,640</b>	<b>2,641</b>	<b>2,547</b>	<b>1,416</b>
<b>Total Future Debt Requirements</b>	<b>\$66,061</b>	<b>\$4,989</b>	<b>\$3,509</b>	<b>\$3,624</b>	<b>\$3,619</b>	<b>\$16,865</b>	<b>\$6,245</b>	<b>\$4,090</b>	<b>\$4,472</b>	<b>\$6,907</b>	<b>\$8,031</b>

### General Obligation Bonds

General obligation bonds are direct general obligations of the City. Principal and interest are payable from ad valorem taxes levied on all taxable property within the City. As discussed in the following paragraphs, certain of the bond issues are currently being paid from sources other than ad valorem tax levies; however, ad valorem taxes are pledged should payment not be made from those other sources.

Certain of the general obligation bonds were issued for capital improvements of the Department of Water and Sewerage. The entire amount of future debt service relating to these bond issues will be paid from the operations of the Department of Water and Sewerage. Accordingly, this debt has been included in the financial statements of the Enterprise Funds.

On December 1, 1985, the City issued \$125,781,623 in General Obligation Refunding Bonds-Series 1985 of which \$6,660,000 were recorded on the financial statements of the Department of Water and Sewerage Fund. The proceeds, along with other monies from the City, were used to refund all prior outstanding general obligation bonds except for one series of the 1962 bonds which were issued to finance an industrial plant which was leased to a private entity. The refunded bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1995 on the bonds refunded was \$46,640,000.

On July 17, 1987, the City issued \$17,203,141 in General Obligation Refunding Bonds to advance refund \$17,100,000 of outstanding 1986 Series A Bonds. The City advance refunded the 1986 Series A Bonds to reorganize its debt structure in anticipation of future bond issues. The 1986 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1995 on the bonds refunded was \$12,330,000.

In September 1993, the City issued \$8,200,000 in general obligation refunding bonds to advance refund a portion of the outstanding 1987 and 1989A bonds. The bonds refunded were \$1,025,000 of the 1987 bonds which mature February 1, 1998 to February 1, 2007 inclusive and \$6,060,000 of the 1989A bonds which mature January 1, 2000 to January 1, 2009 inclusive. Those portions of the 1987 and 1989A bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1995 on the bonds refunded was \$8,010,000.

### General Obligation Notes

During 1988, the City entered into a long-term agreement in the amount of \$650,000 for the purchase of land to be used for, among other things, storing City vehicles, equipment and employee parking. The debt is to be paid out over a 10-year term at an average interest rate of 4.77%. At the end of the 10-year period, the City has the option to make a final balloon payment of \$466,604 or to extend payments for an additional 10-year period.

In addition, in 1988, the City executed an agreement for a \$7,000,000 loan for the purpose of constructing facilities at the regional airport. The loan is noninterest bearing and has a 30-year term. Payments on the loan are payable from a twenty-five year lease. Current assets will be set aside to cover payments during the last five years of the loan. The note is recorded in the financial statements of the Municipal and Regional Airports in the Enterprise Funds.

In July 1995, the City issued Certificates of Indebtedness, Series 1995 in the amount of \$430,000 for the purpose of purchasing Public Works equipment and equipment for the golf courses. The certificates are payable from a pledge and dedication of the excess of the annual General Fund revenues above statutory, necessary and usual charges in each of the fiscal years during which the certificates are outstanding. The debt is to be paid out over a 4-year term with interest rates of 4.45% - 5.60%.

### Pension Liability

As also discussed in Notes 13A and 13D, the City has a contractual agreement with the Statewide Firefighters Retirement System to pay \$39,941,783 over a 30-year period to fund an accrued liability for active and retired firemen and beneficiaries who were merged into the state system from the local plan. In addition, there is a contractual agreement to pay \$28,568,685 over a 30-year period to the Municipal Police Employees Retirement System to fund the liability for active and retired policemen who were merged into the state system, as discussed in Notes 13B and 13E.

Quarterly payments are made by the General Fund for the mergers. Sales tax revenue and other miscellaneous revenues have been dedicated to funding these obligations. This pension liability is recorded in the General Long-Term Debt Account Group. The total pension liability is summarized below:

Pension Liability	
Liability at Merger - January 1, 1983:	
Liability to State Plan:	
Active Firemen	\$13,865,568
Active and Retired Policemen	28,568,685
Liability at Merger - January 1, 1987:	
Liability to State Plan:	
Retired Firemen	<u>26,076,215</u>
	68,510,468
Principal Payments - Inception To Date	<u>30,145,253</u>
Pension Liability - December 31, 1995	<u>\$38,365,215</u>

### Department of Water and Sewerage Revenue Bonds

In August 1986, the City issued \$40,940,000 in Water and Sewer Revenue Bonds 1986 Series A to advance refund \$37,845,000 of the 1985 Series A Bonds. The proceeds, net of issuance costs, along with other City funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1985 Series A Bonds. Payment of the scheduled principal and interest on the bonds when due is insured by a municipal bond new insurance policy. The 1985 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1995 on the bonds refunded was zero. The 1985 Series A Bonds were called for redemption on June 1, 1995 at a price of 102% of the principal amount plus accrued interest.

During September 1986, the City issued \$31,080,000 in Water and Sewer Revenue Bonds (1986 Series B) to advance refund \$23,715,000 of the 1984 Series A Bonds. The proceeds, net of issuance costs, along with additional City funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1984 Series A Bonds. Payment of the principal and interest on the bonds when due is insured by a municipal bond new issue insurance policy. Under current federal tax law, the interest earned by the 1986 Series B bondholders is taxable. The interest is not taxable under Louisiana state tax law. The 1984 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1995 on the bonds refunded was \$19,750,883.

In June 1993, the City issued \$33,698,716 in Water and Sewer Revenue Bonds (1993 Refunding Series A) to advance refund a portion of the 1986C Bonds. The proceeds, net of issuance costs, and costs for converting and remarketing the 1986 Series A Bonds, were used to purchase U.S. government and agencies securities. Payment of the scheduled principal and interest on the bonds



when due are secured by a portion of the payments to be received from a Guaranteed Investment Contract and are insured by a municipal bond new insurance policy. On December 1, 1996, the proceeds of the government and agencies securities will be used to defease \$39,910,000 of the 1986 Refunding Series C Bonds.

On December 1, 1996, the Guaranteed Investment Contract provides \$40,940,000 of which \$40,725,000 will be used to pay the 1993A Bonds. The remaining \$215,000 will be used to pay debt service on the 1986C Bonds that are outstanding after December 1, 1996. The principal outstanding on the bonds to be refunded is \$45,595,000 at December 31, 1995.

The City has authorization for \$16,900,000 of unissued water and sewer revenue bonds which are anticipated to be sold in 1996. These bonds are from a total of \$45 million of water and sewer bonds authorized on March 23, 1993.

The resolutions applicable to the Department of Water and Sewerage Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Department of Water and Sewerage. Retained earnings of the Department of Water and Sewerage have been restricted in accordance with the provisions of the respective bond indentures in the amount of \$4,396,061 at December 31, 1995, which represents the restricted assets included in the various debt service reserve funds and bond principal and interest sinking funds at that date less current liabilities payable from these restricted assets of \$7,753,250. The 1968, 1978 and 1985 Bond Construction Funds and the 1986 Series C Bonds do not require a reservation of retained earnings.

The City has debt covenants with respect to the various Water and Sewer bond issues to fix and collect rates and charges for all water and sewerage services supplied by the System which will be sufficient in each fiscal year, after making due allowance for delinquencies in collection and after providing for the payment of the reasonable and necessary expenses of operating and maintaining the System, to produce net revenues (i) sufficient to pay debt service on all outstanding city bonds and to maintain the funds and accounts as provided in the bond resolution and (ii) which result in each fiscal year in the greater of (a) the sum of debt service payable on the city bonds in the ensuing fiscal year plus any required deposit to the Debt Service Reserve Fund, or (b) a ratio of net revenues to average annual debt service of not less than 1.25 to 1, the required debt service coverage ratio.

Restricted assets on the balance sheet of the Department of Water and Sewerage primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness (construction, debt service, and bond principal and interest sinking funds). A summary of restricted assets by fund at December 31, 1995 and 1994 follows:

<u>Fund</u>	<u>1995</u>	<u>1994</u>
1968 Bond Construction Fund	\$ 11,863	\$ --
1978 Bond Construction Fund	42,302	266,091
1985 Bond Construction Fund	1,682,473	1,486,767
1989 Bond Construction Fund	991,104	472,883
1990A Bond Construction Fund	2,362,347	3,693,964
1990B Bond Construction Fund	286,742	95,974
1991A Bond Construction Fund	4,275,617	4,574,862
1992A Bond Construction Fund	893,034	2,110,460
1992B Bond Construction Fund	590,891	1,006,762
1993B Bond Construction Fund	6,514,882	8,697,791
Debt Service Reserve Funds	11,117,719	11,124,367
Bond and Interest Sinking Funds	1,047,603	1,090,820

Due from Other Governmental Units	382,965	1,030,636
1986C Guaranteed Investment Contract	41,499,921	42,110,745
1993A Guaranteed Governmental Investments (Escrow)	37,847,331	35,605,629
1994A Bond Construction Fund	<u>26,472,177</u>	<u>26,097,057</u>
Total restricted assets	<u>\$136,018,971</u>	<u>\$139,464,808</u>

Shreveport Home Mortgage Authority Bonds

On March 14, 1995, the Authority issued \$4,435,000 in bonds, the 1995 Issue (Multi-Family Refunding), to advance refund the \$4,360,000 1983-B Issue bearing interest at 6.4% and pay part of the issuance costs of the new bonds. The new bonds in the amount of \$4,360,000 are non-taxable and bear interest at a fixed rate of 6.4% until the initial adjustment date of March 1, 2006. Bonds in the amount of \$75,000 are taxable and bear interest at a fixed rate of 8.45%. In conjunction with the issue of the new bonds, the note receivable of \$4,360,000 was related to the 1983-B Issue was canceled and a new note receivable of \$4,435,000 issued to the investor. The scheduled payments for the note are the same as the 1995 Issue (Multi-Family Refunding) bonds and bears interest at the same rates.

On December 20, 1995, the Authority issued \$9,450,000 in bonds, the 1995 Issue (Single Family), in anticipation of advance refunding the remaining \$1,434,504 of the 1985 Issue (Single Family) and providing funds for new mortgage loan programs. The new bonds bear interest at the rate of 4.25% to 6%. Net proceeds in the amount of \$1,477,821 of the new bonds were used to purchase U.S. government securities, which were deposited with the Trustee to redeem the 1985 Issue in January of 1996. The 1985 Issue was not defeased at December 31, 1995 and is therefore reflected as an indebtedness of the Authority in the December 31, 1995 financial statements.

The 1979 issue bonds are considered defeased and have been removed from the Authority's financial statements. At December 31, 1995, \$44,040,000 of bonds in the 1979 issue are still outstanding.

(10) Transit System

The Shreveport Area Transit System (Transit System) is managed and operated for the City by a management company pursuant to an agreement which expires September 30, 1996. Based on terms of the agreement, management fees included in operating expenses for 1995 and 1994 were \$151,608 and \$149,160 respectively. The City is required to reimburse the management company for the excess of expenses over revenues derived from the operation of the Transit System. Pursuant to an agreement between the City of Shreveport and the City of Bossier City, Bossier City will pay the Transit System for the excess of expenses incurred over revenues derived from operations of transit services in Bossier City. During 1995 and 1994 respectively, the City reimbursed the Transit System \$2,470,937 and \$2,238,049. Bossier City reimbursed the Transit System \$173,762 and \$165,607 in 1995 and 1994 respectively.

(11) Changes in Contributed Capital

The following changes in contributed capital occurred during the year:



	Municipal and Regional Airports	Shreveport Area Transit System	Department of Water and Sewerage	Golf	Retained Risk	Total
Balance at January 1, 1995	\$26,252,632	\$8,317,480	\$86,637,283	\$316,988	\$2,555,600	\$124,079,983
Contributions:						
Federal and state grants	1,389,917	113,366	275,641	--	--	1,778,924
Contractors/others	--	--	742,047	--	--	742,047
City funds	--	411,856	--	81,668	--	493,524
	1,389,917	525,222	1,017,688	81,668	--	3,014,495
Amortization of contribution	(1,070,052)	(807,875)	(1,429,915)	--	--	(3,307,842)
Recognition of liability from general long-term debt	--	--	--	--	(840,000)	(840,000)
Balance at December 31, 1995	<u>\$26,572,497</u>	<u>\$8,034,827</u>	<u>\$86,225,056</u>	<u>\$398,656</u>	<u>\$1,715,600</u>	<u>\$122,946,636</u>

**(12) Other Individual Fund Disclosures**

**A. Interfund Receivables and Payables**

The following balances at December 31, 1995 represent individual interfund receivables and payables:

	Interfund Receivables	Interfund Payable
General Fund	\$ 53,161	\$11,192,368
Special Revenue Funds:		
Economic Development	165,240	--
Community Development Block Grant	1,946	--
Metropolitan Planning Commission	--	5,989
Community Partnership	--	20,220
Riverfront Development	--	1,568,185
Police Grants	--	124,473
Capital Projects Funds:		
1980 General Obligation Bond	3,813	31,715
1983 General Obligation Bond	1,556,076	--
1989 General Obligation Bond	388,823	543
1990 General Obligation Bond	712,906	2,509
1991 General Obligation Bond	492	2,135
1993 General Obligation Bond	--	475,956
1993B General Obligation Bond	--	791,863
Miscellaneous Capital Projects	7,391,554	--
Enterprise Funds:		
Shreveport Area Transit	201,076	--
Department of Water and Sewerage	--	444,965
Golf	--	832
Municipal and Regional Airports	--	61,563
Internal Service Funds:		
Retained Risk	5,481,642	27,538
Pension Trust Funds:		
Employees' Retirement System	--	531,630
Firemen's Pension and Relief	--	364,408
Policemen's Pension and Relief	--	309,837
Totals	<u>\$15,956,729</u>	<u>\$15,956,729</u>

**B. Operating transfers in and out by fund for the year 1995:**

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 937,800	\$ 2,210,949
Special Revenue Funds:		
Economic Development Fund	500,000	--
Community Development Block Grant Fund	1,455	62,241
Metropolitan Planning Commission Fund	729,054	--
Riverfront Development Fund	15,600	2,796,504
Police Grants Fund	181,100	--
Debt Service Fund	2,429,199	--
Capital Projects Funds:		
1980 General Obligation Bond Fund	3,432,217	182,458
1983 General Obligation Bond Fund	841,450	3,404,247
1989 General Obligation Bond Fund	3,058,786	1,148,527
1990 General Obligation Bond Fund	7,995,296	203,772
1991 General Obligation Bond Fund	--	733,414
1993 General Obligation Bond Fund	445	2,058,876
1993B General Obligation Bond Fund	--	7,551,714
Miscellaneous Capital Projects Fund	838,400	--
Enterprise Funds:		
Municipal and Regional Airports Fund	--	937,800
Golf Fund	224,700	--
Internal Service Fund:		
Retained Risk Fund	<u>105,000</u>	<u>--</u>
 Total	 <u>\$21,290,502</u>	 <u>\$21,290,502</u>

### C. Segment Information

The City maintains four Enterprise Funds which provide airport, transit, water and sewerage services and operation of three golf courses. Segment information for the years ended December, 31, 1995 and 1994 is as follows:

	Municipal and Regional Airports	Shreveport Area Transit System	Department of Water and Sewerage	Golf	Totals	
					1995	1994
OPERATING REVENUES	\$ 4,943,313	1,971,160	36,043,731	1,203,362	\$ 44,161,566	\$ 43,268,871
DEPRECIATION AND AMORTIZATION EXPENSE	\$ 1,834,795	807,875	7,129,443	23,454	\$ 9,795,567	\$ 10,177,416
OPERATING INCOME (LOSS)	\$ 18,012	(5,021,839)	7,479,481	(150,358)	\$ 2,325,296	\$ 3,533,359
OPERATING SUBSIDIES	\$ --	4,237,164	--	--	\$ 4,237,164	\$ 4,107,770
OPERATING TRANSFERS IN	\$ --	--	--	224,700	\$ 224,700	\$ --
OPERATING TRANSFERS OUT	\$ 937,800	--	--	--	\$ 937,800	\$ 937,800
NET INCOME (LOSS)	\$ 293,450	(807,875)	4,630,098	69,144	\$ 4,184,817	\$ 2,909,639
CONTRIBUTED CAPITAL	\$ 1,389,917	525,222	1,017,688	81,668	\$ 3,014,495	\$ 4,524,713
TOTAL ASSETS	\$ 34,986,637	9,715,606	388,465,075	418,108	\$ 433,585,426	\$ 429,576,972
BONDS AND OTHER LONG-TERM LIABILITIES PAYABLE FROM OPERATING REVENUES	\$ 6,200,000	--	132,375,923 (1)	63,476	\$ 138,639,399	\$ 143,483,868
TOTAL EQUITY	\$ 28,391,646	8,034,827	173,378,895	255,473	\$ 210,060,841	\$ 203,604,079
NET WORKING CAPITAL (DEFICIENCY) EXCLUDES LIA- BILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 4,727,675	814,655	12,380,661	(68,634)	\$ 17,854,357	\$ 16,599,334
FIXED ASSETS:						
ADDITIONS	\$ 1,737,740	491,137	12,388,158	156,289	\$ 14,773,324	\$ 14,874,503
DELETIONS	\$ --	225,217	196,230	--	\$ 421,447	\$ 1,127,197

(1) Does not include 1993A Revenue Bonds of \$38,748,043 and 1986C Revenue Bonds of \$39,910,000 to be redeemed through funds held in escrow.

**(13) Retirement Commitments - Defined Benefit Pension Plans**

**A. Firemen's Pension and Relief Fund (FPRF)**

Plan Description

The City contributes to the Firemen's Pension and Relief Fund (FPRF), a single-employer defined benefit pension plan. The current-year payroll for employees covered under the FPRF is \$5,704,329. Total current-year payroll for all City employees is \$68,547,105.

The Firemen's Pension and Relief Fund temporarily covers firefighters who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plans but not the state plan. As of December 31, 1995, there are 174 retirees and beneficiaries currently receiving benefits, 142 active firemen which are fully vested and 48 nonvested active firemen which hold guarantee-of-benefits contracts. Only the employer makes contributions on a pay-as-you-go basis. The employer contribution obligations are established by State statutes. Besides pay-as-you-go, the City has also begun to contribute an actuarially-determined amount each year to the local plan to provide for future liabilities.

Until January 1, 1983, the Firemen's Pension and Relief fund provided the primary retirement benefits for two groups of employees. Firefighters hired before July 12, 1977 were covered under an "Old Plan." Firefighters hired on or after July 12, 1977 were covered by a "New Plan". Under the Old Plan, a firefighter was eligible to retire at any age with 20 years of service. Benefits are payable monthly for life equal to 50% of the fireman's monthly salary, plus 3 1/3% for each year of service between 20 and 25 years, plus 1 2/3% for each year of service between 25 and 30 years. Under the New Plan, a firefighter is eligible to retire at age 50 with 20 years of service or age 55 with 12 years of service. Benefits are 2 1/2% of three-year average pay times years of service up to 10, plus 3% of each year of service over 10. The benefit cannot exceed 85% of final salary. The City guarantees that it will pay the benefits under the Old and New Plans until the member is eligible for a benefit from the Statewide Firefighters Retirement System. It also guarantees to pay the excess benefit of these plans over the Statewide Firefighters Retirement System.

Disability benefits are payable under the Old Plan on the basis of: (1) temporary total disability in the line of duty, (2) total disability in the line of duty, (3) occupational disability in the line of duty, or (4) total disability not in the line of duty. Disability benefits payable are (1) 66 2/3% of the monthly salary, payable for no more than one year; (2) 66 2/3% of the salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled is payable for the duration of the disability or until the member reaches eligibility for retirement on service basis, except the benefit will end as of the time when the member would have completed 30 years of service; (3) 50% of salary of active members holding the position corresponding to that held by the disabled, not to exceed 66 2/3% of first class hoseman's salary, payable for duration of disability or until eligible for service retirement; and (4) 25% of salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled, plus an additional 2% of such salary for each year of service over 5 years, but not to exceed 50% of a first class hoseman's salary payable for the duration of the disability. Under the New Plan, the disability benefit is (1) 60% of the fireman's monthly salary or (2) 75% of the accrued benefit. The City guarantees it will pay any excess of the benefits of this plan over the Statewide Firefighters Retirement System.

Under the Old Plan, death benefits equal to 50% of a beginning fireman's salary are payable to a surviving spouse. The City guarantees that it will pay this benefit for each fireman holding a guarantee of benefits contract. Under the New Plan, there is not an automatic benefit provided. Death benefits are based on the option chosen by the member at retirement.



There was not a vesting provision under the Old Plan. Members were eligible for benefits only after serving the time requirement for normal retirement. Under the New Plan, members vest after twelve years service and may receive a benefit at age 50 with twenty years service or at age 55 with a minimum of twelve years service. Benefits are established by State statutes.

The guaranteed benefits are paid to a closed group of firefighters. A significant part of the guaranteed benefits are the temporary benefits payable until age 50. The value of these temporary benefits can fluctuate widely, since it directly depends upon how many people retire before age 50. For this reason, contributions are funded on a pay-as-you-go basis for temporary benefits payable to age 50. The guaranteed widow's benefit is amortized over 25 years. Contribution requirements are established by state statutes.

#### Plan Asset Matters

Investments are reported at market value. As of December 31, 1995, the assets of the Firefighters Pension and Relief Fund were invested with \$77,428 in U.S. Government securities and \$2,282,182 in mutual funds. Cash value of life insurance policies was \$1,559,354.

#### 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 any 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 retirement system 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 retirement system.

The pension benefit obligation was computed as of December 31, 1995 as part of an actuarial update of the December 31, 1994 actuarial valuation. Significant actuarial assumptions used in the valuation include: (a) a rate of return on the investments present and future assets of 9.0% annually; (b) a 5% rate of annual individual salary increase for active members with 3.5% attributable to inflation and 1.5% attributable to seniority/merit; some postretirement benefit increases at 5% and other benefits at 3.5%; (c) a Consumer Price Index (CPI) increase at a rate of 3.5% per year; (d) preretirement and post retirement mortality based on the UP-1984 Unisex Mortality Table; and (e) all eligible employees will retire no later than age 66. As the plan allows full benefits at ages younger than the traditional "65", an assumption that will have an important impact is what percentage of people who are eligible for this early retirement will actually take advantage of it.

At December 31, 1995, an actuarial update of the December 31, 1994 actuarial valuation was completed, and the pension benefit obligation was as follows:

CITY OF SHREVEPORT, LOUISIANA  
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
 BY FUNCTION AND ACTIVITY  
 FOR THE YEAR ENDED DECEMBER 31, 1995

Function and Activity	General Fixed Assets January 1, 1995	Additions	Deductions	General Fixed Assets December 31, 1995
<b>General government:</b>				
Mayor	\$ 27,817	\$ 4,400	\$ --	\$ 32,217
Chief administrative officer	499,242	26,210	6,189	519,263
City attorney	34,030	3,000	--	37,030
Metropolitan planning commission	259,304	218,360	--	477,664
Finance	3,588,808	319,557	4,954	3,903,411
City council	13,237	--	--	13,237
Internal audit	40,226	--	--	40,226
<b>Public works:</b>				
Administration and engineering	4,711,259	1,263,731	--	5,974,990
Permits and inspections	552,648	22,540	6,509	568,679
	<u>9,726,571</u>	<u>1,857,798</u>	<u>17,652</u>	<u>11,566,717</u>
<b>Public safety:</b>				
Police	9,103,018	894,163	249,847	9,747,334
Fire	14,707,875	493,120	23,509	15,177,486
Police and fire academy	1,232,237	20,290	--	1,252,527
	<u>25,043,130</u>	<u>1,407,573</u>	<u>273,356</u>	<u>26,177,347</u>
Highways and streets	944,213	591,942	176,328	1,359,827
Sanitation	20,906,912	641,632	25,639	21,522,905
Cultural and recreation	83,819,711	661,259	70,965	84,410,005
Construction in progress	2,140,413	1,891,769	347,676	3,684,506
<b>Total general fixed assets</b>	<u><u>\$ 142,580,950</u></u>	<u><u>\$ 7,051,973</u></u>	<u><u>\$ 911,616</u></u>	<u><u>\$ 148,721,307</u></u>

See accompanying notes to combined financial statements.

## **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

The General Long-Term Debt Account Group represents a summary of the general debt of the City including special assessment debt with governmental commitment; additional debt is outstanding in the Enterprise Funds.

CITY OF SHREVEPORT, LOUISIANA  
 SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

	January 1, 1995	Additions	Payments/ Reductions	Debt Service Fund Operations	December 31, 1995
Amount available in Debt Service Fund	\$ 12,009,477	\$ --	\$ --	\$ 3,264,154	\$ 15,273,631
Amount to be provided for payment of accrued vacation	1,498,953	943,036	935,389	--	1,506,600
Amount to be provided for payment of claims and judgments	840,000	--	840,000	--	--
Amount to be provided for retirement of general obligation bonds/notes	155,972,583	396,474	9,783,852	(3,264,154)	143,321,051
Amount to be provided for payment of capital leases	38,680	--	38,680	--	--
Amount to be provided for payment of pension liability	40,685,096	--	2,319,881	--	38,365,215
Amount to be provided for post-closure care of landfill	570,000	318,000	--	--	888,000
<b>Totals</b>	<u>\$ 211,614,789</u>	<u>\$ 1,657,510</u>	<u>\$ 13,917,802</u>	<u>\$ --</u>	<u>\$ 199,354,497</u>
Long-term obligations payable:					
Accrued vacation	\$ 1,498,953	\$ 943,036	\$ 935,389	\$ --	\$ 1,506,600
Claims and judgments	840,000	--	840,000	--	--
General obligation bonds/notes	167,982,060	396,474	9,783,852	--	158,594,682
Capital leases	38,680	--	38,680	--	--
Pension liability	40,685,096	--	2,319,881	--	38,365,215
Landfill post-closure care liability	570,000	318,000	--	--	888,000
<b>Totals</b>	<u>\$ 211,614,789</u>	<u>\$ 1,657,510</u>	<u>\$ 13,917,802</u>	<u>\$ --</u>	<u>\$ 199,354,497</u>

See accompanying notes to combined financial statements.



CITY OF SHREVEPORT, LOUISIANA  
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year Ended	General Government	Public Safety	Highways and Streets	Sanitation	Health and Welfare	Cultural and Recreation
1986	\$26,046,693	\$27,934,396	\$9,163,584	\$7,831,032	\$ --	\$8,033,656
1987	25,074,546	27,992,140	7,700,742	6,130,582	--	7,074,111
1988	23,373,886	29,694,192	6,934,201	7,647,985	--	6,823,503
1989	24,459,774	30,282,507	6,950,907	8,857,853	--	5,873,342
1990	25,585,833	33,668,860	7,747,561	8,309,273	--	6,867,031
1991	26,426,734	35,217,973	7,803,523	8,614,152	--	7,075,851
1992	25,890,352	35,495,047	8,440,969	9,678,326	262,026	7,574,686
1993	21,456,008 (1)	47,276,791 (2)	7,405,907	10,668,421	328,122	8,088,751
1994	27,358,947	48,624,309	10,818,984	14,420,615	403,518	9,238,424
1995	30,888,942	51,541,031	9,593,210	16,395,033	359,734	10,029,829

Includes general, special revenue and debt service funds.

(1) In 1993, State merger payments for the Police and Firemen's Pension funds of \$5,344,453 were paid out of Public Safety. Previously, they were paid out of General Government.

(2) In addition to the increase noted in (1) above, Public Safety had a significant increase in salaries and wages between 1992 and 1993.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
 GENERAL FUND EXPENDITURES BY FUNCTION  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year Ended	General Government	Public Safety	Highways and Streets	Sanitation	Cultural and Recreation	Total
1986	\$25,424,156	\$27,934,396	\$9,163,584	\$7,831,032	\$7,966,323	\$78,319,491
1987	24,649,926	27,992,140	7,700,742	6,130,582	6,923,381	73,396,771
1988	21,691,992	29,694,192	6,934,201	7,647,985	6,753,140	72,721,510
1989	22,682,732	30,282,507	6,950,907	8,857,853	5,801,221	74,575,220
1990	23,598,901	33,668,860	7,747,561	8,309,273	6,713,043	80,037,638
1991	24,345,272	35,217,973	7,803,523	8,614,152	6,911,094	82,892,014
1992	25,164,032	35,048,042	8,440,969	9,678,326	7,404,459	85,735,828
1993	20,344,665 (1)	46,353,062 (2)	7,405,907	10,668,421	7,952,053	92,724,108
1994	26,520,075	48,516,948	10,818,984	14,420,615	9,093,322	109,369,944
1995	29,915,477	50,451,000	9,593,210	16,395,033	9,816,436	116,171,156

(1) In 1993, State merger payments for the Police and Firemen's Pension funds of \$5,344,453 were paid out of Public Safety. Previously, they were paid out of General Government.

(2) In addition to the increase noted in (1) above, Public Safety had a significant increase in salaries and wages between 1992 and 1993.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
GENERAL GOVERNMENTAL REVENUES BY SOURCE  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year Ended	Taxes	Licenses and Permits	Inter-governmental	Charges for Services	Fines and Forfeitures	Special Assessments	Use of Money and Property	Gaming	Miscellaneous	Total
1986	\$71,464,804	\$4,135,127	\$12,884,206	\$7,446,457	\$2,082,525	--	\$ 754,110	--	\$1,976,535	\$100,743,764
1987	69,357,092	4,136,815	10,098,280	6,398,860	2,456,687	--	974,357	--	2,335,681	95,757,772
1988	72,857,702	4,325,950	8,977,966	7,853,824	3,332,650	--	786,809	--	1,962,732	100,097,633
1989	71,575,268	4,304,464	8,605,739	8,586,664	3,453,207	--	824,038	--	1,593,072	98,942,452
1990	83,365,097	4,720,998	10,143,923	9,657,786	2,476,375	--	645,236	--	2,941,352	113,950,767
1991	88,449,635	4,909,913	9,377,914	10,440,934	2,925,917	--	412,192	--	1,586,918	118,103,423
1992	92,452,677	5,066,307	11,590,582	12,347,417	2,590,093	18,332	1,334,012	--	1,909,172	127,308,592
1993	96,232,554	5,312,624	12,243,756	13,266,800	2,559,016	15,832	1,533,312	--	2,022,421	133,186,315
1994	101,640,909	5,621,340	20,260,037	16,073,377	2,807,106	17,112	2,130,230	3,371,774	1,937,468	153,859,353
1995	106,051,704	5,704,505	13,653,901	17,924,530	3,343,529	15,779	2,800,754	6,436,562	1,816,735	157,747,999

Includes general, special revenue and debt service funds.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND REVENUES BY SOURCE  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

<u>Fiscal Year Ended</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter-governmental</u>	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>	<u>Use of Money and Property</u>	<u>Miscellaneous</u>	<u>Total</u>
1986	\$56,089,335	\$4,135,127	\$2,355,508	\$7,446,457	\$2,082,525	\$ 850,975	\$ 630,589	\$73,590,516
1987	54,290,207	4,136,815	1,703,352	6,398,860	2,456,687	1,370,919	649,968	71,006,808
1988	57,084,490	4,325,950	1,286,000	7,853,824	2,723,268	1,401,632	864,506	75,539,670
1989	57,056,285	4,304,464	1,350,090	8,586,664	2,786,318	1,352,913	434,943	75,871,677
1990	67,367,378	4,720,998	1,662,743	9,637,786	2,069,816	1,119,745	1,041,042	87,619,508
1991	69,696,745	4,909,913	1,837,772	10,440,934	2,364,201	926,492	361,934	90,537,991
1992	72,566,178	5,066,307	1,769,422	12,347,417	2,590,093	1,197,517	544,337	96,081,271
1993	75,561,693	5,312,624	2,699,243	13,266,800	2,559,016	1,130,319	440,614	100,970,309
1994	80,169,690	5,621,340	3,807,412	16,073,377	2,807,106	1,425,668	1,175,950	111,080,543
1995	83,915,635	5,704,505	3,930,255	17,924,530	3,343,529	1,447,979	608,766	116,875,199

Unaudited - see accompanying audit report.



Table 3

CITY OF SHREVEPORT, LOUISIANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year Ended	Total Tax Levy(2)	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collected	Ratio of Total Collections to Tax Levy
1986	\$30,820,062	\$28,192,387	91.5 %	\$1,894,491	\$30,086,878	97.6 %
1987	29,957,429	27,665,354	92.3	2,455,428	30,120,782	100.5
1988	29,987,094	27,587,536	92.0	1,783,771	29,371,307	97.9
1989	30,313,713	28,041,235	92.5	1,777,434	29,818,669	98.4
1990	31,076,068	29,297,795	94.3	1,860,277	31,158,072	100.3
1991	33,551,881	31,363,220	93.5	1,779,745	33,142,965	98.8
1992	35,396,942	33,500,687	94.6	1,760,564	35,261,251	99.6
1993	36,402,501	34,560,589	94.9	1,670,651	36,231,240	99.5
1994	37,825,061	35,991,105	95.2	1,621,533	37,612,638	99.4
1995	39,316,657	37,490,472 (1)	95.4	1,090,247	38,580,719	98.1

(1) Current collections through February 29, 1996. Taxes collected after 60 days from the year-end are recorded in the prior year's delinquent tax column. Collections for 1995 will continue until November, 1996 when 1996 taxes are billed.

(2) Beginning in 1987, total tax levy is adjusted for Louisiana Tax Commission (LTC) orders (property tax account adjustments).

Unaudited - see accompanying audit report.

Table 4

CITY OF SHREVEPORT, LOUISIANA  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Assessed Value	Estimated Actual Value	Ratio Assessed Value to Estimated Actual Value
1986	\$742,646,760	\$6,342,606,900	11.7%
1987	731,416,800	6,294,521,334	11.6
1988	683,556,860	5,861,241,899	11.7
1989	694,196,980	5,955,708,946	11.7
1990	687,032,850	5,882,603,681	11.7
1991	694,128,660	5,922,191,186	11.7
1992	692,954,330	5,890,489,213	11.8
1993	711,696,460	6,027,866,720	11.8
1994	736,649,960	6,193,177,580	11.9
1995	763,224,730 (1)	6,430,617,133	11.9

## Note:

Assessed values are established by the Caddo 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. The next revaluation will be completed as of January 1, 1996 for the 1996 tax roll.

(1) Included in the total assessed value of property within the City is \$7,769,890 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, 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 (In Dollars Per \$1000 of Assessed Value)			Tax Levies			
	City	School	Parish	City(1)	School	Parish	Total
1986	\$41.50	\$46.92	\$23.19	\$30,820,062	\$33,300,000	\$16,911,455	\$81,031,517
1987	41.50	46.42	29.19	29,957,429	31,800,000	20,421,300	82,178,729
1988	44.01	54.52	32.79	29,987,094	33,908,000	20,814,698	84,709,792
1989	44.01	54.52	38.29	30,313,713	33,664,079	24,060,163	88,037,955
1990	45.51	53.27	38.29	31,076,068	32,081,416	23,461,921	86,619,405
1991	48.51	53.17	42.46	33,551,881	32,465,020	25,925,611	91,942,512
1992	51.34	56.13	41.93	35,396,942	35,019,949	26,615,158	97,032,049
1993	51.34	55.68	42.53	36,402,501	36,630,049	27,466,995	100,499,545
1994	51.34	54.98	38.72	37,825,061	37,720,491	25,711,970	101,257,522
1995	51.34	54.58	38.22	39,316,657	37,640,523	26,786,334	103,743,514

Note: Property was revalued for January 1, 1992.

(1) Beginning in 1987, total tax levy is adjusted for Louisiana Tax Commission (LTC) orders (property tax account adjustments).

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
 SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Amount of Installment Assessments Due	Total Revenue Collected	Percentage of Revenue To Assessments Due
1986	\$220,475	\$260,717	118.3%
1987	204,228	239,186	117.1
1988	209,243	258,570	123.6
1989	186,626	245,154	131.4
1990	163,059	177,346	108.8
1991	148,318	155,264	104.7
1992	124,263	111,628	89.8
1993	68,619	79,173	115.4
1994	41,088	75,637	184.1
1995	26,034	58,564	225.0

Unaudited - see accompanying audit report.



CITY OF SHREVEPORT, 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 (1)	Assessed Value	Gross Bonded Debt(2)	Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Debt Per Capita
1986	216,429	\$742,646,760	\$136,162,527	\$16,722,004	\$119,440,523	16.1%	\$552
1987	217,718	731,416,800	129,174,002	19,203,572	109,970,430	15.0	505
1988	217,435	683,556,860	115,643,933	16,912,439	98,731,494	14.4	454
1989	217,842	694,196,980	109,364,778	12,855,153	96,509,625	13.9	443
1990	198,525	687,032,850	151,662,527	11,013,327	140,649,200	20.5	708
1991	198,782	694,128,660	150,364,324	9,731,195	140,633,129	20.3	707
1992	198,872	692,954,330	140,491,868	8,141,150	132,350,718	19.1	666
1993	194,186	711,696,460	150,795,449	10,563,368	140,232,081	19.7	722
1994	201,365	736,649,960	167,982,060	12,009,477	155,972,583	21.2	775
1995	195,815	763,224,730 (3)	158,594,682	15,273,631	143,321,051	18.8	732

## Note:

(1)Source: Metropolitan Planning Commission

(2)Includes all general obligation debts payable from assessed property taxes.

(3)Included in the total assessed value of property within the City is \$7,769,890 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 1995

	Street Improvements	Police and Fire	Water and Sewer Improvements	Parks and Recreation	Public Buildings	Drainage	Sanitation and Incinerator	Industrial Bond	Airports
Assessed value	\$763,224,730(1)								
Debt limit - 10% of assessed value for any one purpose (2)	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473	\$76,322,473
Deduct - Amount of debt applicable to debt limit	83,760,999	2,627,254	2,259,874	10,070,770	2,162,626	45,703,087	2,908,199	333,424	1,430,944
Legal debt margin	<u>(\$7,438,526)</u>	<u>\$73,695,219</u>	<u>\$74,062,599</u>	<u>\$66,251,703</u>	<u>\$74,159,847</u>	<u>\$30,619,386</u>	<u>\$73,414,274</u>	<u>\$75,989,049</u>	<u>\$74,891,529</u>

Note:

(1) Included in the total assessed value of property within the City is \$7,769,890 of assessed value which has been adjudicated to Caddo Parish.

(2) State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. A total of \$115,871,479 of additional bonded debt is available for issuance pursuant to the 35% limitation.

Unaudited - see accompanying audit report.

Table 9

CITY OF SHREVEPORT, LOUISIANA  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 1995

Direct Debt	Gross Debt	Exclusions(1)	Amount Available Debt Service Fund	Net Debt	Percentage of Debt Applicable to the City(2)	City's Share of Debt
<u>City of Shreveport</u>						
General Obligation Bonds	\$153,633,138	\$ 2,375,961	\$15,273,631	\$135,983,546	100%	\$135,983,546
General Obligation Notes	13,610,981	6,273,476	--	7,337,505	100	7,337,505
Total Direct Debt	<u>167,244,119</u>	<u>8,649,437</u>	<u>15,273,631</u>	<u>143,321,051</u>		<u>143,321,051</u>
<u>Overlapping Debt</u>						
Caddo Parish Commission	28,930,000	--	8,704,467	20,225,533	80	16,180,426
Caddo Parish School Board	31,655,000	--	1,165,591	30,489,409	80	24,391,527
Total Overlapping Debt	<u>60,585,000</u>	<u>--</u>	<u>9,870,058</u>	<u>50,714,942</u>		<u>40,571,953</u>
Total Direct and Overlapping Debt	<u>\$227,829,119</u>	<u>\$ 8,649,437</u>	<u>\$25,143,689</u>	<u>\$194,035,993</u>		<u>\$183,893,004</u>

## Note:

- (1) Exclusions represent general obligation bonds and notes issued for enterprise fund purposes which are payable from those funds.  
(2) Based on 1992 assessed valuation.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
 FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Principal	Interest and Other Costs	Total Debt Service	Total General Governmental Expenditures(1)	Debt Service as a Percentage of General Expenditures
1986	\$1,948,952	\$3,432,152	\$5,381,104 (2)	\$78,319,491	6.9 %
1987	8,692,667	5,857,256	14,549,923	73,396,771	19.8
1988	14,229,070	4,072,115	18,301,185	72,721,510 (3)	25.2
1989	15,018,155	3,726,978	18,745,133	74,575,220	25.1
1990	15,655,171	2,750,631	18,405,802	80,037,638	23.0
1991	16,698,204	3,380,376	20,078,580	82,892,014	24.2
1992	11,347,935	10,217,969	21,565,904	85,735,828	25.2
1993	8,881,482	9,684,203	18,565,685	92,724,108	20.0
1994	9,028,328	11,117,431	20,145,759	109,369,944	18.4
1995	9,783,852	11,566,450	21,350,302	116,171,156	18.4

(1)Includes General Fund only.

(2)Decrease due to refunding of general obligation bonds.

(3)City Marshal and City Courts were recorded in special revenue funds beginning in 1988, and as component units beginning in 1993.

Unaudited - see accompanying audit report.

Table 11

CITY OF SHREVEPORT, LOUISIANA  
 REVENUE BOND COVERAGE  
 WATER AND SEWER 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 Requirement		Times Coverage
				Principal	Interest	
1986	\$26,187,059	\$15,571,402	\$10,615,657	\$3,190,000	\$4,677,228	1.35
1987	25,137,276	15,536,161	9,601,115	2,165,000	4,321,079	1.48
1988	24,951,323	15,105,300	9,846,023	2,565,000	4,334,488	1.43
1989	28,175,649	16,202,258	11,973,391	4,013,737	5,025,183	1.32
1990	29,382,104	16,795,895	12,586,209	4,065,486	4,959,710	1.39
1991	29,178,129	17,567,346	11,610,783	4,042,240	4,953,408	1.29
1992	28,659,087	17,577,833	11,081,254	4,267,780	4,582,820	1.25
1993	34,161,489	18,779,341	15,382,148	5,035,633	4,026,227	1.70
1994	39,876,054	19,378,537	20,497,517	6,088,491	4,790,666	1.88
1995	42,554,739	21,434,807	21,119,932	6,102,241	4,769,601	1.94

## Notes:

- (1) Includes operating revenues and interest income.  
 (2) Before depreciation and amortization expenses.

Unaudited - see accompanying audit report.



CITY OF SHREVEPORT, LOUISIANA  
 DEMOGRAPHIC STATISTICS  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Median Age(2)</u>	<u>School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>
1986	216,429	31.0	49,937	13.2%
1987	217,718	31.3	50,799	9.1
1988	217,435	31.4	52,135	9.6
1989	217,842	31.8	50,643	9.8
1990	198,525	31.7	49,797	7.6
1991	198,782	32.5	50,554	7.4
1992	198,872	32.5	49,154	6.5
1993	194,186	33.2	48,795	6.3
1994	201,365	33.4	49,310	6.7
1995	195,815	33.3	49,139	5.6

## Sources:

- (1)Metropolitan Planning Commission
- (2)Sales and Marketing Management Publication
- (3)Caddo Parish School Board
- (4)Office of Employment Security

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Commercial Construction(1)		Residential Construction(1)		Property Value(2)	
	Number of Units	Value	Number of Units	Value	Commercial	Residential
1986	224	\$58,172,071	305	\$30,964,245	\$5,161,394,982	\$2,265,072,618
1987	181	43,516,075	163	15,720,401	5,083,346,760	2,230,821,240
1988	143	21,551,566	102	10,448,694	2,945,721,599	2,915,520,300
1989	129	19,794,437	60	9,427,464	3,072,296,946	2,883,412,000
1990	127	26,844,915	69	9,875,490	2,962,610,681	2,919,993,000
1991	200	12,222,854	97	12,215,040	3,011,757,988	2,910,433,200
1992	24	14,125,672	272	21,873,965	3,083,061,213	2,807,428,000
1993	42	24,778,625	184	24,360,780	3,234,028,120	2,793,838,600
1994	64	28,406,873	233	33,893,896	3,400,207,880	2,792,969,700
1995	79	33,923,714	249	34,100,257	3,530,817,633	2,899,799,500

Bank deposits are not disclosed. Several banks in the City are part of statewide banking operations, and they are not able to isolate the deposits within the City of Shreveport.

Sources:

(1) Permit and Inspection's Annual Reports

(2) Estimated appraised value from the City of Shreveport Revenue Division's Tax Summary

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
PRINCIPAL TAXPAYERS  
DECEMBER 31, 1995

Name	<u>Assessed Value</u>	<u>Tax Amount(1)</u>	<u>Percentage of Assessed Value to Total Assessment</u>
1. South Central Bell Telephone Company	\$30,488,530	\$1,565,281	4.0%
2. Southwestern Electric Power Company	26,107,770	1,340,373	3.4
3. Atlas Processing Company	21,430,970	1,100,266	2.8
4. American Telephone & Telegraph (AT&T) Interstate Division	12,803,170	657,315	1.7
5. Commercial National Bank	12,139,690	623,252	1.6
6. Premier Bank	8,724,740	447,928	1.2
7. NorAm Energy Corporation	8,504,000	436,595	1.1
8. Hibernia Bank	7,066,870	362,813	.9
9. Highland Hospital, HCA Realty	6,607,100	339,209	.9
10. Harrahs Casino	<u>5,478,700</u>	<u>281,276</u>	<u>.7</u>
 Total amount for ten principal taxpayers	 139,351,540	 7,154,308	 18.3
Total for remaining taxpayers	<u>623,873,190</u>	<u>30,670,753</u>	<u>81.7</u>
Total amount for all taxpayers	<u>\$763,224,730</u>	<u>\$37,825,061</u>	<u>100.0%</u>

(1)Beginning in 1987, total tax levy is adjusted for Louisiana Tax Commission (LTC) orders (property tax account adjustments).

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
SUMMARY OF AD VALOREM TAX MILLAGE RATES  
(TAX RATE PER \$1,000 ASSESSED VALUE)  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
Debt Service (1)	\$29.67	\$29.67	\$29.67	\$29.67	\$27.67	\$24.67	\$23.17	\$23.17	\$21.60	\$21.60
General Alimony (2)	12.65	12.65	12.65	12.65	12.16	12.16	12.16	12.16	11.34	11.34
Police Three-Platoon System (2)	1.81	1.81	1.81	1.81	1.74	1.74	1.74	1.74	1.62	1.62
Police and Fire Uniforms & Equipment (3)	1.37	1.37	1.37	1.37	1.32	1.32	1.32	1.32	1.32	1.32
Salary & Wage Schedule (3)	1.37	1.37	1.37	1.37	1.32	1.32	1.32	1.32	1.32	1.32
Street Improvements (3)	1.37	1.37	1.37	1.37	1.32	1.32	1.32	1.32	1.32	1.32
Employee Benefits (3)	2.07	2.07	2.07	2.07	1.99	1.99	1.99	1.99	1.99	1.99
Parks & Recreational Facilities (3)	1.03	1.03	1.03	1.03	.99	.99	.99	.99	.99	.99
<b>Total</b>	<b>\$51.34</b>	<b>\$51.34</b>	<b>\$51.34</b>	<b>\$51.34</b>	<b>\$48.51</b>	<b>\$45.51</b>	<b>\$44.01</b>	<b>\$44.01</b>	<b>\$41.50</b>	<b>\$41.50</b>

(1) Political subdivisions in Louisiana are required to levy without limitation taxes at such rates as may be necessary to service general obligation bonds.

(2) City Council is authorized by Louisiana Constitution to levy, after public hearing by a two-thirds affirmative vote, a millage rate of up to, but not in excess of:

- (a) 12.65 mills for General Alimony
- (b) 1.81 mills for Police Three-Platoon System

(3) Special millage approved by referendum and must be reapproved by referendum every 5 years. (Last submitted and approved on July 18, 1992).

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA  
MISCELLANEOUS STATISTICS  
DECEMBER 31, 1995

Date of settlement	1835
Date of incorporation	1839
Form of government	Mayor-Council
Date established	1978
Area-square miles	117
Lane miles of paved streets	1,530
Police protection:	Municipal
Number of policemen & officers	565
Fire protection:	Municipal
Number of firemen & officers	523
Employees:	
Classified, appointed, elected, and exempt (exclusive of fire and police)	1,899
Recreation:	
Parks - Number of acres	2,642
Number of playgrounds	42
Number of picnic areas	27
Number of municipal golf courses	3
Number of street lights	27,977
Water storage tanks:	
Number of storage tanks	10
Total capacity of water storage tanks	33,000,000 gallons
Municipal water plant:	
Number of accounts	65,087
Daily average consumption	37,359,000 gallons
Miles of water mains - City	977
Miles of water mains - Outside	67
Sewers:	
Number of accounts	62,700
Daily average influent flow	22,416,000
Miles of sewer mains - City	945
Miles of sewer mains - Outside	69
Miles of drainage ditches:	
Paved	408
Non-paved	907
Unaudited - see accompanying audit report.	





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CITY OF SHREVEPORT, LOUISIANA

Supplementary Schedule of Federal  
Financial Assistance (Single Audit)

December 31, 1995

(With Independent Auditors' Report Thereon)

CITY OF SHREVEPORT, LOUISIANA

Supplementary Schedule of Federal Financial Assistance  
(Single Audit)

For the year ended December 31, 1995

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**KPMG** Peat Marwick LLP

1900 Commercial National Tower  
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Shreveport, LA 71101-3692

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana, and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 1996. These financial statements are the responsibility of management of the City of Shreveport, 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 of the City of Shreveport, Louisiana, and the combining, individual fund, and account group financial statements 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 financial statements 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 taken as a whole.

*KPMG Peat Marwick LLP*

March 22, 1996

CITY OF SHREVEPORT, LOUISIANA

Schedule of Federal Financial Assistance

Year ended December 31, 1995

Grant Title	Federal CFDA Number	Grant Number	Grant Revenues Received Cash Basis	Accrued Grant Revenues		Grant Revenues Accrual Basis (3)	City Matching Contributions (3)	1995 Expenditures
				1995 (2)	1994 (2)			
<b>U.S. Department of Transportation:</b>								
Direct Programs:								
Urban Mass Transit Capital (UMTA(4)):								
Sportran 92 Capital Improvements	20.500	LA-90-0126	\$ 30,032	2,248	(101)	32,381	7,972	40,353
Sportran 93 Capital Improvements	20.500	LA-90-0141	157,225	51,435	(23,308)	231,968	47,933	279,901
Sportran 94 Capital Improvements	20.500	LA-90-0155	281,720	51,443	(3,275)	336,438	87,120	423,558
Sportran 94 Capital Improvements	20.500	LA-90-2155	13,208	2,218	—	15,426	1,084	16,510
Sportran 95 Capital Improvements	20.500	LA-90-0164	482,185	108,764	(26,684)	617,633	5,678	7,098
							149,787	767,420
Associated Capital Subsidies (4):								
Sportran 94 Capital Improvements	20.500	LA-90-0155	109,529	—	—	109,529	12,170	121,699
Sportran 95 Capital Improvements	20.500	LA-90-0164	74,024	37,740	—	111,764	21,684	133,448
			183,553	37,740	—	221,293	33,854	255,147
			665,738	146,504	(26,684)	838,926	183,641	1,022,567 (1)
Operating - DOT Operating Assistance (1995)								
Passed through Louisiana State Department of Transportation and Development:	20.507	LA-90-4164	925,692	—	—	925,692	5,027,484	5,953,176 (1)
Transportation and Development:								
Marin Luther King Drive Ditch Improvement	20.205	576-09-0004	230,256	—	—	230,256	934,676	1,164,932
Pierremont Park Drainage	20.205	576-09-0004	—	—	—	—	315,594	315,594
S. Lakeshore Drive Bridge	20.205	M-8910(001)-742-04-86	—	—	—	—	5,215	5,215
Line Avenue - Turn Lane	20.205	M-8885(006)-742-02-21	—	—	—	—	4,819	4,819
Kings Highway at Centenary Intersection	20.205	M-8866-(001/002)-742-00-57/58	—	—	95,199	(95,199)	95,199	—
Greenwood Road @ Pines	20.205	M-0500(022)/M-0500(021)/1-02-0026/700-29-0064	—	—	—	—	14,840	14,840
Lakeshore Drive Extension Widening	20.205	S.P. No. 742-04-26/FAP No. M-8867(002)	—	—	—	—	1,416,952	1,416,952
Youree/Kings Intersection	20.205	53-09-53	230,256	—	—	230,256	39,650	39,650
						135,057	2,826,945	2,962,002
Total U.S. Department of Transportation			1,821,686	146,504	68,515	1,899,675	8,038,070	9,937,745
<b>U.S. Department of Housing and Urban Development:</b>								
Direct Programs:								
Community Development Block Grant	14.218	MC-22-0007	4,358,279	234,862	724,468	3,868,673	1,972	3,870,645
Emergency Shelter	14.218	MC-22-0003	130,102	(5,818)	10,940	113,345	10,940	124,285
			4,488,382	229,044	735,408	3,982,018	12,912	3,994,930 (1)
HOME Investment in Affordable Housing	14.239	MC-22-0200	1,118,787	51,796	275,715	894,868	—	894,868 (1)
Home Ownership and Opportunity for People Everywhere	14.240	LA-0004-I-A	67,295	22,027	2,538	86,784	—	86,784
Rental Rehabilitation Grant	14.230	MC-22-0207	66,316	—	8,025	58,291	(12,912)	45,379
Total U.S. Department of Housing and Urban Development			5,740,780	302,867	1,021,686	5,021,961	—	5,021,961

(Continued)

CITY OF SHREVEPORT, LOUISIANA

Schedule of Federal Financial Assistance, Continued

Grant Title	Federal CFDA Number	Grant Number	Grant Revenues Received Cash Basis	Accrued Grant Revenues December 31,		Grant Revenues Accrual Basis (3)	City Matching Contributions (3)	1995 Expenditures
				1995 (2)	1994 (2)			
<b>U.S. Department of Labor:</b>								
Passed through Louisiana Department of Education and Training - 8% Education Grant	17.250	08-175-3071-2	\$ 154,292	11,097	9,786	155,603	—	155,603
Job Training Partnership Act	17.250	71-2A	716,794	54,179	26,880	744,093	—	744,093
Job Training Partnership Act	17.250	71-2B	602,891	1,016	554	603,353	—	603,353
Job Training Partnership Act	17.250	71-2C	821,705	29,568	21,653	829,620	—	829,620
Title II 5% Incentive	17.250	71-INC	51,753	1,591	99	53,245	—	53,245
			<u>2,347,435</u>	<u>97,451</u>	<u>58,972</u>	<u>2,385,914</u>	<u>—</u>	<u>2,385,914</u> (1)
Title III Dislocated Workers	17.246	175-791-175-5094-3	385,886	25,286	4,883	406,289	—	406,289 (1)
Passed through Louisiana Department of Social Services—Office of Family Support - Louisiana J.E.T. Program	N/A	355-3066 & 4122	359,587	40,171	30,013	369,745	—	369,745
Total U.S. Department of Labor			<u>3,092,908</u>	<u>162,908</u>	<u>93,868</u>	<u>3,161,948</u>	<u>—</u>	<u>3,161,948</u>
<b>Environmental Protection Agency:</b>								
Passed through Louisiana Department of Environmental Quality:								
Lucas Flow Equalization	66.418	C-220-379-51	—	210,823	210,823	—	107,828	107,828
Ph I - Cedar Grove Relief	66.418	C-220-379-51	—	26,895	26,895	—	1,261	1,261
Ph II - Cedar Grove Relief	66.418	C-220-379-51	—	52,830	52,830	—	70	70
Ph III - Cedar Grove Relief	66.418	C-220-379-51	—	90,218	90,218	—	607	607
Ph II - N. Shreveport Interceptor	66.418	C-220-379-51	—	2,199	2,199	—	—	—
Stoner Relief - Ph II	66.418	C-220-379-51	—	—	—	—	24,275	24,275
Pierremont R/S	66.418	C-220-379-51	—	382,965	382,965	—	11,893	11,893
			<u>(21,756)</u>	<u>382,965</u>	<u>382,965</u>	<u>—</u>	<u>145,934</u>	<u>145,934</u>
Ph III - N. Shreveport Interceptor	66.418	C-220-379-61	—	—	(21,756)	—	193	193
Darien/Hardy Pump Station	66.418	C-220-379-61	1,945	—	1,945	—	—	—
Stoner Relief Sewer Ph I	66.418	C-220-379-61	55,062	—	55,061	1	5,047	5,048
Pump Station Impr. LSU Basin	66.418	C-220-379-61	2,565	—	2,565	—	5,556	5,556
Broadmoor Basin Relief	66.418	C-220-379-61	57,879	—	57,879	—	—	—
Queensborough Basin Relief	66.418	C-220-379-61	26,701	—	26,701	—	—	—
Westside Basin Relief	66.418	C-220-379-61	28,430	—	28,430	—	—	—
Pump Station Impr. Country Club	66.418	C-220-379-61	—	—	(2,948)	2,948	(2,948)	—
Sludge Field Expansion	66.418	C-220-379-61	—	—	—	—	320	320
N. Regional WWTP Expansion	66.418	C-220-379-61	55,287	—	55,287	—	—	—
S/M Imp.-Blanchard Rd	66.418	C-220-379-61	—	—	—	—	37	37
EPA Project Performance	66.418	C-220-379-61	206,113	—	203,164	—	8,205	8,205
			<u>72,659</u>	<u>—</u>	<u>72,659</u>	<u>—</u>	<u>122</u>	<u>122</u>
Highland Basin Relief	66.418	C-220-379-71	119,498	—	119,498	—	—	—
Southside Basin Relief	66.418	C-220-379-71	252,350	—	252,350	—	301	301
N. Regional WWTP Flow Equalization	66.418	C-220-379-71	444,507	—	444,507	—	423	423
Total Environmental Protection Agency			<u>650,620</u>	<u>382,965</u>	<u>1,030,636</u>	<u>2,949</u>	<u>154,562</u>	<u>157,511</u>



CITY OF SHREVEPORT, LOUISIANA  
Schedule of Federal Financial Assistance, Continued

Grant Title	Federal CFDA Number	Grant Number	Grant Revenues Received Cash Basis	Accrued Grant Revenues December 31, 1994 (2)	Grant Revenues Accrual Basis (3)	City Matching Contributions (3)	1995 Expenditures
<b>U.S. Department of Health and Human Services - Community Partnership for a Drug Free Shreveport</b>	93.194	1-H86-SP04548-01	\$ 265,609	26,471	265,247	—	265,247
<b>Federal Aviation Administration:</b>							
Direct Programs:							
Airport Improvement Program:							
Land Acquisition	20.106	3-22-0048-11	555,315	—	(22,329)	47,152	24,823
Runway 14/32 Rehabilitation	20.106	3-22-0048-14	—	40,575	(24,992)	42,740	17,748
Rehabilitation of Taxiway	20.106	3-22-0048-15	—	185,535	30	(30)	—
Extend Runway 14/32	20.106	3-22-0047-03 & 09	89,358	94,189	61,959	6,884	68,843
Purchase ARFF Vehicle	20.106	3-22-0048-16	360,312	—	359,650	39,961	399,611
Cargo Apron Expansion	20.106	3-22-0048-17	960,912	—	837,071	(138,278)	698,793
ARFF Station Construction	20.106	3-22-0048-XX	—	33,912	33,912	3,767	37,679
FAR Part 150 property	20.106	3-22-0048-XX	—	666	666	75	741
			<u>1,965,897</u>	<u>354,877</u>	<u>1,245,967</u>	<u>2,271</u>	<u>1,248,238</u>
Passenger Facility Charges:							
Passenger Facilities Fees - revenue	N/A	N/A	924,102	—	924,102	—	—
Passenger Facilities Fees - interest	N/A	N/A	70,784	—	70,784	—	—
			<u>994,886</u>	—	<u>994,886</u>	—	—
<b>Total Federal Aviation Administration</b>			<b>2,960,783</b>	<b>354,877</b>	<b>2,240,853</b>	<b>2,271</b>	<b>1,248,238 (1)</b>
<b>U.S. Department of Justice:</b>							
Passed through Louisiana Commission of Law Enforcement - Street Level Interdiction	16.579	93-B1-B-02-0030	47,970	(920)	47,050	17,800	64,850
Focused Response on Street Terrorism	16.579	94-B1-B-02-0018	30,976	(3,736)	27,240	15,500	42,740
Uniform Crime Reporting	16.579	94-B8-B15-0019	—	(5,079)	25,270	—	25,270
Drug Abuse Resistance Education	N/A	E95-8-037	78,718	130,760	209,478	—	209,478
Police Hiring Supplement	16.580	94DL-CX-0037	142,230	(29,999)	112,231	115,700	227,931
Weed and Seed	16.580	99-DD-CX-0103	175,437	79,093	254,530	—	254,530
Asset Forfeiture	N/A	N/A	113,725	40,750	154,475	—	154,475
Youth Curfew, Holding, Counseling, and Referral Center	16.540	95-J1-J.3-0201	19,450	30	19,480	14,700	34,180
Youth Alcohol Enforcement	16.579	9513S	41,598	—	41,598	17,400	58,998
			<u>650,104</u>	<u>210,899</u>	<u>891,352</u>	<u>181,100</u>	<u>1,072,452</u>
<b>Total U.S. Department of Justice</b>			<b>10,000</b>	<b>—</b>	<b>10,000</b>	<b>—</b>	<b>10,000</b>
<b>Small Business Administration - Passed through Louisiana Department of Agriculture and Forestry- Riverfront Park Tree Planting</b>	59.045	S23-96	—	—	—	—	—
<b>Total Federal Financial Assistance</b>			<b>\$ 15,192,490</b>	<b>1,587,491</b>	<b>13,493,985</b>	<b>8,376,003</b>	<b>20,875,102</b>

Notes:  
(1) Represents a major program. Major programs are those programs where federal expenditures exceed 3% of total federal expenditures. Because the City matches some programs, the column entitled "Grant Revenues Accrual Basis" should be used to determine major programs.  
(2) Bracketed amounts represent deferred revenues.  
(3) Bracketed amounts represent revenues recognized in prior years for which federal reimbursement was not received.  
(4) Several UMTA capital grants were approved to purchase associated capital items which are not capitalized as fixed assets. These purchases have been reclassified from capital grants to capital subsidies. Total cash received for UMTA capital grants during 1995 was \$665,738 (\$482,185 and \$183,553).

See accompanying notes to schedule of federal financial assistance.

CITY OF SHREVEPORT, LOUISIANA

Notes to Schedule of Federal Financial Assistance

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

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

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

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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana, and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 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 of Shreveport, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the City of Shreveport, Louisiana, 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 operations 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 Shreveport, Louisiana, in a separate letter dated March 22, 1996.

This report is intended for the information of the Mayor and City Council members, audit subcommittee, 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 22, 1996



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

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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana (the "City"), and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 1996. We have also audited the compliance of the City with requirements applicable to major federal financial assistance programs and have issued our report thereon dated March 22, 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 City's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the City's financial statements and on its compliance 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 22, 1996.

The management of the City of Shreveport, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and 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
- Relocation assistance and real property acquisition
- Federal financial reports
- Drug free workplace
- Allowable costs/cost principles
- Administrative requirements

##### Specific Requirements

- Types of services
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Cost allocation
- Monitoring subrecipients
- Special requirements:
  - Environmental certification
  - Program income
  - Obligation of funds
  - Written agreement with subrecipients
  - Changes in services
  - Transit fares charged
  - Disposal of realty and transit equipment
  - Environmental mitigation measures
  - "Buy America" requirements
  - Passenger facility charge requirements

##### Claims for advances and reimbursements

##### Amounts claimed or used for matching

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 86.5 percent of its total federal financial assistance under major federal financial assistance programs.

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, and amounts claimed or used for matching that are applicable to each of the City's major federal financial assistance programs, which are 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 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 operations that we consider to be material weaknesses as defined above.

However, we noted certain other matters involving the internal control structure and its operation that we have reported to management of the City in a separate letter dated March 22, 1996.

This report is intended for the information of the Mayor and City Council members, audit subcommittee, management, and 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 22, 1996

Pension Benefit Obligation:

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 9,157,000
Current employees:	
Employer-financed vested benefits	489,000
Employer-financed non-vested benefits	<u>3,069,000</u>
Total pension benefit obligation	12,715,000
Net assets available for benefits as of December 31, 1995, at market value	<u>4,275,655</u>
Unfunded pension benefit obligation	<u>\$ 8,439,345</u>

The changes in 1995 that effected the pension benefit obligation were: (1) net interest (2) change in benefits accumulated and (3) benefits paid. The dollar effect of the changes was \$1,158,000, \$(1,097,000), and \$(436,000), respectively.

Contribution Requirement and Contribution Made

The Firemen's Pension and Relief Fund funding policy provides for pay as you go for retirement and disability benefits and entry age normal cost method for death benefits. The contribution for normal cost is determined using the entry age normal cost method. The plan uses the level percentage of payroll method to amortize the unfunded liability over a twenty-five year period.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation, except a rate of return on investments of 8% annually was used. The City's actuarially determined contribution requirement for the year ended December 31, 1995 was \$1,415,000. The City's contribution to the FPRF for 1995 was \$855,289 (15.0% of current covered payroll). The contribution included (a) \$109,000 of normal cost (1.9% of current covered payroll) and (b) \$746,289 which represents both a payment of actual benefits during the year plus amortization of the unfunded actuarial accrued liability (13.1% of current covered payroll).

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year historical trend information is not available since 1987 was the first year that the required data has been gathered. For those years which information is available, it can be found in the Required Supplementary Information section of this Comprehensive Annual Financial Report. For 1993, 1994 and 1995, available assets were sufficient to fund 19.6%, 25.0% and 33.6% respectively, of the pension benefit obligation. Reflected in the assets available to fund the pension benefit obligation are the cash surrender value of life insurance policies purchased on December 1, 1989. The Firemen's Pension and Relief Fund purchased life insurance policies on 316 active and retired employees holding guaranteed contracts under the 1983 merger agreement. The policies are to provide \$34,600,000 of assets to fund the guaranteed widow's benefit which is included in the pension benefit obligation. When a covered individual dies, a claim is filed with the insurance company and the proceeds will be deposited for re-investment, payment of the widow's benefit or other benefits. The unfunded pension benefit obligation represented 123.9%,



173.7% and 147.9% of the annual payroll for employees covered by the Firemen's Pension and Relief Fund for 1993, 1994 and 1995.

Showing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, the City's contributions to the FPRF, made in accordance with actuarially determined requirements, were 10.7%, 15.9% and 15.0% of annual covered payroll for 1993, 1994 and 1995.

## **B. Policemen's Pension and Relief Fund (PPRF)**

### Plan Description

The City contributes to the Policemen's Pension and Relief Fund (PPRF), a single-employer defined benefit pension plan. The current-year payroll for employees covered under the PPRF is \$3,352,718. Total current-year payroll for all City employees is \$68,547,105.

The Policemen's Pension and Relief Fund temporarily covers policemen who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plan but not the state plan. As of December 31, 1995, there are 94 retirees and beneficiaries currently receiving benefits, 40 active employees which are fully vested and 39 nonvested policemen which hold guarantee-of-benefits contracts. Only the employer makes contributions. The employer contribution obligations are established by State statutes. The funding approach is to amortize all benefits over 25 years. However, the contribution cannot be less than the expected benefit payments for the year.

Until July 12, 1977, all police officers hired became participants in the plan as a condition of employment. After July 12, 1977, all new policemen were placed directly into the State's Municipal Police Employees' Retirement System (MPERS). Currently only policemen who retire after January 1, 1983, and who meet the eligibility requirements for a retirement benefit from the local plan but not the state plan, are being paid from this fund. Under this plan, a policeman hired before 1969 can retire at any age with 20 years of service; policemen hired after 1968 can retire at any age with 25 years of service. Benefits are payable monthly at 66 2/3% of monthly salary, plus an additional 0.833% for each year of service over 20 served after July 12, 1977. An additional 1.66% is paid for each year of service over 25 if the employee was hired after 1968. The benefit cannot exceed 75% of the policeman's monthly salary. The City guarantees that it will pay the benefit under this plan until the member is eligible for the Municipal Police Employee's Retirement System. It guarantees to pay the excess benefits, if any, of this plan over the Municipal Police Employee's Retirement System for the life of the member.

Disability benefits are payable on the basis of: (1) temporary total disability in the line of duty; (2) total and permanent disability in the line of duty; and (3) occupational disability that is total and permanent and received in the line of duty which renders the member unable to function in his police duties. Benefits payable are: (1) 66 2/3% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Payments will be made for no more than one year or benefits will continue until member becomes eligible for service retirement; or (2) 50% of monthly salary of active member holding a position corresponding to what which had been held by a disabled member at the time he became disabled. Benefits will continue until member becomes eligible for service retirement. The City guarantees that it will pay any excess of the benefits of this plan over the MPERS.

A death benefit is payable to a surviving spouse equal to 50% of a beginning policeman's salary. The City guarantees that it will pay this benefit for each policeman holding a guarantee-of-benefits

Total pension benefit obligation	8,737,000
Net assets available for benefits as of December 31, 1995, at market value	<u>4,029,021</u>
Unfunded pension benefit obligation	<u>\$4,707,979</u>

The current year changes that effected the pension benefit obligation were: (1) net interest (2) change in benefits accumulated and (3) benefits paid. The dollar effect of the changes was \$750,000, \$115,000, and \$(458,000), respectively.

#### Contribution Requirement and Contribution Made

The Policemen's Pension and Relief Fund funding policy provides for pay-as-you-go for retirement and disability benefits and entry age normal cost method for death benefits. The contribution for normal cost is determined using the entry-age normal cost method. The plan uses the level percentage of payroll method to amortize the unfunded liability over a twenty-five year period.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation, except a rate of return on investments of 8% annually was used. The City's actuarially determined contribution requirement for the year ended December 31, 1995 was \$775,000. The City's contribution to the PPRF for 1995 was \$822,530 (24.5% of current covered payroll). The contribution included (a) \$43,000 of normal cost (1.3% of current covered payroll) and (b) \$779,530 which represents both a payment of actual benefits during the year plus amortization of the unfunded actuarial accrued liability (23.2% of current covered payroll).

#### Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten year historical trend information is not available since 1987 was the first year that the required data has been gathered. For those years which information is available, it can be found in the Required Supplementary Information section of this Comprehensive Annual Financial Report. For 1993, 1994 and 1995, available assets were sufficient to fund 28.6%, 35.5% and 46.1% respectively, of the pension benefit obligation. Reflected in the assets available to fund the pension benefit obligation are the cash surrender value of life insurance policies purchased on December 1, 1989. The Policemen's Pension and Relief Fund purchased life insurance policies on 220 active and retired employees holding guaranteed contracts under the 1983 merger agreement. The policies are to provide \$24,140,000 of assets to fund the guaranteed widow's benefit which is included in the pension benefit obligation. When a covered individual dies, a claim is filed with the insurance company and the proceeds will be deposited for re-investment, payment of the widow's benefit or other benefits. The unfunded pension benefit obligation represented 148.9%, 157.1% and 140.4% of the annual payroll for employees covered by the Policemen's Pension and Relief Fund for 1993, 1994 and 1995. Showing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, the City's contributions to the PPRF, made in accordance with actuarially determined requirements, were 33.3%, 29.9% and 24.5% of annual covered payroll for 1993, 1994 and 1995.



**Summary of Pension Benefit Obligation  
Single-Employer, Defined Benefit Plans**

	Firemen's Pension <u>Relief Fund</u>	Policemen's Pension <u>Relief Fund</u>	<u>Total</u>
Pension benefit obligation	\$12,715,000	\$8,737,000	\$21,452,000
Net assets available for benefits, at market value	<u>4,275,655</u>	<u>4,029,021</u>	<u>8,304,676</u>
Unfunded pension benefit obligation	<u>\$ 8,439,345</u>	<u>\$4,707,979</u>	<u>\$13,147,324</u>

**C. Employees' Retirement System (ERS)**

All full-time classified employees of the City other than policemen and firemen are eligible to participate in the Employees' Retirement System, a cost-sharing multiple-employer public employee retirement system. As of December 31, 1995, there are 2,159 members covered by the plan, of which 609 are retired beneficiaries, 6 are terminated and due benefits or refunds and 1,544 are active employees. As of December 31, 1995, there were 1,524 active employees of the City of Shreveport participating in this system, and 593 retired employees and beneficiaries receiving benefits. The current-year payroll for employees covered under the Employees' Retirement System for the year ended December 31, 1995 was \$32,498,922; the City's total payroll was \$68,547,105.

Membership in the system excludes any employee of the City who was an employee on February 6, 1954, and who elected not to join the plan. Non-City employees employed by the following organizations may become members in the system: Caddo Parish Library, Caddo-Shreveport Sales and Use Tax Commission, Caddo Parish Communications District No. 1 (E911), Caddo-Bossier Civil Defense Agency, Metropolitan Planning Commission, and other non-City employees recommended by the Board of Trustees and approved by the City Council. Appointed officials of the City and the Mayor have the option to join by filing an application within 90 days after taking office. However, by joining the retirement system, they may not participate in the deferred compensation program for appointed employees.

To be eligible for regular retirement benefits, employees must have 30 years of service regardless of age or be age 65 with 10 years of service, and if hired before January 1, 1979 be 55 years of age with 20 years of service. If hired on or after January 1, 1979 employees must be 55 years of age with 25 years of service or age 60 with 20 years of service. Disability retirement from the Employees' Retirement System requires five years or more of creditable service in order for an employee to be eligible to receive benefits. Death benefit requirements specify that an employee must have been in active service with ten years or more of creditable service in the Employees' Retirement System. Employees become vested in the system after fifteen years of creditable service. Benefit provisions are established by City ordinance.

Benefits available to employees consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 3% of average compensation times years of creditable service. For a service retirement benefit prior to age 65 with less than twenty but more

than ten years of service, the benefit is reduced by 1/4% for each month below age 65. If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50% of the member's retirement benefit for the rest of his/her life. A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment which is likely to be permanent.

Covered employees are required by City ordinance to contribute 9% of compensation to the Plan. The City or other employers are required by the same ordinance to contribute 9.15% of compensation. The actuarially determined contribution requirement for the year ended December 31, 1995 was \$5,331,000 which consisted of \$2,221,000 from the City and other employers and \$3,110,000 from employees. The contributions for the year ended December 31, 1995 were \$6,290,964 which consisted of \$3,177,633 from the City and other employers and \$3,113,331 from employees. These contributions from the City and other employers and the employees represented 9.8% and 9.6% of covered payroll respectively. The City's contribution for 1995 was \$2,973,651. This represented 93.6% of the total contributions required of all employers. As a result of a change in actuarial assumptions, the contribution requirement will change in 1996.

The Employees' Retirement System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at December 31, 1995, the date of the latest actuarial update for the ERS as a whole was \$95,950,000. The system's net assets available for benefits on that date were \$102,920,000 (market value \$116,249,493) with assets in excess of the pension benefit obligation of \$6,970,000.

The pension benefit obligation at December 31, 1995 was computed as part of an actuarial update of the December 31, 1994 actuarial valuation. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investments of present and future assets of 9.0% per year compounded annually, (b) projected annual individual salary increase of 5% with 3.5% attributable to inflation and 1.5% attributable to seniority/merit; some post retirement benefit increases at 5% and other benefits at 3.5% (c) a payroll growth of 0% per year, (d) expected death rates were developed by projecting the UP-1984 Unisex Mortality Table (male set forward by one year and female set back by four years) and (e) all eligible employees will retire by the age of 69.

Ten-year historical trend information can be found in the Required Supplementary Information section of this Comprehensive Annual Financial Report. The trend information provides information about progress made in accumulating sufficient assets to pay benefits when due.

As of December 31, 1995, the assets of the Employees' Retirement System were invested with \$18,922,964 in government and agency securities, \$40,542,390 in corporate bonds and \$55,968,902 in common stock.

#### **D. Statewide Firefighters' Retirement System (SFRS)**

Full-time firefighters of the City are eligible to participate in the Statewide Firefighters' Retirement System, a cost-sharing multiple-employer public employee retirement system. As of June 30, 1995, there were 3,197 members covered by the plan on a statewide basis, of which 774 are retired beneficiaries, 48 are terminated and due benefits or refunds and 2,375 are active employees. As of December 31, 1995, there were 455 active employees of the City of Shreveport participating in this system, and 315 retired employees and beneficiaries receiving benefits. The payroll for City employees covered by the retirement system for the year ended December 31, 1995 was \$12,891,467; the City's total payroll was \$68,547,105.



Any full-time firefighter employed by a municipality, parish or fire protection district in the State and engaged in fire protection, earning at least \$375 per month, excluding state supplemental pay, may participate in the Statewide Firefighters' Retirement System.

Membership in the system includes persons who became employees after January 1, 1980, if under 50 years of age. On January 1, 1983, all active firefighters of the City were merged into the Statewide Firefighters' Retirement System and were guaranteed the benefits (primarily a 20-year retirement regardless of age benefit and a widow's benefit equal to one-half of a beginning firefighter's salary) they enjoyed under the local retirement plans.

Employees are eligible to retire at age 50 with twenty years of creditable service or at age 55 with twelve years of creditable service. Employees must be a member of the system for one year in order to be eligible for a benefit. Death benefits are payable monthly for life equal to 3% of average final compensation times years of creditable service but not less than 40% or more than 60% of average final compensation. Death benefits are payable whether or not in the line of duty. It is also required that death be before retirement and after meeting retirement eligibility requirements. Disability benefits are payable for service related causes regardless of age or years of service. Non-service related disability benefits are payable if the employee has five years of creditable service and is ineligible for a retirement benefit. Employees become vested in the system, if they have been a member of the system for one year, with twelve years of creditable service. Benefits are established by State statutes.

Covered employees are required by State statute to contribute 8% of compensation to the Plan. The City is required by the same statute to contribute 9% of compensation, excluding overtime but including State supplemental pay. The contributions requirement for the year ended December 31, 1995 was \$2,191,549 which consisted of \$1,160,232 from the City and \$1,031,317 from employees. These contributions from the City and the employees represented 9% and 8% of covered payroll respectively.

The Statewide Firefighters' Retirement System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1995, the date of the latest actuarial report, for the SFRS as a whole, was \$392,663,345. The system's net assets available for benefits on that date were \$352,392,368 (market value \$366,556,713) with an unfunded pension benefit obligation of \$40,270,977.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1995. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investments of present and future assets of 7% per year compounded annually, (b) projected salary increases of 4% to 8.3%, and (c) Pre-Retirement mortality based on the 1971 Group Annuity Table Utilized for Pre-Retirement and Post-Retirement Mortality.

The City's actuarially determined contribution requirement for 1995 was \$1,160,232. This represented 21.6% of total contributions required of all employers. In addition, on January 1, 1983, the date the City's active firemen were merged into the SFRS, a liability of \$13,865,568 was retained by the City and by contract is being paid to the state retirement system to fund the liability over a 30-year period. Effective January 1, 1987, retired firemen and beneficiaries were merged into the SFRS. The City is required by contract to pay the SFRS \$26,076,215 to fund an accrued liability for these retired firemen and beneficiaries over a 30-year period. During 1995, merger payments were made to the SFRS in the amount of \$3,091,198.

Ten-year historical trend information is available in the separately issued retirement system reports issued by the administrators of the Statewide Firefighters' Retirement System. The trend information provides information about progress made in accumulating sufficient assets to pay benefits when due.

As of June 30, 1995, the assets of the Statewide Firefighters' Retirement System were invested with \$96,348,814 in U.S. government securities, \$71,767,735 in merger notes, \$60,264,962 in corporate bonds, \$73,455,725 in common stock, \$11,414,833 in State Notes, \$32,141,299 in cash and cash equivalents and \$6,270,786 in receivables and other.

#### **E. Municipal Police Employees Retirement System (MPERS)**

Full-time police officers of the City are eligible to participate in the Municipal Police Employees Retirement System (MPERS), a cost-sharing multiple-employer public employees retirement system. As of June 30, 1995 there were 7,505 members in the plan on a statewide basis, of which 2,601 were retired beneficiaries, 476 are terminated and due benefits or refunds and 4,428 were active employees. As of December 31, 1995, there were 493 active employees of the City of Shreveport participating in this system, and 299 retired employees and beneficiaries receiving benefits. The payroll for City employees covered by the retirement system for the year ended December 31, 1995 was \$12,534,359; the City's total payroll was \$68,547,105.

Any full-time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$375 per month excluding state supplemental pay, or an elected Chief of Police whose salary is at least \$100 per month, and any employee of this system may participate in the Municipal Police Employees Retirement System.

Membership in the system includes persons who became employees after September 9, 1977, if under 50 years of age. On January 1, 1983, all active policemen who were not already members of the MPERS, retired policemen and surviving beneficiaries were merged into the MPERS. All active policemen were guaranteed the benefits (primarily a 20-year retirement regardless of age benefit and a widow's benefit equal to one-half of a beginning patrolman's salary) they enjoyed under the local plan.

Employees are eligible to retire at age 50 with twenty years of creditable service or at age 55 with twelve years of creditable service. Employees must be a member of the system for one year. Benefits are payable monthly for life equal to 3 1/3% of average final compensation times years of creditable service. Disability benefits are payable for (1) total and permanent disability in the line of duty, or after five years of service and unable to engage in any gainful employment; (2) total and permanent disability from performing the duties of a police officer and unable to engage in gainful employment. Death benefits are payable for (1) the death of an active contributing member or disability retiree and (2) a member eligible for retirement, except for the one year of membership. A member who terminates employment after one year as a member of the MPERS before attaining age 50, with twenty years of creditable service is considered to be vested and eligible for benefits at age 50. A member is also eligible for vesting after one year as member of the MPERS before attaining age 55, with twelve years of creditable service. Benefits are established by State statutes.

Covered employees are required by State statute to contribute 7.5% of compensation. The City is required by the same statute to contribute 9% of compensation, excluding overtime but including State supplemental pay. The contributions requirement for the year ended December 31, 1995 was \$2,068,169 which consisted of \$1,128,092 from the City and \$940,077 from employees.



These contributions from the City and employees represented 9% and 7.5% respectively of covered payroll.

The Municipal Police Employees Retirement System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1995 for the MPERS as a whole, determined through an actuarial valuation performed as of that date, was \$736,846,804. The MPERS's net assets available for benefits on that date (actuarial value) were \$766,365,130 (\$794,697,065 valued at market), leaving assets in excess of pension benefit obligation of \$29,518,326.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1995. Significant actuarial assumptions used in the valuation include: (a) a rate of return on the investments of present and future assets of 7% a year net of expenses; (b) projected salary increases based on Technical Paper #16 "Present Value of Estimated Lifetime Earnings" for Clerical and Kindred Workers published by the U.S. Department of Commerce; and (c) pre-retirement mortality based on the 1971 Sex Distinct Group Annuity Mortality Table.

The City's actuarially determined contribution requirement for 1995 was \$1,128,092. This represented 8.0% of total contributions required of all employers. In addition, on January 1, 1983, the date all active and retired policemen were merged into the MPERS, a liability of \$28,568,685 was retained by the City and by contract is being paid to the state retirement system to fund the liability over a 30-year period. During 1995, merger payments were made to the MPERS in the amount of \$2,252,453.

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

As of June 30, 1995 the assets of the Municipal Police Employees Retirement System were invested with \$307,150,246 in government securities, \$208,928,476 in common stock, \$78,831,774 in corporate bonds, \$4,026,339 in equities or insurance agreements, \$147,928,480 in merger notes and other receivables and \$8,599,423 in cash and cash equivalents.

**(14) Post-Employment Health Care Benefits**

In addition to providing pension benefits, the City provides medical only, dental only, or a combination of the two for any retiree who receives a monthly retirement check from one of the City's retirement plans. Retirees may also continue to cover their dependents after their retirement. Currently, there are 1,320 retirees who are eligible to receive benefits. The City pays 50% of the cost of retirees' coverage and 50% of their dependents' coverage. If a retiree participates in a Health Maintenance Organization (HMO), the City's contribution is equal to 50% of the cost of the City's health care plan or the cost of the HMO, whichever is less. Provisions of the plan and obligations to contribute are established in the City Charter.

The post-employment health care benefits are accounted for in the City's Health Care Internal Service Fund along with benefits for active employees. The benefits are recognized as expenses when claims are incurred. At year-end, an estimate is made for incurred but not reported claims. The actual cost of the post-employment benefits is based directly on the amount of claims actually incurred. The costs are funded on a pay-as-you-go basis. For 1995, the costs were approximately \$2,178,000.

(15) Contingencies

Litigation

The City is a defendant in various lawsuits in addition to those accrued in the Retained Risk Fund. These lawsuits have not been accrued because the amount of the loss cannot be reasonably estimated at this time. It is the City's opinion that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Grant Disallowances

The City participates in a number of federally assisted grant programs, principal of which are the Jobs Training Partnership Act, Community Development Block Grant, and various construction grants. These programs are subject to program compliance audits under the Single Audit Act. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. City management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

(16) Lease and Construction Commitments

Lease Commitments

The City has commitments under operating lease agreements for various facilities and equipment used in the City's operations. Generally, these lease agreements provide for cancellation in the event the City Council does not appropriate funding in subsequent fiscal years. Therefore, the City is not obligated beyond the end of each fiscal year. However, management expects that in the normal course of business, leases that expire for data processing and duplicating equipment will be renewed or replaced by other leases. Total rent expense under operating leases was approximately \$212,864 and \$203,288 for 1995 and 1994, respectively.

Construction Commitments

At December 31, 1995, the City had major contractual commitments of \$10,853,342 for design and construction of various projects:

<u>Type of Project</u>	<u>Remaining Construction Committed</u>	<u>Financing Sources</u>
Streets	\$ 2,864,382	General Obligation Bonds
Drainage	2,725,979	General Obligation Bonds
Buildings-City Hall Campus Plan	195,872	City Court and General Fund revenues
Water Main Rehabilitation and Replacement	785,323	Water and Sewer Revenue Bonds
Sewer Main Rehabilitation and Replacement	1,783,726	Water and Sewer Revenue Bonds
Bus Acquisitions	<u>2,498,060</u>	83% Federal Grants and 17% General Fund
	<u>\$10,853,342</u>	

(17) Landfill Closure and Post-closure Care Cost

State and federal laws and regulations require the City to place a final cover on its Woolworth Road landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City has entered into a sanitary landfill services contract with a contractor. The contractor is responsible for the operation and closure of that portion



of the landfill on which it conducted operations. The City is responsible for the maintenance and construction of all monitoring facilities and the conduct of all monitoring programs. If the contractor defaults on the contract, the City would be liable for all costs. We have reviewed the financial capability and stability of the contractor to ensure that the contractor will be able to meet the closure obligations when they are due. We believe that the contractor will be able to meet the obligations.

Since post-closure care costs will not be paid with expendable, available resources and not until after the date that the landfill stops accepting waste, the City reports in the General Long-Term Debt Account Group the amount to be provided for post-closure care costs. The City expects to close the landfill in the year 2021. The \$888,000 reported at December 31, 1995 represents the cumulative costs reported based on 24% of the capacity of the landfill having been used to date. The estimated total current cost of post-closure care remaining to be recognized is \$2,812,000. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

The City is the permit holder for the landfill, and Louisiana Solid Waste Rules and Regulations require all permit holders to demonstrate financial responsibility by one of a group of financial tests contained within the regulations. The City has demonstrated its financial responsibility by the fact that the tangible net worth of the City is at least \$10 million, the net worth is at least six times the estimate of the closure and post-closure costs, and at least 90% of the assets are located in the United States.

**(18) Risk Management**

In 1995, 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). Internal service funds were already being utilized to account for the risk activities, therefore, the only reporting change required was the reclassification of operating transfers to premium revenues on the internal service funds and expenditures or expenses on the contributing funds. In addition, the liability on the General Long-Term Debt Account Group in the amount of \$840,000 at December 31, 1994 was transferred to the Retained Risk Fund by recording a reduction to contributed capital in the Retained Risk Fund. The following disclosures have also been added to comply with the requirements of GASB 10.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The Retained Risk Fund is used to account for self-insurance activities involving property damage, worker's compensation and general liability claims.

The City is retaining the risk for its automobile and general liability exposures. Liability policies are maintained with third-party insurance carriers for the City's ambulances and for the drivers and attendants. The Municipal and Regional Airports were insured in 1995 with a third-party carrier with liability limits to \$20,000,000 combined single limit. In 1995, the liability for worker's compensation was insured with a third-party insurance carrier with statutory limits in excess of the City's self-insured retention of \$225,000 per occurrence. Blanket property insurance was maintained during 1995 with a third-party carrier on approximately \$300,900,000 in City property, subject to a \$50,000 per occurrence retention. Property coverage was also maintained with third-party carriers on heavy equipment and on boilers and machinery.

Payments to the Retained Risk Fund are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the program. Payments in excess of actual expenses are recorded as operating transfers. At December 31, 1995, \$4,588,894 is reported as a designation of the Retained Risk Fund fund balance for future catastrophic losses.

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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana (the "City"), and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 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 management of the City. 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.

We noted a certain immaterial instance of noncompliance that we have reported to the management of the City in a separate letter dated March 22, 1996.

This report is intended for the information of the Mayor and City Council members, audit subcommittee, 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 22, 1996



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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana (the "City"), and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 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
- Relocation assistance and real property acquisition
- Federal financial reports
- Drug free workplace
- 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 Mayor and City Council members, audit subcommittee, 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 22, 1996

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

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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana (the "City"), and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 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; special requirements: environmental certification, program income, obligation of funds, written agreement with subrecipients, changes in services, transit fares charged, disposal of realty and transit equipment, environmental mitigation measures, "Buy America" requirements, and passenger facility charge requirements; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are 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.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

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; special requirements: environmental certification, program income, obligation of funds, written agreement with subrecipients, changes in services, transit fares charged, disposal of realty and transit equipment, environmental mitigation measures, "Buy America" requirements, and passenger facility charge requirements; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1995.

This report is intended for the information of the Mayor and City Council members, audit subcommittee, 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 22, 1996



# KPMG Peat Marwick LLP

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

The Honorable Mayor and Members  
of the City Council  
City of Shreveport, Louisiana:

We have audited the general purpose financial statements of the City of Shreveport, Louisiana (the "City"), and the combining, individual fund, and account group financial statements as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 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 (OMB) 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 the City had not complied, in all material respects, with those requirements.

This report is intended for the information of the Mayor and City Council members, audit subcommittee, 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 22, 1996

CITY OF SHREVEPORT, LOUISIANA  
Schedule of Findings and Questioned Costs  
(Single Audit)

Year ended December 31, 1995

<u>Program</u>	<u>Findings</u>	<u>Questioned Costs</u>
HOME	<p>1. During our testwork of 10 expenditure items, we noted that an environmental review was not on file for 1631 Crosslake Blvd.</p> <p><u>Management's Response</u></p> <p>We concur. The purchase/rehabilitation of 1631 Crosslake Blvd. was done during the time that NHS was responsible for all of the housing activities. Additional work was done on the property after Urban became responsible for Housing, but there is no evidence of any environmental reviews/clearances ever being requested on the property.</p>	\$ 7,171
	<p>2. Proper bid procedures were not followed related to an expenditure to A-1 Building and Remodeling for 1821 Russell Road. Document #V019077A. Originally, the contract was awarded to A.J.'s Construction, which was the only contractor to submit a bid. However, the contractor was unable to start the project. Instead of rebidding the project the project was awarded to A-1 Building and Remodeling. The file contained no documentation indicating why this project was not rebid.</p> <p><u>Management's Response</u></p> <p>We concur. The original contractor was unable to proceed under the contract. A bid package was then given to the only available contractor and it was within range and awarded. Proper bid procedures will be followed in the future.</p>	13,730

CITY OF SHREVEPORT, LOUISIANA

Follow-Up on Prior Year Findings  
(Single Audit)

Year ended December 31, 1994

<u>Program</u>	<u>Findings</u>	<u>Questioned Costs</u>
General Requirements	<p>1. As of December 31, 1994, four complaints were filed with the City's Equal Employment Opportunity Commission Department and three remained pending. All of these cases were still pending as of our report date. Also, there is a case that was filed in a prior year audit that was dismissed by the EEOC that is in litigation.</p> <p><u>Management's Response</u></p> <p>No response necessary.</p> <p><u>Follow-up</u></p> <p>The three cases that were pending as of December 31, 1994, were dismissed by the EEOC and the complainants have not filed suit. The one case that was in litigation was settled by the City in 1995.</p>	\$ —
Job Training Partnership Act	<p>2. During our eligibility testwork on 5 participants, we noted the following exception:</p> <p>At the time the applicant was accepted in 1991, a work agreement was not completed for an applicant under 18 years of age. Subsequently in 1994, a work agreement was obtained; however, it was not signed by his parent.</p> <ul style="list-style-type: none"><li>• Michael Jeter - 436-37-1649</li></ul> <p><u>Management's Response</u></p> <p>We concur. When Michael Jeter was enrolled in 1991, he entered a remedial education activity. Because he was not participating in a work experience component, a work agreement was not required, only his parent's signature on</p>	—

CITY OF SHREVEPORT, LOUISIANA

Follow-Up on Prior Year Findings  
(Single Audit)

<u>Program</u>	<u>Findings</u>	<u>Questioned Costs</u>
	<p>his application to participate. This was obtained. However, when Michael entered the work experience activity in 1994, a work agreement should have been signed by his parent, as he was under age 18. This is not a federal requirement, but an in-house form developed as part of our internal policy on administration of work experience programs. The missing signature of Michael's parent has subsequently been obtained.</p> <p><u>Follow-up</u></p> <p>During our eligibility testwork for the current year's audit, we noted that work agreements were completed and signed by applicants under age 18 and their parent or guardian. We also examined the work agreement for Michael Jeter noting that the parent's signature was subsequently obtained.</p>	
HOME	<p>3. During our testwork of 5 expenditure items, we noted that the date of one of the expenditures was prior to the date of the environmental reviews. The following is the name and address for which we examined an expenditure dated prior to the environmental review:</p> <p>Elbert Davis 2713 Frostwood Drive</p> <p><u>Management's Response</u></p> <p>The environmental clearance on the reference project was received on November 9, 1994, and funds were disbursed on November 7, 1994. The check request was processed on October 25, 1994. To ensure that this does not occur in the future, we have amended our procedure for requesting</p>	\$ 50,384



CITY OF SHREVEPORT, LOUISIANA

Follow-Up on Prior Year Findings  
(Single Audit)

Program

Findings

Questioned  
Costs

disbursements from our Fiscal Unit to include a copy of the environmental clearance as supporting documentation prior to processing a check request.

Follow-up

We noted one of the ten expenditures we tested for the current year's audit was not supported by an environmental review. See 1995 Finding, Comment #1.

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March 22, 1996

**CONFIDENTIAL**

Mr. Roy Burrell, Chairman  
Audit Subcommittee and Members of the City Council  
City of Shreveport, Louisiana

Dear Members:

We have audited the financial statements of the City of Shreveport, Louisiana (the "City"), for the year ended December 31, 1995, and have issued our report thereon dated March 22, 1996. In planning and performing our audit of the financial statements of the City, we considered the 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 internal control. We have not considered internal control since the date of our report.

During our audit, we noted certain matters involving the internal control 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 internal control or result in other operating efficiencies and are summarized as follows:

**COMPLIANCE WITH LAWS**

**Severance Agreement** — As part of our audit in compliance with *Government Auditing Standards* we are required to review the City's compliance with laws. It was brought to our attention that during the year the attorney general questioned the legality of an agreement between the City and a former employee. The City advanced salaries to an employee, which may be in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138 and AG opinion 79-729. Additionally, this agreement is in violation of City of Shreveport policies and procedures regarding termination of employees.

We recommend that the City takes steps to ensure compliance with state laws and City policies and procedures in all areas, including termination of employees. Many policies and procedures created by the City are designed to ensure compliance with laws. These policies should be strictly followed.

**Management's Response** — We agree. The City Attorney's Office is reviewing current ordinances and procedures to identify any amendments or modifications which are appropriate to ensure compliance with relevant law.

### WATER AND SEWERAGE

**Change Orders** — During the audit we noted that a change order for construction work on a City project was not approved before the work was done. It appears that City employees, such as project managers and engineers have, on occasion, given contractors the approval to proceed with change orders before the order has been properly authorized. Payment to these contractors has often been delayed pending approval of the change order. In one instance, the delay in payment resulted in an unrecorded liability for which an adjustment had to be made. We recommend that the City implement controls to ensure that change orders are authorized before work is initiated.

**Management's Response** — We agree. In no case will a change order be issued to a contractor until it has been reviewed and approved by the City Engineer. In all cases, no verbal or field orders will be permitted.

**Work Orders** — During the audit, we noted that there has been a problem with completing work orders on a timely basis. Incorrect customers are being billed, some customers are not being billed at all, the actual meters in the ground do not match meter inventory, and accounts are estimations because of incorrect meter numbers. The incomplete work orders can cause the water billing receivables to be overstated or understated and result in a large number of adjustments having to be made. In some cases, these adjustments are significant. We recommend that the City implement controls to ensure that work orders are completed on a timely basis.

**Management's Response** — The outstanding work orders on May 10, 1996, totaled 701. Included in the total, 335 or 48% were for work to be done on a date some time in the future. Some new sets, date offs, and date ons are requested by the customers before the work is to be done. One hundred thirty-nine work orders or 20% were non-pay take out work orders that had not been worked from the previous week.

In previous months, the outstanding work order listing was massive and sometimes totaled over 2,500 incomplete work orders. Considering that 335 work orders are for work to be done at a future date, the remaining 366 work orders are considered a reasonable number. The test work which resulted in this finding was done at a time when the number of outstanding work orders was high. Work orders are currently being handled on a timely basis.

Customer Service is currently working with the Finance Department to consider new procedures for posting payments and printing work orders in order to reduce the number. The management team at the meter shop is currently logging out all work orders by work order number. The work order can be tracked to the responsible field person. Based on the work being considered to reduce the number of work orders, the reasonable number of current outstanding work orders, and the tracking of work orders, Water and Sewerage management feels that additional controls are not considered necessary at this time.



### PENSION TRUST FUNDS

**Pension Payments** — During our testwork of the Policeman's Pension Fund, we noted that a retired policeman received pension payments from the City of Shreveport for nearly two years longer than he should have according to the agreement between the City and the State. Payments to the retiree were paid by both the City and the State for nearly two years resulting in an overpayment to the retiree, by the City, totaling approximately \$35,000. We recommend the City implement procedures to ensure payments to police and fire retirees are not being paid by both the City and the State. The City should also re-examine its process for transferring retired employees from the local plan to the state plan to reduce the risk of this error occurring in the future.

Also during our testwork, we noted that the monthly earnings for two of the retirees listed on the actuarial report did not agree with the respective monthly earnings on the "par report." We obtained the "par report" from the Payroll Department, which lists monthly earnings. We recommend the City implement procedures to ensure all monthly earnings listed on the actuarial report agree with the respective monthly earnings on the "par report."

**Management's Response** — We are examining our policies and procedures as we develop a procedures manual. This project is in progress. Also, a pension subsystem is being developed which will assist in raising flags that can result in detecting possible erroneous benefit payments.

We will implement procedures to ensure that all monthly earnings listed on the actuarial report agree with the respective monthly earnings on the "par report."

**Equity Securities as a Percentage of Total Assets** — During our review of the Employee Retirement System (ERS), we noted the equity securities held as a percentage of total assets is greater than the maximum set forth in the ERS Statement of Investment Policy. The increase in the market value of the stock can cause the percentage to increase over the maximum of 48% without actually purchasing securities.

Although the investments are reviewed by the City's consultant to ensure the investments are in line with the policy, the City should consider a change in its investment or a change in the policy if the current percentage continues to be greater than the maximum allowed.

**Management's Response** — We concur. It is true that as the stock market does well, the market value of the stocks can cause the percentage of equity securities to increase over the range set in the investment policy. On May 9, 1996, the Board changed its target for equity securities to 50% which will allow a range of 47-53%.

### GOLF ENTERPRISE FUND

**Deficit Retained Earnings** — The Golf Enterprise Fund has a deficit retained earnings of \$143,183 as of December 31, 1995. This fund has maintained a deficit retained earnings for the past four years (1992-1995). Currently, the deficit is being funded through the City's general fund from Shreveport Parks and Recreation. We recommend the City examine alternatives which would generate increased revenue and/or reduce expenses of the three golf courses



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maintained by the City. It is our understanding that fees were raised, however, this did not result in increased revenues because fewer people used the course. Some alternatives which can be utilized are activity based costing and performance measurements to analyze the various functions performed at the courses. In addition, outsourcing of certain functions could be considered.

**Management's Response** — Currently we are working on plans to generate increased revenue. These plans include renegotiating our golf cart lease agreement which should produce in excess of \$80,000. Also we will be pushing our second half of the year golf memberships which last year totaled more than \$86,500. The Golf Enterprise is making improvements at the Lakeside course, as well as promoting our driving ranges at Huntington and Querbes.

While implementing plans that will accumulate more dollars, we felt it necessary to cut costs by purchasing only items that are necessary to maintain our existing equipment, as well as growing grass and killing weeds and fungus on the courses, to make them more attractive.

All of these are good points to consider as to taking care of the deficit retained earnings in question, with the fact that play on the courses has increased. According to Finance/Accounting, the Golf Enterprise has made more than \$80,000 in profit during the first quarter this year, as opposed to more than \$80,000 in deficits in the first quarter of '95.

We feel that we are heading in the right direction and are seizing every opportunity available to get the Golf Enterprise into a positive mode.

#### COMMUNITY DEVELOPMENT BLOCK GRANT

**Notes Receivable** — As noted in our 1994 letter to management, the Department of Urban Development has not consistently updated the notes receivable balances on the FAMIS accounting system. In 1995, the United States Escrow Trust (USET) began providing the department with a monthly accounting of transactions to client accounts with current note balances on each report. These reports are submitted to the Finance Department monthly to update the FAMIS accounting system. In addition, a diskette is provided by USET that contains the same data in FAMIS format. This diskette is submitted to Data Processing on a monthly basis to update the notes receivable balances on the FAMIS system.

While the implementation of these procedures has greatly improved the accuracy of the note balances, some problems still exist. It was noted during the audit that some new notes issued late in 1995 were not included in the FAMIS accounting system. The Finance Department was not aware of the new notes and therefore they were not recorded. The accuracy of the balances is the responsibility of Urban Development and the Finance Department. The monthly reports and diskettes obtained from USET reduces the risk of inaccurate note balances provided they are received by Data Processing early enough to be processed before close-out. When a new note is issued, the Finance Department must be notified so that an adjusting journal entry can be made and monthly reconciliations should be prepared between the Urban Development and Finance Department records.

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We recommend that steps be taken to ensure that the FAMIS accounting system accurately reflects the balances of all notes and any new notes issued on a monthly basis. The total note receivable balance on the FAMIS system at month end should be reconciled to the total note receivable balance on USET's monthly reports.

**Management's Response** — We recognize that the accuracy of the note balances is the responsibility of both the Finance Department and the Community Development Department. We will ensure that the Community Development Department is notified on the importance of letting the Finance Department know when new notes are issued so that they can be recorded in the City's official records. We will also ensure that the Community Development Department is aware of the fact that internal control would be enhanced by a monthly reconciliation between the FAMIS system and the note receivable balance on USET's monthly reports which they receive.

### RETAINED RISK

**Worker's Compensation Payments** — As noted in our previous letters to management, the workers' compensation benefit payments made by the Risk Management Department should be reconciled with the City's FAMIS accounting system. We recommend that a monthly reconciliation be performed for this account (#1902) and reviewed by management.

**Management's Response** — During 1995, Risk Management worked at the reconciliation and submitted an acceptable reconciliation; however, we concur the reconciliation was not performed on a timely basis.

Beginning 1996, F. A. Richard, Inc. was hired to make payments to employees off work due to work-related injuries. Risk Management submits to Accounting a weekly check register and transfer request for funds to pay benefits to employees. These benefits are no longer paid through the payroll system. This reconciliation will not be necessary beginning in 1996.

### SHREVEPORT AREA TRANSIT SYSTEM

**Fixed Assets** — During our review of the fixed assets of Shreveport Area Transit System, we noted that the fixed asset reports on depreciation, additions, deletions, and the rollforward are manually prepared. Significant time could be saved if these reports were computerized. A lotus spreadsheet could be used or it is possible the accounting system, with some modification, used by the management company could produce the necessary reports.

**Management's Response** — We do currently keep the fixed asset reports on depreciation, additions, deletions, and the roll-forward manually. This is not a time consuming process. We will determine if it is feasible to use the City's System.

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Our procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the company's organization gained during our work to make comments and suggestions that 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 the information and use of the Mayor and City Council members, audit subcommittee, management, the 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.

Very truly yours,

*KPMG Peat Marwick LLP*

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The claims liability of \$5,245,108 reported in the fund at December 31, 1995 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount in fiscal years 1994 and 1995 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-end</u>
1994	\$ 3,059,462	\$ 4,200,978	\$ 4,437,859	\$2,822,581
1995	2,822,581	11,235,478	5,245,108	5,245,108

The City also maintains a self-insurance program to cover health care claims of City employees. This program is accounted for in the Employees Health Care Fund. All self-insurance programs are accounted for within Internal Service Funds. The City has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

**(19) Subsequent Events**

In January 1996, the city issued \$13,805,000 in general obligation refunding bonds to advance refund \$12,765,000 of the outstanding 1990 Series A Bonds.



CITY OF SHREVEPORT, LOUISIANA  
EMPLOYEES' RETIREMENT SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
ANALYSIS OF 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 (Assets in Excess of) Pension Benefit Obligation	Annual Covered Payroll	Unfunded Pension (Assets in Excess of) Benefit Obligation as a Percentage of Covered Payroll
1986	\$58,092,551	\$56,735,882	102.4 %	(\$1,356,669)	\$28,685,991	(4.7) %
1987	62,543,281	63,705,667	98.2	1,162,386	25,801,467	4.5
1988	63,545,086	67,364,917	94.3	3,819,831	24,338,770	15.7
1989	69,510,369	62,241,928	111.7	(7,268,441)	23,187,392	(31.3)
1990	72,449,725	67,412,996	107.5	(5,036,729)	25,099,552	(20.1)
1991	84,360,942	74,702,328	112.9	(9,658,614)	26,660,117	(36.2)
1992	88,641,093	77,420,000	114.4	(11,221,093)	26,872,367	(41.8)
1993	95,853,874	80,770,000	118.7	(15,083,874)	28,037,687	(53.8)
1994	93,903,122	88,140,000	106.5	(5,763,122)	31,439,551	(18.3)
1995	116,249,493	95,950,000	121.2	(20,299,493)	32,498,922	(62.5)

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 Employees Retirement System's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the public employee retirement systems. 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 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 Employees Retirement System's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Note: The current year factors that effected the pension benefit obligation were: (1) net interest (2) change in benefits accumulated (3) benefits paid and (4) plan amendments. The dollar effect of the changes was \$7,612,000, \$5,435,000, \$(7,117,000) and \$1,880,000.

Unaudited - see accompanying auditors' report.

CITY OF SHREVEPORT, LOUISIANA  
EMPLOYEES' RETIREMENT SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
REVENUES BY SOURCE AND EXPENSES BY TYPE  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Revenues by Source				Annual Covered Payroll	Employer Contribution as a Percentage of Annual Covered Payroll	
	Employee Contributions(1)	Employer Contributions(1)	Investment Income	Net Appreciation in Fair Value and Gain on Sale of Investments			
				Miscellaneous	Total		
1986	\$2,608,479	\$3,198,488	\$7,640,008	\$ --	\$13,446,975	\$28,685,991	11.2%
1987	2,388,540	2,392,055	4,856,523	--	9,637,118	25,801,467	9.3
1988	2,311,763	2,379,892	5,469,324	--	10,160,979	24,338,770	9.8
1989	2,229,956	2,299,221	5,396,901	2,127,111	12,070,452	23,187,392	9.9
1990	2,415,568	2,462,688	5,644,106	--	10,547,180	25,099,552	9.8
1991	2,477,571	2,533,469	7,268,183	5,843,950	18,338,603	26,660,117	9.5
1992	2,570,131	2,598,432	6,458,614	--	11,666,140	26,872,367	9.7
1993	2,678,523	2,725,362	7,023,324	1,382,282	13,809,491	28,037,687	9.7
1994	2,997,347	3,055,467	4,419,314	--	10,472,178	31,439,551	9.7
1995	3,113,331	3,177,633	5,068,304	18,517,662	29,877,030	32,498,922	9.8

Fiscal Year	Expenses by Type			Total
	Administrative Expenses	Refunds	Net Depreciation in Fair Value and Loss on Sale of Investments	
1986	\$3,050,039	\$193,789	\$ --	\$3,824,795
1987	3,628,116	241,823	5,221,416	10,304,082
1988	3,996,052	308,663	--	5,138,433
1989	4,461,210	273,458	487,078	6,293,889
1990	4,817,453	374,446	1,619,880	7,700,576
1991	5,021,344	388,954	--	6,600,156
1992	5,349,414	415,590	247,182	6,904,178
1993	5,395,854	475,414	--	6,624,994
1994	5,494,179	496,482	6,288,300	13,114,931
1995	5,952,574	584,124	--	7,700,852

(1) Contributions were made in accordance with actuarially determined contribution requirements.

Unaudited - see accompanying auditors' report.

CITY OF SHREVEPORT, LOUISIANA  
 FIREMEN'S PENSION AND RELIEF FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 ANALYSIS OF FUNDING PROGRESS  
 FISCAL YEARS ENDED DECEMBER 31, 1987 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
1987	\$ 383,276	\$ 8,495,669	4.5%	\$ 8,112,393	N/A	N/A
1988	663,202	8,917,533	7.4	8,254,331	\$7,447,224	110.8%
1989	590,314	10,272,372	5.7	9,682,058	7,453,170	129.9
1990	764,047	12,142,541	6.3	11,378,494	7,497,675	151.8
1991	1,612,526	10,442,227	15.4	8,829,701	7,399,289	119.3
1992	1,560,623	10,910,000	14.3	9,349,377	7,384,684	126.6
1993	2,296,319	11,741,447	19.6	9,445,128	7,624,566	123.9
1994	3,271,636	13,090,000	25.0	9,818,364	5,652,429	173.7
1995	4,275,655	12,715,000	33.6	8,439,345	5,704,329	147.9

Ten-year historical trend information is not available since 1987 was the first year that the required data was gathered.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension 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 Firemen's Pension and Relief Fund's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the public employee retirement systems. 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 Firemen's Pension and Relief Fund's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Note: The current year factors that effect the pension benefit obligation were: (1) net interest (2) change in benefits accumulated and (3) benefits paid. The dollar effect of the changes was \$1,158,000, \$(1,097,000) and \$(436,000), respectively.

Unaudited - see accompanying auditors' report.

CITY OF SHREVEPORT, LOUISIANA  
 FIREMEN'S PENSION AND RELIEF FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 REVENUES BY SOURCE AND EXPENSES BY TYPE  
 FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Revenues by Source						Annual Covered Payroll	Employer Contribution as a Percentage of Annual Covered Payroll
	Employer Contribution(1)	Investment Income	Net Appreciation in Fair Value and Gain on Sale of Investments	Life Insurance Proceeds	Miscellaneous	Total		
1986	\$2,765,824	\$ 2,862	\$ --	\$ --	\$ --	\$2,768,686	N/A	N/A
1987	375,915	6,991	--	--	--	382,906	N/A	N/A
1988	542,423	20,591	--	--	--	563,014	\$7,447,224	7.3%
1989	592,201	69,609	--	--	--	661,810	7,453,170	7.9
1990	836,600	73,136	--	100,000	4,295	1,014,031	7,497,675	11.2
1991	849,618	52,659	--	--	--	902,277	7,399,289	11.5
1992	840,160	41,249	--	110,000	27,791	1,019,200	7,384,684	11.4
1993	814,163	50,479	--	--	961	865,603	7,624,566	10.7
1994	900,886	71,261	--	220,000	123	1,192,270	5,652,429	15.9
1995	855,289	123,674	295,072	--	9,342	1,283,377	5,704,329	15.0

Fiscal Year	Expenses by Type			Total
	Administrative Expenses	Net Depreciation in Fair Value of Investments	Life Insurance Premium	
1986	\$13,489	\$ --	\$ --	\$ 2,746,896
1987	10,254	--	--	226,693
1988	23,771	--	--	283,188
1989	12,870	--	34,006	368,206
1990	19,220	--	400,009	852,663
1991	24,589	--	251,209(2)	709,537
1992	13,301	--	78,328(2)	532,160
1993	18,900	13,432	44,296	492,680
1994	25,914	87,286	36,308	654,145
1995	37,966	--	--	474,175

(1) Contributions were made in accordance with actuarially determined contribution requirements.

(2) Restated in 1993 to conform with 1993 presentation.

N/A - Not available

Unaudited - see accompanying auditors' report.



CITY OF SHREVEPORT, LOUISIANA  
 POLICEMEN'S PENSION AND RELIEF FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 ANALYSIS OF FUNDING PROGRESS  
 FISCAL YEARS ENDED DECEMBER 31, 1987 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
1987	\$ 469,230	\$9,121,448	5.1%	\$8,652,218	N/A	N/A
1988	462,171	9,269,457	5.0	8,807,286	\$3,741,985	235.4%
1989	471,952	9,352,037	5.0	8,880,085	3,632,536	244.5
1990	744,830	8,396,906	8.9	7,652,076	3,747,945	204.2
1991	1,214,917	6,907,402	17.6	5,692,485	3,626,456	157.0
1992	1,420,290	6,602,000	21.5	5,181,710	3,610,052	143.5
1993	2,252,146	7,864,731	28.6	5,612,585	3,769,430	148.9
1994	2,961,118	8,330,000	35.6	5,368,882	3,417,868	157.1
1995	4,029,021	8,737,000	46.1	4,707,979	3,352,718	140.4

Ten-year historical trend information is not available since 1987 was the first year that the required data was gathered.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension 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 Policemen's Pension and Relief Fund's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the public employee retirement systems. Trends in unfunded pension 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 Policemen' Pension and Relief Fund's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Note: The current year factors that effected the pension benefit obligation were: (1) net interest (2) change in benefits accumulated and (3) benefits paid. The dollar effect of the changes was \$750,000, \$115,000 and \$(458,000), respectively.

Unaudited - see accompanying auditors' report.

CITY OF SHREVEPORT, LOUISIANA  
POLICEMEN'S PENSION AND RELIEF FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
REVENUES BY SOURCE AND EXPENSES BY TYPE  
FISCAL YEARS ENDED DECEMBER 31, 1986 THROUGH DECEMBER 31, 1995

Fiscal Year	Revenues by Source							Annual Covered Payroll	Employer Contribution as a Percentage of Annual Covered Payroll
	Employer Contributions(1)	Net Appreciation in Fair Value of Investments	Investment Income	Life Insurance Proceeds	Miscellaneous	Total	Annual Covered Payroll		
1986	\$ 521,196	\$ --	\$12,295	\$ --	\$ --	\$ 533,491	N/A	N/A	
1987	1,078,509	--	12,524	--	--	1,091,033	N/A	N/A	
1988	1,206,157	--	27,732	--	--	1,233,889	\$ 3,741,985	32.2 %	
1989	1,698,670	--	47,196	--	--	1,745,866	3,632,536	46.8	
1990	1,689,756	--	53,660	220,000	3,393	1,966,809	3,747,945	45.1	
1991	1,597,575	--	50,949	110,000	2,881	1,761,405	3,626,456	44.1	
1992	1,318,579	--	40,377	--	--	1,358,956	3,610,052	36.5	
1993	1,253,615	--	47,877	111,271	49,104	1,461,867	3,769,430	33.3	
1994	1,022,852	--	68,328	110,000	256	1,201,436	3,417,868	29.9	
1995	822,530	261,396	118,463	110,000	52,479	1,364,868	3,352,718	24.5	

Expenses by Type

Fiscal Year	Administrative Expenses			Net Depreciation in Fair Value and Loss on Sale of Investments		Life Insurance Premium		Total
	Benefits	Administrative Expenses		Net Depreciation in Fair Value and Loss on Sale of Investments	Life Insurance Premium	Total		
1986	\$ 527,663	\$ 9,189	\$ --	\$ --	\$ --	\$ 536,852		
1987	868,876	9,670	--	--	--	878,546		
1988	1,189,284	23,171	--	--	--	1,212,455		
1989	1,380,400	12,270	--	--	28,410	1,421,080		
1990	1,322,883	18,857	--	--	336,233	1,677,973		
1991	1,235,347	24,338	--	--	210,826(2)	1,470,511		
1992	972,802	12,608	--	--	67,709(2)	1,053,119		
1993	940,110	17,291	12,274		21,464	991,139		
1994	676,706	25,358	94,989		26,830	823,883		
1995	457,923	37,898	2,036		--	497,857		

(1) Contributions were made in accordance with actuarially determined contribution requirements.

(2) Restated in 1993 to conform with 1993 presentation.

Employees do not contribute to this plan.

N/A - Not available

Unaudited - see accompanying auditors' report.

## **GENERAL FUND**

The General Fund is the principal fund of the City and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e. police, recreation, public works, general government, etc.) These activities are funded principally by property and sales taxes on individuals and businesses and charges for services.

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
DECEMBER 31, 1995 AND 1994

	1995	1994
<b>ASSETS</b>		
Cash and cash equivalents	\$ 8,252,776	\$ 8,817,055
Property taxes receivable, less allowance for uncollectible taxes of \$520,232 in 1995 and \$524,429 in 1994	4,587,189	3,590,267
Franchise taxes receivable	1,216,314	1,142,837
Accounts receivable	2,873,695	1,838,382
Due from other governmental units	7,194,764	7,075,945
Due from other funds	53,161	482,579
Inventories, at cost	904,858	852,076
 Total assets	 <u>\$ 25,082,757</u>	 <u>\$ 23,799,141</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 2,699,193	\$ 2,208,658
Accrued liabilities	266,210	187,326
Due to other governmental units	319,697	331,324
Due to other funds	11,192,368	8,701,882
Deferred revenue (property taxes of \$716,867 in 1995 and \$771,814 in 1994)	1,132,770	1,132,657
Deposits and other	709,407	692,871
 Total liabilities	 <u>16,319,645</u>	 <u>13,254,718</u>
Fund balance:		
Reserved for:		
Encumbrances	2,533,827	1,788,941
Inventories	904,858	852,076
Endowments	14,719	14,719
Unreserved :		
Designated for subsequent years' expenditures	1,143,100	1,758,200
Undesignated	4,166,608	6,130,487
 Total fund balance	 <u>8,763,112</u>	 <u>10,544,423</u>
 Total liabilities and fund balance	 <u>\$ 25,082,757</u>	 <u>\$ 23,799,141</u>

See accompanying notes to combined financial statements.



CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
<b>Revenues:</b>		
<b>Taxes:</b>		
Property taxes	\$ 16,163,284	\$ 15,241,771
Penalty and interest on delinquent taxes	307,082	809,622
Sales taxes	62,230,417	59,074,258
Franchise taxes	5,214,852	5,044,039
<b>Total taxes</b>	<u>83,915,635</u>	<u>80,169,690</u>
<b>Licenses and permits:</b>		
Retail and occupational licenses	4,782,375	4,695,266
Building permits	870,980	867,613
Other permits	51,150	58,461
<b>Total licenses and permits</b>	<u>5,704,505</u>	<u>5,621,340</u>
<b>Intergovernmental:</b>		
Tobacco tax	723,884	725,421
Beer tax	274,757	253,377
State highway maintenance	509,056	469,610
State and federal grants	396,836	349,149
Video poker	1,250,722	1,234,855
Hotel sales tax rebate	775,000	775,000
<b>Total intergovernmental</b>	<u>3,930,255</u>	<u>3,807,412</u>
<b>Charges for services:</b>		
Parks and recreation	514,114	373,318
Public works, design and engineering	1,111,721	1,158,374
Emergency medical service	1,551,467	1,647,583
Internal service charges	3,750,516	3,804,941
Landfill fees	9,129,349	7,288,826
Other charges	1,867,363	1,800,335
<b>Total charges for services</b>	<u>17,924,530</u>	<u>16,073,377</u>
<b>Fines and forfeitures</b>	<u>3,343,529</u>	<u>2,807,106</u>
<b>Use of money and property:</b>		
Interest	303,632	260,111
Buildings and property	1,144,347	1,165,557
<b>Total use of money and property</b>	<u>1,447,979</u>	<u>1,425,668</u>
<b>Miscellaneous:</b>		
Courts and marshal	230,815	172,206
Other	377,951	1,003,744
<b>Total miscellaneous</b>	<u>608,766</u>	<u>1,175,950</u>
<b>Total revenues</b>	<u>116,875,199</u>	<u>111,080,543</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
<b>Expenditures:</b>		
<b>General government:</b>		
Office of the mayor:		
Salaries, wages and employee benefits	2,102,985	1,989,766
Materials and supplies	53,057	45,946
Contractual services	157,519	140,152
Other charges	16,337	10,889
Improvements and equipment	57,641	38,274
Total office of the mayor	<u>2,387,539</u>	<u>2,225,027</u>
City council:		
Salaries, wages and employee benefits	688,575	653,974
Materials and supplies	8,258	7,539
Contractual services	114,719	108,625
Improvements and equipment	11,165	14,780
Total city council	<u>822,717</u>	<u>784,918</u>
Finance:		
Salaries, wages and employee benefits	3,565,497	3,609,770
Materials and supplies	425,700	399,995
Contractual services	855,511	819,383
Improvements and equipment	350,274	1,058,650
Total finance	<u>5,196,982</u>	<u>5,887,798</u>
Finance general government:		
Salaries, wages and employee benefits	5,603,631	5,356,168
Materials and supplies	136,719	132,518
Contractual services	894,382	1,045,027
Interest and civic appropriations	6,516,911	5,770,558
Improvements and equipment	156,207	553,416
Claims	8,200,389	4,764,645
Total finance general government	<u>21,508,239</u>	<u>17,622,332</u>
Total general government	<u>29,915,477</u>	<u>26,520,075</u>
Public safety:		
Police:		
Salaries, wages and employee benefits	22,071,888	22,056,856
Materials and supplies	1,014,250	878,506
Contractual services	724,538	589,115
Other charges	40,844	76,393
Improvements and equipment	822,232	772,970
Total police	<u>24,673,752</u>	<u>24,373,840</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
Fire:		
Salaries, wages and employee benefits	23,181,637	21,920,178
Materials and supplies	629,778	528,722
Contractual services	1,328,658	1,307,484
Other charges	1,306	--
Improvements and equipment	635,869	386,724
Total fire	<u>25,777,248</u>	<u>24,143,108</u>
Total public safety	<u>50,451,000</u>	<u>48,516,948</u>
Highways and streets:		
Salaries, wages and employee benefits	4,009,924	4,018,110
Materials and supplies	1,035,010	1,059,219
Contractual services	2,042,875	2,074,717
Improvements and equipment	2,505,401	3,666,938
Total highways and streets	<u>9,593,210</u>	<u>10,818,984</u>
Sanitation:		
Salaries, wages and employee benefits	5,585,347	5,670,559
Materials and supplies	1,146,866	1,013,814
Contractual services	9,047,109	7,086,335
Improvements and equipment	615,711	649,907
Total sanitation	<u>16,395,033</u>	<u>14,420,615</u>
Cultural and recreation:		
Salaries, wages and employee benefits	5,698,762	5,257,529
Materials and supplies	911,719	671,097
Contractual services	2,380,677	2,446,071
Improvements and equipment	825,278	718,625
Total cultural and recreation	<u>9,816,436</u>	<u>9,093,322</u>
Total expenditures	<u>116,171,156</u>	<u>109,369,944</u>
Excess of revenues over expenditures	<u>704,043</u>	<u>1,710,599</u>
Other financing sources (uses):		
Proceeds from certificates of indebtedness	366,524	--
Operating transfers in-Municipal and Regional Airports	937,800	937,800

(continued)

CITY OF SHREVEPORT, LOUISIANA  
 GENERAL FUND  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
Operating transfers out:		
Economic Development	(500,000)	(2,100,000)
Metropolitan Planning Commission	(729,054)	(596,592)
Debt Service Fund	(437,695)	(44,253)
Capital Projects Fund	(33,400)	(6,748,000)
Retained Risk Fund	(105,000)	--
Golf	(224,700)	--
Police Grants	(181,100)	--
Total operating transfers out	<u>(2,210,949)</u>	<u>(9,488,845)</u>
Transfers to component units	<u>(1,631,511)</u>	<u>(1,552,168)</u>
Total other financing uses	<u>(2,538,136)</u>	<u>(10,103,213)</u>
Excess of expenditures and other financing uses over revenues and other financing sources	(1,834,093)	(8,392,614)
Fund balance, beginning of year	10,544,423	19,622,571
Increase (decrease) in reserve for inventory	52,782	(74,849)
Residual equity transfer out	--	(664,600)
Residual equity transfer in	--	53,915
Fund balance, end of year	<u>\$ 8,763,112</u>	<u>\$ 10,544,423</u>

See accompanying notes to combined financial statements.



CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>Revenues:</b>					
<b>Taxes:</b>					
Sales taxes	\$ 62,230,417	\$ --	\$ 62,230,417	\$ 62,000,000	\$ 230,417
Ad valorem taxes and penalties	16,470,366	--	16,470,366	17,298,200	(827,834)
Franchise taxes	5,214,852	--	5,214,852	5,187,700	27,152
Local share state taxes	998,641	--	998,641	1,000,000	(1,359)
Hotel sales tax rebate	775,000	--	775,000	775,000	--
Video poker	1,250,722	--	1,250,722	1,310,000	(59,278)
<b>Total taxes</b>	<b>86,939,998</b>	<b>--</b>	<b>86,939,998</b>	<b>87,570,900</b>	<b>(630,902)</b>
<b>Licenses and permits:</b>					
Business licenses	4,703,885	--	4,703,885	4,564,900	138,985
Construction permits, licenses and penalties	1,056,160	--	1,056,160	1,033,100	23,060
Vehicle licenses and permits	78,490	--	78,490	56,800	21,690
<b>Total licenses and permits</b>	<b>5,838,535</b>	<b>--</b>	<b>5,838,535</b>	<b>5,654,800</b>	<b>183,735</b>
<b>Intergovernmental - Grants</b>	<b>576,489</b>	<b>--</b>	<b>576,489</b>	<b>526,800</b>	<b>49,689</b>
<b>Charges for services:</b>					
<b>External service charges:</b>					
Parking and rentals	617,966	--	617,966	625,300	(7,334)
Parks and recreation	238,932	--	238,932	392,800	(153,868)
Public works	10,365,888	--	10,365,888	9,977,000	388,888
Buildings and property	298,082	--	298,082	300,000	(1,918)
Other	590,789	--	590,789	374,000	216,789
<b>Total external charges</b>	<b>12,111,657</b>	<b>--</b>	<b>12,111,657</b>	<b>11,669,100</b>	<b>442,557</b>
<b>Internal service charges</b>	<b>4,257,237</b>	<b>--</b>	<b>4,257,237</b>	<b>4,809,800</b>	<b>(552,563)</b>
<b>Emergency medical service</b>	<b>1,551,467</b>	<b>--</b>	<b>1,551,467</b>	<b>1,782,000</b>	<b>(230,533)</b>
<b>Total charges for services</b>	<b>17,920,361</b>	<b>--</b>	<b>17,920,361</b>	<b>18,260,900</b>	<b>(340,539)</b>
<b>Fines and forfeitures:</b>					
Parking tickets	148,850	--	148,850	100,000	48,850
Courts and marshal	3,323,113	--	3,323,113	2,311,000	1,012,113
<b>Total fines and forfeitures</b>	<b>3,471,963</b>	<b>--</b>	<b>3,471,963</b>	<b>2,411,000</b>	<b>1,060,963</b>
<b>Interest</b>	<b>303,632</b>	<b>--</b>	<b>303,632</b>	<b>300,000</b>	<b>3,632</b>
<b>Miscellaneous</b>	<b>1,824,221</b>	<b>--</b>	<b>1,824,221</b>	<b>1,584,900</b>	<b>239,321</b>
<b>Total revenues</b>	<b>116,875,199</b>	<b>--</b>	<b>116,875,199</b>	<b>116,309,300</b>	<b>565,899</b>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>Expenditures:</b>					
General government:					
Office of the mayor:					
Salaries, wages and employee benefits	2,102,985	260	2,103,245	2,189,907	86,662
Materials and supplies	53,057	2,047	55,104	62,998	7,894
Contractual services	157,519	650	158,169	156,532	(1,637)
Other charges	16,337	--	16,337	21,200	4,863
Improvements and equipment	57,641	16,700	74,341	76,230	1,889
Total office of the mayor	<u>2,387,539</u>	<u>19,657</u>	<u>2,407,196</u>	<u>2,506,867</u>	<u>99,671</u>
Public affairs:					
Public buildings:					
Salaries, wages and employee benefits	1,360,765	475	1,361,240	1,465,300	104,060
Materials and supplies	199,946	9,846	209,792	225,200	15,408
Contractual services	1,477,854	11,054	1,488,908	1,578,600	89,692
Improvements and equipment	363,630	380,325	743,955	745,237	1,282
Total public buildings	<u>3,402,195</u>	<u>401,700</u>	<u>3,803,895</u>	<u>4,014,337</u>	<u>210,442</u>
Fleet services:					
Salaries, wages and employee benefits	1,886,137	--	1,886,137	1,944,108	57,971
Materials and supplies	856,298	17,150	873,448	925,607	52,159
Contractual services	562,192	11,896	574,088	575,957	1,869
Improvements and equipment	6,634	--	6,634	17,126	10,492
Total fleet services	<u>3,311,261</u>	<u>29,046</u>	<u>3,340,307</u>	<u>3,462,798</u>	<u>122,491</u>
Total public affairs	<u>6,713,456</u>	<u>430,746</u>	<u>7,144,202</u>	<u>7,477,135</u>	<u>332,933</u>
Finance operations:					
Salaries, wages and employee benefits	3,565,497	431	3,565,928	3,634,760	68,832
Materials and supplies	425,700	10,581	436,281	505,327	69,046
Contractual services	855,511	75,566	931,077	980,500	49,423
Improvements and equipment	350,274	206,107	556,381	851,758	295,377
Total finance operations	<u>5,196,982</u>	<u>292,685</u>	<u>5,489,667</u>	<u>5,972,345</u>	<u>482,678</u>
Finance general government:					
Salaries, wages and employee benefits	1,503,392	--	1,503,392	1,444,015	(59,377)
Materials and supplies	--	--	--	822	822
Contractual services	304,034	1,968	306,002	331,262	25,260
Interest and civic appropriations	5,766,393	42,152	5,808,545	5,845,784	37,239
Improvements and equipment	--	--	--	1,450	1,450
Claims	8,200,389	--	8,200,389	4,921,300	(3,279,089)
Total finance general government	<u>15,774,208</u>	<u>44,120</u>	<u>15,818,328</u>	<u>12,544,633</u>	<u>(3,273,695)</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
<b>City council:</b>					
Salaries, wages and employee benefits	688,575	--	688,575	696,128	7,553
Materials and supplies	8,258	295	8,553	9,806	1,253
Contractual services	114,719	45,175	159,894	181,075	21,181
Improvements and equipment	11,165	3,630	14,795	21,495	6,700
<b>Total city council</b>	<b>822,717</b>	<b>49,100</b>	<b>871,817</b>	<b>908,504</b>	<b>36,687</b>
<b>Total general government</b>	<b>30,894,902</b>	<b>836,308</b>	<b>31,731,210</b>	<b>29,409,484</b>	<b>(2,321,726)</b>
<b>Public safety:</b>					
<b>Police:</b>					
Salaries, wages and employee benefits	22,071,888	71,666	22,143,554	23,096,041	952,487
Materials and supplies	1,014,250	30,194	1,044,444	1,066,684	22,240
Contractual services	724,538	25,383	749,921	934,790	184,869
Other charges	40,844	--	40,844	69,700	28,856
Improvements and equipment	822,232	429,323	1,251,555	1,276,412	24,857
<b>Total police</b>	<b>24,673,752</b>	<b>556,566</b>	<b>25,230,318</b>	<b>26,443,627</b>	<b>1,213,309</b>
<b>Fire:</b>					
Salaries, wages and employee benefits	23,181,637	2,844	23,184,481	23,381,138	196,657
Materials and supplies	629,778	37,672	667,450	671,997	4,547
Contractual services	1,328,658	35,959	1,364,617	1,442,430	77,813
Other charges	1,306	--	1,306	1,500	194
Improvements and equipment	635,869	154,002	789,871	872,437	82,566
<b>Total fire</b>	<b>25,777,248</b>	<b>230,477</b>	<b>26,007,725</b>	<b>26,369,502</b>	<b>361,777</b>
<b>Total public safety</b>	<b>50,451,000</b>	<b>787,043</b>	<b>51,238,043</b>	<b>52,813,129</b>	<b>1,575,086</b>
<b>Public works:</b>					
Salaries, wages and employee benefits	11,809,373	--	11,809,373	12,131,736	322,363
Materials and supplies	1,462,297	48,172	1,510,469	1,565,037	54,568
Contractual services	11,118,140	273,179	11,391,319	10,802,840	(588,479)
Other charges	750,518	3,462	753,980	750,675	(3,305)
Improvements and equipment	3,270,685	394,174	3,664,859	3,903,594	238,735
<b>Total public works</b>	<b>28,411,013</b>	<b>718,987</b>	<b>29,130,000</b>	<b>29,153,882</b>	<b>23,882</b>
<b>Cultural and recreation:</b>					
<b>Parks and recreation:</b>					
Salaries, wages and employee benefits	4,337,997	25	4,338,022	4,399,500	61,478
Materials and supplies	553,741	43,068	596,809	605,395	8,586
Contractual services	902,823	117,246	1,020,069	1,054,053	33,984
Other charges	158,032	22,835	180,867	151,900	(28,967)
Improvements and equipment	461,648	8,315	469,963	472,799	2,836

(continued)

CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 1995

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Total cultural and recreation	6,414,241	191,489	6,605,730	6,683,647	77,917
Total expenditures	116,171,156	2,533,827	118,704,983	118,060,142	(644,841)
Excess (deficiency) of revenues over (under) expenditures	704,043	(2,533,827)	(1,829,784)	(1,750,842)	(78,942)
Other financing sources (uses):					
Certificate of indebtedness	366,524	--	366,524	358,000	8,524
Operating transfers in	937,800	--	937,800	937,800	--
Operating transfers out	(2,210,949)	--	(2,210,949)	(2,255,100)	44,151
Transfers to component units	(1,631,511)	--	(1,631,511)	(1,653,700)	22,189
Total other financing uses	(2,538,136)	--	(2,538,136)	(2,613,000)	74,864
Excess of expenditures and other financing uses over revenues and other financing sources	(1,834,093)	(2,533,827)	(4,367,920)	(4,363,842)	(4,078)
Fund balance, beginning of year	10,544,423	--	10,544,423	10,544,423	--
Increase in reserve for inventory	52,782	--	52,782	52,782	--
Fund balance, end of year	\$ 8,763,112	\$ (2,533,827)	\$ 6,229,285	\$ 6,233,363	\$ (4,078)

See accompanying notes to combined financial statements.



## **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for revenues from specified taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

**Enrichment Fund** - This fund is used to account for donations held for the purpose of enrichment and improvement of City facilities and services.

**Federal Revenue Sharing Fund** - This fund is used to record receipts and disbursements of general revenue sharing funds received from the Federal Government.

**Economic Development Fund** - This fund accounts for the administration of federal JTPA receipts and disbursements and other funds used to assist in the creation and expansion of businesses, employment opportunities and expansion of the local tax base.

**Community Development Block Grant Fund** - This fund is used to account for receipts and disbursements under the Community Development Block Grant programs. Other miscellaneous grants which are administered by the Department of Urban Development are also accounted for in this fund.

**Metropolitan Planning Commission Fund** - This fund is used to account for receipts and disbursements which occur in conjunction with coordinating City planning, preparing and enforcing zoning laws, and keeping City annexation policies current.

**Community Partnership Fund** - This fund is used to account for receipts and disbursements under the Community Partnership for a Drug-Free Shreveport project. Funds are received from the Department of Health and Human Services, Center for Substance Abuse Prevention.

**Riverfront Development Fund** - This fund accounts for the collection and disbursement of funds from the riverfront gaming activities.

**Police Grants Fund** - This fund accounts for the collection and disbursement of various state and federal grants to the City of Shreveport Police Department.

CITY OF SHREVEPORT, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	<u>Enrichment</u>	<u>Federal Revenue Sharing</u>	<u>Economic Development</u>	<u>Community Development Block Grant</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 467,091	\$ 116,221	\$ 494,918	\$ 703,407
Interest receivable	3,225	--	334	--
Accounts receivable	--	--	160	345
Special assessments receivable	--	16,309	--	--
Due from other governmental units	--	--	285,933	308,912
Notes receivable	--	--	640,136	7,743,179
Due from other funds	--	--	165,240	1,946
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 470,316</u>	<u>\$ 132,530</u>	<u>\$ 1,586,721</u>	<u>\$ 8,757,789</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ --	\$ 1,870	\$ 162,262	\$ 141,896
Due to other governmental units	--	--	--	180,000
Due to other funds	--	--	--	--
Deferred revenue	--	15,778	640,136	7,748,997
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>--</u>	<u>17,648</u>	<u>802,398</u>	<u>8,070,893</u>
Fund balances:				
Reserved for encumbrances	3,984	70,300	378,162	722,626
Unreserved:				
Designated for subsequent years' expenditures	466,332	44,582	406,161	--
Undesignated	--	--	--	(35,730)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>470,316</u>	<u>114,882</u>	<u>784,323</u>	<u>686,896</u>
Total liabilities and fund balances	<u>\$ 470,316</u>	<u>\$ 132,530</u>	<u>\$ 1,586,721</u>	<u>\$ 8,757,789</u>

See accompanying notes to combined financial statements.

Metropolitan Planning Commission	Community Partnership	Riverfront Development	Police Grants	Totals	
				1995	1994
\$ 40	\$ 100	\$ 11,002,041	\$ --	\$ 12,783,818	\$ 10,223,130
--	--	32,846	--	36,405	16,657
--	--	567,505	300	568,310	337,970
--	--	--	--	16,309	32,086
32,000	26,471	100,365	250,633	1,004,314	2,036,664
--	--	--	--	8,383,315	7,574,197
--	--	--	--	167,186	623,940
<u>\$ 32,040</u>	<u>\$ 26,571</u>	<u>\$ 11,702,757</u>	<u>\$ 250,933</u>	<u>\$ 22,959,657</u>	<u>\$ 20,844,644</u>
\$ 22,151	\$ 6,351	\$ 35,371	\$ 68,542	\$ 438,443	\$ 1,419,081
3,900	--	--	--	183,900	8,980
5,989	20,220	1,568,185	124,473	1,718,867	2,417,664
--	--	--	34,655	8,439,566	7,911,192
<u>32,040</u>	<u>26,571</u>	<u>1,603,556</u>	<u>227,670</u>	<u>10,780,776</u>	<u>11,756,917</u>
31,757	5,375	1,128,047	121,696	2,461,947	2,965,999
--	--	8,971,154	--	9,888,229	6,491,028
(31,757)	(5,375)	--	(98,433)	(171,295)	(369,300)
--	--	10,099,201	23,263	12,178,881	9,087,727
<u>\$ 32,040</u>	<u>\$ 26,571</u>	<u>\$ 11,702,757</u>	<u>\$ 250,933</u>	<u>\$ 22,959,657</u>	<u>\$ 20,844,644</u>

CITY OF SHREVEPORT, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 1995  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1994

	Enrichment	Federal Revenue Sharing	Economic Development	Community Development Block Grant
<b>Revenues:</b>				
Intergovernmental	\$ 4,400	\$ --	\$ 3,320,311	\$ 4,916,097
Special assessments	--	15,779	--	--
Use of money and property	27,558	4,648	36,606	11,261
Gaming	--	--	--	--
Miscellaneous:				
Program income	--	--	182,891	357,387
Seizures	93,632	--	--	--
Donations	37,157	--	--	15,850
Other	6,713	--	2,510	220,783
Total miscellaneous	<u>137,502</u>	<u>--</u>	<u>185,401</u>	<u>594,020</u>
Total revenues	<u>169,460</u>	<u>20,427</u>	<u>3,542,318</u>	<u>5,521,378</u>
<b>Expenditures:</b>				
Current:				
General government	--	36,930	--	--
Public safety	76,575	--	--	--
Health and welfare	--	--	--	93,108
Cultural and recreation	91,016	--	--	122,377
Community development and housing	--	--	--	3,598,589
Economic development	--	--	654,747	--
Economic opportunity	--	--	3,216,948	149,587
Capital outlay	--	--	272,461	1,656,511
Total expenditures	<u>167,591</u>	<u>36,930</u>	<u>4,144,156</u>	<u>5,620,172</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,869</u>	<u>(16,503)</u>	<u>(601,838)</u>	<u>(98,794)</u>
<b>Other financing sources (uses):</b>				
Proceeds from certificate of indebtedness	--	--	--	--
Operating transfers in:				
General Fund	--	--	500,000	--
Community Development Block Grant Fund	--	--	--	--
Riverfront Development Fund	--	--	--	--
Capital Projects Funds	--	--	--	1,455
Total operating transfers in	<u>--</u>	<u>--</u>	<u>500,000</u>	<u>1,455</u>
Operating transfers out:				
Economic Development Fund	--	--	--	--
Riverfront Development Fund	--	--	--	(15,600)
Debt Service Fund	--	--	--	--
Capital Projects Funds	--	--	--	(46,641)
Total operating transfers out	<u>--</u>	<u>--</u>	<u>--</u>	<u>(62,241)</u>
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>500,000</u>	<u>(60,786)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>1,869</u>	<u>(16,503)</u>	<u>(101,838)</u>	<u>(159,580)</u>
Fund balances, beginning of year	468,447	131,385	886,161	846,476
Residual equity transfer out	--	--	--	--
Fund balances, end of year	<u>\$ 470,316</u>	<u>\$ 114,882</u>	<u>\$ 784,323</u>	<u>\$ 686,896</u>

See accompanying notes to combined financial statements.



Metropolitan Planning Commission	Community Partnership	Riverfront Development	Police Grants	Totals	
				1995	1994
\$ 128,000	\$ 265,247	\$ 265,105	\$ 824,486	\$ 9,723,646	\$ 16,452,625
--	--	--	--	15,779	17,112
--	--	1,223,929	458	1,304,460	638,179
--	--	6,436,562	--	6,436,562	3,371,774
--	--	--	--	540,278	450,021
--	--	--	--	93,632	47,218
--	--	209,312	--	262,319	130,187
79,481	1,379	--	--	310,866	124,079
79,481	1,379	209,312	--	1,207,095	751,505
207,481	266,626	8,134,908	824,944	18,687,542	21,231,195
936,535	--	--	--	973,465	838,872
--	--	--	1,013,456	1,090,031	107,361
--	266,626	--	--	359,734	403,518
--	--	--	--	213,393	145,102
--	--	--	--	3,598,589	6,297,506
--	--	1,612,450	--	2,267,197	1,745,045
--	--	--	--	3,366,535	3,674,523
--	--	366,936	--	2,295,908	8,150,156
936,535	266,626	1,979,386	1,013,456	14,164,852	21,362,083
(729,054)	--	6,155,522	(188,512)	4,522,690	(130,888)
--	--	--	--	--	7,000,000
729,054	--	--	181,100	1,410,154	2,696,592
--	--	15,600	--	15,600	1,500
--	--	--	--	--	1,084,500
--	--	--	--	1,455	28,550
729,054	--	15,600	181,100	1,427,209	3,811,142
--	--	--	--	--	(1,084,500)
--	--	--	--	(15,600)	(1,500)
--	--	(1,991,504)	--	(1,991,504)	--
--	--	(805,000)	--	(851,641)	(2,723,044)
--	--	(2,796,504)	--	(2,858,745)	(3,809,044)
729,054	--	(2,780,904)	181,100	(1,431,536)	7,002,098
--	--	3,374,618	(7,412)	3,091,154	6,871,210
--	--	6,724,583	30,675	9,087,727	2,270,432
--	--	--	--	--	(53,915)
\$ --	\$ --	\$ 10,099,201	\$ 23,263	\$ 12,178,881	\$ 9,087,727