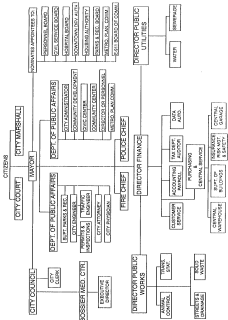


ORGANIZATION CHART



Combined Balance Sheet - All Fund Types, Various Groups, and Quarterly Financial Component Data

Liabilities	Commutual Fund Type		Separate Account		Futures (Net) / Other	Special Purpose Vehicle / Other	Total	Commutual Fund Type	Separate Account	Futures (Net) / Other	Special Purpose Vehicle / Other	Total	
	Book Value	Change	Book Value	Change									
Accounts payable	\$0.00	\$0.71	\$1,069	\$101.02	\$1.0							\$1.78	\$101.75
Accounts receivable	11,505	5,914	65,132	1,918									82,179
Due to the Issuer (1)	-	-	-	-	-								2,793
Due to the Issuer (2)	-	-	-	-	-								2,800
Subsidiary receivable (See Note 2)	-	-	10,000	10,000						10,000			10,000
Accrued liability (See Note 2)	-	-	-	-	11,115							21,328	11,115
Prepaid legal services	-	-	16,000	16,000									16,000
Prepaid legal services	-	-	1,100,000	1,100,000									1,101,000
Deferred investment fee	-	-	-	-						1,680,773			1,680,773
Deferred investment fee	-	-	-	-									4,857
Other (See Note 2)	-	-	-	-									1,453,128
Total Liabilities	\$11,505	\$17,625	\$18,201	\$1,135	\$12,115					\$1,682,773	\$21,328	\$1,714,101	\$2,288,682
Total Assets													\$2,288,682
Total Liabilities and Equity													\$2,288,682
Accounts payable	-	-	-	-	1,000,000								1,000,000
Accounts receivable	-	-	-	-	-					4,000,000			4,000,000
Due to the Issuer (1)	-	-	-	-	-								5,000,000
Due to the Issuer (2)	-	-	-	-	-								1,000,000
Subsidiary receivable (See Note 2)	-	-	-	-	10,000,000								10,000,000
Accrued liability (See Note 2)	-	-	-	-	-								10,000,000
Prepaid legal services	-	-	-	-	1,000,000								1,000,000
Prepaid legal services	-	-	-	-	1,000,000								1,000,000
Deferred investment fee	-	-	-	-	-								1,000,000
Deferred investment fee	-	-	-	-	-								1,000,000
Other (See Note 2)	-	-	-	-	-								1,000,000
Total Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$12,000,000					\$4,000,000	\$21,000,000	\$4,000,000	\$25,000,000
Total Assets													\$25,000,000
Total Liabilities and Equity													\$25,000,000
Accounts payable	-	-	-	-	1,000,000								1,000,000
Accounts receivable	-	-	-	-	-					4,000,000			4,000,000
Due to the Issuer (1)	-	-	-	-	-								5,000,000
Due to the Issuer (2)	-	-	-	-	-								1,000,000
Subsidiary receivable (See Note 2)	-	-	-	-	10,000,000								10,000,000
Accrued liability (See Note 2)	-	-	-	-	-								10,000,000
Prepaid legal services	-	-	-	-	1,000,000								1,000,000
Prepaid legal services	-	-	-	-	1,000,000								1,000,000
Deferred investment fee	-	-	-	-	-								1,000,000
Deferred investment fee	-	-	-	-	-								1,000,000
Other (See Note 2)	-	-	-	-	-								1,000,000
Total Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$12,000,000					\$4,000,000	\$21,000,000	\$4,000,000	\$25,000,000
Total Assets													\$25,000,000
Total Liabilities and Equity													\$25,000,000

An accompanying note to consolidated financial statements

UNITED STATES OF AMERICA
 Consolidated Balance Sheet - All Post Office, Auction Stamp and Revenue Related Component Parts
 December 31, 1994
 (in millions of dollars)

	Assets			Liabilities			Total Assets (Liabilities)	Total Liabilities (Equity)
	Current	Non-current	Total	Current	Non-current	Total		
Assets and Other Credits								
Post office receivables	1,575,000	2,000,000	3,575,000	1,575,000	2,000,000	3,575,000	3,575,000	
Accounts receivable	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000	2,000,000	
Inventory	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Prepaid expenses	50,000	50,000	100,000	50,000	50,000	100,000	100,000	
Other receivables	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Investment in other entities	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Other assets	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Liabilities								
Accounts payable	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000	2,000,000	
Other liabilities	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Equity								
Capital	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	2,000,000	2,000,000	
Reserves	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Other equity	100,000	100,000	200,000	100,000	100,000	200,000	200,000	
Total	3,775,000	4,300,000	8,075,000	3,775,000	4,300,000	8,075,000	8,075,000	

COMBINED FINANCIAL STATEMENTS — OVERVIEW

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

In accordance with *Government Auditing Standards*, we have also issued a report dated February 28, 1997, on our consideration of the internal control structure of the City of Bossier City, Louisiana, and a report dated February 28, 1997, on its compliance with laws and regulations.

As described in note 17 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 28, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, and Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* in 1996.

The schedules of historical proforma information listed as Exhibits 3-1 and 3-2 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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

KPM& Peat Marwick LLP

February 28, 1997

Independent Auditors' Report

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

We have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana, as of and for the year ended December 31, 1996, as listed in the accompanying Table of Contents at Exhibits 1-4 and Exhibits A-1 to E-1. These financial statements and schedules are the responsibility of the City of Bossier City, Louisiana, management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit. We did not audit the financial statements of the Bossier Public Trust Financing Authority whose statements reflect total assets of \$17,541,504 as of November 30, 1996, and total revenues of \$1,252,807 for the year then ended. These financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for the Bossier Public Trust Financing Authority in the component unit columns of Exhibits 1, 4, 9 and 3, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors whose report expressed an unqualified opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Bossier City, Louisiana, as of December 31, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Bossier City, Louisiana, as of December 31, 1996, and the results of operations of each fund and the cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

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

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources. The total revenues of \$18,851,624 from these sources for 1996 reflects a net increase of 12.9% from 1995. Sales and use taxes, riverboat gaming, video poker, and intergovernmental revenues generated 91.4% of the total 1996 revenues compared to 92.8% in 1995. Sales tax revenues of \$3,215,803 were recorded in three special revenue funds established for the purposes of constructing and operating two new fire stations and a training facility, maintaining and operating the City jail and municipal buildings, and repair and maintenance of streets and drainage. Riverboat gaming revenue of \$10,482,009 was received during 1996 as part of the agreement with the two riverboats that became operational during 1994. These funds have been accumulated until the \$19,000,000 base amount created by ordinance was attained. The Ordinance also requires that 50% of the revenue received after the \$19,000,000 base amount has been attained is to be used for capital and other undetermined projects and 50% added to the base amount. In 1996, \$5,083,524 was transferred from the Riverboat Gaming Special Revenue Fund to the water and sewerage funds to begin construction on water and sewer expansion. At December 31, 1996, there are no amounts available for transfer from the fund. Intergovernmental revenues of \$1,513,809 consisted primarily of Community Development Block Grant monies expended for programs designed to benefit low and moderate income residents and an allocation of \$525,000 from the State of Louisiana for the operation of the Civic Center. The Civic Center, in its sixth full year of operation, generated total revenues of \$783,846, primarily from the State grant and rental fees. Other special revenue funds were used to account for the Metropolitan Planning Commission and the Court Witness Fee Fund.

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's financial position.

Bonded indebtedness activity for 1996, which consists of revenue bonds applicable to general city, water and sewerage, and Medical Center operations, is summarized in the following table:

Bonds payable at January 1, 1996	\$ 57,600,000
New Issues	7,995,000
Bonds Refunded	66,600,000
Debt retired - serial bonds	25,025,000
Gain on revenue bond refunding	(1,251,337)
Amortization of gain on refunding	112,622
Bonds payable at December 31, 1996	\$ 54,133,155

At December 31, 1996, there was no general obligation debt recorded in the financial statements of the City. Tables 6 to 10C of this report present more detailed information about the debt position of the City.

ELECTED OFFICIALS



MALCOM GEORGE DEBONT



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



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



**Council Member District 1
GORDON BLACKMAN**



**Council Member District 2
JIM SAWYER**



**Council Member District 3
LEYONDRE WICKARD**



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



**Council Member District 5
JAMES ROGERS**

CITY OF BOZEMAN CITY GOVERNANCE

Bozeman

Detailed Statement of Receipts, Expenditures, and Changes in Fund Balance - All Proprietary Funds Types, including the Financial Comparison Co.

The ending balance is \$0.00 with comparison total for year ended December 31, 1991

	Proprietary Fund Type	Accounting Code	Total	Comparison Total
	Receipts	Expenditures	Change	for 1991
	000	000	000	000
Operating revenues				
Charges for services	86,206,347	—	86,206,347	1,025,691
Grants and income	—	—	—	—
Commodities sold and ID	1,811,252	—	1,811,252	—
City	1,113,818	—	1,113,818	—
Interagency	697,434	—	697,434	—
Miscellaneous	7,000,000	—	7,000,000	7,000,000
Total revenues	89,817,437	—	89,817,437	—
Operating expenses				
Personnel services	65,151,406	—	65,151,406	—
Travel	1,230,000	—	1,230,000	—
Printing	1,230,000	—	1,230,000	—
Utilities	1,230,000	—	1,230,000	—
Advertising and maintenance	1,230,000	—	1,230,000	—
Provision for bad debts	1,230,000	—	1,230,000	—
Other (0000)	1,230,000	—	1,230,000	—
Subscriptions	1,230,000	—	1,230,000	—
Depreciation and amortization	1,230,000	—	1,230,000	—
Cost of services	1,230,000	—	1,230,000	—
Total expenses	73,000,000	—	73,000,000	—
Operating income (loss)	16,817,437	—	16,817,437	—
Nonoperating revenues (expenses)				
Interest income	1,230,000	—	1,230,000	—
Service charges	1,230,000	—	1,230,000	—
Investment	1,230,000	—	1,230,000	—
Other, net	1,230,000	—	1,230,000	—
Total nonoperating revenues (expenses)	4,920,000	—	4,920,000	—
Change in fund balance	11,897,437	—	11,897,437	—
Beginning fund balance	77,920,000	—	77,920,000	—
Ending fund balance	89,817,437	—	89,817,437	—

The accompanying notes to consolidated financial statements

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bossier City,
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1995

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Comptroller 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.



Arthur R. Lynch
President

Jeffrey L. Ewert
Executive Director

The Honorable George DeMaio, Mayor
and Members of the City Council
February 28, 1993

Certificate of Achievement of Excellence

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Boulder City for its comprehensive annual financial report for the fiscal year ended December 31, 1992.

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

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

Acknowledgments

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

Respectfully submitted,



Charles E. Oliver
Director of Finance

The Honorable George Demara, Mayor
and Members of the City Council
February 28, 1997

The operating revenues of the water and sewer systems have continued to improve during 1996 due primarily to increased service revenues and continuation of the meter replacement program. Operating expenses have increased due to increased personnel and repair and maintenance costs.

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

	Boulder Medical Center		Emergency Medical Services	
	1995	1996	1995	1996
Gross operating revenues	\$ 51,028,410	\$ 51,521,501	1,646,604	1,676,837
Operating expenses	<u>48,890,965</u>	<u>48,806,108</u>	<u>1,679,853</u>	<u>1,365,754</u>
Operating income (loss)	\$ <u>2,137,445</u>	<u>2,715,393</u>	<u>(33,249)</u>	<u>311,083</u>
Net income (loss)	\$ <u>1,493,941</u>	<u>2,290,264</u>	<u>(116,721)</u>	<u>128,165</u>

Net income for the Boulder Medical Center decreased in 1996 primarily due to a decline in patient days. The Emergency Medical Services Fund operated at a net loss in 1996 due primarily to an increase in personnel costs without a corresponding increase in revenue.

OTHER INFORMATION

Independent Audit

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

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

The Honorable George Deenot, Mayor
and Members of the City Council
February 28, 1997

Risk Management

The City maintains a combination of self-insurance and stop-loss coverage to manage its risk of loss from property damage, theft, and claims against employees. In addition, the City is partially self-insured for group hospitalization, disability, and life insurance. During 1996, the Insurance Fund deficit increased by approximately \$184,473 to \$246,457 as of December 31, 1996, due primarily to increasing medical costs which are not passed on to City employees and unfavorable claims experience. Similarly, the fund balance in the Liability Insurance Fund decreased by \$155,473 during 1996, due primarily to a large workers compensation claim.

Capital Project Funds

The capital project funds are used to account for the acquisition or construction of major capital facilities other than those financed by proprietary funds or trust funds. Expenditures for capital improvement projects in 1996 totaled \$6,138,293. The primary sources of funding the City's capital improvement program are sales taxes.

The capital project funds balances, totaling \$11,899,557 at December 31, 1996, were invested through the City's cash management program in certificates of deposit and U.S. government obligations.

General Fixed Assets

The general fixed assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of enterprise funds. As of December 31, 1996, the general fixed assets of the City amounted to \$43,809,243. This amount represents the original cost of the assets. Depreciation of general fixed assets is not recognized in the City's accounting system, nor is interest capitalized.

Enterprise Funds

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

	1996		1995	
	Water	Sewer	Water	Sewer
Gross operating revenues	\$ 4,431,878	4,495,843	3,948,019	4,429,264
Operating expenses	3,628,852	3,897,174	3,884,265	3,772,846
Operating income	\$ 803,026	598,669	863,754	656,418

The Honorable George Demart, Mayor
and Members of the City Council
February 28, 1997

Pension Plans

The City and the State of Louisiana collectively have six pension plans to provide substantially all full-time City employees with retirement, death, and disability benefits. Employees, select fire, police, and Bossier Medical Center, are covered under the Municipal Employees' Retirement System of Louisiana. The City contributes 3.75% through June 1996 and 3.25% effective July 1996 of eligible earnings to the state for administration of this system.

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

City-administered Fire and Police Pension and Relief Funds currently serve 162 active and retired members. These paid-up plans were established by state statute without providing for adequate levels of contribution to fund the benefits offered by the plans. The latest actuarial valuation, dated January 1, 1995, indicated that the unfunded actuarial accrued liability for active and retired employees covered by these plans is \$47,817,973. According to the latest actuarial report, the unfunded annual contribution required to pay normal cost and to fund the unfunded prior service cost over a 30-year period from 1995 is approximately \$3,038,824.

The unfunded actuarial liability of the Firemen's and Policemen's Plans increased more than expected this year due to salary increases which are passed on to retirees in the form of increased benefit payments. Generally, the unfunded actuarial liability of these plans can be expected to increase for the next few years before beginning to decrease. Growth in these numbers should not be viewed as an indication of underfunding as the City continues to keep the plans actuarially sound by making the required contributions.

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

Cash Management

The City has a cash management program which consists of pooling cash and investments for all funds of the City except the pension trust funds. Available cash was invested in obligations collateralized by instruments issued by the United States Government or United States Government agencies created by an act of Congress or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned during 1996 was \$4,878,385. This was \$28,863 more than interest earned during 1995.

FINANCIAL SECTION

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

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

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

Bossier Public Trust Financing Authority
708 Easton Road
Bossier City, Louisiana 71171

Other Related Organizations

Bossier Housing Authority

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

Industrial Park Fund

The Industrial Park Fund was organized in 1978 as a joint venture between the City and the Bossier Parish Police Jury for the purpose of purchasing land and the development of an industrial park.

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

(H) Encumbrances

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

(I) Investments

For all funds, except for the Pension Trust Funds and the Deferred Compensation Fund, investments are stated at cost or amortized cost. The investments at December 31, 1996, were primarily U.S. government and U.S. government agency securities (see note 2 for the City's investment policy). Investments of the Pension Trust Funds and the Deferred Compensation Fund are stated at fair value.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

accompanying financial statements were approximately \$243,874 and \$37,860, respectively, as December 31, 1996. Management does not consider these amounts material to the financial position or results of operations of the Department of Water and Sewerage or the Emergency Medical Services Fund.

The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1988, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins.

(D) Budgetary Data

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

- (1) Prior to October 15, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 15, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department and by principal object of expenditure. The City Clerk provides that expenditures may not legally exceed appropriations on a departmental basis after considering fund surpluses or deficits. The Council may review or amend the budget at its discussion during legally convened sessions. Management may amend the budget only below the department level. Amendments to the budget were made and adopted by the Council during 1996.
- (5) The City utilizes formal budgetary integration as a management control device for the General Fund, special revenue funds, and capital projects funds. This process is not employed for the debt service funds because effective budgetary control is believed through general bond indenture provisions.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(C) Basis of Accounting

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

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

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

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

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

The accrual basis of accounting is used by the proprietary and pension trust funds. Revenues are recognized when earned and expenses are recognized when incurred. The accrual method is used to account for bad debt expenses on enterprise fund receivables. Unbilled service revenues are not accrued by the City. Unbilled service receivables of the Department of Water and Sewerage Fund and Emergency Medical Services Fund not reflected in the

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

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

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

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

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

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

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

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

Buildings	15-30 years
Structures	
Water reservoir and treatment plant	10-30 years
Transmission and distribution system	10-30 years
Equipment and vehicles	3-20 years

CITY OF BOSSIER CITY, LOUISIANA

Notes to Consolidated Financial Statements

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

ACCOUNT GROUPS

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

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

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

(B) Fixed Assets and Long-Term Liabilities

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

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

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

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

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

FINANCIAL FUNDS

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Condensed unaudited financial information as of December 31, 1996, is as follows:

Balance Sheet Data	Total	City's Share
Total assets	\$ <u>167,251</u>	<u>83,625</u>
Total fund balances	\$ <u>167,251</u>	<u>83,625</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance		
Revenue	\$ 73,286	37,693
Expenditures	<u>625</u>	<u>328</u>
Excess expenditures over revenues	74,711	37,533
Fund balance, January 1, 1996	<u>82,540</u>	<u>46,270</u>
Fund balance, December 31, 1996	\$ <u>167,251</u>	<u>83,625</u>

During 1996, the Industrial Park Fund was essentially inactive having completed its primary activity of three years which consisted of funding the construction of a 420 foot road and a utility easement on behalf of an industrial company relocating to the Bossier City area. Complete financial statements of the joint venture may be obtained at the following address:

Bossier Parish Police Jury
P.O. Box 88
Bossier City, Louisiana 71005

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

(A) Basis of Presentation - Fund Accounting

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

CITY OF BOONVILLE, MISSOURI

EXHIBIT

Combined Financial Statement, Expenditures, and
Change in Fund Balance - Budget and Actual Data
Budgetary Year - General and Special Revenue Fund Year
Year ended December 31, 1988

	General Fund		Special Revenue Fund	
	Actual Budget Basis	Variance (Adverse) (Favorable)	Actual Budget Basis	Variance Favorable (Adverse)
Revenues:				
Taxes	15,469,070	1,471,000	3,110,000	299,000
Rent/lease property	1,978,000	28,000	—	—
Licenses and permits	591,000	11,000	294,000	200
Gifts/proceeds	321,000	11,000	—	—
Interest	11,000	(11,000)	—	—
Other revenues - Licenses and permits	11,000	—	—	—
Grants	—	—	—	—
State aid	31,000	11,000	294,000	66,000
Interest	1,471,000	100	—	—
Investments	2,288,000	228,000	—	—
Miscellaneous	243,000	1,200,000	2,288,000	1,000
Total Revenues	22,383,070	2,002,000	7,714,000	1,006,000
Expenditures:				
Capital	5,678,000	5,678,000	544,000	(6,000)
Construction	2,800,000	2,800,000	—	—
Capital equipment	11,200,000	652,000	—	—
Public safety	1,200,000	62,000	—	—
Police and fire	135,000	11,000	444,000	10,000
Public works	1,200,000	1,200,000	—	—
Other capital expenses	1,200,000	1,200,000	—	—
Police and Sheriff	100,000	—	—	—
Public works	—	—	—	—
Capital	21,213,000	21,213,000	1,048,000	10,000
Operating	41,460,000	(41,460,000)	1,664,000	(6,000)
Expenditures of revenues from operations	—	—	—	—
Other financing sources (uses)	2,290,000	2,290,000	21,000	—
Bond proceeds	11,000,000	—	11,000,000	—
Grants	1,100,000	—	2,184,000	—
Other financing sources (uses)	—	—	—	—
Expenditures of revenues and other items with expenditures and other use	74,000	(694,000)	194,000	84,000
Net balance at beginning of year	1,008,100	1,008,100	1,008,100	—
Net balance at end of year	2,200,100	2,200,100	2,200,100	—

See accompanying notes to combined financial statements

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Discretely Presented Component Units

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

City Court of Bossier City

The City Court of Bossier City (City Court) was created by special legislative act. Its jurisdiction includes the incorporated area of the City. The City judge is elected and cannot be removed by City officials. The City Court is fiscally dependent on the City. The City has the ability to modify or approve its budget which comes from the General Fund. There are certain funds collected by the City Court, pursuant to state statute, which are under the control of the City Court. The City Court serves the citizenry of the City. The financial statements of the City Court included in the accompanying financial statements are as of and for the fiscal year ended December 31, 1996.

Bossier City Marshal's Office

The Bossier City Marshal's Office (City Marshal) is an elected official. The City Marshal is fiscally dependent on the City. The City has the ability to modify or approve the budget which comes from the General Fund. There are certain funds collected as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the citizenry of the City. The financial statements of the City Marshal included in the accompanying financial statements are as of and for the fiscal year ended December 31, 1996.

Bossier Public Trust Financing Authority

The Bossier Public Trust Financing Authority was created by a trust indenture, pursuant to state enabling legislation, which made the City the beneficiary. There are five trustees appointed by the City Council for terms of five years. In accordance with 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 of the trust. The City cannot access the organization's funds at will, although there is some ability to access them at the discretion of the Bossier Public Trust Financing Authority. The Bossier Public Trust Financing Authority serves the citizenry of the City. The financial statements of the Bossier Public Trust Financing Authority included in the accompanying financial statements are as of and for the fiscal year ended November 30, 1996.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

December 31, 1996

(1) Summary of Significant Accounting Policies

The City of Bossier City, Louisiana (the "City"), was incorporated in 1937 and operates under a City Charter dated July 1, 1973, which provides for a strong Mayor-Council form of government. The City provides the following services as authorized by its charter: public health and safety, streets, sanitation, water and sewerage, planning and zoning, recreation, and general administrative services. Education and welfare are administered by other governmental entities.

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

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

Blended Component Unit

Metropolitan Planning Commission

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

CITY OF BOSSIER CITY, LOUISIANA

Exhibit B

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

Year ended December 31, 1996

	Component Fund Types		Totals
	City Court of Bossier City	Boossier City Municipal's Office	
Revenues:			
Fees, charges, and contributions for services	\$ 244,104	433,062	699,166
Interfund income	9,000	—	9,000
Total revenues	<u>253,104</u>	<u>433,062</u>	<u>699,166</u>
Expenditures:			
Current:			
General government	244,024	—	244,024
Public safety	—	399,291	399,291
Capital outlay	—	33,765	33,765
Total expenditures	<u>244,024</u>	<u>433,056</u>	<u>678,080</u>
Excess of revenues over expenditures	70,080	13,006	85,087
Fund balances at beginning of year	149,349	308,026	478,525
Fund balances at end of year	<u>\$ 229,529</u>	<u>324,042</u>	<u>553,611</u>

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

CITY OF BOSSIER CITY, LOUISIANA

Combining Balance Sheet - Component Data

December 31, 1995

EXHIBIT

ASSETS	Governmental Fund Chart		Funding Fund Type Number, Title, Fund Financial Authority	Totals
	City/County Board/CLC	Parish/City Mayor's Office		
Assets:	\$ 294,548	279,234	—	573,782
Cash and cash equivalents	211,008	—	—	211,008
Receivables (notes 1)	—	—	—	—
Prepaid expenses	—	—	189,479	189,479
Fixed and cash equivalents	—	—	13,170,650	13,170,650
Investments	—	—	174,188	174,188
Accrued interest	—	34,642	—	34,642
Property and equipment	—	—	—	—
Total assets	\$ 211,008	213,876	13,354,157	13,578,841
Liabilities, Equity, and Other Credits				
Liabilities:	\$ 94,008	33,811	88,118	116,937
Accounts payable and accrued liabilities	—	—	13,320,008	13,320,008
Revenue taxes payable (note 3)	94,008	33,811	—	127,819
Total liabilities	\$ 94,008	\$ 33,811	\$ 13,333,318	\$ 13,461,137
Equity and other credits:				
Excesses in general fund assets	—	94,643	—	94,643
Revised amounts	—	—	286,363	286,363
Fund balances - unreserved - special fund	213,000	218,642	—	431,642
Total fund balances	213,000	218,642	286,363	718,005
Total equity and other credits	213,000	218,642	286,363	718,005
Total liabilities, equity, and other credits	\$ 211,008	213,876	13,541,284	13,979,177

See accompanying notes to consolidated financial statements and accompanying independent auditor's report.

CITY OF BOSSIER CITY, LOUISIANA

Table E

Pension Funds

Combined Statement of Changes in Fund Balances - Pension Trust Funds

Year ended December 31, 1996

Additions:	
Sales taxes, net	\$ 2,408,288
Contributions from City:	
Fire insurance premiums	84,369
Employer's contributions	686,571
City Court fees	183,738
City liquor licenses	11,733
Total contributions from City	<u>966,411</u>
Employees' contributions	26,371
Investment income:	
Net depreciation in market value of investments	(340,508)
Interest income	<u>1,557,063</u>
Total investment income	<u>1,216,555</u>
Total additions	<u>4,796,927</u>
Deductions:	
Pensions and benefits	4,029,741
Miscellaneous	<u>83,668</u>
Total deductions	<u>4,113,409</u>
Net increase	723,586
Fund balances reserved for employees pension benefits:	
Beginning of year, as previously reported	21,571,580
Adjustment to reflect investments at market value	<u>800,800</u>
Beginning of year, as restated	<u>22,372,380</u>
End of year	\$ <u>23,158,967</u>

See accompanying notes to combined financial statements.

CITY OF BOZEMAN-CITY-ROSEMONT

Exhibit 3

Condensed Statement of Cash Flows - All Proprietary Fund Types
and Nonmajor Financial Component UnitYear ended December 31, 2005
with comparative data for year ended December 31, 2004

	Enterprise Funds	Internal Service Funds	Trust (Administration Only) Funds/Component Units	Component Unit - (Special Public Trust) Financial Activities
Cash flows from operating activities:				
Operating income (loss)	\$ 2,496,141	(1,049,944)	2,196,577	1,265,140
Adjustments to reconcile operating income (loss)				60,750
to net cash provided (used) by operating activities:				
Depreciation and amortization	4,038,211	—	4,038,211	—
Provision for bad debts	2,527,147	—	2,527,147	—
Increase in prepaid accounts	(1,833,432)	—	(1,833,432)	6,480,412
Increase in other receivables	(233,979)	—	(233,979)	13,908
Decrease (increase) in due from other funds	—	(165,000)	165,000	—
Due from (to) other proprietary expense	64,430	(14,741)	69,171	—
Due from investments	65,123	—	65,123	64,207
Due from (to) other non-major units	65,123	—	65,123	10,831
Increase (decrease) in accounts payable and				
accrued expenses	591,431	—	591,431	(551,004)
Increase in accrued vacation	34,784	—	34,784	11,242
Increase (decrease) in due to other funds	4,000	—	4,000	(311,707)
Increase (decrease) in refundable deposits	188,700	—	(188,700)	30,314
Other (increase) to non-current assets	—	300,440	300,440	124,848
Net cash used by operating activities	3,439,500	66,324	3,811,000	1,002,510
Cash flows from non-current financing activities:				
Proceeds from advance bond maturities	—	—	—	11,250,000
Operating transfers out	(682,033)	—	(682,033)	(682,211)
Net cash used by non-current financing	(682,033)	—	(682,033)	11,250,000
Cash flows from capital and related financing activities:				
Acquisition and retention flow of capital assets	(2,420,848)	—	(2,420,848)	4,396,478
Contributions received for purchase of property and				
equipment	5,814,769	—	5,814,769	201,441
Proceeds received from disposal of capital assets	—	—	—	144
Transfers received by subsidiaries and component	—	—	—	13,990
Capital contributed by Consolidated Debt Service Fund	—	—	—	460,941
Interest payable general obligation bonds	—	—	—	(13,700)
Contributions for interest on general obligation bonds	—	—	—	13,000
Interest paid on general obligation bonds	(1,098,000)	—	(1,098,000)	(1,098,000)
Interest payable revenue bonds	(1,130,348)	—	(1,130,348)	(1,598,641)
Payment of cash associated with financing	(200,150)	—	(200,150)	—
Acquisition of plant and equipment	(440,731)	—	(440,731)	(229,796)
Payment of cash paid	—	—	—	(20,440)
Reversal of advance received	—	—	—	20,000
Net cash provided (used) by capital and				
related financing activities	(1,698,684)	—	(1,698,684)	(2,728,012)
Cash flows from investing activities:				
Recovery of investments	—	—	—	6,464,170
Dividends and interest on investments	—	—	—	9,361,414
Interest received	1,203,608	—	1,203,608	353,230
Real property	(17,682)	—	(17,682)	14,029
Other	—	—	—	—
Net cash provided by investing	(1,698,684)	—	(1,698,684)	1,871,823
Net increase (decrease) in cash and cash equivalents:	18,708,080	66,700	18,784,484	6,099,411
Cash and cash equivalents at beginning of year	28,620,870	412,128	28,894,788	16,813,244
Cash and cash equivalents at end of year	\$ 47,328,960	\$ 478,828	\$ 47,679,272	\$ 22,912,655
Noncash transactions:				
Acquisition of assets through acquisition of				
other funds	5	—	—	150,110
State period adjustments	6	—	—	64,774
Deferred gain-related financing	6	—	1,411,111	—
Amortization	7	—	19,430	—

See accompanying notes to condensed financial statements.

The Honorable George Demos, Mayor
and Members of the City Council
February 28, 1997

MAJOR INITIATIVES

Current

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

Future

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

FINANCIAL INFORMATION

Accounting System and Budgetary Control

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

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

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

Budgetary control is maintained at the subline level by the encumbrance of balances with purchase orders before their release to vendors. Purchase orders which would result in an overrun of a budget allocation, after considering fund surpluses or deficits, are rejected by the accounting system and are not processed until additional funds are available. Monthly budget reports are prepared for management's use in controlling and monitoring the approved budget. Open encumbrances are reported as reservations of fund balance at December 31, 1996.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

GOVERNMENTAL FUNDS

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

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

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds at December 31, 1996, were Metropolitan Planning Commission, State and Federal Grants, Court Witness Fee, Civic Center, Fire Improvements and Operations, Jail and Municipal Buildings, Streets and Drainage, and Riverboat Gaming.

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

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

PROPRIETARY FUNDS

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

CITY OF BOSSIER CITY, LOUISIANA

Table 14

Miscellaneous Statistics

December 31, 1996

Date of annexment	1843
Form of government	Mayor-Council
Date established	1977
Date of incorporation	1909
Area-square miles	39.84
Miles of streets:	
Paved	180
Unimproved	—
Police protection - number of policemen and officers	181
Fire protection - number of firemen and officers	170
Recreation:	
Parks - number of acres	165
Number of playgrounds	17
Number of picnic areas	8
Number of street lights	4,452
Number of water storage tanks	3
Total capacity of water storage tanks	5,900,000 gallons
Raw water reservoir capacity	5,700,000 gallons
Municipal water plant:	
Number of accounts	19,071
Daily average consumption	8.1 gallons
Employees- classified, appointed, elected, and exempt	680

Unaudited - see accompanying independent auditors' report.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material in relation to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City in a separate letter dated February 28, 1997.

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

KPMG Peat Marwick LLP

February 28, 1997

structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any situation 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-Stanton Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable cost/expense principles
- Drug-Free Workplace Act
- Administrative requirements

Specific requirements

- Types of services allowed or unallowed
- Eligibility
- Reporting
- Approval for release of funds
- Environmental certification
- Accounting for program income
- Monitoring subgrantees

Claims for advances and reimbursements

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

During the year ended December 31, 1996, the City expended 81.3 percent of its total federal financial assistance under its major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to the City's major federal financial assistance programs, which is identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

KPMG Peat Marwick LLP

1600 Commercial National Tower
220 Louis Street
Monroe, LA 70002-1600

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), in and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997. We have also audited the compliance of the City with requirements applicable to its major federal financial assistance program and have issued our report thereon dated February 24, 1997.

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-133, *Audit of State and Local Governments*. These standards and OMB Circular A-133 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, 1996, we considered the internal control structure of the City in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the City and on the compliance of the City with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. 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 February 28, 1997.

The management of the City is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Bossier City, Louisiana, in a separate letter dated February 28, 1997.

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

KPMG Peat Marwick LLP

February 28, 1997

KPMG Peat Marwick LLP

1000 Commercial Highway Tower
333 South Street
Shreveport, LA 71201-0001

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

In planning and performing our audit of the financial statements of the City, for the year ended December 31, 1996, 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.

CITY OF BOCA RATON, FLORIDA
 Modified Fund Financial Statements
 The month/December 31, 2018

Item Code Department & Division and Object Classification (See Appendix - Community Development Fund Page 21)	Fiscal Budget	Class Funds	Total Revenue Collected	Approved Current Year Revenue December 31, 2018	Approved Current Year Revenue December 31, 2018	Over/Under Budget (\$)	FTE Positions
10-100-200-101	10,000,000	10,000,000	-	10,000,000	10,000,000	-	-
10-100-200-102	10,000,000	10,000,000	-	10,000,000	10,000,000	-	-
10-100-200-103	10,000,000	10,000,000	99,500	10,000,000	10,000,000	1,000	-
10-100-200-104	10,000,000	10,000,000	14,312	10,000,000	10,000,000	14,312	2,000
10-100-200-105	10,000,000	10,000,000	27,150	10,000,000	10,000,000	27,150	2,000
10-100-200-106	10,000,000	10,000,000	(3,438)	10,000,000	10,000,000	(3,438)	(2,000)
			91,119	10,000,000	10,000,000	91,119	8,000
Total Department of Community and Urban Development							
Department of Public Safety - Security Services Community and Urban Development							
10-100-200-107	10,000,000	10,000,000	100,000	10,000,000	10,000,000	100,000	2,000
10-100-200-108	10,000,000	10,000,000	7,308	10,000,000	10,000,000	7,308	1,000
10-100-200-109	10,000,000	10,000,000	(21,000)	10,000,000	10,000,000	(21,000)	(2,000)
10-100-200-110	10,000,000	10,000,000	-	10,000,000	10,000,000	-	-
10-100-200-111	10,000,000	10,000,000	(10,110)	10,000,000	10,000,000	(10,110)	(1,000)
			1,000	10,000,000	10,000,000	1,000	1,000
Total Department of Public Safety							

Note 1: The Community Development Fund Classification identified was major funds financial statement purposes.

See accompanying notes to schedule of fund financial statements.

The Honorable George E. Dunham, Mayor
and Members of the City Council
February 28, 1997

Assessed valuations of \$385,805,170 represented an increase of 10.2% over the preceding year. Allocations of property tax levy by purpose (tax rate per \$1,000 assessed value) for 1996 and 1995 are as follows:

Purpose	1996	1995
General Fund - administered	\$ 8.50	7.46
General Fund - restricted for Fire and Police Departments	19.48	16.63
	<u>\$ 27.98</u>	<u>24.09</u>

Expenditures in the General Fund totaled \$22,834,325 in 1996, an increase of 8.4% over 1995. The amount of expenditures in 1996 by general governmental function is shown in the following tabulation:

	1996		Increase (Decrease) From 1995
	Amount	Percent of Total	
General government	\$ 3,573,647	14.4%	\$ 158,231
Solid waste	1,882,337	7.9	133,675
Public safety	12,817,480	56.1	1,271,937
Highways and streets	724,785	3.2	68,926
Culture and recreation	1,267,192	5.5	38,615
City Court and Marine	678,083	2.9	62,836
	<u>\$ 22,834,325</u>	<u>100.0%</u>	<u>\$ 1,267,338</u>

Total General Fund expenditures increased due primarily to additional personnel, utility increases, and increases in benefit costs. An 11% increase in public safety expenditures is mainly due to additional personnel and insurance costs.

Fund balance in the General Fund was maintained at an adequate level. The General Fund fund balance experienced an increase of \$74,531 bringing the total fund balance to \$3,980,689 at December 31, 1996, which represents 17.4% of 1996 expenditures.



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LSA-RS 24:516 provides that this report shall be available for public inspection for a period of not less than one year from the date of receipt.

Legislative Auditor J

CITY OF BOSSIER CITY, LOUISIANA

Supplementary Schedule of Federal
Financial Assistance (Single Audit)

December 31, 1990

(With Independent Auditor's Report Thereon)

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 _____ J

KPMG Peat Marwick LLP

800 Commercial and Tower
200 South Street
Shreveport, LA 71201-0000

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997.

We have also audited the City's compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; approval for release of funds; environmental certification; accounting for program income; monitoring subrecipients; and claims for advances and reimbursements that are applicable to its major federal financial assistance programs, which is identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1996. The management of the City is responsible for the City's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these 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-133, *Audit of State and Local Governments*. These standards and OMB Circular A-133 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 these requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; reporting; approval for release of funds; environmental certification; accounting for program income; monitoring subrecipients; and claims for advances and reimbursements that are applicable to its major federal financial assistance programs for the year ended December 31, 1996.

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

KPMG Peat Marwick LLP

February 28, 1997

CITY OF BOSSIER CITY, LOUISIANA

Table 13

Principal Taxpayers

December 31, 1998

Taxpayer	Type of Business	1998 Assessed Valuation	Percentage of Total Assessed Valuation
Horseshoe Entertainment	Riverboat Gambling	\$ 8,203,370	4.04%
Isle of Capri	Riverboat Gambling	7,983,640	3.74
DellSouth Telecommunications	Telephone	5,358,890	2.54
Southeastern Electric Power Company	Electric Utility	5,028,330	2.48
Bossier Plaza Associates, Inc.	Flower Bouquet Mall	2,188,340	1.05
Prostate Bank, N.A.	Banking	2,080,300	.99
Red River Motor Company	Auto Sales	1,438,320	.71
Louisiana Downs, Inc.	Horse Racing	1,273,300	.63
Commercial National Bank	Banking	1,269,860	.62
Hibernia Bank	Banking	<u>1,186,180</u>	<u>.58</u>
Total amount for ten principal taxpayers		55,682,180	12.58
Total for remaining taxpayers			
Total amount for all taxpayers		\$ <u>203,009,130</u>	<u>100.00%</u>

Unaudited - see accompanying independent auditor's report.

CITY OF BOSSIER CITY, LOUISIANA

Table II

Property Value, Commercial, and Bond Deposits

Fiscal years ended December 31, 1987
through December 31, 1995

Fiscal Year	Commercial Construction (1)		Residential Construction (1)		Commercial	Residential	Total (2)(3)
	Number of Units	Value	Number of Units	Value			
1987	44	\$ 10,851,714	968	\$ 78,203,359	--	--	1,187,528,874
1988	37	4,358,981	93	7,408,293	--	--	1,200,328,243
1989	56	3,313,754	86	3,098,985	319,694,898	640,233,908	1,260,137,886
1990	59	6,070,468	117	9,148,777	331,256,328	638,779,508	1,287,028,626
1991	9	2,853,278	179	13,839,932	346,781,448	640,353,408	1,293,083,848
1992	24	14,323,872	232	23,873,963	403,684,827	636,738,538	1,340,468,177
1993	23	9,328,828	343	28,800,264	406,356,667	667,335,808	1,398,411,583
1994	42	32,373,318	326	38,715,389	414,081,866	1,800,537,201	1,411,288,263
1995	37	38,311,228	354	33,564,381	464,399,638	1,711,962,879	1,382,978,867
1996	28	38,938,262	380	33,875,692	514,311,668	1,233,982,838	1,336,284,318

Notes:

- (1) Permits and Inspection Department, City of Bossier City, Louisiana.
- (2) Sufficien data was not available to identify commercial and residential property values separately for years prior to 1993. This information was based on estimates supplied by the Bossier Parish Tax Assessor.
- (3) A revaluation of all property is expected to be completed no less than every four years. During 1988, 1992, and 1996, evaluation was completed.

(Unaudited - see accompanying independent auditor's report.)

CITY OF BOSSIER CITY, LOUISIANA

Table 11

Demographic Statistics

Fiscal years ended December 31, 1987
through December 31, 1996

Fiscal Year	Population	Median Age(1)	School Enrollment(2)	Unemployment Rate(3)
1987	57,918 (2)	28.6	11,748	11.7%
1988	58,519 (2)	28.0	11,471	10.2
1989	58,884 (2)	28.0	11,355	9.8
1990	57,721 (4)	28.0	11,374	7.2
1991	53,189 (2)	28.0	11,399	7.2
1992	53,049 (2)	28.6	11,997	7.6
1993	54,387 (2)	28.7	12,388	9.8
1994	55,652 (2)	28.7	12,024	7.6
1995	55,988 (2)	28.7	12,386	7.1
1996	56,354 (2)	29.8	12,722	6.9

Notes:

- (1) State of Louisiana Research and Statistics for 1984-1992, Shreveport, Bossier, and Webster Parishes Unemployment and Median Age Information from the Louisiana Office of Statistics for 1993 - 1996
- (2) Bossier Parish School Board
- (3) For Special Census
- (4) 1990 U.S. Census

Unaudited - see accompanying independent auditors' report.

CITY OF BOGGS, CITY, LOUISIANA

Table 10C

Revenue Bond Coverage

Municipal Bonds

Fiscal years ended December 31, 1987
(through December 31, 1986)

Fiscal Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenue Available for Bonds Service	Data Service Requirements		
				Principal	Interest	Contingent
1987	\$ 32,274,590	18,413,139	1,485,478	318,000	1,117,440	3,6073
1988	32,388,421	17,798,245	2,586,211	428,000	1,158,210	3,2117
1989	37,483,527	23,418,413	3,885,411	318,000	1,117,440	3,2119
1990	31,480,428	17,987,732	4,825,288	318,000	1,117,440	3,0843
1991	35,281,768	21,077,441	2,448,739	428,000	1,020,739	2,9716
1992	39,281,488	23,318,882	2,411,738	428,000	983,738	2,8816
1993	41,311,171	25,919,387	1,642,386	475,000	1,167,386	1,5816
1994	41,321,583	42,176,182	1,885,381	319,000	1,566,381	1,9228
1995	35,282,482	43,083,139	2,114,354	319,000	1,795,354	2,0714
1996	31,382,421	41,382,347	2,433,522	353,000	1,810,522	2,3232

Notes:

(1) Includes operating revenues and interest income.

(2) Includes all operating expenditures including depreciation for including interest paid on debt service.

Unaudited - see accompanying independent auditor's report.

CITY OF ROCKERS CITY, CALIFORNIA

Table 303

Revenue Bond Coverage

Before Tax Bonds

Fiscal years ended December 31, 1987
through December 31, 1986

Fiscal Year	Debt Service	Operating Expenditures (1)	Net Revenue Available for Debt Service	Debt Service Requirements		Coverage
				Principal	Interest	
1987	\$ 1,700,000 (2)	147,111	1,618,440	1,600,000	2,490,040	100%
1988	2,000,000 (2)	171,871	1,828,144	2,000,000	3,171,311	115%
1989	2,000,000 (2)	171,871	1,828,144	2,000,000	3,023,241	115%
1990	2,000,000 (2)	181,376	1,818,668	2,000,000	3,011,861	115%
1991	1,117,500 (3)	203,795	1,150,440	2,077,174	4,111,334	2,00%
1992	1,150,000	203,795	1,150,440	2,077,174	3,841,793	3,41%
1993	1,450,000 (4)	203,795	1,450,440	2,640,628	4,068,028	3,50%
1994	1,450,000 (4)	234,891	1,450,440	2,577,187	4,175,467	4,19%
1995	1,450,000 (4)	234,891	1,450,440	2,484,531	4,144,561	4,57%
1996	1,500,000 (4)	251,901	2,100,125	2,200,000	4,150,019	2,00%

Notes:

(1) Sales tax agreements, operating expenditures.

(2) All additional completed year amounts are assumed in 1987, the net proceeds of which are dedicated to construction of a pathway adjacent to the Red River.

(3) An additional one-half year amount was assumed in 1994, the net proceeds of which were dedicated to the construction and operation of the fire station and a training facility, the maintenance and operation of the City jail and municipal buildings, and streets and drainage improvements.

(4) Does not include \$712,000 paid by the City in connection with refunding the 1987 and 1989 Debris Bonds.

(5) Does not include \$180,000 paid by the City in connection with refunding the 1987 Debris Bonds.

(6) Does not include \$200,000 paid by the City in connection with refunding the 1988 Debris Bonds.

Unaudited - see accompanying independent auditor's report.

CITY OF BOSSIER CITY, LOUISIANA

TABLE 11A

Revenue Bond Coverage

Utility Bonds

Fiscal years ended December 31, 1987
through December 31, 1995

Fiscal Year	Gross Amounts (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Fiscal Reserve (%)	Debt Service Requirements		Coverage
					Interest	Total	
1987	\$ 4,844,535	3,481,318	1,363,216	10.000	0	93,135	—
1988	5,845,308	5,475,038	3,670,038	—	—	—	—
1989	4,841,883	3,553,816	1,388,003	—	—	—	—
1990	5,245,373	4,098,724	1,646,799	—	—	—	—
1991	7,900,848	4,243,075	3,158,589	(9)	773,799	877,758	3.0326
1992	12,171,852	5,883,548	5,848,281	—	118,188	866,518	1.0700
1993	7,411,214	5,804,195	1,607,021	—	682,348	1,287,348	1.1894
1994	8,953,738	5,432,058	2,858,734	5.000	1,218,603	1,548,603	1.8315
1995	9,881,177	7,299,032	3,178,193	—	934,483	1,429,483	2.2039
1996	9,273,328	6,833,248	3,152,928	—	871,328	1,426,328	2.2000

Notes:

- (1) Includes operating revenues and interest income.
- (2) Includes all operating expenses except depreciation and amortization and includes interest paid on debt service and other nonoperating expenses.
- (3) The 1987 action of voter bonds ceased in 1987.
- (4) 1996 Utility Revenue Bond debt service requirements began in 1991.

Detailed - see accompanying Independent auditor's report.

CITY OF BOSSIER CITY, LOUISIANA

Schedule of Federal Financial Assistance
(Single Audit)

Year ended December 31, 1985

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CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1996

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The Honorable George Dever, Mayor
and Members of the City Council
February 28, 1997

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

General Governmental Functions

The General Fund is the general operating fund of the City and is used to account for all financial resources not accounted for in other funds. The following disclosures of general governmental functions reflect those operating activities recorded in the General Fund. Revenues and other financing sources for general governmental functions totaled \$22,980,656 in 1996, an increase of 6.5% over 1995. General property and sales taxes, revenues from sanitation charges, licenses and permits, and intergovernmental, which represent the four major general governmental revenue sources of the City, produced 79.7% of general revenues compared to 75.4% last year. The amount of revenues from various sources in 1996 is shown in the following tabulation:

Revenues and Other Financing Sources	1996		Increase (Decrease) From 1995
	Amount	Percent of Total	
Taxes	\$ 13,368,192	58.2%	\$ 2,149,979
Licenses and permits	1,978,453	8.6	201,456
Intergovernmental	1,331,709	5.8	111,279
Fines and penalties	681,889	3.0	(118,302)
Raising Communities - Louisiana Downs	457,634	2.0	(120,702)
Video Poker	—	—	(403,689)
Interest	73,719	0.3	17,192
Sanitation charges	1,632,533	7.1	22,230
Miscellaneous	1,196,682	5.1	(98,459)
Total revenues	20,690,638	90.1	1,814,963
Transfers in	2,290,000	9.9	(410,000)
Total revenues and other financing sources	\$ 22,980,638	100.0%	\$ 1,404,963

The category showing the most significant change from 1995 was tax revenues which increased in 1996 resulting primarily from increased consumer activity. Receipts from Louisiana Downs, Inc. decreased due to the competition from facilities in neighboring states and alternative gambling opportunities. Given the City's choice to not rely on gaming revenues for general operating needs, the City began recording video poker receipts in the Riverboat Gaming Special Revenue Fund in 1996 to fund capital needs. The increase in licenses and permits resulted from increased construction and business related activity attributed primarily to the activity sponsored by the riverboats.

The Honorable George Deere, Mayor
and Member of the City Council
February 28, 1997

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

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

ECONOMIC CONDITION AND OUTLOOK

During 1996, the City continued to experience significant growth in new construction. This is evidenced by the consistency in the number of building permits issued and the revenues derived therefrom. There have been significant increases in residential construction in Waukegan, East, and South Boston, primarily in new single family dwellings. Expansion in existing businesses and construction of new businesses, many of which are locating near Pierre Boncier Mall and in North Boston along the I-320 by-pass, are evidence of growth and expansion that can be attributed to the improved economy and the increase in tourist activity, primarily as a result of the advent of internet gaming.

Bethesda Air Force Base, which currently employs over 3,000 people in the area, remains as stable and active as it has in the past. New construction and talks of additional relations and mission expansion are indicators that the base will remain an integral part of our community. Currently, additional housing units are being constructed on the base.

With only the Red River dividing the City from the City of Shreveport, the condition of the Shreveport economy directly and indirectly has an effect on the City. The economy of the Bossier-Shreveport area again experienced sustained growth during 1996. This growth is evidenced by the increases in retail sales, employment, and residential housing construction. The continuation and completion of the Red River navigation project, the Caddo Bonier Park, and the opening of I-49 are having a significant impact on the economy and will provide major links for northwest Louisiana with other areas of the state and beyond. The impact of three riverboat gambling parlors in the City and one in Shreveport have contributed significantly to the area's economy. One of the riverboat casinos is in the process of constructing a 606 room hotel with 25 floors which should be completed in 1997.

Sales tax collections for the City continued to grow and exceeded 1995 collections by \$1.3 million due to increased consumer spending, the riverboats, and building activity.



CITY OF BOSSIER CITY

U. S. GOVERNMENT
PRINTING OFFICE: WASHINGTON: 1987 O-852-727

February 28, 1997

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

In compliance with Section 4-05, paragraph 7 of the City Charter, the comprehensive annual financial report for the City of Bossier City, Louisiana, for the year ended December 31, 1996, is submitted herewith. This document is the official comprehensive publication of the City's financial position at December 31, 1996, and of the results of operations for the year ended December 31, 1996, for all funds and account groups of the City.

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

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

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

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

City Council
April 2, 1997
Page 2

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

We look forward to fiscal year 1997 as another year of productive and harmonious partnership with the Council as we continue our efforts to provide the citizens of our growing community with the services and quality of life they deserve.

Sincerely,



George Deacon
Mayor



Office of the Mayor

BOSSIER CITY, LOUISIANA

Finance Director

444-3211

444-3211/3212
1000 Northway, Suite 1000
BOSSIER CITY, LA 70601-1011
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April 3, 1990

Members of the City Council
City of Bossier City, Louisiana

I am pleased to join our Finance Director in presenting the City of Bossier City's annual financial report for fiscal year 1989. Last year was another good year for our city. The area economy continues to grow as indicated by the opening of new businesses, expansion of existing businesses, continued increases in housing starts, and in tourist activity.

Indicators of this growth are an increase of some \$1.3 million in sales tax collections over 1988, and license and permit fees that total up some \$284,016 over the preceding year. Although we will need to continue to closely monitor Bossier Medical Center's financial performance for the near future, the facility had an excellent year with net income of some \$1.4 million after transferring \$510,000 to the City.

The city will get one more Riverboat in 1991, which will include a hotel, a golf course and retail spaces. This will help with our continuing efforts to develop and revitalize old downtown Bossier.

The growth along the riverfront, combined with our continued growth in the housing and commercial sectors, necessitates that we continue to aggressively pursue expansion and improvements to our infrastructure. To this end the expansions of our water and sewer plants will begin in 1991 and the solution to traffic problems on Traffic Street and Airline Drive will continue to be aggressively pursued. These must remain top priorities if we are to successfully and orderly manage our growth.

CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1966

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6000 Commercial/Peat and Tower
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Newport, LA 70054-0000

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1990, and have issued our report thereon dated February 28, 1991.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

KPMG Peat Marwick LLP

February 28, 1991

CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1996

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1900 Commercial Hall and Tower
221 Texas Street
Baton Rouge, LA 70801-6881

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997.

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, 1996:

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

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

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

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

KPMG Peat Marwick LLP

February 28, 1997

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-
-
-

1900 Commercial National Tower
222 Texas Street
Greensboro, LA 70601-5002

CONFIDENTIAL
STANDARD REPORT

L.Hof



Under present report is a copy of the report issued to the entity upon completion of the audit. This report is not to be made public. It is intended for the use of the client and, where appropriate, of the officers of the entity.

February 28, 1997

CONFIDENTIAL

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

Reference Date: 2/28/97

We have audited the financial statements of the City of Bossier City, Louisiana (the "City") for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997. In planning and performing our audit of the financial statements of the City, we considered internal control 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 internal control structures 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:

POLICEMEN'S PENSION FUND

Investment certificates of the Police men's Pension Fund are retained in a safe deposit box at a local bank. Access to this deposit box is restricted to two people, neither of which is responsible for the accounting for the Fund. However, the individuals with access to the safe deposit box are not the primary contact with the issuers of the certificates and must rely on delivery of the certificates to them for safekeeping. We recommended the City contract with a brokerage firm for the safekeeping of the certificates.

INSURANCE FUND DEFICIT

The City is partially self-insured for medical benefits and liability claims. At the end of 1996, the Insurance Fund reflected an accumulated deficit of approximately \$246,000. Prior to 1996, the City made significant progress in eliminating the deficit in the Insurance Fund, however, in 1996, the City experienced a number of large, unexpected claims which increased the deficit approximately \$165,000 from 1995. We recommended the City closely monitor such insurance claims so that appropriate action can be taken by City management to help alleviate the deficit in the Insurance Fund and prevent further deterioration.

CITY OF BOSSIER CITY, LOUISIANA

Follow-Up on Prior Year Findings
(Single Audit)

Year ended December 31, 1996

None.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(P) Medicare

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

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

At December 31, 1996, the Bossier Medical Center had receivables from the Federal Government (Medicare), net of contractual allowances, totaling \$2,200,000. Receivables from Blue Cross and commercial insurance carriers, net of contractual allowances, totaled \$803,495 and \$3,333,163, respectively, at December 31, 1996.

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

(Q) Reserves

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

(R) Interfund Transactions

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

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

Year ended December 31, 1996

None.

KPMG Peat Marwick LLP

800 Commercial Hall and Tower
333 Texas Street
Shreveport, LA 71201-0882

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

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana (the "City"), as of and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997.

In connection with our audit of the financial statements of the City and with our consideration of the City's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-133, *Audit of State and Local Governments*, we selected certain transactions applicable to certain major federal financial assistance programs for the year ended December 31, 1996. As required by OMB Circular A-133, 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 those requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of non-compliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those requirements.

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

KPMG Peat Marwick LLP

February 28, 1997

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of the
CITY OF BOSSIER CITY, LOUISIANA
for the
Year Ended December 31, 1996



Under provisions of state law, this report is a public document. A copy of this report has been submitted to the public, or requested, wherever the law requires public records. This 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: 01/03/97

George Dornant
Mayor

Charles E. Glover
Director of Finance

Prepared by Department of Finance

CITY OF BOSSIER CITY, LOUISIANA

Comprehensive Annual Financial Report

Year ended December 31, 1990

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Enterprise Funds
Combining Balance Sheet

Liabilities, Contributions, and Retainable Assets	Department of Water and Sewerage	Public Medical Center	Emergency Medical Services	Total	
				1998	1999
Current liabilities payable from current assets:					
Accounts payable and accrued expenses	\$ 371,844	3,111,008	98,148	3,579,000	3,111,540
Accrued vacation	111,175	811,348	54,119	1,017,442	967,074
Retainable and retainages payable	82,182	—	—	82,182	71,262
Retainable deposits	283,338	—	—	283,338	677,262
Due to other funds	1,000	—	—	1,000	150,000
Other payable	—	—	—	—	480,200
Total current liabilities payable (less current assets)	849,539	4,122,356	152,267	4,124,162	4,124,162
Current liabilities payable from accumulated assets:					
Accrued interest on current bonds	334,000	318,000	—	652,000	677,804
Current portion of long-term debt	700,000	482,000	—	1,182,000	1,182,000
Total current liabilities payable from accumulated assets	1,034,000	800,000	—	1,834,000	1,859,804
Total current liabilities	1,883,539	4,922,356	152,267	6,958,162	6,983,966
Long-term debt	13,363,178	3,331,000	—	16,694,178	16,250,000
Total liabilities	14,746,717	8,253,356	152,267	23,692,342	23,233,966
Equity:					
Contributions:					
Contributions from municipality	8,124,808	1,831,100	—	9,955,908	11,189,200
Contributions from Federal Reserve Savings Fund	3,081,150	—	—	3,081,150	3,131,500
Contributions from Bluebonnet Gaming Fund	9,081,324	—	—	9,081,324	—
Contributions from Public Improvements Sales Tax Bond Fund	2,771,898	—	—	2,771,898	2,944,118
Contributions from Sales Tax Capital Fund	2,146,100	—	1,444	2,147,544	2,797,679
Contributions from subsidiaries and revenues	1,478,779	—	—	1,478,779	1,750,170
Contributions from other governmental entities	13,441,189	—	3,090	13,444,279	13,679,764
Contributions from Dedicated R&M Services Fund	880,000	—	—	880,000	880,000
Contributions from special activities	111,840	—	—	111,840	117,300
Contributions from Bonded Interest Sinking Fund	421,188	—	—	421,188	451,200
Total contributions	37,441,386	1,831,100	3,090	39,275,576	41,717,314
Retained earnings:					
Reserved for interest bond requirements	971,070	1,034,000	—	1,005,070	1,143,680
Unreserved	35,434,882	35,839,888	350,982	71,625,752	70,130,320
Total retained earnings	36,406,952	36,873,888	350,982	73,631,524	71,273,980
Total fund equity	36,406,952	36,873,888	350,982	73,631,524	71,273,980
Total liabilities and fund equity	\$ 18,153,669	14,927,244	503,249	34,586,943	34,507,946

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Table B-6

Special Revenue Fund
Fall and Municipal Buildings FundStatement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and ActualYear ended December 31, 1998
with comparative actual figures for the year ended December 31, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues				
Sales tax, net	\$ 749,915	849,690	99,775	758,450
Interest	—	10,800	10,800	20,418
Total revenues	749,915	860,490	110,575	778,868
Expenditures - capital outlay	181,800	65,500	116,300	—
Excess of revenues over expenditures	568,115	794,990	226,875	778,868
Other financing use - operating transfer in	1455,000	1655,800	—	1655,000
Excess of revenues over expenditures and other uses	188,915	187,190	188,000	184,271
Fund balance at beginning of year	1,156,533	1,156,533	—	798,835
Residual equity transfers in	—	—	—	313,491
Fund balance at end of year	\$ 1,345,448	1,343,723	188,000	1,112,326

See accompanying notes to condensed financial statements.

CITY OF BOONVILLE, MISSOURI

EXHIBIT B

Fiduciary Funds

Combining Statement of Financial Assets
and Liabilities - All Agency Funds

Year ended December 31, 1998

		Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
Commodity (Sales Tax) Fund					
Assets					
Cash and cash equivalents	4	---	10,769,644	11,693,498	617,854
Sales tax receivable		---	10,490,344	11,493,744	---
Due from other governmental units		69,810	71,540	14,180	---
	4	69,810	21,331,528	23,181,222	617,854
Liabilities					
Accounts payable	4	36,430	30,543	14,440	52,523
Salts tax distribution payable		---	12,677,293	12,677,293	---
Due to other funds		3,664	---	---	---
General Fund		3,664	5,299,084	5,299,084	---
City Tax Bond Sinking and Interest Fund		---	2,614,000	1,814,000	---
Parkway Sales Tax Bond Sinking and Interest Fund		---	5,084,211	1,668,211	---
Fiduciary's Reserve and End Fund		---	---	88,000	---
Personnel Pension and Relief Fund		---	1,101,204	1,011,000	---
City of The Capital Improvement Fund		---	11,111,111	2,138,000	---
Parkway Capital Projects Fund		---	51,11,000	5,299,000	---
Oil and Municipal Facilities Fund		---	800,000	800,000	---
Fire Improvement and Operations Fund		---	1,200,000	1,200,000	---
Storm and Drainage Fund		---	7,211,111	7,121,111	---
		3,664	21,331,528	21,331,528	---
Taxes payable/over payment		---	50,140	---	50,140
Refundable deposits		71,800	71,110	69,660	73,250
	4	75,464	21,452,648	21,491,188	617,854
Deferral Compensation Fund					
Assets					
Investments	4	2,600,000	---	---	2,600,000
Liabilities					
Deferral compensation liability payable	4	2,600,000	---	---	2,600,000
Endowment Charges					
Assets					
Cash and cash equivalents	3	---	1,000,000	1,000,000	---
Liabilities					
Due to other governmental units	3	---	1,000,000	1,000,000	---
Totals All Agency Funds					
Assets					
Cash and cash equivalents	3	---	21,104,411	23,693,498	617,854
Investments		2,600,000	---	---	2,600,000
Salts tax receivable		---	10,490,344	11,493,744	---
Due from other governmental units		69,810	71,540	14,180	---
	3	2,669,810	31,666,244	35,211,222	2,617,854
Liabilities					
Accounts payable	4	36,430	30,543	14,440	52,523
Salts tax distribution payable		---	12,677,293	12,677,293	---
Due from compensation liability payable		2,600,000	---	---	2,600,000
Due to other funds		3,664	11,214,714	11,214,714	---
Due to other governmental units		---	2,000,000	2,000,000	---
Taxes payable/over payment		---	50,140	---	50,140
Refundable deposits		71,800	71,110	69,660	73,250
	4	2,670,694	25,823,243	27,974,307	2,617,854

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit D.1

Fiduciary Funds

Combining Statement of Changes in Fund Balances - Pension Trust Fund

Year ended December 31, 1996
with comparing totals for year ended December 31, 1995

	Pension's Pensions and Rental Fund	Policefire's Pensions and Rental Fund	Pension Medical Center Pensions Fund	Total	
				1996	1995
Additions:					
Subscribers, net	\$ 1,521,689	888,993	—	2,410,682	2,998,680
Other	—	—	—	—	3,140
Contributions from City:					
For insurance premiums	84,263	—	—	84,263	89,341
Employer's contributions	26,271	—	669,890	696,161	682,779
City Court fees	—	182,738	—	182,738	176,950
City Super Services	—	11,723	—	11,723	18,829
Total contributions from City	110,534	194,461	669,890	974,885	988,929
Employees' contributions	26,271	—	—	26,271	42,243
Investment income:					
Net appreciation (depreciation) in fair value of investments	975,284	(5,251)	(57,185)	812,848	1,661,975
Interest income	878,625	109,631	347,817	1,336,073	1,498,154
Total investment income	1,853,909	104,380	290,632	2,248,921	3,160,129
Total additions	3,498,121	1,382,634	520,832	5,401,587	6,475,765
Deductions:					
Pensions and benefits	1,881,958	1,428,545	319,677	3,630,180	3,768,830
Administrative	8,287	15,241	15,568	39,096	78,241
Total deductions	1,890,245	1,443,786	335,245	3,669,271	3,847,071
Net increase (decrease)	1,607,876	(61,152)	185,587	1,732,311	2,628,694
Fund balances carried forward for employees' pension benefits:					
Beginning of year, as previously reported	11,174,387	8,708,433	1,130,240	21,013,060	20,629,902
Adjustment to reflect reversionary of fair value	(28,241)	87,288	(11,164)	47,883	(188,373)
Beginning of year, as revised	11,146,146	8,795,721	1,119,076	21,060,943	20,441,529
End of year	\$ 12,754,022	8,734,569	1,304,663	22,793,254	23,060,123

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

EXHIBIT 2

Pension Funds

Combining Statement of Plan Net Assets - Pension Trust Funds

December 31, 1996

with comparative data for December 31, 1995

Assets	Fireman's Pension and Sick Fund	Policeman's Pension and Sick Fund	Boeing Medical Center Pension Fund	Total	
				1996	1995
Cash and cash equivalents	\$ 282,670	7,015	882,179	643,865	715,804
Investments, at fair value:					
Contributions of deposits	—	—	—	—	74,879
U.S. Treasury bonds and U.S. government and agency obligations	11,158,590	4,378,317	4,558,860	20,116,777	19,492,765
Money-market/securities	178,280	—	—	578,280	1,327,943
Mutual funds	—	—	681,255	482,128	482,510
	<u>12,337,050</u>	<u>4,378,317</u>	<u>5,044,215</u>	<u>21,219,373</u>	<u>21,498,091</u>
Accrued interest receivable	127,008	—	76,530	303,128	302,136
Due from other funds:	—	—	133,080	132,608	—
General Fund	—	—	—	—	6,628
Total assets	<u>13,213,314</u>	<u>4,378,317</u>	<u>5,638,111</u>	<u>23,189,605</u>	<u>23,498,116</u>
Liability - accounts payable	—	—	—	—	48,312
Net assets held in trust for pension benefits	\$ <u>13,213,314</u>	<u>4,378,317</u>	<u>5,638,111</u>	<u>23,189,605</u>	<u>23,449,804</u>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Budget 2011

Primary Funds

Cash/Investment Detail

December 31, 2010

with comparison 2010 to December 31, 2009

Assets	Primary Fund Assets		Reserve Fund Assets		Capital Assets		Debt Service		Special Funds		Total	
	Property and Equipment	Investment	Reserve Fund Assets	Capital Assets	Debt Service	Special Funds	Debt Service	Special Funds	Debt Service	Special Funds	2010	2009
Cash and cash equivalents	1,000,000	—	1,000,000	—	—	—	—	—	—	—	1,000,000	775,000
U.S. Treasury bills and U.S. Government securities	—	—	—	—	—	—	—	—	—	—	—	94,979
U.S. Treasury bonds and U.S. Government securities	11,800,000	—	11,800,000	—	—	—	—	—	—	—	11,800,000	12,000,000
Municipal bonds	1,000,000	—	1,000,000	—	—	—	—	—	—	—	1,000,000	1,000,000
Life insurance contracts	7,000,000	—	7,000,000	—	—	—	—	—	—	—	7,000,000	7,000,000
Accumulated interest receivable	100,000	—	100,000	—	—	—	—	—	—	—	100,000	98,100
Other receivables	—	—	—	—	—	—	—	—	—	—	—	—
Due from Other Fund	—	—	—	—	—	—	—	—	—	—	—	4,000
Due from other governmental units	—	—	—	—	—	—	—	—	—	—	—	60,000
Total assets	11,800,000	0.00	11,800,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,800,000	28,800,000
Liabilities and Contingencies												
Accounts payable	—	—	—	—	—	—	—	—	—	—	34,000	34,000
Debt service	—	—	—	—	—	—	—	—	—	—	3,000,000	3,000,000
Accounts payable - Contingent Fund	—	—	—	—	—	—	—	—	—	—	100,000	100,000
Due to other funds	—	—	—	—	—	—	—	—	—	—	100,000	100,000
Due to other governmental units	—	—	—	—	—	—	—	—	—	—	3,000,000	3,000,000
Total liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,434,000	3,434,000
Reserve fund - reserved for employee retirement	11,800,000	0.00	11,800,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,366,000	25,366,000
Total liabilities and fund balances	11,800,000	0.00	11,800,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,800,000	28,800,000

See accompanying notes to consolidated financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit P-3

Internal Service Funds

Combining Statement of Cash Flows

Year ended December 31, 1986
with comparative totals for year ended December 31, 1985

	Insurance Fund	Liability Insurance Fund	Totals	
			1986	1985
Cash flows from operating activities:				
Operating income (loss)	\$ (164,473)	(33,473)	(339,946)	648,988
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Increase in prepaid expense and other	—	(32,197)	(32,197)	(38,670)
Increase in due from other funds	—	(165,000)	(363,600)	—
Decrease in due to other funds	—	—	—	(316,846)
Increase (decrease) in accounts receivable	289,286	339,491	500,480	(26,483)
Net cash provided (used) by operating activities	124,813	(12,176)	112,637	338,486
Net cash used by capital and related financing activities - interest paid	—	—	—	(212)
Net increase (decrease) in cash	124,813	(12,176)	112,637	338,274
Cash and cash equivalents at beginning of year	329,364	352,812	413,136	34,913
Cash and cash equivalents at end of year	\$ 454,177	340,636	486,413	373,187

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit B.2

Internal Service Funds

Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings (Deficit)Year ended December 31, 1986
with comparative totals for year ended December 31, 1985

	Insurance Fund	Liability Insurance Fund	Totals	
			1986	1985
Revenues:				
Employers' contributions/pensions	\$ 1,593,674	1,328,688	3,022,372	3,382,718
Employers' contributions	679,388	—	679,388	671,218
Refunds and reimbursements	123,481	19,652	143,133	246,728
Total revenues	2,396,543	1,348,340	3,744,883	4,300,664
Expenses - miscellaneous:				
Claims	2,548,871	859,941	3,408,812	3,336,677
Legal fees	—	131,428	131,428	389,546
Employee insurance premiums	291,865	436,488	728,353	774,000
Other	51,309	33,865	85,174	391,887
Total expenses	2,892,045	1,461,722	4,353,767	5,392,110
Operating income (loss)	(164,473)	(113,473)	(302,946)	648,580
Nonoperating revenues - interest income	—	—	—	3,600
Net income (loss)	(164,473)	(113,473)	(302,946)	652,180
Retained earnings (deficit) at beginning of year	—	—	—	1,574,216
Retained earnings (deficit) at end of year	\$ (164,473)	(113,473)	(302,946)	78,994

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit E.1

Internal Service Funds

Combining Balance Sheet

December 31, 1999
with comparative totals for 1998

Assets	Internal Fund	Liability Incessive Fund	Totals	
			1999	1998
Cash and cash equivalents	\$ 234,734	171,639	406,413	413,116
Accrued interest receivable	—	—	—	3,283
Prepaid expenses	—	186,687	186,687	181,297
Due from other funds:				
General Fund	—	161,080	161,080	—
Water and Sewer Fund	—	4,080	4,080	—
Total assets	\$ 234,734	372,796	758,110	597,616
Liabilities and Retained Earnings (Deficit)				
Total liabilities - accrued claims	\$ 481,331	519,843	1,001,070	980,632
Retained earnings (deficit) - unreserved	(246,627)	3,480	(243,147)	76,984
Total liabilities and retained earnings (deficit)	\$ 234,704	523,323	758,110	1,057,616

See accompanying notes to combined financial statements.

INTERNAL SERVICE FUNDS

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

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

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

**GENERAL
FIXED ASSETS
ACCOUNT GROUP**

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

CITY OF BOISER CITY, IDAHO

EXHIBIT 2

Enterprise Funds

Comparing Statement of Revenues, Expenses, and
Changes in Related FundingsYear ended December 31, 1998
with comparative totals for year ended December 31, 1997

	Department of Water and Sewerage	Boiler Mutual Fund	Emergency Medical Services	Totals	
				1997	1998
Operating revenues					
Charges for services:					
Industrial water sales	\$ 3,001,996	—	—	3,001,996	3,001,970
Sewerage service charges	4,378,328	—	—	4,378,328	4,380,341
Revenues from hospital services	—	30,881,104	—	30,881,104	30,891,270
Anesthetic fee	—	—	1,480,128	1,480,128	1,480,388
	7,380,324	30,881,104	1,480,128	39,741,556	39,753,969
Miscellaneous - other revenues	631,908	64,826	64,428	1,361,162	1,361,616
Total revenues	8,012,232	31,006,834	1,544,556	30,563,622	30,716,401
Operating expenses:					
Personnel services	1,751,100	21,788,176	1,110,390	24,649,666	24,541,346
Supplies	780,470	1,778,165	88,454	2,646,989	2,175,231
Utilities	231,040	884,827	25,375	1,141,242	1,145,895
Repairs and maintenance	783,380	208,520	14,948	1,006,848	731,260
Services for bad debts	36,078	1,276,128	13,640	1,325,846	4,669,814
Other contract	—	8,595,814	—	8,595,814	7,505,000
Miscellaneous	1,118,024	—	152,866	1,270,890	1,134,834
Depreciation and amortization	1,503,286	1,003,713	10,710	2,517,709	4,000,721
Total expenses	7,523,106	28,460,543	1,227,333	28,190,982	28,129,811
Operating income (loss)	489,126	2,546,291	317,223	2,372,641	2,586,590
Nonoperating revenues (expense):					
Interest income	841,667	502,151	15,461	1,359,279	899,881
Interest expense	(261,386)	(988,079)	—	(1,249,465)	(1,241,739)
Amortization	(138,478)	—	—	(138,478)	(14,523)
Other, net	—	(17,600)	—	(17,600)	—
Loss on sale of investments	—	—	—	—	(1,411,892)
Total nonoperating revenues (expense)	442,811	(485,928)	15,461	(148,348)	(766,273)
Income (loss) before operating transfers	931,937	2,060,363	332,684	2,224,984	1,820,317
Operating transfers out	—	(208,000)	—	(208,000)	(102,887)
Net income (loss)	931,937	1,852,363	332,684	2,016,984	1,717,430
Amounts charged to contribution accounts - depreciation on contributed assets					
	—	—	—	—	—
Balance earnings at beginning of year	3,340,906	38,570,151	606,386	42,517,443	35,847,261
Balance earnings at end of year	\$ 4,272,843	40,422,514	939,070	45,634,427	42,764,752

See accompanying notes to combined financial statements.

TREASURY FUND AND INTEREST INCOME

For the last several months of each fiscal year, interest income is allocated to each fund based on an estimate of the funds balance in the pooled cash account. This estimate is used until the general ledger from the preceding year is closed which may be as late as March or April. To ensure a more objective and accurate allocation during this period, we recommend the City rollforward the prior year ending balance on the first day of the new year and reverse the prior year amount and record the adjusted balance on the day all adjusting entries are recorded.

EMERGENCY MEDICAL SERVICES

The EMS department has one person who is responsible for the billing, collecting, and recording of emergency medical service revenues. No one in the department reviews the work done by this person. We recommend that the department immediately segregate the duties between billing, follow-up of outstanding accounts, and the recording of cash receipts. If lack of segregation of duties are due to staff limitations, someone in the department should review the amounts billed, collected, and recorded at least monthly.

EMS revenues for in-town insurance and out-of-town calls are currently accounted for on the cash basis. The impact of this cash basis is increasing and should be monitored to ensure that it does not differ significantly from the accrual basis of accounting and that proper controls over cash receipts are in place to ensure that the potential for misuse of funds is limited.

COMMENTS REPEATED FROM THE PRIOR YEAR

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

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

Accrual of Vacation — In 1995, the City began to calculate the amount of accrued vacation owed its employees, to comply with accounting standards that require that these costs be recorded as a liability based on the City's policy for paying the accumulated costs. The City needs to continue its efforts to compile additional information required by GASB 36 for historic disclosure in the financial statements for total dollars earned by employees and total payments made to employees related to this benefit.

CITY OF BOSSER-CITY, LOUISIANA

Exhibit 1.1

Enterprise Funds

Combining Balance Sheet

December 31, 1999
with comparative totals for 1998

Assets	Department of Water and Sewerage	Public Medical Center	Emergency Medical Services	Totals	
				1999	1998
Current assets:					
Cash and cash equivalents	\$ 8,983,895	8,008,985	244,530	17,498,140	12,983,004
Accounts receivable - customers	453,517	15,876,814	173,306	16,704,141	16,399,355
Less allowances for doubtful accounts	118,110	25,713,880	134,734	26,606,824	25,713,330
	317,407	13,963,034	38,572	14,769,153	12,686,025
Accumulated receivable	77,836	---	1,884	79,820	128,111
Other amounts receivable	288,821	31,000	---	319,821	318,899
Prepaid expenses	---	495,470	---	495,470	443,000
Inventory, at cost	212,370	768,823	---	981,193	821,427
Total current assets	10,042,519	29,288,142	767,432	39,998,113	29,593,726
Capital assets:					
Cash and cash equivalents	16,363,715	1,424,712	---	17,788,427	8,766,692
Investments, at cost	---	300,000	---	300,000	300,000
Accumulations	80,138	---	---	80,138	72,554
	16,443,853	1,724,712	---	18,168,565	9,439,246
Property, plant, and equipment:					
Land and land improvements	375,750	1,883,950	---	2,459,700	2,394,714
Water treatment and treatment plant	34,241,573	---	---	34,241,573	33,787,468
Buildings	---	12,494,842	---	12,494,842	12,746,719
Transmission and distribution systems	24,988,037	---	---	24,988,037	24,411,039
Equipment	4,811,090	20,493,888	521,111	25,826,089	25,432,030
	44,416,450	32,872,680	521,111	77,810,241	77,072,010
Less accumulated depreciation	42,421,927	29,424,512	611,212	72,457,651	69,202,757
	2,000,523	3,448,168	909,899	6,358,590	7,869,260
Construction in progress	1,812,404	388,218	---	2,200,622	1,212,524
Total property, plant, and equipment	46,228,977	36,271,068	767,432	83,267,907	86,911,754
Other assets:					
Cash in excess of acquired net assets, less accumulated amortization	---	223,270	---	223,270	719,327
Unfunded bond issues, or other long-term amortization	454,470	173,738	---	628,208	713,419
Other assets	---	38,222	---	38,222	80,830
Total other assets	454,470	435,230	---	889,700	1,513,576
Total assets	\$ 64,675,315	66,873,682	771,432	132,490,229	120,326,114

(Continued)

ENTERPRISE FUNDS

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

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

**PROPRIETARY
AND FIDUCIARY
FUNDS**

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

CITY OF BOZEMAN CITY, MONTANA

Sheet 2-1

Capital Projects Funds

Conditioned Statement of Receipts, Dispositions
and Changes in Fund Balances

Year ended December 31, 1990

with comparative data for year ended December 31, 1989

	Main To Capital Improvements Fund	Public Capital Projects Fund	1991 Public Works Fund	1990 Public Works Fund	Special Projects Fund	Land Acquisition Fund	Program Operations Fund	Business Center Operations Fund	Total	1990 Total
Revenue:										
Main state, or unallocated priority	\$ 2,176,151	2,155,564	--	--	--	--	--	--	4,331,715	3,441,919
Interest	65,000	16,640	40	14,450	11,447	80	4,491	11,263	111,568	41,475
Other income	279,719	239,070	42	70,000	70,000	1,500	1,700	17,000	700,296	477,620
Total revenue	2,521,070	2,410,674	86	184,450	192,447	1,580	6,691	18,263	5,133,092	4,360,614
Dispositions - Project expenditures and depreciation of assets (including capital improvements and expenditures)	1,071,431	2,005,161	5,021	1,011,425	--	--	--	50,025	4,118,042	3,346,354
Other (including employee benefit expending available to fund) Total Receipts Fund Disbursements Fund - Multi-year financing (source fund)	69,423	207,499	70,417	3,178,889	11,613	2,259	3,400	30,205	3,948,807	4,211,000
Other (including employee benefit expending available to fund) Total Receipts Fund Disbursements Fund - Multi-year financing (source fund)	--	16,041	--	--	--	--	--	--	16,041	16,041
Revenue (including of transfers and other income) net expenditures and other cost	1,380,216	208,014	11,448	773,025	181,334	2,330	2,691	18,238	2,565,292	1,019,300
Fund balances at beginning of year	69,655	755,591	91,810	4,111,111	1,661,009	6,415	49,000	2,104,199	10,308,190	11,694,364
Reclassified equity transfer to fund balances at end of year	--	--	--	--	--	--	--	--	--	8,413
Fund balances at end of year	\$ 1,249,887	1,073,605	103,258	4,884,046	1,842,643	8,745	27,691	1,822,437	11,923,682	11,702,777

See accompanying notes to condensed financial statements.

CITY OF HENDER CITY, ILLINOIS

Table B.1

Capital Projects Funds

Operating Balance Sheet

December 31, 2006
with Comparative Data for 2005

	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	Total	2006	2005	
Assets	Inventory Capital Projects Fund	Inventory Non-Capital Projects Fund	Inventory Fund Balance	Inventory Construction Fund	Inventory Bond Debt Fund	Inventory Special Fund	Inventory Capital Projects Fund	Inventory Non-Capital Projects Fund	Inventory Fund Balance	Inventory Construction Fund	Inventory Bond Debt Fund	Inventory Special Fund	Inventory Capital Projects Fund	Inventory Non-Capital Projects Fund
Cash and cash equivalents	\$ 1,479,000	1,212,204	—	2,485,708	1,774,700	—	10,344	11,000	2,760,248	—	—	—	11,441,247	11,490,202
Accounts receivable	—	670	—	—	—	—	—	—	—	—	—	—	670	12,000
Accumulated depreciation	(4,442)	(4,442)	—	(4,442)	(4,442)	—	(4)	(4)	(4)	(4)	—	—	(4)	(4)
Prepayments	\$ 1,481,558	1,208,352	—	2,481,266	1,769,258	—	10,340	11,000	2,755,248	—	—	—	11,441,247	11,478,202
Liabilities and Fund Balances														
Liabilities	\$ 86,208	81,408	—	81,248	—	—	—	—	—	—	—	—	81,248	81,248
Reserve for encumbrances	(28,528)	(28,528)	—	(28,528)	—	—	—	—	—	—	—	—	(28,528)	(28,528)
Fund balance	726	99,416	—	696	—	—	—	—	2,755,248	—	—	—	11,441,247	11,478,202
Reserve for encumbrances	1,452,530	1,178,824	—	2,452,738	1,769,258	—	10,340	11,000	2,755,248	—	—	—	11,441,247	11,478,202
Total fund balance	\$ 1,453,256	1,278,240	—	2,453,434	1,769,258	—	10,340	11,000	2,755,248	—	—	—	11,441,247	11,478,202

See accompanying notes to audited financial statements.

CAPITAL PROJECTS FUNDS

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

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

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

1983 Parkway Sales Tax Bond Fund — This fund is used to account for expenditures associated with the Red River Parkway Construction, Airline Drive widening and utility relocation, Shed Road Phase I and Phase III, and Canal Landing projects and is funded by the 1983 Parkway Bond proceeds and interest earned.

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

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

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

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

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

Debt Service Fund
Bond and Interest Sinking Fund

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

Year ended December 31, 1996
with comparative totals for year ended December 31, 1995

	Sales Tax Bond Sinking and Reserve Fund	Payroll Sales Tax Bond Sinking and Reserve Fund	Totals	
			1996	1995
Revenues:				
Taxes:				
Sales, net	\$ 3,874,979	2,048,235	4,133,214	4,128,007
Ad valorem tax and millage rate	<u>3,874,979</u>	<u>2,048,235</u>	<u>4,133,214</u>	<u>4,128,006</u>
Interest:	304,804	124,284	429,088	407,873
Miscellaneous other income	31,972	—	31,972	—
Total revenues	<u>4,211,755</u>	<u>2,172,519</u>	<u>4,422,411</u>	<u>4,535,880</u>
Expenditures - debt service:				
Principal retirement	1,215,000	600,000	1,815,000	2,183,389
Advance refunding interest	—	—	—	241,281
Interest and fiscal charges	<u>887,331</u>	<u>1,400,338</u>	<u>2,287,669</u>	<u>2,484,326</u>
Total expenditures	<u>2,082,331</u>	<u>2,000,338</u>	<u>4,130,819</u>	<u>4,868,996</u>
Excess (deficiency) of revenues over expenditures	219,424	172,181	391,605	(333,116)
Other financing uses - operating transfers out	—	<u>(28,842)</u>	<u>(28,842)</u>	<u>(128,000)</u>
			<u>(28,842)</u>	<u>(128,000)</u>
Excess (deficiency) of revenues over expenditures and other uses	219,424	143,339	362,763	(461,116)
Fund balance at beginning of year	3,408,235	3,489,888	5,897,915	5,421,255
Residual equity transfer out	—	—	—	(1,250,281)
Fund balance at end of year	\$ 3,627,659	3,633,227	6,264,515	4,170,969

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit C.1

Debt Service Funds
Bond and Interest Sinking Funds

Combining Balance Sheet

December 31, 1996
with comparative totals for 1995

Assets	Sales Tax Bond Sinking and Escrow Fund	Parkway Sales Tax Bond Sinking and Reserve Fund	Totals	
			1996	1995
Cash and cash equivalents	\$ 3,696,382	2,909,479	6,605,861	5,816,390
Accrued interest	30,293	23,489	53,782	83,883
Total assets	\$ 3,726,675	2,932,968	6,659,643	5,900,273
Fund Balances				
Fund balances - reserved for debt service	\$ 3,726,675	2,932,968	6,659,643	5,900,273

See accompanying notes to combined financial statements.

DEBT SERVICE FUNDS

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(G) **Prepaid Items**

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

(H) **Inventories**

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

(I) **Refundable Deposits**

The Department of Water and Sewerage of the City of Bossier City requires that its first time water and sewer customers or customers not in good standing place a deposit before service is rendered. If customers maintain the status of good standing for one year, the deposits are returned. These monies are not restricted by law and are generally used by the Department of Water and Sewerage in meeting current operating cash requirements.

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

(J) **Deferred Revenues**

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

(K) **Contributions**

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

CITY OF MONROE CITY, LOUISIANA

PAGE 2-3

Expense Funds

Certifying Statement Cash Flow

For each December 31, 1991
and comparing results for year ended December 31, 1991

	Department of Water and Sewerage	Public Health Trust	Emergency Medical Services	Funds	
				1991	1990
Cash flows from operating activities:					
Operating income (loss)	\$ 3,390,000	3,330,404	10,130	3,440,530	3,340,930
Adjustments involving the operating income (loss):					
Income tax provided by operating activities					
Depreciation and amortization:	1,541,000	3,000,718	101,161	2,482,879	2,441,701
Increase in accounts receivable	240,000	3,208,100	1,600	3,451,700	3,490,000
Decrease (increase) in notes receivable	20,000	3,000,000	91,000	3,011,000	3,000,000
Decrease (increase) in prepaid expenses	---	100,000	---	100,000	100,000
Decrease (increase) in inventories	(200,000)	10,000	---	10,000	100,000
Increase in other assets	---	80,000	---	80,000	10,000
Increase (decrease) in accounts payable and					
accrued expenses	60,000	300,000	61,171	361,171	(251,000)
Increase (decrease) in other liabilities	20,000	---	60,000	10,000	110,000
Increase (decrease) in due to other funds	4,000	---	---	4,000	(200,000)
Increase (decrease) in refundable deposits	---	---	---	---	---
Net cash provided by operating	3,484,000	3,209,204	302,461	3,478,500	3,493,730
activities					
Net cash used by noncapital financing					
activities - operating transfer out	---	300,000	---	300,000	300,000
Cash flows from financing and related financing activities:					
Acquisition and construction of capital assets	3,184,000	2,070,000	2,800,000	1,434,000	3,180,000
Liquidation of nondebt purchase of property					
Refundings	2,000,000	---	---	2,000,000	2,000,000
Proceeds from sale of capital assets	---	---	---	---	---
Proceeds from sale of investments and securities	---	---	---	---	---
Capital contributed by Contributors/Donors	---	---	---	---	---
Borrowings	---	---	---	---	---
Increase (decrease) general obligation bonds	---	---	---	---	---
Decrease (increase) in nondebt general obligation					
bonds	---	---	---	---	---
Proceeds from revenue bond securities	1,000,000	1,000,000	---	1,000,000	1,000,000
Increase (decrease) in revenue bonds	1,000,000	1,000,000	---	1,000,000	1,000,000
Payment of long-term debt, including	1,000,000	---	---	1,000,000	---
acquisition of physical property	---	---	---	---	---
Payment of debt principal	---	1,000,000	---	(1,000,000)	---
Increase (decrease) in other	---	---	---	---	---
Net cash provided (used) by capital and other	3,484,000	3,170,000	2,800,000	1,434,000	3,180,000
financing activities					
Cash flows from investing activities:					
Dividends and other investments	---	---	---	---	---
Interest received	100,000	100,000	100,000	100,000	100,000
Real property	---	---	---	---	---
Other	---	---	---	---	---
Net cash provided by investing	100,000	100,000	100,000	100,000	100,000
activities					
Net income (decrease) in cash and cash equivalents	3,068,000	3,479,204	3,200,461	1,508,500	3,093,730
Cash and cash equivalents at beginning of year	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Cash and cash equivalents at end of year	\$ 4,068,000	\$ 5,479,204	\$ 5,200,461	\$ 3,508,500	\$ 5,093,730
Noncash transactions:					
Interperiod adjustment	---	---	---	---	---
Deferred gain on bond refunding	1,100,000	---	---	1,100,000	---
Acquisition of assets in excess of acquired liability					
through assumption of long payables	---	---	---	---	---
Acquisition of fixed assets through					
assumption of long payables	---	---	---	---	---
Acquisition of inventory through assumption					
of long payables	---	---	---	---	---
Amortization	100,000	---	---	100,000	---

See accompanying notes to combined financial statements

CITY OF BOSSIER CITY, LOUISIANA

Exhibit 1-2

Pension Funds - Revenues by Source and Expenses by Type

Fiscal years ended December 31, 1987
through December 31, 1986

Policemen's Pension and Retiree Fund

Fiscal Year	Investment Income	Contributions From City (2)	Employee Contributions	Other Income	Total	Annual Covered Payroll	Employer
							Contribution as a Percentage of Annual Covered Payroll
1987	\$ 144,948	604,374	37,912	1,238	788,368	857,247	94.81%
1988	181,134	862,449	37,273	—	1,063,790	827,301	127.98
1989	199,634	838,611	28,988	—	1,108,257	487,906	227.17
1990	250,384	925,334	21,862	—	1,335,457	482,785	276.48
1991	234,878	883,374	19,371	—	1,227,623	448,473	273.23
1992	267,932	1,071,708	22,681	—	1,362,321	456,339	298.53
1993	275,515	1,212,894	18,685	—	1,518,194	402,778	300.15
1994	284,387	1,132,383	3,647	—	1,464,997	84,122	1,729.68
1995	215,942	1,187,812	1,749	—	1,505,303	28,147	4,079.24
1996	226,380 (1)	1,051,824	—	—	1,278,204	—	—

Fiscal Year	Expenses by Type		
	Pensions and Benefits	Miscellaneous	Total
1987	\$ 650,411	5,179	655,590
1988	713,818	6,255	720,073
1989	790,384	3,320	793,704
1990	818,311	3,985	822,296
1991	919,216	3,888	923,104
1992	1,118,934	7,422	1,126,356
1993	1,071,358	10,088	1,081,446
1994	1,078,458	7,664	1,086,122
1995	1,300,950	14,234	1,315,184
1996	1,428,245	12,745	1,440,991

Notes:

- (1) Contributions were made in accordance with actuarially determined contribution requirements beginning January 1, 1985.
- (2) Includes sales taxes.
- (3) Investments began being carried at fair value in 1996, therefore, beginning in 1996 investment income includes change in fair value.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table B

Computation of Direct and Overlapping Debt

December 31, 1996

Jurisdiction	Net Debt	Percentage of Debt Applicable to the City (1)	City's Share of Debt
Total direct and overlapping debt - Bossier Parish, Louisiana Bossier Parish School Board	\$ <u>33,825,000</u>	67%	\$ <u>2,271,250</u>

Notes:

(1) Based on 1996 assessed valuation.

(2) As of December 31, 1996, there are no general obligation bonds recorded in the financial statements of the City.

Unaudited - see accompanying independent auditors' report.

CITY OF BOZEMAN CITY, LLC/BOZEMAN
 Capital and Legal Debt Maturity ID

Table 2

December 31, 2026

Amount under \$100,000,000	Interest and Sinking Payments	Fixed Payments	Fixed and Floating	Term Amortization	Change Amortization	Call Price Interest
Face less - 5% of amount raised for any new purposes (1)	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Less general purpose debt	—	—	—	—	—	—
Legal debt margin	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000

(1)

Bozeman allows approximately 5% of amount available for bonded debt for any new purpose or 25% of the total amount raised for all purposes. A total of approximately \$7,500,000 is available for interest payments on the 2026 issuances.

CITY OF BOZEMBER CITY, LOUISIANA.

Table J

Ratio of Net General Bondable Debt to Assessed Value and Net Bondable Debt Per Capita.

Bond years ended December 31, 1967 through December 31, 1969.

Bond Year	Population	Assessed Value	General Bondable Debt(L)	Low Debt General(L)	Net Bondable Debt	Percent of Net Bondable Debt to Assessed Value	Net Bondable Debt Per Capita
1967	52,811	\$ 14,524,480	4,176,200	2,440,121	1,736,079	12.4%	\$ 34.21
1968	53,115	14,794,190	4,176,200	2,415,571	1,760,629	12.8	34.29
1969	53,243	14,947,190	4,176,200	2,440,642	1,735,558	12.9	33.76
1970	53,271	15,000,480	4,176,200	2,441,201	1,734,999	13.1	33.88
1971	53,286	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88
1972	53,295	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88
1973	53,294	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88
1974	53,294	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88
1975	53,294	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88
1976	53,294	15,000,480	4,176,200	2,441,201	1,734,999	13.2	33.88

Source:
 (1) The Bondable Census
 (2) The City Census
 (3) The City of Bozember Assessor's Office
 (4) The City of Bozember Auditor's Office

Note: All figures are based on the general obligation bonds in excess of the debt service requirements. It is anticipated the general bond will be used for program construction with the original purpose of the bond being used in accordance with applicable bond covenants.

Continued on next accompanying independent auditor report.

CITY OF BOSSIER CITY, LOUISIANA

Property Tax Rates and Tax Levies
District and Overlapping Governments

Fiscal years ended December 31, 1997
through December 31, 1995

Table 2

Fiscal Year	The Bossier School Board Appraisal Value					Tax Levies				
	City	School	Parish	Parish/Overlapping	Total	City	School	Parish	Parish/Overlapping	Total
1997	\$ 24,800	29,800	31.70	1.54	97,100	3,126,287	8,079,816	3,478,000	798,000	13,000,000
1998	25,811	30,444	32.04	1.50	99,114	3,460,756	8,754,450	3,770,520	798,000	13,813,000
1999	23,440	29,000	31.31	1.54	88,100	3,279,082	7,787,001	4,032,528	798,000	12,911,000
2000	21,520	27,520	31.26	1.54	84,120	3,441,482	8,081,111	3,945,388	897,000	13,311,500
2001	20,500	26,500	31.86	1.54	81,120	4,089,184	8,991,200	4,368,150	898,000	13,846,440
2002	21,200	26,400	40.00	1.54	103,120	4,370,380	9,730,000	4,312,578	281,000	14,693,958
2003	21,200	26,400	41.18	1.54	112,120	4,489,280	9,293,000	3,815,114	280,000	14,877,394
2004	21,200	26,400	41.21	1.54	113,120	4,651,720	9,400,100	3,948,000	281,000	15,280,820
2005	21,400	27,100	41.21	1.54	104,120	4,991,280	9,284,000	3,600,344	281,000	15,866,500
2006	20,200	23,100	40.00	1.50	101,120	5,188,120	11,581,200	3,217,200	280,000	17,066,520

Overlapping refers to overlapping independent and/or other agencies.

CITY OF BOSSIER CITY, LOUISIANA

Table 4

Assessed and Estimated Actual Value
of Taxable PropertyFiscal years ended December 31, 1987
through December 31, 1996

Fiscal Year	Assessed Value	Estimated Actual Value	Percent of Total Assessed to Estimated Actual Value
1987	\$ 148,524,800	1,167,528,924	12.55%
1988	145,904,150	1,204,328,247	11.99
1989	146,247,100	1,260,197,880	11.61
1990	147,906,800	1,282,099,820	11.57
1991	150,847,340	1,292,883,040	11.67
1992	154,223,650	1,348,484,777	11.51
1993	159,654,090	1,382,412,997	11.48
1994	162,243,850	1,412,268,287	11.52
1995	164,283,480	1,582,915,887	11.64
1996	<u>203,063,120</u>	<u>1,748,294,628</u>	<u>11.62</u>

Note: Assessed values are established by the Bossier Parish Tax Assessor on January 1 of each year at approximately 10-15% of assessed 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, 1996.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Table 3

Property Tax Levies and Collections

Fiscal years ended December 31, 1997
through December 31, 1999

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (3)	Total Taxes Collected (4)	Total Outstanding Delinquent Taxes, Accruals (5)	Percent of Total Tax Collections in Tax Levy (6)
1997	\$ 3,318,997	2,972,428	89.55%	\$ 332,239	3,304,667	264,193	99.86%
1998	3,478,126	3,191,193	91.75%	287,298	3,478,491	249,550	99.94%
1999	3,119,082	3,091,413	99.11%	16,585	3,108,000	219,634	99.93%
2000	3,443,485	3,080,000	89.45%	328,449	3,408,449	349,038	99.98%
2001	4,298,194	3,885,453	90.31%	327,879	4,213,332	388,002	99.61%
2002	4,375,389	4,081,279	93.28%	192,491	4,273,770	101,619	99.71%
2003	4,368,199	4,097,177	93.80%	169,499	4,266,676	101,523	99.73%
2004	4,451,325	3,986,496	89.56%	464,789	4,451,285	105,040	99.29%
2005	4,295,382	3,139,905	73.11%	1,691,180	4,831,085	193,000	99.58%
2006	3,033,573	3,139,462	103.49%	1,442,359	4,581,821	23,179	99.95%

Notes:

- (1) Includes collections through February 28 of the subsequent year, includes collections through December 31.
 (2) Does not include payments from Louisiana Tax Commission.
 (3) Percent of total tax payments to tax levy represents only taxes collected through February 28 of the subsequent year. After considering all adjustments by the Louisiana Tax Commission and collections from remainder of the year, the City tax collected from 99.00 to 99.99 percent of tax to levy for the years 1997 through 1999.

Unaudited - see accompanying independent auditor's report.

CITY OF MOBILE - CITY, LOUISIANA

Table 2

Capital Expenditures by Source (1)
 Fiscal year ended December 31, 1997
 through December 31, 1998

Fund	Year	Total	Locations and Facilities	State Expenditures	Fees and Rentals	Locations Direct	Tuition	Charges for Services	Income and Miscellaneous	Total
2007	0	4,077,467	1,061,422	263,313	608,864	1,021,042	--	--	111,628	6,078,427
2008	0	4,000,000	1,088,000	313,314	528,481	2,033,473	--	--	111,628	6,955,896
2009	0	4,111,000	1,075,000	347,704	479,296	2,132,000	--	--	111,628	6,145,628
2010	0	4,241,000	1,111,000	400,000	470,000	2,130,000	--	--	111,628	6,262,628
2011	0	5,100,000	1,200,000	400,000	300,000	2,600,000	--	--	111,628	7,011,628
2012	0	5,111,000	1,200,000	400,000	375,000	2,436,000	--	5,011,470 (2)	1,000,000	13,363,100
2013	0	5,271,000	1,400,000	475,000	500,000	1,200,000	661,000 (3)	1,000,000	1,000,000	13,977,000
2014	0	5,071,000	1,400,000	475,000	500,000	1,200,000	700,000	1,000,000	1,000,000	13,977,000
2015	0	11,211,000	3,175,000	1,200,000 (4)	800,000	375,000	800,000	1,410,000	1,200,000	18,071,000
2016	0	13,011,000	3,075,000	1,311,200	811,800	375,000	800,000	1,410,000	1,200,000	20,803,000

(1) Includes General Fund revenues only. Operating revenues is not included.
 (2) In 1997, the State "Share Capital Fund" was established as a supplement within the General Fund.
 (3) Same year as August 15, 1997.
 (4) In 1994, the City began receiving ride-pooler revenue in the Bluebonnet Gaming Fund.
 (5) Beginning in 1993, intergovernmental revenue includes grants for water replacement (60).

Revised - 08 incorporating independent auditor's report.

CITY OF BOSSIER, CITY, LOUISIANA

Table 1

General Operational Expenditures by Function (1)

Fiscal year ended December 31, 1987
(through December 31, 1986)

Fiscal Year	General Expenditures	Public Safety	Highways (Mileage)	Solid Waste	Collection & Recycling	City Code	Municipal Services	Total
1985	\$ 3,175,346	5,149,675	81,221	—	781,481	221,211	152,312	11,873,483
1986	3,342,371	5,155,176	491,821	—	271,048	328,453	164,860	12,770,130
1987	3,344,595	5,190,218	431,240	—	425,420	377,959	176,880	11,376,332
1988	3,644,798	5,817,810	621,860	—	5,025,020	354,318	264,864	13,211,766
1989	3,715,361	7,581,611	786,321	—	5,000,182	362,328	371,543	13,911,345
1990	4,421,871	5,212,324	521,229	1,075,321 (2)	1,044,118	548,140	274,181	16,574,292
1991	4,085,614	3,211,293	473,324	1,512,311 (2)	5,084,248	311,418	321,443	11,913,557
1992	4,481,176	5,020,280	518,228	1,981,370	1,179,141	371,248	325,782	13,808,525
1993	3,254,328	11,044,964 (3)	601,468	1,624,814	1,171,171	301,440	302,760 (2)	21,081,141
1994	3,021,487	1,211,249	726,178	1,881,511	1,255,125	303,821	328,523	22,524,322

Notes:

(1) Includes General Fund expenditures only.

(2) 1992 to 2004 Asset Depreciated Fund was re-categorized to a Department within the General Fund.

(3) Beginning in 1993, public safety and municipal services expenditures include state supplemental (SP).

Expenditures are categorized by independent activities.

**STATISTICAL
SECTION**

ACCOUNT GROUPS

CITY OF BOSSIER CITY, LOUISIANA

Exhibit J-2, Cont.

Pension Funds - Revenue by Source and Expenses by Type

Fireman's Pension and Relief Fund

Fiscal Year	Investment Income	Contributions From City	Employee Contributions	Other Income	Revenue by Source		Employer Contribution as a Percentage of Annual Covered Payroll
					Total	Annual Covered Payroll	
1987	\$ 334,371	1,312,364	92,540	—	1,739,275	1,858,683	78.57%
1988	404,301	1,335,312	82,431	—	1,822,044	1,948,834	88.88
1989	527,833	1,332,823	78,371	—	1,879,027	1,978,709	89.58
1990	608,648	1,480,482	83,382	—	2,092,512	1,668,522	84.90
1991	678,700	1,694,547	62,546	—	2,245,793	1,721,193	87.41
1992	777,294	1,682,340	62,338	—	2,482,354	1,769,918	87.81
1993	764,509	1,734,288	60,516	—	2,559,313	1,468,082	128.14
1994	823,982	1,863,876	54,682	—	2,742,540	1,693,888	130.48
1995	843,232	2,045,125	45,833	1,140	2,935,330	917,423	221.83
1996	410,421 (1)	2,033,320	26,371	—	2,469,112	347,812	221.29

Fiscal Year	Expenses by Type		
	Pensions and Benefits	Miscellaneous	Total
1987	\$ 786,611	4,208	784,823
1988	805,342	4,530	800,017
1989	1,029,935	33,295	1,040,230
1990	1,083,747	36,188	1,119,935
1991	1,322,383	37,069	1,359,452
1992	1,553,847	41,481	1,595,328
1993	1,283,286	48,436	1,331,722
1994	1,863,256	45,669	1,909,925
1995	1,889,241	42,288	1,931,529
1996	2,081,658	13,747	2,095,405

Notes:

- (1) Contributions were made in accordance with actuarially determined contribution requirements beginning January 1, 1985.
- (2) Includes sales taxes.
- (3) Investments began being carried at fair value in 1996, therefore, beginning in 1996 investment income includes changes in fair value.

Unaudited - see accompanying independent auditors' report.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit B-5

Special Revenue Fund
Fire Improvements and Operations FundStatement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and ActualYear ended December 31, 1998
with comparative actual figures for the year ended December 31, 1997

	1998			1997
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Sales tax, net	\$ 1,237,458	1,266,725	159,268	1,237,291
Interest	30,000	28,211	8,211	30,000
Miscellaneous	—	441	441	—
Total revenues	1,267,458	1,495,387	187,518	1,307,291
Expenditures - capital outlay	31,000	42,132	11,132	218,818
Excess of revenues over expenditures	1,236,458	1,453,255	156,797	843,113
Other financing use - operating transfer out	(1,180,000)	(1,180,000)	—	(1,180,000)
Excess (deficiency) of revenues over expenditures and other uses	46,458	201,243	158,785	(206,687)
Fund balance at beginning of year	442,562	442,561	—	249,266
Fund balance at end of year	\$ 489,020	643,804	158,782	442,561

See accompanying notes to combined financial statements.

CITY OF DENVER-CITY EMPLOYEES

Schedule 1

Analysis of Pension Benefits Program

Fiscal Year ended December 31, 1992

through December 31, 1996

Fiscal Year	Plan Assets Available for Benefits	Pension Benefits Obligation	Percentage Funded	Estimated Pension Benefits Obligation	Amount Collected	Unfunded/Pension Benefits Obligation as a Percentage of General Fund ¹
Employees' Pension and Health Fund						
1987	\$ 2,883,024	22,177,000	13%	\$ 17,044,811	1,879,681	90.1%
1988	3,000,000	20,660,000	15%	16,330,000	2,660,000	87.5%
1989	3,744,000	24,811,000	15%	18,000,000	3,744,000	84.6%
1990	7,704,000	35,304,000	22%	28,607,000	5,697,000	76.2%
1991	9,911,000	41,580,000	24%	30,670,000	7,911,000	72.4%
1992	9,411,000	33,389,000	28%	23,978,000	12,433,000	43.5%
1993	10,557,000	34,844,000	30%	24,287,000	14,000,000	38.3%
1994	11,000,000	40,710,000	27%	29,700,000	14,000,000	37.8%
1995	12,000,000	36,000,000	33%	24,000,000	16,000,000	33.3%
1996	12,211,000 (2)	43,224,000 (2) (3)	28%	30,013,000	17,000,000	33.2%
Police/Corrections Pension and Health Fund						
1987	\$ 1,784,000	12,491,000	14%	\$ 9,706,000	871,000	107.8%
1988	2,112,000	14,808,000	14%	13,693,000	819,000	107.0%
1989	2,403,000	17,500,000	14%	15,097,000	906,000	103.0%
1990	2,704,000	19,171,000	14%	16,467,000	937,000	107.6%
1991	3,071,000	20,691,000	15%	17,620,000	1,000,000	105.0%
1992	3,000,000	19,700,000	15%	16,700,000	1,300,000	107.0%
1993	3,241,000	20,240,000	17%	17,000,000	1,241,000	105.6%
1994	4,114,000	25,700,000	16%	20,586,000	3,528,000	115.7%
1995	4,500,000	26,840,000	17%	22,340,000	3,960,000	108.0%
1996	4,558,000 (2)	31,581,000 (2) (3)	15%	27,023,000	4,000,000	100.0%
Reserve Medical/Center Pension/Health						
1987	\$ 1,770,000	2,000,000	88%	\$ 180,000	4,610,000	23%
1988	2,000,000	2,220,000	90%	200,000	4,900,000	20%
1989	2,400,000	2,570,000	93%	170,000	5,310,000	18%
1990	2,800,000	2,800,000	100%	200,000	5,500,000	16%
1991	3,010,000	3,000,000	100%	1,000,000	6,100,000	14%
1992	3,000,000	3,440,000	87%	1,440,000	7,210,000	13%
1993	3,000,000	4,710,000	64%	1,710,000	7,510,000	10%
1994	4,010,000	5,100,000	79%	1,090,000	8,010,000	10%
1995	4,000,000	5,270,000	76%	1,270,000	8,510,000	11%
1996	4,000,000	5,700,000	70%	1,700,000	8,610,000	11%

1) As of January 1, 1988

2) As of January 1, 1993

3) As of January 1, 1998

4) As of January 1, 1991

5) As of January 1, 1992

6) As of January 1, 1993

7) As of January 1, 1994

8) As of January 1, 1995

9) As of January 1, 1996

10) As of January 1, 1997

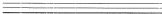
11) As of January 1, 1998

12) Beginning in 1996, amounts are retroactive for value.

13) The calculation for 1996 requires an actuarial liability which differs insignificantly from the pension benefits obligation.

Key: Analysis of the dollar amount of an asset available for benefits, pension benefits obligation, and unfunded pension benefits obligation in relation to the underlying. Expressing the net assets available for benefits as a percentage of the pension benefits obligation provides one indication of the Plan's funding position in terms of assets basis. Analysis of this percentage over time indicates whether the Plan is becoming increasingly under or overfunded. Conversely, the ratio of the percentage the asset to the Plan's Unfunded Pension Benefits Obligation and annual amount received per year are also useful indicators. Expressing the unfunded pension benefits obligation as a percentage of annual amount received provides approximately relative to the relative ability to use the assets of the Plan's program made in accumulating sufficient assets to pay benefits ultimately. Generally, the greater this percentage, the stronger the Plan. However, since not every employee are allowed to cross from the Plan into the Pensioners' and Police/Corrections' Plans, the number of employees will continue to decline, indicating an increasing burden on the City to provide the pension benefits.

**SUPPLEMENTARY
INFORMATION**



CITY OF MOBILE CITY, LOUISIANA

General Long-Term Obligations Account Group

Schedule of Changes in Long-Term Obligations

Year ended December 31, 1996

	January 1, 1996	Additions	Payments/ Reductions	Debt Service Paid Operations	December 31, 1996
Amount available to cover service funds Amount to be provided for payment of unpaid principal	\$ 5,000,000	—	—	266,600	4,733,400
Amount to be provided for retirement of general long-term debt	479,311	46,078	—	—	525,389
	21,392,000	—	(2,127,412)	—	19,264,588
	\$ 26,869,311	\$ 46,078	\$ (2,127,412)	\$ 266,600	\$ 24,874,588
Long-term obligations payable Accrued interest Premium bond payable - general city operations	1 479,311	46,078	—	—	525,389
	24,128,000	—	11,811,928	—	35,939,928
	\$ 24,607,311	\$ 46,078	\$ 11,811,928	\$ —	\$ 36,469,319

See accompanying notes to consolidated financial statements

**GENERAL LONG-TERM
OBLIGATION ACCOUNT
GROUP**

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

CITY OF BOSSIER CITY, LOUISIANA

Exhibit 11-3

General Fixed Assets Account Group

Schedule of General Fixed Assets -
By Function and Activity

December 31, 1996

Function and Activity	Total	Land and Land Improvements	Buildings and Structures	Equipment and Furniture
General government				
Administration	\$ 214,261	—	—	214,261
Municipal building	14,294,029	1,491,200	12,655,665	263,164
Powers	81,971	—	—	81,971
City group	396,882	1,588	43,861	398,181
Traffic engineering and safety	4,201,000	753,488	3,611,285	326,818
Purchasing	81,168	—	—	81,168
Engineering	181,508	—	—	181,508
Personnel	47,518	—	—	47,518
Revenue	158,206	—	—	158,206
City attorney	83,190	—	—	83,190
City Council	81,308	—	—	81,308
Data processing	681,679	—	—	681,679
Community Development	82,118	—	—	82,118
	<u>28,311,624</u>	<u>2,436,236</u>	<u>15,741,628</u>	<u>2,011,731</u>
Public safety				
Fire	1,699,882	278,811	876,550	544,521
Police	2,165,833	37,718	1,298,188	829,927
	<u>3,865,715</u>	<u>316,529</u>	<u>2,174,738</u>	<u>1,374,448</u>
Highways and streets	1,744,879	—	—	1,744,879
Water control, port, and navigation	165,790	—	—	165,790
Culture and recreation	1,668,681	2,691,679	2,476,679	240,323
Civic Center	1,288,624	64,646	4,765,719	261,224
City Court and Marshal				
City Court	71,608	—	—	71,608
Marshals office	(71,269)	—	—	(71,269)
	<u>2,453,212</u>	<u>2,756,325</u>	<u>7,242,398</u>	<u>591,316</u>
CIP (Civic Center)	<u>124,662</u>	<u>—</u>	<u>151,642</u>	<u>—</u>
Total general fixed assets allocated to functions	<u>\$ 41,895,217</u>	<u>\$ 5,206,091</u>	<u>\$ 25,460,660</u>	<u>\$ 3,977,497</u>

See accompanying notes to combined financial statements.

CITY OF BOSSER CITY, CALIFORNIA

Exhibit 11.2

General Fund Assets - Account Group
Schedule of Changes in General Fund Assets -
By Function and Activity

Year ended December 31, 1996

Function and Activity	General Fund Assets January 1, 1996	Additions	Retirements	Interdepartmental Transfers	General Fund Assets December 31, 1996
General government	\$ 214,361	--	--	--	214,361
Administration	14,352,814	185,119	--	6,271	14,544,023
Municipal facilities	68,520	37,363	--	290	85,971
Finance	378,448	52,178	(56,230)	(5,965)	368,581
City group	4,399,772	2,176	--	--	4,371,962
Traffic engineering and safety	874,436	948	(990)	(5,965)	85,548
Planning	177,190	12,458	--	17,482	187,130
Engineering	41,077	2,862	--	--	47,548
Personnel	184,371	51,854	(887)	(5,141)	190,297
Public works	41,340	--	--	--	41,340
City attorney	51,299	13,011	--	15,928	80,238
City Council	626,262	2,087	--	--	628,349
Rain processing	14,213	2,087	(16,660)	--	--
Community development	202,173	327,428	(76,483)	21,733	454,851
Public safety:					
Fire	2,852,444	91,378	--	--	2,943,822
Police	4,623,682	291,881	(51,362)	(16,828)	4,857,173
	3,028,152	684,252	(31,385)	--	3,681,019
Highways and ports	1,254,389	236,871	(6,263)	6,329	1,485,326
Railroad, ports, and transportation	131,343	13,348	(813)	16,389	149,967
Culture and recreation	843,868	13,491	(2,683)	11,859	865,455
City Center	1,423,348	43,281	(108,598)	(1,471)	1,356,659
Dry Clean and Market:					
City-Clean	72,028	--	--	--	72,028
Market	173,987	--	--	--	173,987
Municipality office	210,087	--	--	--	210,087
Construction in progress	--	131,652	--	--	131,652
Total general fund assets	\$ 41,451,221	1,659,819	(284,731)	--	\$ 42,826,309

See accompanying notes to consolidated financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit 1-1

General Fixed Asset Account Group

Comparative Schedule of General Fixed Assets - By Source

December 31, 1996 and 1995

	1996	1995
General fixed assets:		
Land and land improvements	\$ 5,526,691	5,526,691
Buildings and structures	25,405,660	24,847,790
Equipment and vehicles	13,073,483	11,175,363
	<u>\$ 43,009,834</u>	<u>41,553,204</u>
Investment in general fixed assets		
Investment, December 31, 1995	\$ 2,896,820	2,896,820
Subsequent to December 31, 1995:		
General obligation bonds	1,481,870	1,481,870
Federal Revenue Sharing	2,411,366	2,411,366
Sales tax revenues	12,393,771	11,488,366
Sales tax revenue bonds	18,293,125	18,293,125
Community Development Block Grant	825,531	825,351
Contributions from other governmental agencies	2,026,151	1,876,499
General Fund	1,873,511	1,873,511
Donations	481,693	481,691
	<u>\$ 43,009,834</u>	<u>41,553,204</u>

See accompanying notes to combined financial statements.

Response to Management Letter Comments

Cash and Investments

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

Data Processing Disaster Planning

Management currently has an informal agreement with an outside vendor to provide an emergency processing site. We will formalize the agreement and test it if deemed advisable.

Accuracy of Records

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



George J. Hunter, Mayor

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Office of the Mayor

ROBERT R. FAY, MAYOR

Executive Director
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TO: Mr. Daniel G. Eyle
Legislative Auditor
P.O. Box 740077
Baton Rouge, LA 70804-8177

FROM: George Hansen, Mayor

SUBJECT: Response to Management Letter Comments for August dated
December 31, 1999

Date: June 11, 1999

Police Pension Fund

We will discuss the option of contracting with a brokerage firm for safe keeping of the securities with the Police Pension Board. This change is subject to the approval of the Board and will be discussed at the next scheduled Board meeting.

Insurance Fund Deficit

We will continue to monitor the claims throughout the year and will take appropriate action to reduce or eliminate the deficit by year-end. Management has discussed various options to help resolve this problem and we will continue to study the most beneficial and efficient plan for all the employees of the City.

Treasury Fund and Interest Income

We have made the interest income allocation in 1999 as recommended. We feel that the 1998 interest income allocation to all funds was materially correct and any differences due to the method of the calculation would be insignificant.

Emergency Medical Services Revenue

The Finance Department has discussed this matter with the Fire Chief and appropriate reasonable action to aggregate these states will be taken. We will consider continuing the billing process within the EMS department, but actual cash receipts will be sent directly to accounting to be recorded on the general ledger. A copy of the cash receipts will be forwarded to EMS for posting to the EMS detail subledger of accounts. The accounting department will then reconcile the general ledger to the EMS detail subledger on a monthly basis. The Finance Department will also request that the EMS department forward a listing of amounts billed, collected, and recorded on a monthly basis.

The Honorable George Demant, Mayor
and Members of the City Council
February 28, 1967
Page 3

* * * * *

It should be appreciated that our audit 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 systems and procedures which may exist. We aim, however, to use our knowledge of the City's organization gained during our work to make comments and suggestions which we hope will be useful to you.

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

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

Very truly yours,

K. A. Co. Paul Marwick LLP

Pension Funds - Revenues by Source and Expenses by Type

Bossier Medical Center Pension Fund

Fiscal Year	Revenues by Source			Annual Covered Payroll	Employee Contributions as a Percentage of Annual Covered Payroll
	Employee Contributions (1)	Investment Income (1)	Total		
1987	\$ 253,280	148,366	401,646	4,855,800	5.21%
1988	252,724 (2)	195,521	448,245	4,948,800	5.12
1989	351,000	268,294	619,294	5,581,800	6.56
1990	373,886	223,513	597,399	5,788,800	6.70
1991	445,854	243,268	689,124	6,338,800	7.20
1992	503,801	345,985	749,786	7,222,800	6.99
1993	508,364	288,943	797,307	7,525,800	6.66
1994	568,488	318,997	887,485	8,025,800	6.43
1995	638,946	338,960	977,906	8,535,800	6.78
1996	663,009	376,912	1,039,921	9,610,800	6.87

Fiscal Year	Expenses by Type		
	Benefits (1)	Administrative Expenses (1)	Total
1987	\$ 23,415	7,745	31,160
1988	41,207	13,087	54,294
1989	126,385	21,075	147,460
1990	294,476	13,254	407,730
1991	254,894	15,363	269,257
1992	317,668	17,783	335,451
1993	373,886	13,729	387,615
1994	388,643	18,659	407,302
1995	468,979	19,717	488,696
1996	518,637	13,268	531,905

Notes:

(1) Information per the trustee's statement of plan assets.

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

Unaudited - see accompanying independent auditor's report.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

	1996	1995
Sewerage Division - Sewerage Capital Additions and Contingencies Fund:		
Cash and cash equivalents	\$ 1,945,274	1,735,849
Accrued interest receivable	<u>17,836</u>	<u>36,230</u>
Total restricted assets applicable to the Sewerage Division	<u>1,963,110</u>	<u>1,772,079</u>
Total Department of Water and Sewerage restricted assets	<u>\$ 10,382,527</u>	<u>4,825,371</u>
Bossier Medical Center:		
Revenue Bond Retirement Fund - cash and cash equivalents	\$ 1,735,213	1,835,795
Designated for plant and equipment additions and replacements:		
Cash and cash equivalents	1,689,539	688,406
Certificate of deposit	100,000	100,000
Government agency securities	<u>—</u>	<u>1,000,000</u>
	<u>1,789,539</u>	<u>1,788,406</u>
Total restricted assets applicable to Bossier Medical Center	<u>\$ 3,524,752</u>	<u>3,624,201</u>

State law allows a maximum of 10% of assessed valuation of bonded debt for any one purpose or 35% of the total assessed value for all purposes. The City assessed property value at December 31, 1996, is \$203,605,170. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 1996, is \$20,360,517 and \$71,261,810, respectively. The City currently has no general bonded debt outstanding. Therefore, as December 31, 1996, the City has a debt margin of \$71,261,810 available for issuance pursuant to the 35% limitation.

Component Units

The bank payable of the Bossier Public Trust Financing Authority as November 30, 1996, consist of \$17,215,000 Single Family Mortgage Revenue Bonds, 1995 Series dated August 1, 1995, with interest at rates ranging from 4.2% to 6.5% and maturing through August 1, 2003. The 1995 Series bonds were refunded by the issuance of \$10,080,000 of the 1995B Series bonds having an average interest rate of approximately 5.97%. As November 30, 1996, the Authority has cash and cash equivalents, investments, and accrued interest receivable of \$159,679; \$17,171,637; \$174,388; respectively, assigned for repayment of the bonds.

CITY OF MONROE CITY, LOUISIANA

Exhibit D-2

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

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues:				
Sales tax, net	\$ 946,465	936,400	29,867	948,000
Interest	77,800	81,868	29,868	45,164
Total revenues	<u>1,024,265</u>	<u>1,018,268</u>	<u>39,735</u>	<u>993,164</u>
Expenditures - capital outlay	<u>1,418,080</u>	<u>1,173,182</u>	<u>244,898</u>	<u>1,250,021</u>
Excess (deficiency) of revenues over expenditures	<u>(411,581)</u>	<u>(154,914)</u>	<u>298,583</u>	<u>742,143</u>
Other financing use - operating transfer out	<u>1,023,089</u>	<u>1,023,089</u>	<u>—</u>	<u>(1,215,008)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>(418,581)</u>	<u>(178,901)</u>	<u>268,581</u>	<u>417,135</u>
Fund balance at beginning of year	<u>1,298,181</u>	<u>1,298,181</u>	<u>—</u>	<u>506,318</u>
Residual equity transfer in	<u>—</u>	<u>—</u>	<u>—</u>	<u>377,280</u>
Fund balance at end of year	<u>\$ 879,600</u>	<u>\$ 1,119,280</u>	<u>268,581</u>	<u>1,289,360</u>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

credited service. Benefits shall cease upon remarriage of the spouse. Surviving minor children shall receive the greater of \$200 per month or 10% of average final compensation.

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

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

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

Total Payroll and Amount Contributed - All Plans - Payroll of City employees covered by pension plans for 1996 and contributions made by the City were as follows:

	Payroll	Amount Contributed
Retiree's Pension and Relief Fund	\$ 547,815	2,892,320
Policee's Pension and Relief Fund	—	1,841,854
BMC Fund	9,600,000	660,000
Employees' System	6,488,775	328,899
MFRS	4,177,839	313,348
FFRS	3,459,932	308,702
City employees not covered by a pension plan (includes part-time employees)	2,569,681	—
	\$ 26,783,037	4,643,323

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

If an active member is disabled in the line of duty, he shall receive a monthly pension of 60 percent of his average salary. If a member becomes disabled because of illness or injury not in the line of duty and he has 3 years of service, he shall receive 75 percent of the retirement salary to which he would be entitled.

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

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

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

Pension Benefits - Employees with 20 years of service who have attained the age of 50 years, employees with 12 years of service who have attained the age of 35 years, or employees with 25 years of service at any age are eligible to receive monthly retirement benefits. These benefits are equal to 3-1/2 percent of the employee's average final compensation multiplied by years of service. Employees covered by the system who leave employment subsequent to meeting the required years of service but prior to attaining the required age are eligible to receive pension benefits upon reaching the required age.

Death and Disability Benefits - If an active employee is killed in the line of duty, a monthly benefit shall be paid to the member's spouse of two-thirds of the employee's average final compensation. If an employee dies from a cause not in the line of duty, the spouse shall be paid a monthly benefit equal to 2% of the deceased member's average final compensation multiplied by his total years of

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

If an active member becomes disabled and has at least 10 years of service, he shall receive a disability benefit of 3 percent of final compensation multiplied by years of service but not less than 20 percent of his final compensation. Upon reaching the earliest normal retirement age, the disability benefit shall be converted to a normal retirement allowance. If the employee dies while receiving disability benefits, his survivors shall be eligible for benefits provided such beneficiaries were his spouse or children at the time he became disabled.

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

Funding Sources - Covered employees are required to contribute 3 percent of their salary to the plan. The City is required to contribute 3.25 percent through June 1996 and 3.25 effective July 1996 of covered employees salary. The employer and employee contribution obligations are established by state statute.

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

Pension Benefits - Employees are eligible to receive monthly retirement benefits upon reaching age 50 with 20 years of service, upon reaching age 55 with 12 years of service, or upon reaching 25 years of service at any age. These benefits are equal to 3.125 percent of the employee's average final compensation multiplied by the years of service. Employees covered by the system who leave employment subsequent to reaching the required years of service but prior to attaining the required age are eligible to receive pension benefits upon reaching the required age.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Funding Sources - The funding policy of the BMC Fund provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate needed assets to pay benefits when due. Level percentages of employer payroll contribution rates are determined using the Flosser Entry Age actuarial funding method. At this time, a supplemental unfunded actuarial accrued liability of \$84,314 exists.

Contributions for the 1996 plan year totaling \$501,000 were made in 1996, and contributions totaling \$132,000 are payable at December 31, 1996, in accordance with contribution requirements determined through an actuarial valuation performed as January 1, 1995. An amount of \$544,000 of these contributions represents funding for normal cost. Contributions made by Bossier Medical Center represent 4.5 percent of covered payroll for the year.

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

As of January 1, 1995, membership in the BMC Fund consisted of 52 retirees, beneficiaries, and terminated employees entitled to benefits currently receiving benefits and 238 current employees of which 274 were vested and 65 non-vested.

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

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

Administered by the State of Louisiana

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

Funding Sources - The Policemen's Fund is funded from the following sources, as established by City ordinance:

- Twenty percent of all amounts collected for City Court fines.
- Ten percent of all funds collected by the City for taxes, licenses, or permits for the sale of alcoholic beverages.
- Six percent of the salaries of all employees of the Police Department who are eligible for participation in the Policemen's Plan.
- Income from investments owned by the Policemen's Plan.
- Reimbursement by the General Fund for the operating deficit of the prior year, if any.
- Amounts from the 1982 sales tax levy sufficient to liquidate the unfunded liability over a period not to exceed 30 years.

As of December 31, 1986, the Policemen's Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	33
DRDP members	2

Administrated Commercially

- **The Bossier Medical Center Employees' Pension Fund ("BMC Fund")** - Covers all eligible employees of the Bossier Medical Center. The Bossier Medical Center maintains a separate noncontributory defined benefit pension plan for its employees only. The plan covers substantially all employees who have met the length of service requirements.

Benefits - The BMC Fund is a plan sponsored by Bossier Medical Center to provide retirement benefits as well as death and disability benefits. Benefits vest 100% after five years. Employees who retire at age 55 are entitled to a benefit of 1.2 percent of each year's compensation plus .5 percent of compensation in excess of \$10,000 for service after January 1, 1983. The formula is 1 percent of compensation in excess of \$10,000 for service prior to 1983, but is based on a five-year average compensation as of 1983. Compensation is defined as total base salary and wages actually paid excluding any additions such as bonuses, overtime, and business expenses. Employees may receive a reduced benefit at or after age 55 if they have ten years of service.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

As of December 31, 1994, the Pension's Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	68
DRSOP members	22
Current employees:	
Voted	11
Nonvoted	11
	111

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

Retirement Benefits - Employees with 30 years of service or employees with 18 consecutive years of service and that have reached 65 years of age are eligible for monthly retirement benefits. These benefits shall be two-thirds (2/3) of average final compensation, as defined. Benefits can only be paid monthly and employee contributions are forfeited upon termination of an employee without the required length of service.

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

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

Death and Disability Benefits - All participants are either retired or under the DRSOP program. Therefore, if a member dies while receiving a pension and leaves a child or children under eighteen years of age, a widow, or a dependent mother, these survivors should be paid as follows: dependent mother, one hundred dollars per month; widow, survivor benefits based upon the election of the participant; or a child under eighteen years of age or who is attending college, one hundred fifty dollars per month, regardless of the number of children.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

age of eighteen (18) or until married, whichever is sooner. These amounts paid to the family of the deceased will not exceed two-thirds (2/3) of the member's salary.

If an active employee becomes disabled by reason of serving the department, he shall receive monthly a sum which, with the benefits from the Workmen's Compensation Act, shall be equal to seventy-five (75) percent of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he became disabled. The benefits shall continue as long as the disability shall continue or until he becomes eligible for retirement on a service basis, whichever is sooner. If an active member with at least ten years of service becomes disabled by reason of injuries not arising or developing directly from employment, with certain exceptions, he shall receive monthly a sum equal to one-third (1/3) of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he became disabled, plus an additional two (2) percent of such salary for each year of active service rendered over five years. The maximum benefit shall not exceed two-thirds (2/3) of the monthly salary.

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

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(9) **Defined Benefit Pension Plans**

(A) **Description of Plans**

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

SINGLE EMPLOYER DEFINED BENEFIT PLANS - PUBLIC EMPLOYEE RETIREMENT SYSTEMS

Summary of Significant Accounting Policies

Basis of Accounting — The three City administered pension plans' financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period in which employees provide services to the entity. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments — Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Administered by the City

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

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

Death and Disability Benefits - If an active employee or an employee eligible for or receiving benefits shall die from any cause, a monthly benefit shall be paid to the member's surviving spouse and children. The spouse, while remaining unmarried, shall receive fifty (50) percent of the eligible benefits to which the deceased member would be entitled. Each surviving minor child under the age of eighteen (18) years shall receive twenty-four (24) percent of said benefits until the

CITY OF BOSSIER CITY, LOUISIANA

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

The actuarial accrued liability shown below (which differs insignificantly from the pension benefit obligation) was computed as part of an actuarial valuation performed as of January 1, 1997, for the Firemen's and Policemen's Funds and as of January 1, 1996, for the BMC Fund. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.0 percent a year compounded annually for the Firemen's Fund, 6.0 percent annually for the Policemen's Fund, and 7.5 percent for the BMC Fund and (b) projected salary increases of 3.0 percent a year for inflation and from 3.0 to 6.4 percent a year for years of service for the Firemen's and Policemen's Funds, and 4.0 percent a year for the BMC Fund. The net assets available for benefits in the following schedule are valued at fair value and are as of December 31, 1996, for the Firemen's and Policemen's Funds and as of December 31, 1995, for the BMC Fund.

Total unfunded actuarial accrued liability applicable to the City's employees was as follows:

	Firemen's Fund	Policemen's Fund	BMC Fund *	Total
Actuarial accrued liability:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 30,894,360	21,314,955	790,000	61,879,595
Current employees:				
Accumulated employee contributions	224,984	—	—	224,984
Employee-financed costs	1,164,120	—	3,459,000	4,623,500
Employee-financed uncovered	1,608,580	—	397,000	2,005,580
Total net actuarial liability	33,291,944	21,314,955	1,187,000	65,615,839

CITY OF BOSSIER CITY, LOUISIANA

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Scheduled bond principal maturities are as follows:

1997	\$	—
1998		170,000
1999		125,000
2000		140,000
2001		150,000
Thereafter		<u>16,720,000</u>
	\$	<u>17,275,000</u>

Under provisions of the Indenture, the Bossier Public Trust Financing Authority has the option to redeem remaining outstanding bonds in whole at any time on or after August 1, 2005, from available funds at an initial redemption price of 103% of par and subsequently at prices declining to par. The bonds are collateralized by the income derived from the mortgage loans and the funds and accounts held under or pledged to the program pursuant to the Indenture.

(6) **Sales Tax**

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

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

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

	Firemen's Fund	Policemen's Fund	BMC Fund *	Total
Net assets available for benefits, at end, which approximate market	\$ 13,215,514	4,503,362	1,099,800	18,818,676
Unfunded actuarial assessed liability	\$ 30,895,234	36,878,833	112,859	67,886,926

* This does not include contributions made by Bossier Medical Center of \$65,891 made in 1984, but applicable to the plan plus year.

(D) Actuarially Determined Contribution Requirements and Contributions Made

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

The actuarial assessed liability at the date of the latest actuarial report of \$43,254,638 for the Firemen's Fund and \$21,314,385 for the Policemen's Fund is currently being funded. The estimated annual contribution for 1996 required to pay normal cost and to fund unfunded prior service cost over a 30-year period from December 31, 1983, based on the latest actuarial report dated January 1, 1993, is calculated to be approximately \$2,308,314 for the Firemen's Fund, of which \$88,316 is to pay normal cost, and \$1,653,638 for the Policemen's Fund, of which none is to pay normal cost. The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as described in (C) above.

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Changes in the Department of Water and Sewerage retained earnings reserved for debt service and unreserved during the year ended December 31, 1996 and 1995, were as follows:

	1996	1995
Department of Water and Sewerage Fund:		
Reserved:		
Balance at beginning of year	\$ 1,149,282	1,895,541
Transfer from (to) unreserved retained earnings	<u>(713,807)</u>	<u>62,251</u>
Balance at end of year	<u>435,475</u>	<u>1,957,792</u>
Unreserved:		
Balance at beginning of year, as previously reported	8,389,624	8,711,648
Prior period adjustments - understatement of accrued expenses	<u>—</u>	<u>(108,832)</u>
Balance at beginning of year, as restated	8,389,624	8,602,816
Net income	1,418,195	1,169,980
Amounts charged to contribution accounts for depreciation	<u>651,438</u>	<u>684,622</u>
Transferred from (to) reserves	<u>(73,382)</u>	<u>(62,741)</u>
Balance at end of year	<u>10,648,442</u>	<u>9,963,023</u>
Total retained earnings	\$ <u>11,614,442</u>	<u>9,542,088</u>

Details of restricted assets at December 31, 1996 and 1995, are as follows:

	1996	1995
Department of Water and Sewerage:		
Water Division:		
Utility Construction Bond Funds - 1990, 1993 and 1995 Utility Revenue Serial Bonds Debt Service Fund:		
Cash and cash equivalents	\$ 1,898,848	1,937,678
Accrued interest receivable	<u>15,633</u>	<u>29,251</u>
	<u>1,914,481</u>	<u>1,966,929</u>
Water Capital Additions and Contingencies Fund:		
Cash and cash equivalents	6,448,251	1,138,341
Accrued interest receivable	<u>58,485</u>	<u>17,833</u>
	<u>6,506,736</u>	<u>1,156,174</u>
Total restricted assets applicable to the Water Division	<u>8,421,217</u>	<u>3,123,103</u>

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Notes to Combined Financial Statements

On November 1, 1995, the City set aside funds totaling \$741,881 to advance refund \$740,000 of the 1973, 1974, 1975, and 1978 outstanding general obligation bonds. These bonds are considered defeased and the liability has been removed from the General Long-Term Debt Account Group. At December 31, 1996, \$525,000 of these bonds are outstanding but considered defeased.

In March 1996, the City issued \$7,585,000 in Utilities Revenue Refunding Bonds with interest rates ranging from 3.5% to 5.1% to advance refund \$6,685,000 of outstanding 1990 Utilities Revenue Bonds Series bonds with interest rates ranging from 7.0% to 7.4%. The net proceeds of \$7,424,535 (after payment of \$160,465 in underwriting fees, insurance, and other insurance costs) plus an additional \$232,135 of existing funds were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 bonds. As a result, at December 31, 1996, \$6,685,000 of the 1990 Series bonds are considered to be defeased and the liability for these bonds has been removed from the Water and Sewer Fund.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,251,537. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2010 using the effective interest method. The City completed the advance refunding which decreased its total debt service payments over the next 15 years by \$508,809 and which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$345,363.

Changes in Bossier Medical Center retained earnings reserved for debt service and unreserved during the year ended December 31, 1996 and 1995, were as follows:

	1996	1995
Bossier Medical Center Fund:		
Reserved:		
Balance at beginning of year	\$ 1,035,206	1,035,206
Transfers to unreserved retained earnings		
Balance at end of year	<u>1,035,206</u>	<u>1,035,206</u>
Unreserved:		
Balance at beginning of year	28,325,945	26,740,681
Net income	1,485,941	2,790,264
Transferred from reserved		
Balance at end of year	<u>30,811,886</u>	<u>29,530,945</u>
Total retained earnings	\$ <u>31,847,092</u>	<u>30,561,151</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

The annual requirements, including unamortized deferred gains on bond refunding, to amortize all debt outstanding as of December 31, 1996, are as follows:

Year Ending December 31	Principal	Interest	Total
1997	\$ 3,150,000	3,394,699	6,544,699
1998	3,105,000	3,173,914	6,278,914
1999	3,285,000	3,078,829	6,363,829
2000	3,485,000	3,768,691	7,253,691
2001-2005	18,965,000	10,481,916	29,446,916
2006-2010	16,990,000	3,203,390	20,193,390
2011-2014	<u>6,333,000</u>	<u>863,278</u>	<u>7,196,278</u>
	\$ <u>55,263,000</u>	<u>28,666,713</u>	<u>83,929,713</u>

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

During 1993, the remaining general obligation bonds were paid off and the funds remaining in the debt service fund were distributed through a residual equity transfer to various funds consistent with the original purpose of the bond issue in accordance with the applicable bond ordinance. In addition, proceeds from the City's sales tax revisions, in the event of current year debt service requirements, have been dedicated for retirement of the Sales Tax Bonds, series 1979, 1987, 1988, 1990 Refunding, 1992 Refunding, and 1999 Refunding. The total sales taxes in 1995 and ad valorem and sales taxes in 1995 dedicated to the Bond and Interest Sinking Funds amounted to \$4,023,214 and \$4,028,687, respectively (see note 9).

In 1983, the Bossier Medical Center (BMC) created an irrevocable trust in an amount sufficient to pay principal and interest on its outstanding 1983 Revenue Bonds. The recording of the in-substance defeasance resulted in the removal of the outstanding bonds and the trust assets from the BMC's balance sheet in 1987. The 1983 Revenue Bonds were called on January 1, 1998, at a redemption price of 102% of the principal amount plus accrued interest. The principal amount of the called bonds was \$5,225,000.

The 1985 and 1987 Series bonds are considered to be defeased and the liability for those bonds has been removed from the General Long-Term Debt Account Group. At December 31, 1996, \$3,520,000 and \$9,830,000 of the 1985 and 1987 bonds, respectively, remain outstanding.

CITY OF BOSSIER-CITY, LOUISIANA

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\$8,190,000 1991 Revenue Refunding Bonds due in annual installments of \$125,000 to \$840,000 through 2010; maturing December 1 of each year; interest at 6.05% to 6.85%; callable on or after December 1, 2001	\$ 4,810,000
\$11,675,000 1992 Revenue Refunding Bonds due in annual installments of \$130,000 to \$1,080,000 through 2012; maturing November 1 of each year; interest at 5.10% to 6.35%; callable on or after November 1, 1997	11,285,000
\$6,323,000 1993 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$95,000 to \$640,000 through 2003; maturing December 1 of each year; interest at 3.75% to 5.3%; callable on or after July 1, 1996	<u>6,825,000</u> 24,335,000
Revenue bonds - applicable to water and sewer operations:	
\$9,599,000 1999 Utilities Revenue Serial Bonds due in annual installments of \$285,000 to \$445,000 through 2003; maturing October 1 of each year; interest at 6.6% to 6.6%	1,415,000
\$6,689,000 1992 Utilities Revenue Serial Bonds due in annual installments of \$245,000 to \$560,000 through 2002; maturing October 1 of each year; interest at 4.7% to 6.1%	6,820,000
\$7,395,000 1995 Utilities Revenue Refunding Bonds due in annual installments of \$95,000 to \$880,000; maturing October 1 of each year; interest at 3.65% to 5.1%; (net of \$1,131,844 of unrecognized deferred gains on refunding of 1990 Utilities Revenue Bonds)	<u>6,433,156</u> 13,058,156
Revenue bonds - applicable to Medical Center operations:	
\$10,865,000 1987 Hospital Refunding Serial Bonds due in annual installments of \$485,000 to \$840,000 through 2005; maturing January 1 of each year; interest at 7.0% to 7.85%; callable on or after July 1, 1997	<u>5,710,000</u>
Total revenue bonds	\$ 24,133,156

CITY OF BOSSIER CITY, LOUISIANA

Notes to Certified Financial Statements

(8) Long-Term Debt**City of Bossier City (Primary Government)**

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

	Accrued Yardage	Revenue Bonds Payable - General City Operations	Total
Balance, January 1, 1996	\$ 479,311	36,190,000	36,669,311
Debt issuances/retirements	48,078	—	48,078
Debt retirements/collected	—	(1,825,000)	(1,825,000)
Balance, December 31, 1996	\$ 527,389	34,365,000	34,892,389

The following is a summary of bond transactions (all revenue bonds) for the year ended December 31, 1996:

Bonds payable at January 1, 1996	\$ 57,100,000
New Issues	3,385,000
Bonds Refunded	(8,605,000)
Debt retired - serial bonds	(13,025,000)
Gain on revenue bond refunding	(1,351,537)
Amortization of gain on refunding	119,683
Bonds payable at December 31, 1996	\$ 34,123,146

In addition to \$3,025,000 of bonds retired, the City paid \$5,408,500 in interest.

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

Revenue bonds - applicable to general city operations:

\$6,500,000 1979 Public Improvement Sales Tax Serial Bonds due in series of installments of \$120,000 to \$200,000 through December 1, 2003; interest at 6.1% to 6.35%	\$ 2,935,000
\$1,300,000 1987 Public Improvement Sales Tax Serial Bonds due in annual installments of \$385,000 through 1993, maturing November 1 of each year; interest at 12%	308,000
\$10,000,000 1989 Public Improvement Sales Tax Serial Bonds due in series of installments of \$240,000 to \$875,000 through 2034, maturing November 1 of each year; interest at 6.8% to 12.0%; callable on or after November 1, 1999	8,525,000

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

A summary of proprietary fund types property, plant, and equipment at December 31, 1996, follows:

Department of Water and Sewerage	
Land	\$ 555,258
Water reservoir and treatment plant	34,641,870
Transmission and distribution system	34,988,007
Equipment	4,051,060
Construction in progress	1,003,488
	<u>65,239,683</u>
Less accumulated depreciation	<u>(21,482,889)</u>
Total Department of Water and Sewerage	<u>43,756,794</u>
Bossier Medical Center:	
Land and land improvements	1,882,886
Buildings	12,454,540
Fixed equipment	12,577,060
Major movable equipment	21,873,825
Minor equipment	1,042,990
Construction in progress	188,338
	<u>49,929,639</u>
Less accumulated depreciation	<u>(28,412,028)</u>
Total Bossier Medical Center	<u>21,517,611</u>
Emergency Medical Services - equipment	601,311
Less accumulated depreciation	<u>(327,350)</u>
Total Emergency Medical Services	<u>273,961</u>
Total all proprietary fund types	\$ <u>65,548,366</u>

Included in construction in progress for the enterprise funds are the following major projects as of December 31, 1996:

Department of Water and Sewerage	
Water plant expansion	\$ 625,261
Shed Road sewer line expansion and other	459,903

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(3) Ad Valorem Property Taxes

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Bossier Parish Tax Assessor and approved by the State of Louisiana Tax Commission. Total assessed value was \$205,005,170 and \$184,287,480 in 1996 and 1995, respectively. Property taxes are recorded as liabilities and revenues in the year assessed. The General Fund property tax receivable at December 31, 1996 and 1995, is shown net of an allowance for uncollectible taxes as of each year end of \$65,800. The distribution of the City's levy (tax rate per \$1,000 assessed value) was as follows for 1996 and 1995:

	Levy	
	1996	1995
General Fund - unrestricted	\$ 6.50	7.40
General Fund - restricted for Fire and Police Departments	13.48	16.45
	\$ 20.08	23.85

A revaluation of all property is required to be completed no less than every 4 years. A revaluation was completed for the tax roll as of January 1, 1996.

(4) Fixed Assets

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

	Balance January 1, 1996	Additions	Retirements	Balance December 31, 1996
Land and land improvements	\$ 5,526,891	—	—	5,526,891
Buildings and structures	24,847,750	557,916	—	25,405,666
Equipment and vehicles	11,129,363	1,302,310	(204,781)	12,227,892
	\$ 17,503,904	1,860,226	(204,781)	19,159,349

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

The City's investments are categorized below to give an indication of the level of risk assumed by the City as of December 31, 1996. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments with securities held by the countyparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with securities held by the countyparty, or by its trust department or agent, but not in the City's name.

	Category			Carrying Amount	Fair Value
	1.	2.	3.		
U.S. government and U.S. government agency securities	\$ 32,412,836	---	---	32,412,836	32,412,836
Mortgage-backed securities in Pensioners Pension and Relief Fund	\$ 978,280	---	---	978,280	978,280
Mutual Fund in Bossier Medical Center Pension Fund	---	---	---	485,336	485,336
Life Insurance Contract in Deferred Compensation Fund	---	---	---	3,828,715	3,828,715
Total investments				\$4,804,361	\$4,811,836
Total deposits				\$6,712,290	\$6,712,290
Total cash, cash equivalents, and investments, including portion of cash and investments				\$ 113,525,620	113,525,148

The pension trust funds own approximately 1.4 percent of the City's deposits in financial institutions and 39.3 percent of the U.S. government and U.S. government agency securities.

Component Units

All deposits of the component units are held by area financial institutions. At the respective year ends, all deposits are insured or collateralized with securities held in the component unit's name by its agent (the trust department of a bank other than the pledging bank). The investments of the Bossier Public Trust Financing Authority as November 30, 1996, consist primarily of mortgage-backed securities and investment agreements which are considered category 1 investments. The securities have a market value of \$17,418,936 as November 30, 1996.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(V) Postretirement Benefits

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

(W) Self-Insurance Claims

The City is self-insured for medical benefits and workmen's compensation coverage. Self-insured claims are recorded in the City's Internal Service funds in accordance with Governmental Accounting Standards Board Statement Number 18.

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

(2) Cash and Investments

City of Bossier City (Primary Government)

All deposits of the City are held by non-financial institutions. At December 31, 1996, the carrying amount of the City's deposits was \$46,713,290, and the bank balance was \$46,713,432. This difference is due to the outstanding checks at December 31, 1996.

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

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

State statutes authorize the City to invest in United States bonds, treasury notes, government agencies' securities, certificates and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana, or mutual or trust fund institutions which have underlying investments consisting solely of and limited to securities of the United States government or its agencies. In addition, the Fireman's Pension and Relief Fund, the Policemen's Pension and Relief Fund, and the Bossier Medical Center Pension Fund may invest in bonds of the State of Louisiana or of the City of Bossier City. During 1996, the City invested in certificates of deposit, U.S. government and U.S. government agency securities, and mortgage-backed securities and mutual funds backed by government agency securities. The funds of the Defined Compensation Fund are invested in a life insurance contract.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Schedule of Federal Financial Assistance

Year ended December 31, 1998

(1) General

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

(2) Basis of Accounting

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

(3) Relationship to General Purpose Financial Statements

The balance of intergovernmental revenues of the State and Federal Grant Fund at December 31, 1998, differs from the balance of grant revenues accrual basis per the accompanying schedule as follows:

Accrual basis revenues - Special Revenue State and Federal Grant Fund	\$ 856,684
Federal grant revenues recorded in the General Fund:	
Youth Gang Prevention	35,416
Street Sales Disruption	3,189
City matching contributions to State and Federal Grant Fund	(14,731)
State grant revenues recorded in State and Federal Grant Fund	<u>(7,889)</u>
Total	\$ <u>976,669</u>

(4) Relationship to Federal Financial Reports

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

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

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

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

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

However, the transfer to the Bond and Interest Sinking Funds for debt service on general obligation bonds issued for water and sewerage purposes was not made because, in the opinion of the City attorney, the Charter provisions are in conflict with previous contractual obligations arising from issuance of general obligation and water revenue refunding bonds, and the transfer may not be required. These particular bonds were advance refunded in 1995 and re-payments were made in 1996.

(8) Contributed Capital

Changes in contributed capital during the year ended December 31, 1996, were as follows:

	Department of Water and Sewerage	Bossier Medical Center	Emergency Medical Services	Total
Balances at January 1, 1995	\$ 32,796,704	2,922,290	5,107	35,724,101
Contributions	5,814,709	—	—	5,814,709
Amounts charged to contributions accounts for depreciation	<u>683,410</u>	<u>—</u>	<u>320</u>	<u>683,730</u>
Balances at December 31, 1996	\$ <u>37,927,993</u>	<u>2,922,290</u>	<u>4,787</u>	<u>40,855,070</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

- B. The City implemented GASB No. 24, *Accounting and Financial Reporting for Certain Grants and Debt Financial Assistance*. This standard required employee governments account as income and expenditures/expenses for on-behalf payments for fringe benefits and salaries. A complete explanation of the reporting implications of this new standard is referred to note 13.
- C. In anticipation of the implementation of Governmental Accounting Standards Board Statement No. 25 in 1993, investments held by the Pension Trust Funds which were previously recorded at cost are now reflected at fair value. The comparable amounts for 1995 have been restated. This change resulted in a decrease for 1995 and an increase for 1994 in investment income and net income (losses) in net assets available for plan benefits of \$342,485 and \$1,061,973, respectively.

The beginning balance of the affected funds have been restated as follows:

	December 31, 1995	December 31, 1994
Balance at December 31, 1995 and 1994, as previously reported	\$ 21,511,580	38,036,902
Restatement to reflect investments at fair value	<u> 352,831</u>	<u> (168,122)</u>
Balance at December 31, 1995 and 1994, as restated	\$ <u>22,465,381</u>	<u>38,853,730</u>

CITY OF BOSSIER CITY, LOUISIANA

Table B-1

Special Revenue Fund
Crane Canal FundStatement of Revenues, Expenditures, and
Change in Fund Balance - Budget and ActualWas ended December 31, 1996
with comparative actual figures for year ended December 31, 1995

	1996		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
Revenues:				
Intergovernmental - state and parish shared				
revenues	\$ 325,000	325,000	—	325,000
Rental fees	305,000	299,152	5,848	299,475
Interest	12,500	45,645	33,145	58,814
Miscellaneous	20,000	13,000	7,000	18,780
Total revenues	<u>682,500</u>	<u>682,807</u>	<u>32,388</u>	<u>682,079</u>
Expenditures:				
Salaries and salaries:				
Salaries, fringe benefits, and payroll taxes	236,275	213,834	22,441	193,965
Insurance	72,800	10,755	62,045	8,964
Professional services	3,800	3,800	—	2,200
Utilities	75,000	87,515	(12,515)	86,732
Office and operating supplies	44,500	71,200	26,700	38,171
Administrative expenses	10,000	4,122	5,878	3,031
Travel and training	4,000	1,780	2,220	2,088
Maintenance	28,500	24,442	4,058	25,698
Other	22,500	22,882	(382)	21,398
Capital outlay	20,000	202,318	(182,318)	80,800
Total expenditures	<u>583,375</u>	<u>657,852</u>	<u>74,477</u>	<u>491,581</u>
Excess of revenues over expenditures	99,125	25,955	73,170	190,498
Fund balance at beginning of year	281,800	281,800	—	280,800
Fund balance at end of year	<u>\$ 3,174,800</u>	<u>3,029,755</u>	<u>\$ 145,045</u>	<u>301,800</u>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

EXHIBIT-3

Special Revenue Fund
Metropolitan Planning Commission Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual

Year ended December 31, 1996
with comparative actual figures for year ended December 31, 1995

	1996		Variance Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Intergovernmental - Bossier Parish Police Jury	\$ 34,400	34,700	300	34,400
Interest	—	1,701	1,701	1,850
Miscellaneous - zoning permits	31,750	21,750	(9,999)	31,154
Total revenues	<u>66,150</u>	<u>62,151</u>	<u>(3,999)</u>	<u>67,404</u>
Expenditures:				
General government - administration:				
Salaries, fringe benefits, and payroll taxes	64,480	100,834	36,454	93,899
Car allowances	5,000	3,600	(1,400)	5,000
Advertising	1,200	864	(336)	988
Office and operating supplies	1,800	2,280	(480)	1,577
Insurance	2,000	2,777	(777)	2,617
Telephone	100	112	(12)	134
Travel/entertainment	200	171	(29)	415
Professional services	400	400	—	—
Other	150	3,082	(2,932)	312
Total expenditures	<u>76,780</u>	<u>115,028</u>	<u>38,248</u>	<u>101,295</u>
Excess of expenditures over revenues	(10,630)	(52,877)	(42,247)	(33,891)
Other financing sources - operating transfers in	51,800	51,800	—	51,800
Excess (deficiency) of revenues and other financing sources over expenditures	—	(1,267)	(1,267)	1,909
Fund balance at beginning of year	48,805	48,805	—	42,196
Fund balance at end of year	<u>\$ 48,805</u>	<u>47,538</u>	<u>(1,267)</u>	<u>44,105</u>

See accompanying notes to combined financial statements.

CITY OF ROCKFORD, ILLINOIS

303631.02

Local Income Tax

Comparative Statement of Payments (Receipts and Disbursements) for Income Tax

The year ended December 31, 1969

with comparison of 1968 for the related biennium 6, 1968

Account	Payments to the State	City Cash	City Cash	City Cash	All and County Receipts	Revenue and Disburse	Balance Forward	Balance
1968	11,877			1,267.73	146,800	154,422	14,045.49	14,045.49
1969	11,877			1,267.73	146,800	154,422	14,045.49	14,045.49
Payments to the State								
1968								
1969								
City Cash								
1968								
1969								
All and County Receipts								
1968								
1969								
Revenue and Disburse								
1968								
1969								
Balance Forward								
1968								
1969								
Balance								
1968								
1969								

The accompanying notes to this financial statement are an integral part of this financial statement.

CITY OF HOUSTON CITY COMMISSION

ISSUE 1

Special Revenue Fund
 Cemetery Welfare Trust
 January 31, 2008
 with comparison to 2007 (10)

Item	2008 Actual	2007 Actual	2008 Budget	2007 Budget	2008 Variance	2007 Variance
Revenues						
City of Houston	1,142,296	1,142,296	1,142,296	1,142,296	0	0
City of Houston - general fund	0	0	0	0	0	0
Total revenues	1,142,296	1,142,296	1,142,296	1,142,296	0	0
Expenditures						
Administrative	1,142,296	1,142,296	1,142,296	1,142,296	0	0
Capital	0	0	0	0	0	0
Debt	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Legal	0	0	0	0	0	0
Personnel	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Printing	0	0	0	0	0	0
Public Works	0	0	0	0	0	0
Real Estate	0	0	0	0	0	0
Telephone	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Welfare	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total expenditures	1,142,296	1,142,296	1,142,296	1,142,296	0	0
Net change in fund balance	0	0	0	0	0	0
Beginning fund balance	0	0	0	0	0	0
Ending fund balance	0	0	0	0	0	0

For more information, please contact the City of Houston, Office of the City Auditor, 1001 Fannin Street, Houston, TX 77002, (713) 846-2000.

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

CITY OF BOSSIER CITY, LOUISIANA

Exhibit A-2, Cont.

General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual on a Budgetary Basis

Expenditures:	Budget	1995		1995 Actual on a Budgetary Basis
		Actual	Variance Favorable (Unfavorable)	
Current:				
General government:				
Administration	\$ 230,712	222,858	(7,854)	222,458
Municipal building	891,847	782,967	(108,880)	784,018
Finance	463,344	481,158	(17,794)	475,705
City garage	475,830	477,342	(1,512)	482,892
Traffic engineering and safety	594,440	612,348	(17,908)	564,877
Purchasing	272,315	288,374	(16,059)	278,554
Engineering	488,198	500,712	(12,514)	488,084
Personnel	137,401	131,778	5,623	131,699
Permits and inspections	341,210	240,498	1,012	208,188
City attorney	261,308	192,828	12,485	192,788
Public works	191,360	219,350	(27,990)	198,312
City Council	124,828	120,178	4,651	122,894
Community development	249,287	212,892	28,394	238,948
Animal control	221,025	215,648	(5,377)	210,329
Information services	238,510	262,700	(18,812)	262,800
Publicists	126,877	140,211	(13,334)	117,512
Payments to other governmental agencies	531,280	459,182	72,098	565,662
	<u>3,528,530</u>	<u>3,568,211</u>	<u>(39,681)</u>	<u>3,488,561</u>
Total Water	1,818,281	1,881,217	16,736	1,688,642
Public safety:				
Fire	4,724,715	3,122,752	(1,601,963)	4,493,818
Police	6,778,423	6,820,858	(42,435)	6,741,124
	<u>11,503,138</u>	<u>11,943,610</u>	<u>(440,474)</u>	<u>11,735,282</u>
Highways and streets	481,817	714,788	(232,971)	605,800
Culture and recreation	1,288,169	1,267,192	(20,977)	1,227,219
City Court and libraries:				
City Court	541,020	595,894	(54,874)	581,440
Library's office	261,811	212,210	(49,601)	202,410
	<u>802,831</u>	<u>808,104</u>	<u>(5,273)</u>	<u>783,850</u>
Total expenditures	<u>21,424,112</u>	<u>21,080,828</u>	<u>(343,284)</u>	<u>20,918,212</u>
Excess of expenditures over revenues	(2,657,080)	(2,183,869)	473,211	(2,121,490)
Other financing sources (uses):				
Operating leases in	2,780,800	2,780,800	—	2,780,800
Operating leases out	(21,800)	(21,800)	—	(21,800)
	<u>2,759,000</u>	<u>2,759,000</u>	<u>—</u>	<u>2,759,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(398,080)	34,311	432,391	437,304
Fund balance at beginning of year	<u>3,508,142</u>	<u>3,508,142</u>	<u>—</u>	<u>3,488,664</u>
Fund balance at end of year	<u>\$ 3,109,062</u>	<u>3,542,453</u>	<u>433,391</u>	<u>3,925,968</u>

See accompanying notes to combined financial statements.

CITY OF BOSSIER CITY, LOUISIANA

Exhibit A-2

General Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual - on a Biennial Basis

Year ended December 31, 1995

with comparative actual figures for year ended December 31, 1993

	Budget	1995		1993 Actual on a Biennial Basis
		Actual on a Biennial Basis	Variance Favorable (Unfavorable)	
Revenues:				
Taxes:				
Sales, net	\$ 5,400,000	5,386,055	83,945	5,456,430
Ad valorem	5,000,000	5,006,918	6,918	4,987,866
Utility	100,000	996,230	896,230	943,999
Telephone	180,000	174,170	5,830	163,318
Fees/charges:				
Cable television	100,000	203,687	103,687	219,687
Chain store	60,000	91,285	31,285	47,815
Tax	2,500	3,280	780	938
	<u>12,180,000</u>	<u>13,369,955</u>	<u>1,189,955</u>	<u>11,299,993</u>
Licenses and permits	1,628,000	1,576,435	51,565	1,776,977
Intergovernmental:				
Grants	120,000	125,604	5,604	115,835
State and parish revenues:				
Cigarette tax	976,000	201,413	(774,587)	215,413
M&T fee	84,000	97,861	13,861	69,855
Special funds from State of Louisiana	180,000	180,354	4,354	132,373
	<u>1,460,000</u>	<u>489,628</u>	<u>(970,372)</u>	<u>427,543</u>
Fees and penalties	800,000	681,899	118,101	806,750
Racing Commission - Louisiana Downs	680,000	477,424	202,576	778,128
Video poker	—	—	—	400,699
Interest	80,000	73,775	6,225	36,380
Substance charges	1,631,000	1,637,542	6,542	1,848,352
Miscellaneous:				
Payment to Bay of teams - Federal				
Housing Authority	47,000	48,578	1,578	43,940
Parks and recreation	800,000	241,907	(558,093)	379,151
Engineering fees	50,000	58,975	8,975	46,396
Recreation Funds and Civic Center				
Fund payments share of general and administrative expenses	384,000	268,992	115,008	348,956
Public Department services	500,000	175,128	324,872	198,050
Other income	200,000	200,000	—	358,382
	<u>1,981,000</u>	<u>1,076,572</u>	<u>904,428</u>	<u>1,211,184</u>
Total revenues	20,610,000	20,214,622	3,955,378	18,298,031

(Continued)

CITY OF HOUSTON CITY LOUDBANK

80854.4

General Fund

Comparative Balance Sheet

December 31, 1993 and 1992

	1993	1992	Liabilities and Fund Balance	1993	1992
Assets			Liabilities:		
Cash and cash equivalents	1	1,071,536	Accounts payable	\$ 681,400	\$ 681,400
Accounts receivable, net of allowance	2,024,614		Prepaid taxes	81,000	794,101
Inventory		1,000,216	Accrued interest		4,000
Investments	1,000,270		Accrued personal and dental fees		4,000
Due from other funds	38,000	38,000	Contingencies	311,000	311,000
Due from other agencies	828,000	828,000	Deferred revenues		
Due from other funds:			Licenses	49,200	49,200
Commodities	—	1,100	Loans	30,000	30,000
Sewer	—	1,645	Other	30,000	30,000
Water and Potable Clean Fund	—	16,115	Total liabilities	1,092,600	1,546,701
Water Utility Center	—	21,120			
	—	—	Fund Balance:		
	—	—	Reserved for contingencies	22,700	181,101
	—	—	Unreserved fund balance	2,007,400	2,774,900
	—	—	Total fund balance	2,030,100	2,956,001
Total assets	1 4,954,100	4,854,100	Total liabilities and fund balance	3 4,954,100	4,954,100

2

See accompanying notes to audited financial statements.

GENERAL FUND

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

In addition to the employers' contributions above, during 1998, the employees contributed \$58,371 to the Firemen's Fund which represents 3.0% of covered payroll. The unearned annual contributions for 1998, as actuarially determined at January 1, 1998, were calculated to be approximately \$1,973,970, \$1,061,054, and \$650,000 for the Firemen's Fund, Policemen's Fund, and BMC Fund, respectively. Of these amounts, \$134,175, and \$631,000 were to pay normal costs of the Firemen's Fund and BMC Fund, respectively, 24.3%, and 6.8%, respectively, of covered payroll and \$1,843,795, \$1,064,854, and \$23,000 were to pay actual benefits and amortize the unfunded actuarial accrued liability for the Firemen's Fund, Policemen's Fund, and BMC Fund, respectively, (333.6% and 8.2% of covered payroll), for the Firemen's Fund and BMC Fund, respectively).

The City's contribution to the Employees' System, MPERS, and PPRS for 1998 represent approximately 17.0%, 5.0%, and 4.9%, respectively, of the total employer contributions to the respective plans for the plan years ended June 30, 1998.

(B) Securities Included in Public Employees Retirement System Assets

Firemen's Fund:	
U.S. government and agency obligations	\$ 11,859,550
U.S. government agency mortgage-backed pool	<u> 578,280</u>
	\$ <u>12,437,830</u>
Policemen's Fund:	
U.S. Treasury Bonds	\$ <u>4,378,317</u>
BMC Fund:	
U.S. Treasury Bonds and U.S. government and agency obligations	\$ 4,558,660
Mutual funds	<u> 483,356</u>
	\$ <u>5,042,016</u>

(C) Funding Status and Progress

Effective with the latest actuarial valuations, most of the City's plan actuaries began the process of implementing the latest Governmental Accounting Standards Board Statements (GASB) Nos. 25 and 27, even though the City did not start early implementation of these statements for 1998. As a result, all valuations did not disclose pension benefit obligation but instead disclosed actuarial accrued liability. In the case of the City's three pension trust funds, based on comparisons with prior year calculations, the actuarial accrued liability does not differ significantly from the pension benefit obligation. Therefore, in the case of the following disclosures, for both the multi-employer and single employer plans, for 1998, the actuarial accrued liability was used in place of the pension benefit obligation. The differences from prior years calculations are not significant. The City expects to implement GASB 25 and GASB 27 during 1999.

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

CITY OF BOSSIER-CITY, LOUISIANA

Note to Combined Financial Statements

(L) Vacation and Sick Leave

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

(M) Comparative Total Data

Comparative total data for the prior year have been presented in the accompanying combined financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data (i.e., presentation of prior year results by fund type) have not been presented in each of the statements, since their inclusion would make the statements unduly complex and difficult to read. Certain amounts relating to 1985 have been reclassified in the accompanying financial statements in order to conform with the 1986 presentation.

(N) Total Columns on Combined Statements

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

(O) Pension Plans

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(13) Deferred Compensation Plan

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

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

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

(14) Cost in Excess of Acquired Net Assets

In 1995, Bossier Medical Center purchased the net assets of physician employer practices. The cost in excess of the fair value of the net assets of the physician practices acquired in the amount of \$881,231 is amortized on a straight-line basis over the life of the physicians' contracts with the Hospital, not exceeding five years. The accumulated amortization totaled \$356,444 at December 31, 1996. Amortization expense totaled \$194,112 for 1996 and is included in depreciation and amortization expense.

The physician practice acquisition was financed with an unsecured loan agreement. The \$258 loan was repaid in full during 1996.

(17) Accounting Changes

- A. The City implemented GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*. This statement established standards of accounting and financial reporting for current refundings and advance refundings resulting in defeasance of debt reported by proprietary activities. The statement requires that the difference between the reacquisition price and the net carrying amount of the old debt be deferred and amortized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. On the balance sheet, the deferred amount should be reported as a deduction from or an addition to the new debt liability. See note 5 for disclosure of the City's refunding activity and compliance with GASB Statement No. 23.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

	Accrued Claims January 1,	Claims Incurred	Claims Paid	Accrued Claims December 31,
Insurance Fund:				
1995	\$ 357,270	1,753,601	1,799,588	311,285
1996	311,285	2,548,871	2,378,925	481,231
Liability Insurance Fund:				
1995	167,833	798,158	778,882	189,247
1996	189,247	1,053,363	782,871	319,841

Entertainment Benefits

As an established practice, the City provides for a portion of the health care costs of all retirees that meet the minimum service requirements of the retirement plan (as described in note 5) in which the employee participated. These costs are accounted for on a pay-as-you-go basis. As December 31, 1996, 106 retirees are currently eligible to receive or are receiving benefits under the plan. The costs of providing these benefits totaled approximately \$179,708 for 1996.

Litigation

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

Grant Disallowances

The City participates in federally assisted grant programs, principally 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 cost disallowance 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.

Revenues from the State of Louisiana

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Debris Funds

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

Insurance Funds

The City adopted the provisions of Governmental Accounting Standards Board Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* (GASB 30), in 1993. Internal service funds were already being utilized to account for the risk activities and the internal service funds were recording the receipts from the various funds as revenues and the paying funds were recording the payments as expenditures/expenses. The following disclosures have also been added to comply with the requirements of GASB 30.

The City is self-insured for medical benefits and workmen's compensation coverage. Payments are made from the operating funds to the Insurance Fund and the Liability Insurance Fund which are accounted for as internal service funds. Payments are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Employees also contribute to the Insurance Fund for dependent medical benefits coverage. The City maintains stop-loss coverage with an insurance company of \$75,000 per claim for medical coverage and \$225,000 per occurrence for workmen's compensation coverage. Employer life insurance premiums are also paid from the Insurance Fund.

Bossier Medical Center participates in the Louisiana Hospital Association Trust Fund and the State of Louisiana Patients' Compensation Fund for medical malpractice claims. The Louisiana Hospital Association Trust Fund provides malpractice insurance coverage to Bossier Medical Center for claims up to \$100,000 and the State of Louisiana Patients' Compensation Fund provides an additional \$600,000 of coverage. These funds provide a coverage on an occurrence basis. As a participant in the State of Louisiana Patients' Compensation Fund, Bossier Medical Center has a statutory limitation of liability which provides that no award can be rendered against it in excess of \$500,000, plus interest and costs.

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

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

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(10) Fund Deficits

The Insurance Fund had a deficit in retained earnings of \$246,457 at December 31, 1996. Although the deficit had been reduced in prior years, the deficit increased by \$194,473 in 1996. This deficit is due to medical claims exceeding revenues in recent years, and due to several large, unexpected claims near the end of 1996. The City plans to make the contributions necessary to eliminate the deficit in 1997.

(13) Federal and State Financial Assistance

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 and Special Revenue 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 1996, the City implemented GASB Statement No. 34, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. This standard requires the City to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to certain groups of City employees.

Supplementary salary payments are made by the state to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution from the state. For 1996 and 1995 respectively, the state paid supplemental salaries to the following groups of employees: Five Department employees \$473,936 and \$403,090; Police Department employees \$409,883 and \$394,341; and City marshals employees (a component unit) \$15,816 and \$13,304.

(14) Commitments and Contingencies

Construction Projects

There are certain construction projects in progress at December 31, 1996. These include, among others, various phases of the Red River Parkway project, projects associated with enhancements to the wastewater treatment plants, and the Steed Road project. As approved by the voters, \$12,000,000 in sales tax revenue bonds have been issued to fund the Red River Parkway and other projects. The City has issued approximately \$18,000,000 in utility revenue bonds to fund the wastewater treatment plant improvements and other related utility improvement projects. Also, \$5,083,334 in riverboat gaming revenues has been transferred to the Water and Sewer Fund to help fund utility improvement projects.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

Fund	Budget	Actual on a Budgetary Basis	Unfavorable Variance
Special revenue funds:			
Metropolitan Planning Commission Fund - general government - administration	\$ 184,790	135,058	(49,732)
Civic Center Fund - capital outlay	75,800	287,318	(211,518)
Fire Improvements and Operations Fund - capital outlay	25,800	42,145	(16,345)

The unfavorable variances in public safety - fire is due primarily to workers compensation claims. See note 13. The Civic Center Fund unfavorable balance of \$132,518 is due to the 1999 operating budget not reflecting capital project appropriations.

All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) except that: (1) state supplemental pay is not a budgeted expenditure and (2) administration expenditures allocated to the State and Federal Grant Special Revenue Fund are budgeted in the General Fund.

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

	General Fund	Special Revenue Funds
Budgetary basis	\$ 22,088,694	3,009,249
State supplemental pay:		
Public Safety - Fire	473,936	—
Public Safety - Police	409,883	—
Marshal	15,638	—
Administrative costs of State and Federal Grant Special Revenue Fund	(123,694)	—
Special Revenue Funds without operating budgets	—	1,008,118
GAAP basis	\$ <u>22,854,535</u>	<u>3,015,358</u>

CITY OF BOSSIER CITY, LOUISIANA

Notes to Consolidated Financial Statements

accordance with the intent of the original bond ordinance. The transfer of funds of \$1,510,387 is reflected as a residual equity transfer out in the Consolidated Debt Service Fund. The residual equity transfer in was reflected as follows in the funds effected:

Residual equity transfer in:		
Police and Municipal Building Fund	\$	311,447
Streets and Drainage Fund		377,583
Resort and Gaming, Capital Projects Fund		<u>90,413</u>
		649,443
Addition to contributed capital - Department of Water and Sewerage Fund		<u>860,943</u>
	\$	<u>1,510,387</u>

(17) Budget Comparisons and Fund Deficits

(A) Budget Comparisons

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

Fund	Budget	Actual on a Budgetary Basis	Unfavorable Variance
General Fund:			
General government:			
Administration	\$ 320,772	327,899	(7,127)
Municipal building	681,047	732,597	(41,550)
Finance	463,344	481,138	(17,794)
City garage	435,853	437,342	(1,489)
Traffic engineering and safety	384,440	632,340	(24,900)
Purchasing	332,315	288,374	(13,941)
Engineering	488,388	500,333	(11,945)
Public works	151,949	258,349	(106,400)
Animal control	321,823	323,846	(2,023)
Herbicide	128,837	148,221	(19,384)
Public safety - fire	4,734,735	5,112,737	(378,002)
Public safety - police	4,738,352	6,828,504	(44,752)
Highways and streets	681,827	724,788	(42,961)
Culture and recreation	1,288,169	1,267,192	(20,977)
Mayor's office	313,821	313,378	(443)

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(C) Operating Transfers

A reconciliation of operating transfers follows:

	Year ended December 31, 2006		Year ended December 31, 2005	
	In	Out	In	Out
General Fund	\$ 1,350,000	\$1,600	1,700,000	\$1,000
Special revenue funds:				
Metropolitan Planning Commission Fund	\$1,000	—	\$1,000	—
Fire Improvements and Operations Fund	—	1,050,000	—	1,050,000
Leid and Municipal Holdings Fund	—	415,000	—	415,000
Streets and Drainage Fund	—	165,000	—	215,000
Debt service funds - Parkway Sales Tire Road Sliding and Reserve Fund	—	\$8,841	—	150,000
Capital projects funds:				
Parkway Capital Projects Fund	\$9,841	—	100,000	—
Parkway Sales Tire Road Fund	—	—	—	80,000
Reserve funds - Bossier Medical Center Fund	—	550,000	—	550,000
	\$ 1,459,841	1,435,641	1,801,000	2,465,000

In 1983, the City Council adopted an ordinance by which annual transfers will be made from Bossier Medical Center to various funds of the City. In accordance with the ordinance, \$250,000 was transferred in 1996. Future transfers are subject to various financial ratios and earnings of the Bossier Medical Center.

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

(D) Residual Equity Transfers

During 1996, \$5,083,524 was transferred from the Riverboat Gaming Fund and recorded as a contribution in the Water and Sewer Fund for the purpose of funding various utility construction projects.

During 1998, the City advanced refunded its remaining outstanding general obligation debt of \$340,000 (note 5), whose debt service was accounted for in the Consolidated Debt Service Fund. After defraying the outstanding bonds, excess funds related to these bonds were available in the Consolidated Debt Service Fund. The excess funds were transferred to various other funds to be used in

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

(11) Other Required Individual Fund Disclosures

(A) Interfund Receivables and Payables

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

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ —	161,000
Internal Service Fund - Liability Insurance Fund	165,000	—
Enterprise Funds - Water and Sewer	—	4,000
	\$ 165,000	165,000

(B) Segments of Enterprise Activities

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

	Water and Sewer Services	Hospital Services	Emergency Medical Services	Total
Operating revenues	\$ 3,971,521	31,028,818	3,696,024	37,696,363
Operating expenses:				
Depreciation	3,012,948	3,023,713	191,152	6,227,813
Other	8,032,338	40,667,124	2,479,315	51,179,777
	3,532,126	43,690,837	2,670,467	49,893,430
Operating income (loss)	\$ 3,337,395	3,117,461	1,025,557	7,480,413
Operating transfers in (out)	\$ —	129,000	—	129,000
Net income (loss)	\$ 3,337,395	3,246,461	1,025,557	7,609,413
Contributions received	\$ 5,816,700	—	—	5,816,700
Assets	\$ 66,670,535	41,871,603	737,432	109,279,570
Liabilities payable	\$ 14,864,126	3,730,880	—	18,595,006
Fund equity	\$ 49,616,409	38,140,723	737,432	88,594,564
Net working capital	\$ 3,752,283	34,409,843	737,432	38,899,558
Acquisition of property, plant, and equipment	\$ 3,585,164	673,888	185,018	4,444,070

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

	1996 (1)	1995	1994
Percentage of City contributions to annual covered payroll:			
Fireman's Fund	371.5	221.8	170.4
Policeman's Fund	n/a	4,075.2	1,373.7
BMC Fund	6.9	6.7	6.5

(1) Amounts for 1996 were calculated using actuarial accrued liability for each plan which differs insignificantly from the pension benefit obligation.

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

(14) Lease Commitments

The City has commitments under several operating lease agreements for equipment, land, and a water supply reservoir. With the exception of the water supply reservoir, these lease agreements are cancelable by the City at any time. City management does feel, however, that such leases will generally be renewed or replaced each year. The City's lease agreement for the water supply reservoir calls for fixed annual payments of \$1,000 for the next 5 years, with an option to renew for another 30 years.

Bossier Medical Center has future minimum lease payments under operating leases that have initial or remaining lease terms in excess of one year as of December 31, 1996, as follows:

Year Ending December 31,	Minimum Lease Payments
1197	\$ 176,600
1198	176,600
1199	177,483
1200	189,500
1201	<u>33,850</u>
Total minimum lease payments	\$ <u>623,153</u>

Total rental expense for 1996 and 1995 for all City and Bossier Medical Center operating leases was \$1,839,564 and \$2,389,303, respectively.

CITY OF BOSSIER CITY, LOUISIANA

Notes to Combined Financial Statements

The systems do not make separate measurements of assets and actuarial accrued liability or pension benefit obligations for individual employers. The following information has been obtained from the latest actuarial information of the systems dated June 30, 1994. See earlier comment regarding use of actuarial accrued liability instead of pension benefit obligations.

Significant actuarial assumptions used in the valuation include: (a) a rate of return on the investment of present and future assets of 8 percent for the Employees' System and 7 percent for the MPEPS and the FFRS and (b) projected salary increases of 3.5 percent for the Employees' System, increases based upon Department of Commerce publications for the MPEPS, and increases of between 4.0 and 8.3 percent for the FFRS.

	Employee's System	MPEPS	FFRS
Actuarial value of assets available for benefits	\$ 218,271,340	208,204,664	417,294,158
Actuarial accrued liability	277,279,880	322,079,558	478,872,271
Unfunded accrued contribution for 1993/1994	1,688,888	21,528,403	12,528,258
Total payroll	34,224,322	184,274,681	58,328,383
Employer contributions for 1993/1994	1,320,424	8,282,483	6,248,288
Employee contributions for 1993/1994	1,748,352	8,188,543	2,526,319
Percentage of employer contributions to total payroll	3.8%	9.1	9.1
Percentage of employee contributions to total payroll	3.1%	7.8	8.0

(K) Trend Information:

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found in Exhibits J-1 and J-2 of the City's Comprehensive Annual Financial Report. Historical trend information for 1990, 1995, and 1994 is as follows:

	1990 (1)	1995	1994
Percentage of net assets available for benefits to pension benefit obligations:			
Fireman's Fund	50.6%	31.4	30.3
Policeman's Fund	30.9	30.9	30.8
BMC Fund	100.0	82.7	86.3
Percentage of unfunded pension benefit obligation to annual covered payroll:			
Fireman's Fund	5,491.5	2,881.9	2,320.4
Policeman's Fund	n/a	28,003.8	18,578.8
BMC Fund	n/a	9.7	8.0

GOVERNMENTAL FUNDS

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

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES OF FEDERAL FINANCIAL ASSISTANCE

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

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana as of and for the year ended December 31, 1996, and have issued our report thereon dated February 28, 1997. These financial statements are the responsibility of the management of the City of Bossier City, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Our audit was made for the purpose of forming an opinion on the general purpose financial statements, and the combining, individual fund, and account group financial statements and schedules of the City of Bossier City, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements and schedules and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules taken as a whole.

KPMG Peat Marwick LLP

February 28, 1997

**Ratio of Annual Debt Service Expenditures
to General Funded Debt to Total General Expenditures**

Fiscal years ended December 31, 1987
through December 31, 1996

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Debt Service as a Percentage of Total General Expenditures
1987	\$ 804,000	321,680	1,125,680	11,819,400	9.57
1988	845,000	216,147	1,061,147	10,779,083	11.31
1989	908,000	228,791	1,136,791	11,318,504	10.03
1990	860,000	188,076	1,048,076	13,751,768	6.87
1991	675,000	128,786	803,786	13,771,863	6.85
1992	850,000	130,182	980,182	16,354,858 (2)	5.82
1993	898,000	105,214	1,003,214	17,308,438	5.47
1994	490,000	77,211	567,211	18,158,733	3.13
1995	487,389 (3)	49,044	536,433	21,867,187 (2)	2.28
1996	499,000 (4)	49,000 (5)	548,000	23,854,513	2.30

Notes:

- (1) Includes General Fund expenditures only.
- (2) In 1992, the Solid Waste Disposal Fund was established as a department within the General Fund.
- (3) Does not include \$740,581 paid by the City to advance refund bonds.
- (4) All general funded debt was advanced refunded in 1995.
- (5) In 1995, general expenditures began including state supplemental pay.

Unaudited - see accompanying independent auditor's report.