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COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

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Release Date JUL 29 1998

CITY OF SHREVEPORT, LOUISIANA

For the Year Ended December 31, 1997

Finance Department
Elizabeth B. Washington, Director

CITY OF SHREVEPORT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 1997
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CITY OF SHREVEPORT, LOUISIANA

PRINCIPAL OFFICIALS

Robert W. "Bo" Williams
Mayor

W. P. Collins
Chief Administrative Officer

Members of City Council

Bobby Lee Cooper	District A
John David Stewart	District B
Kerith Hightower	District C
Philip Seris	District D
Patricia G. Spigener	District E
James Edward Green	District F
Roy Allen Russell	District G

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CITY OF SHREVEPORT, LOUISIANA

FINANCE DEPARTMENT

Department Director

Elizabeth B. Washington

Division Director

George Murphy
Dan Thomas
Anna Brown
Tom Mattox
Tom Cody

Accounting
Data Processing
Revenue Collection
Purchasing
Risk Management

Accounting Staff

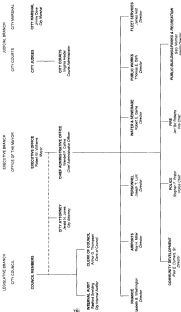
Erna Johnson
John Pizarria
Wanda Lewis
James Kofis
Sharon Penson
Cl Ray Evans
Abigail Monette
Kevin Jacobs
Linda Long
Renee Mason
Evelyn Jones
David Piroth

Diane Pharr
Shirley Dupree
Denny Hawks
Mary Sylvia
Pamela Moore
Emathy Cole
Virgil Cassel
Larry Phelps
Sammie Doggett
Lynn Petry
Louise Brown

CITY OF SHREVEPORT

Table of Organization

December 31, 1997





CITY OF SHREVEPORT

1214 TERAS AVE. P.O. BOX 37008 SHREVEPORT, LOUISIANA 71202
Web Site: www.ci.shreveport.la.us

March 30, 1998

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

Mayor and Members of the City Council:

In accordance with Section H.02, paragraph (j), of the City Charter, I am pleased to submit the *Comprehensive Annual Financial Report* for the year ended December 31, 1997. I believe this report presents comprehensive information about the City's financial and operating activities during 1997 that is useful to taxpayers, citizens and other interested persons.

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

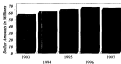
The *Introductory Section* familiarizes the reader with the City's organizational structure, the nature and scope of services provided and a summary of its financial activities. The section also includes information about economic conditions in the City and future initiatives.

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

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

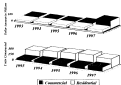
The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audit of State and Local Governments*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations and auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in a separate single audit report.

FIVE YEAR SALES TAX HISTORY



Construction activity is another economic indicator. Residential construction is doing well. Commercial and industrial construction is at its highest value in the past ten years. Shreveport had housing starts valued at \$37.1 million, down slightly from 1996, the strongest year ever, of \$37.5 million. Housing starts in 1997 were up 52.4% since 1993.

FIVE YEAR CONSTRUCTION TREND



Shreveport's commercial and industrial construction was \$118.5 million in 1997 compared to \$43.5 million in 1996. Two hospitals began construction in 1997, adding new facilities in different areas of the City. These are large projects which are scheduled to be complete in 1998. The health care industry remains as one of the largest employers in the City. One of the hospital construction projects is expected to create 300 to 400 jobs while the other will employ approximately 120 people.

City of Shreveport -- Its Location and Size

The City of Shreveport was incorporated in 1879. It is located on the west bank of the Red River in Northwest Louisiana, approximately thirty miles south of Arkansas and fifteen miles east of Texas. Shreveport is the seat of Caddo Parish and the center of a metropolitan area that includes Bossier, Caddo and Webster Parishes. Although located primarily in Caddo Parish, a small portion of the City extends into Bossier Parish. The current area of the City is approximately 113 square miles.

City of Shreveport -- Its Government

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

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

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

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

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

Economic Conditions and Outlook

The economic condition in Shreveport continued to remain stable and healthy. Area unemployment of 5.6% for the year is down from 6.3% for 1996. Existing business expansions and the opening of several service and retail businesses have created new jobs. This trend is expected to continue as national chains enter and expand in the Shreveport community.

A supercenter retail store opened in the fall of 1997. Another one is scheduled to be completed in the summer of 1998. The new store will create 250 jobs. The Bayou Walk Shopping Center, which opened in 1997, is expanding another 60,000 square feet in 1998. This second phase is expected to attract several national chains to open stores, creating new jobs. A multiplex theater is expected to open in 1998.

Retail sales of \$2.53 billion in 1997 were down slightly from an all-time high in 1996; however, they were above the 1993 level of \$2.31 billion. With the opening in late summer 1997 of many new retail establishments, it appears that sales tax revenues will increase. Sales taxes are very important to the City since this represents approximately 35% of the General Fund's revenues.

Future Years

The City will continue to focus on long-term economic stability. Through cooperation with the Shrewport Chamber of Commerce and other economic development bodies, new businesses and industries will be pursued. Efforts will be undertaken to enhance the economic stability of existing businesses as well. Tourism will be a focus in the future, as efforts are undertaken to make the riverfront a tourist destination. Some of the projects will include studying the feasibility of an arena to draw large attractions, acquiring property along Cross Bayou for development, and adding a railroad museum downtown.

Department Focus

The Finance Department supports all City departments by providing centralized accounting, purchasing, data processing, revenue collection, and risk management functions including employees' health care benefits. The department also manages the City's short-term cash management portfolio, provides administration for three pension funds, and provides debt and records management. The Finance Department is the main support structure within the City. It serves the needs of citizens, legislative oversight groups, investors and creditors.

Some of the service efforts and accomplishments during 1997 of the department were as follows:

1. Created and published a City web site. It was entered into the 1997 list of the Web Content within a month of its creation. Two hundred sixty-seven governments submitted an application. The City received an honorable mention. A comment by the voters was "Wow! Despite the fact that some sections . . . of this information, appearing site are still under construction, the stage is set for one of the best city government web sites we've seen yet." The site is targeted to the citizens of Shrewport.
2. Completed a conversion of the financial accounting and management information system which made it Year 2000-compliant. This is one of the major systems which needed to be overhauled for the millennium bug. Other systems were also being adapted for Year 2000 compliance.
3. Conducted internal control assessments in all departments with a concentration on cash, accounts receivable, accounts payable and management controls. Recommendations were made for more efficient and effective operating procedures.
4. Conducted various training classes for departments such as cash handling, purchasing and accounting system procedures. Training classes are designed to help employees become more effective in their day-to-day responsibilities.

Financial Information

Accounting System and Budgetary Control

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

The City's internal control structure consists of three elements: the control environment, the accounting system and control procedures. The control environment represents the collective effect of various factors

The gaming industry continues to do well. Even though the casino's current license to operate must be renewed in 1998, it is anticipated that gaming will continue. Another casino, in a partnership with two other companies, has submitted plans to build a casino complex on the riverfront. The project has received preliminary approval from state regulators. If the Gaming Control Board gives final approval, the complex could begin construction in 1998 and be open by the summer of 1999. This project will further the City's efforts to develop tourism. From an economic viewpoint, gaming brings new money into the City. By business type, gaming is the fourth largest employer in the City.

Industry in Shreveport remained stable during 1997. Several companies expanded their facilities and added new equipment. The City's largest manufacturers, General Motors and Lucent Technologies (formerly AT&T) continue to remain stable.

Overall, the City's economy is healthy. The future outlook is promising. The center is being set for an increase in tourism, more gaming and expanded health-care. In December, a shipbuilder announced it would open a manufacturing operation at the Cadee-Bossier Port. Initially, 800 people are expected to be hired as welders, moldmakers and pipefitters at an average salary of \$40,000 a year. Eventually, the shipyard could hire more employees. As the Port continues to expand, it will have an effect on the City's economy. Optimism abounds that the economy will grow in the future.

Major Initiatives

For the Current Year

During 1997, the City continued to focus on public safety programs. A Crime Reduction Task Force was created in March 1997 that developed a crime reduction strategy. When the Police Department undertakes a Zero Tolerance Crime Initiative in a specific neighborhood, police are joined by other departments such as Code Enforcement to cite property standards violations; Public Works to repair streets; Parks and Recreation to ensure parks are properly staffed and equipped; and Community Development to assist low income homeowners to improve their homes or assist with job training.

In 1990, the City's Police Department became the only police department in North Louisiana to have a fully Automated Fingerprint Identification System (AFIS). This system is linked to other sites throughout the state. It enables the department to conduct fingerprint searches over a large area.

A once-a-week garbage pick-up pilot program was launched in 1997. The program was tested in different areas of the City. There was an overall acceptance rate of over 80% for citizens in the test areas. Because of the success of the pilot program, the City intends to initiate the program on a city-wide basis in 1998.

A Section 108 Loan Guarantee was approved to rehabilitate two historic downtown buildings to create 100 new apartments in the downtown area. The completion of these apartments will help bring about a much needed revitalization to this area of the City. It is anticipated that businesses will open to provide services for the residents.

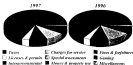
Work began in 1997 on a master plan to determine long range capital needs for the future growth of the City's water and sewer system. A water quality program was implemented for Cross Lake, which is the source of the City's water supply.

General Governmental Functions

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

Revenues by Source	1997	1996	Increase (Decrease) over (under) 1996	
			Amount	Percent
Taxes	\$111,257,274	\$110,678,268	\$ 679,006	0%
Licenses and permits	6,009,339	5,845,172	264,207	5.7
Intergovernmental	15,563,242	15,485,784	(77,442)	(1.0)
Charges for services	15,718,990	19,572,650	(4,204,081)	(21.5)
Fines and forfeitures	3,689,890	3,188,408	501,482	16.1
Special assessments	--	15,929	(15,929)	(100.0)
Use of money and property	3,243,800	2,895,314	348,486	9.1
Gaming	7,420,810	6,687,000	733,810	11.0
Miscellaneous	1,594,635	2,281,265	(686,630)	(30.0)
Total revenues	\$168,173,204	\$167,895,624	\$277,580	(1.7%)

REVENUES BY SOURCE



Charges for services decreased 21.5% in 1997 due to the decrease in usage of the landfill. A major waste hauler took its waste to a landfill in another parish which it now operates. Also, 1996 was an exceptional year. Fines and forfeitures increased 16.1% in 1997 due to an increase in parking tickets issued and collected and through increases in court and marsh fees, fees, garnishments and forfeiture revenue. Special assessments revenue that was previously recorded in the Special Revenue Funds is now being recorded in the Capital Projects Funds. Gaming revenue increased through the agreement with Casino Magic that was completed in 1997. Miscellaneous revenue dropped 34.0% in 1997. The decrease primarily was a result of a \$489,000 capital project in 1996 that is no longer funded.

on establishing, enhancing or mitigating the effectiveness of specific policies and procedures. The control environment reflects the overall attitude, awareness and actions of management concerning the importance of control and the emphasis on the City. Control procedures are those policies and procedures that the City has established to provide reasonable assurance that specific City objectives will be achieved. They include such procedures as providing adequate safeguards over access to and use of assets and records.

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

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

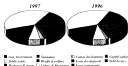
As a recipient of federal and state financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluations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

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

Budgetary control for spending funds is maintained at the object level within each department, with the exception of the Community Development Department whose funds must be spent within the same division. Budgetary accounts are formally integrated into the accounting system for the General Fund and certain Special Revenue Funds (Community Development and Riverfront Development) which have annual appropriations. The Community Development Fund is comprised of several divisions. An annual budget is adopted for business development and services and for permits and inspections and code enforcement. The workforce development portion of the fund, which is financed with Job Training Partnership Act monies and the Community Development Block Grant funds, are controlled through restrictive grant provisions, and they are on a different fiscal year. The Surplus Fund does not adopt an annual operating budget. Effective control for the expenditures for the Police Grants Fund is achieved through restrictive grant provisions. The Capital Projects Funds have budgetary accounts which are integrated into the accounting system; however, project length budgets are adopted. All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) except that (1) encumbrances are treated as budgeted expenditures in the year of the commitment to purchase, (2) capital leases are not budgeted as expenditures at the inception of the lease, and (3) State supplemental pay is not budgeted as expenditures. The City Charter provides that expenditures may not legally exceed appropriations. To further enhance budgetary controls, encumbrance accounting is used. Purchase orders, contracts and other commitments for expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

Expenditures by Function	1997	1996	Increase (Decrease)	
			(percentage) 1996	Percent
			Actual	Percent
Current:				
General government	\$ 26,226,771	\$ 26,245,713	\$ 389,548	(1.2)%
Public safety	58,037,314	53,033,608	4,811,714	7.3
Highways and streets	18,580,268	9,646,303	7,114,564	7.4
Sanitation	14,688,364	13,903,478	(1,225,112)	(3.8)
Health and welfare	151,950	479,527	(327,578)	(54.3)
Cultural and recreation	8,545,430	18,472,199	(9,066,768)	(8.8)
Community development and housing	3,283,439	3,276,344	1,058,911	47.8
Economic development	3,746,973	1,468,153	2,556,818	17.3
Economic opportunity	3,260,043	3,331,617	133,428	4.4
Capital outlay	338,603	3,348,422	(2,796,020)	(88.8)
Debt service	23,732,678	28,463,603	2,349,031	26.2
Total expenditures	\$154,885,618	\$168,410,456	\$6,842,158	4.7%

EXPENDITURES BY FUNCTION



Sanitation expenditures decreased 1.8% in 1997 through less tonnage being brought to the landfill which caused lower payments to our vendor. Cultural and recreation expenditures decreased 8.8% in 1997 due to a decrease in contractual service requirements and a reduction in purchases of improvements and equipment. Health and welfare expenditures decreased 54.3% in 1997 due to decreased funding from the federal government. Community development and housing increased 47.8% through increased expenditures in housing projects, loan programs and workforce development programs. Economic development increased 17.3% in 1997. An emphasis was placed on attracting and retaining economic development opportunities. Capital outlay decreased in 1997. During 1997 a major capital project, Sol-Fort was transferred from the Revenue Development Fund to the Miscellaneous Capital Project Fund. Debt service requirements for principal and interest payments were higher in 1997 than 1996, accounting for the increase in expenditures.

Retained Risk

Operating revenues were \$6,894,979 and liabilities were \$800,000 in 1997. Premiums revenue was received from the General Fund, the Department of Water and Sewerage and the Municipal and Regional Airports. Operating expenses were \$7,643,833. Net income for 1997 was \$728,796 which represents an increase of \$178,405 or 32.2% over 1996. The increase is due to a larger operating transfer in from General Fund in 1997 compared to the transfer in 1996.

Pension Operations

Pension Trust Funds

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

Firefighters Pension Plans

Full-time firefighters of the City participate in the Statewide Firefighters Retirement System. Covered employees are required to contribute 8% of compensation to the plan. The City's matching contribution is 9% of compensation, which was \$1,329,965 for the year ending December 31, 1997.

In addition to participating in the Statewide Firefighters Retirement System, certain firemen were guaranteed the benefits they enjoyed under the local firefighters retirement plan. The net pension obligation for the guaranteed benefits at December 31, 1997, was \$235,328. The actuarial value of assets was \$6,351,241. Available assets were sufficient to fund 48.8% of the actuarial accrued liability. The unfunded actuarial accrued liability was \$6,639,679.

Police Officers Pension Plans

Full-time police officers of the City participate in the Municipal Police Employees Retirement System. Covered employees are required to contribute 3.5% of compensation to the plan. The City's matching contribution is 9% of compensation, which was \$1,344,146 for the year ending December 31, 1997.

Certain police officers were also guaranteed the benefits they enjoyed under the local police retirement plan. The net pension asset for the guaranteed benefits at December 31, 1997, was \$1,662,271. The actuarial value of assets was \$4,303,646. Available assets were sufficient to fund 43.6% of the actuarial accrued liability. The unfunded actuarial accrued liability was \$3,575,252.

Employees' Retirement System

There are 1,193 City employees who are active and retired members of this plan. The Employees' Retirement System's funding policy provides for actuarially determined contributions at rates that, for individual employees, remain level as a percentage of compensation. Employees contribute at a rate of 9% of compensation. The City contributes at a rate of 9.25% of an individual employee's compensation, which was \$3,318,586 for the year ending December 31, 1997.

At December 31, 1997, the date of the actuarial valuation, the net pension asset was \$3,500,871. The actuarial value of assets was \$141,355,000. Available assets were sufficient to fund 97.3% of the actuarial accrued liability. The unfunded actuarial accrued liability was \$3,613,600.

Proprietary Operations

Enterprise Funds

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

Municipal and Regional Airports

The combined operating revenues for the Municipal and Regional Airports were \$5,629,841 which is an 11.8% increase over 1996. Operating expenses were \$4,984,658 and 1.8% over 1996. Net income was \$1,218,803 compared to \$581,421 in 1996. The increase in net income was due primarily to increased terminal and baggage rental rates, employment activities, passenger facilities charges and interest income.

Transit System

Revenues from the Transit System operations were \$1,975,529 in 1997 compared to \$1,965,049 in 1996. Operating expenses of \$1,334,368 were 6.0% under 1996 primarily due to a reduction in repairs and maintenance cost. There was a net loss of \$973,279 which is depreciation expense, a non-cash item which has not been reimbursed through subsidies. Operating subsidies by the City, State and Federal Government totaled \$4,186,853 in 1997. The City's portion of the subsidies was \$2,781,658.

Water and Sewerage System

Operating revenues were \$38,891,997 which is a 2.8% decrease from 1996. Operating expenses were \$39,995,839 and 7.2% over 1996. The reduction in revenues were due to reductions in liquid waste disposal fees, operating projects-construction service fees and in capital projects engineering fees. Expenses were over 1996 due to increased usage of supplies, claim expenses and maintenance costs. The system had net income of \$4,979,838 in 1997 compared to a net income in 1996 of \$7,124,180.

Golf

The combined operating revenues for the City's three golf courses were \$1,244,136 and 5.4% over 1996. Operating expenses were \$1,120,265 and 8.4% under 1996 primarily due to a negotiated reduction in indirect costs charges and renegotiation of the golf carts rental contract. There was a net income of \$93,233 compared to a net income of \$42,645 in 1996.

Internal Service Funds

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

Employees Health Care

Revenues were \$1,200,953 and operating expenses were \$1,323,859. Net income for 1997 was \$211,283. The increase over 1996 is primarily due to a reduction in claim expenses for 1997. The fund has \$4,634,889 in retained earnings at December 31, 1997.

The average yield on investments at December 31, 1997 was 5.79% as compared to 5.50% for three-month U.S. Treasury bills.

The City's investment policy is to exercise that judgment and care which men of prudence, discretion and intelligence exercise in the management of their own affairs. Investments are selected as investments, not for speculation, considering the probable safety of the capital, as well as the probable income to be derived. Accordingly, deposits are either insured by Federal depository insurance or collateralized. Approximately 63.7% percent of the investments held by the City are classified in the category of lowest risk as defined by the Governmental Accounting Standards Board. Remaining investments were held by the local agency bank as trustee for pension funds or in accordance with bond indentures. State statutes require that all public funds should be insured or collateralized. The City's policy is not to have uninsured/uncollateralized funds which it controls.

Risk Management

The City retains the risk for its automobiles and general liability exposures. It also retains \$150,000 per occurrence on its workers' compensation coverage. The balance of the workers' compensation exposure is insured with a third-party carrier. Property insurance is maintained with a third-party carrier, subject to a \$75,000 per occurrence retention.

During 1997, the safety specialists heavily concentrated their efforts in two large departments, making inspections and following up to ensure identified potential risks were addressed. Safety training was provided with a concentration on how to avoid accidents which are caused by backing up, rear-end collisions and crossing at intersections. Driver education classes were also given to all employees who regularly use City vehicles. These efforts in 1997 helped to decrease the City's losses caused by automobile accidents.

A safety orientation program for new employees was designed and implemented in 1997. The program is expected to increase employee awareness of safety issues which should decrease losses. Also, in 1997, employees have been made aware through training that in 1995 a preventable accident will disqualify an employee for a pay raise.

Other Relevant Information

Independent Audit

In accordance with Section 4.28 of the City Charter, the City Council is required to provide for an annual independent audit of the accounts and financial transactions of the City by a firm of independent certified public accountants duly licensed to practice in the State of Louisiana. The accounting firm of KPMG Peat Marwick LLP was selected by the City to conduct its annual audit. The audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related Office of Management and Budget Circular A-133. The auditors' report on the general purpose financial statements, combining and individual fund statements and account groups is included in the financial section of the City's Comprehensive Annual Financial Report. The auditors' reports related specifically to the single audit are included in a separate Single Audit Report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shreveport for its

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens, and investors. The data for the City at the end of the 1993 fiscal year were as follows:

	Amount	Ratio of Debt to Assessed Value	Debt per Capita
Net direct general obligation bonded debt	\$152,891,879	18.1%	\$157

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

	January 1, 1993	1993 Activity		December 31, 1993
		Additions	Reductions	
General obligation bonds/notes Water and Sewer	\$164,516	\$25,000	\$-14,799	\$175,121
General obligation bonds/notes	1,970	142	308	1,612
Revenue bonds - other	123,542	10,864	15,476	120,187
Gold	44	--	22	22
Municipal and Regional Airports	-6,180	-----	-128	-6,000
Total	\$286,172	\$32,226	\$28,453	\$289,945

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any purpose or 25% of the total assessed valuation for all general obligation purposes. A total of \$118,981,420 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$422,135,888 pursuant to the 35% limitation. Included in the total assessed valuations of property within the City is \$7,689,930 of assessed valuation which has been adjudicated to Caddo Parish.

Cash Management

The City maintains a pooled cash and investments account that is available for use by all funds, except those restricted by statute or other legal means. At the end of each business day, collected balances in all City bank accounts are deposited into a Sweep Account. These funds are invested in U.S. Government and U.S. Agency securities under the terms of an overnight repurchase agreement. In addition, the City invests in other open repurchase agreements and U.S. treasury bills and notes. As of December 31, 1993, the City's cash resources were invested as follows:

U.S. Government Securities	65.6%
Open and Term Repurchase Agreements	33.5
Sweep Account at bank	1.1
Total	100.0%

Comprehensive Annual Financial Report for the fiscal year ended December 31, 1996. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the City of Shreveport and its management. We are proud to have received this award each year for the past six years (beginning with our Comprehensive Annual Financial Report for the fiscal year ended December 31, 1979).

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

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

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Shreveport, Louisiana for its first Popular Annual Financial Report for the fiscal year ended December 31, 1996. We have received this award the past two years. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a governmental unit must publish a Popular Annual Financial Report, whose contents conform to program standards of clarity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Acknowledgments

Sincere appreciation is expressed to the entire staff in the Finance Department and especially to the professional accounting staff whose dedicated and efficient services have made the timely preparation of this report possible. Thanks to the Mayor and City Council for your support of excellence in financial reporting and fiscal integrity.

Sincerely,



Elizabeth B. Washington
Director of Finance

800 Corporate Center
200 West Street
Shreveport, LA 71201-0000

Independent Auditors' Report

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

We have audited the general purpose financial statements and the combining, individual fund, and individual account group financial statements and schedules of the City of Shreveport, Louisiana, as of and for the year ended December 31, 1997, as listed in the foregoing Table of Contents as Exhibits 0-8 and Statements/Schedules A-1 to I-1. These financial statements and schedules are the responsibility of the management of the City of Shreveport, Louisiana. Our responsibility is to express an opinion on these financial statements and schedules based on our audit. We did not audit the component financial statements of the City Courts, City Marshal, and Downtown Development Authority, which statements reflect total assets of \$1,514,308 as of December 31, 1997, and total revenues of \$1,818,133 for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the financial statements and schedules, insofar as it relates to the amounts included for the City Courts, City Marshal, and Downtown Development Authority in the component unit columns of Exhibits 1 and 2 and the governmental fund types and fiduciary fund type in Exhibits 7 and 8, is based on the report of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors whose reports expressed an unqualified opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Shreveport, Louisiana, as of December 31, 1997, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and individual account group financial statements and schedules referred to above, present fairly, in all material respects, the financial position of each of the individual funds and individual account groups of the City of Shreveport, Louisiana, as of December 31, 1997, and the results of operations of each fund and the cash flows of the individual proprietary funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 1998, on our examination of the City of Shreveport, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

As described in note 20 to the financial statements, the City adopted the provisions of *Governmental Accounting Standards Board Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools* in 1997.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund, and individual account group financial statements and schedules. The schedules of historical pension information listed as Required Supplemental Information in the Table of Contents are not a required part of the basic financial statements but are supplementary information required by the *Governmental Accounting Standards Board*. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying financial information listed in Statistical Tables 1-16 is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Shreveport, Louisiana. The information has not been audited by us, and accordingly we express no opinion on this information.

KPMG Peat Marwick LLP

March 23, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

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

Proprietary Fund Type		Fiduciary Fund Type	Account Group		Total Primary Government (Millions of Dollars)	Component Units	Total Reporting Entity (Millions of Dollars)
Enterprise	Internal Service	Trust and Agency	General Fund Assets	General Long-term Debt			
\$ 23,794,419	\$ 7,141,825	\$ 876,262	\$ --	\$ --	\$ 118,356,779	\$ 4,886,654	\$ 121,089,411
--	4,021,484	193,893,123	--	--	174,111,289	--	174,111,289
--	16,881	822,783	--	--	839,263	--	839,263
--	--	--	--	--	12,333,348	496,600	12,829,948
--	--	--	--	--	1,383,243	--	1,383,243
4,598,688	341,342	27,275	--	--	6,558,981	2,175	6,561,156
--	--	--	--	--	52,736	--	52,736
836,782	--	--	--	--	12,173,343	1,888	12,175,231
--	--	--	--	--	8,380,894	--	8,380,894
159,361	2,748,838	183,292	--	--	13,799,288	--	13,999,288
--	--	--	--	--	--	73,829	73,829
--	--	--	--	--	35,880	--	35,880
1,267,831	--	--	--	--	2,134,082	--	2,134,082
29,889	68,862	609,985	--	--	738,836	3,428	742,264
37,799,284	--	--	--	--	37,799,284	941,880	38,741,164
11,291,539	--	--	--	--	11,291,539	3,978,481	15,270,020
49,826	--	--	--	--	49,826	54,470	104,296
--	--	--	--	--	--	20,502,346	20,502,346
--	--	--	--	--	--	4,383,155	4,383,155
340,813,494	9,298	--	187,326,345	--	458,349,171	2,764,665	461,113,836
2,282,729	--	4,123,247	--	--	6,405,976	38,180	6,444,156
348,813,297	14,243,729	176,894,998	187,326,345	--	458,670,754	40,688,170	499,358,924
--	--	--	--	22,628,716	22,628,716	--	22,628,716
--	--	--	--	1,871,884	1,871,884	--	1,871,884
--	--	--	--	152,491,879	152,491,879	--	152,491,879
--	--	--	--	10,715,454	10,715,454	--	10,715,454
--	--	--	--	236,528	236,528	--	236,528
--	--	--	--	1,894,688	1,894,688	--	1,894,688
--	--	--	--	211,838,741	211,838,741	--	211,838,741
\$ 384,853,217	\$ 34,243,119	\$ 178,889,996	\$ 187,326,345	\$ 211,838,741	\$ 1,888,889,515	\$ 42,646,370	\$ 1,931,877,431

(continued)

CITY OF SHREVEPORT, LOUISIANA
COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS AND DISCREETLY PRESENTED COMPONENT UNITS
DECEMBER 31, 1997

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Assets				
Cash and cash equivalents (note 2)	\$ 7,643,386	\$ 11,383,879	\$ 16,917,833	\$ 48,777,909
Investments, at fair value (note 2)	--	--	--	--
Interest receivable	--	--	--	--
Property taxes receivable (note 4)	5,845,343	--	7,587,006	--
Franchise taxes receivable	1,385,245	--	--	--
Accounts receivable, net (note 5)	1,454,118	825,362	--	--
Special assessment receivable	290	--	--	52,466
Due from other governmental units	8,285,834	1,711,495	--	1,428,311
Notes receivable	--	8,508,854	--	--
Due from other funds (note 12)	171,458	40,500	--	10,711,668
Due from primary government	--	--	--	--
Due from component unit	21,000	--	--	--
Investments, at cost	871,071	--	--	--
Prepaid items	--	--	--	--
Restricted assets (note 9):				
Cash and cash equivalents (note 2)				
Investments (note 2):				
U.S. Government and agency securities	--	--	--	--
Interest receivable	--	--	--	--
Mortgage loans receivable	--	--	--	--
Notes receivable	--	--	--	--
Fixed assets, net (note 7)	--	--	--	--
Other assets	--	--	--	--
Total assets	<u>21,004,754</u>	<u>21,214,891</u>	<u>24,214,838</u>	<u>60,988,512</u>
Other debits:				
Amount available in Debt Service Fund	--	--	--	--
Amount to be provided for payment of accrued vendor (note 8 and 9)	--	--	--	--
Amount to be provided for retirement of general obligation bonds/notes (note 9)	--	--	--	--
Amount to be provided for payment of pension liability (note 9)	--	--	--	--
Amount to be provided for payment of net pension obligation (note 9 and 10)	--	--	--	--
Amount to be provided for non-claimant care of landfill (notes 9 and 11)	--	--	--	--
Total other debits	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets and other debits	<u>\$ 21,004,754</u>	<u>\$ 21,214,891</u>	<u>\$ 24,214,838</u>	<u>\$ 60,988,512</u>

Proprietary Fund Types		Enterprise	Internal Service	Fiduciary Fund Type	Trust and Agency	Account Groups		Totals		Total Reporting Entity					
						General Fund Assets	Capital Long-term Debt	Governmental (Intracommunity Only)	Component Units	(Intracommunity Only)					
\$	1,403,602	\$	67,737	\$	12,679,011	\$	--	\$	20,127,411	\$	229,121	\$	20,356,542		
	2,701,559		4,206,731		--		--		6,770,482		321,888		7,092,370		
	--		--		--		1,671,906		1,671,906		--		1,671,906		
	--		--		--		--		262,874		4,675		267,549		
	699,218		--		2,485,588		--		31,599,344		--		31,599,344		
	--		--		--		--		--		31,000		31,000		
	--		--		--		--		35,829		--		35,829		
	1,793,823		--		--		--		1,795,877		1,541,000		3,336,877		
	3,712		--		--		--		3,712		--		3,712		
	474,442		--		--		--		32,000,000		--		32,000,000		
	14,987		--		--		--		1,159,917		--		1,159,917		
	451,683		--		938,343		--		14,947		--		14,947		
	100,004,825		--		--		171,128,545		1,945,759		617,123		1,563,496		
	--		--		--		31,725,456		283,145,419		28,683,557		321,954,391		
	--		--		--		226,328		31,725,456		--		31,725,456		
	--		--		--		1,099,402		226,328		--		226,328		
	--		--		--		1,099,402		1,099,402		--		1,099,402		
	173,246,448		4,276,407		16,805,851		211,858,744		393,925,787		31,448,298		427,809,085		
	--		--		--		607,826,183		187,328,383		2,764,603		178,099,048		
	121,508,116		1,715,602		--		--		123,273,718		--		123,273,718		
	4,529,718		--		--		--		4,529,718		1,548,467		6,078,185		
	103,198,917		8,235,279		--		--		111,362,096		838,134		112,199,247		
	--		--		--		--		--		3,428		3,428		
	--		--		--		--		25,748,381		2,425		25,748,406		
	--		--		--		--		971,871		--		971,871		
	--		--		--		--		22,629,746		--		22,629,746		
	--		--		150,758,146		--		150,758,146		--		150,758,146		
	--		--		--		--		14,719		--		14,719		
	--		--		--		--		45,348,268		884,780		46,233,048		
	--		--		--		--		999,880		--		999,880		
	--		--		--		--		7,143,332		2,992,298		10,135,630		
	108,048,631		8,231,279		160,778,146		--		379,811,267		6,250,400		386,061,676		
	326,606,811		9,868,629		160,778,146		667,526,345		672,511,298		9,009,822		681,521,120		
\$	364,815,237	\$	11,141,108	\$	176,884,998	\$	387,526,345	\$	2,211,833,711	\$	1,068,483,513	\$	8,45,664,725	\$	1,138,937,883

CITY OF SHREVEPORT, LOUISIANA
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS
 DECEMBER 31, 1997

	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 1,861,876	\$ 271,186	\$ --	\$ 3,688,793
Accrued liabilities	179,176	--	--	--
Accrued vacation (note 5 and 6)	--	--	--	--
Due to other governmental units	260,874	--	--	--
Due to other funds (note 12)	2,296,470	3,117,894	--	462,316
Due to primary governmental	--	--	--	--
Due to component unit	35,839	--	--	--
Long-term debt-current (note 8)	--	--	--	--
Liability and refund contracts payable-current	--	--	--	--
Deferred revenues	1,811,808	8,380,277	1,795,112	31,604
Notes payable	--	1,158,827	--	--
Liability and refund contracts payable-annuities	--	--	--	--
Deposits and deferred charges	584,913	--	--	--
Long-term debt (note 8)	--	--	--	--
Pension liability (note 9)	--	--	--	--
Net pension obligations (note 9 and 13)	--	--	--	--
Landfill post-closure cost liability (notes 9 and 11)	--	--	--	--
Total liabilities	11,818,157	13,959,384	1,795,112	41,891,215
Equity and other credits:				
Investment in general fixed assets	--	--	--	--
Contributed capital (note 11)	--	--	--	--
Retained earnings:				
Reserved for debt service	--	--	--	--
Unreserved	--	--	--	--
Fund balances:				
Reserved for:				
Prepaid items	--	--	--	--
Encumbrances	2,298,143	1,888,642	--	21,439,524
Inventories	871,071	--	--	--
Debt service	--	--	21,628,716	--
Employee's pension benefits	--	--	--	--
Endowments	14,718	--	--	--
Unreserved:				
Designated for:				
Subsequent year's expenditures	180,000	8,288,645	--	36,856,823
Landfill closure	988,000	--	--	--
Undesignated	848,552	--	--	(2,487,388)
Total retained earnings/fund balances	12,284,201	10,279,302	21,628,716	56,779,071
Total equity and other credits	12,284,201	10,279,302	21,628,716	56,779,071
Total liabilities, equity and other credits	\$ 25,814,784	\$ 25,214,686	\$ 21,723,828	\$ 80,968,212

See accompanying notes to the financial statements.

Excess (deficiency) of revenues over budget expenditures	4,465,416	3,660,623	886,779	13,173,273	11,426,883	1,776,491	15,420,351
Other financing sources (less):							
Gains at liquidation funds proceeds	-	-	-	21,000,000	24,000,000	-	25,000,000
Operating transfers in	2,281,000	2,070,000	2,026,000	7,809,200	14,780,000	-	14,780,000
Operating transfers out	(6,083,416)	(4,411,020)	-	(3,113,987)	(13,600,000)	-	(10,600,000)
Transfers to component units	-	-	-	-	(1,675,000)	-	(2,475,000)
Transfers from component units	-	-	-	110,000	110,000	-	110,000
Transfers in primary government	-	-	-	-	-	(110,000)	(110,000)
Transfers from primary government	-	-	-	3,213,000	3,213,000	2,470,000	2,070,000
Proceeds from sale of building	-	-	-	-	-	2,470,000	2,130,000
Total other financing sources (less)	(3,282,371)	(2,299,020)	2,326,000	31,000,000	30,044,000	2,360,000	27,985,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,298,091)	1,021,583	1,940,311	7,864,415	11,445,600	626,114	12,070,450
Fund balances, beginning of year	18,640,000	13,001,700	26,780,200	60,620,000	91,387,400	3,294,377	94,961,567
Increase (decrease) for temporary restricted asset transfers in	(11,425)	-	-	-	180,000	-	180,000
Restricted asset transfers out	-	-	-	8,294,000	8,294,000	-	8,294,000
Restricted equity transfers out	-	(1,294,000)	-	-	(3,294,000)	-	(8,294,000)
Fund balances, end of year	<u>\$ 13,264,200</u>	<u>\$ 13,279,000</u>	<u>\$ 24,626,200</u>	<u>\$ 59,726,000</u>	<u>\$ 102,881,500</u>	<u>\$ 3,084,381</u>	<u>\$ 106,175,068</u>

See accompanying notes to the financial statements.

CITY OF BERKELEY, CALIFORNIA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS TO FUND AND ACCOUNT FOR ALL FINANCIAL COMPONENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Governmental Fund Types				Totals Primary Component Fund (Miscellaneous Debit)
	General	Special Revenue	Fund Service	Capital Projects	
Revenues					
Taxes	\$ 86,006,893	\$ -	\$ 24,658,681	\$ -	\$ 111,665,574
Licenses and permits	4,966,272	1,113,006	-	-	6,079,278
Intergovernmental	6,471,193	8,928,349	-	3,027,281	18,426,823
Charges for services	15,118,558	-	-	-	15,118,558
Fees and facilities	5,471,893	228,377	-	-	5,699,270
Special assessments	-	-	-	19,281	19,281
Use of money and property	1,526,264	1,121,656	844,600	1,157,281	4,649,801
Grants	169,228	7,028,640	-	-	7,197,868
Miscellaneous	-	813,379	517	90,849	1,324,745
Total revenues	118,317,338	18,768,807	24,658,681	3,036,737	164,781,563
Expenditures					
General					
General government	\$ 22,788,120	\$ 2,471,911	\$ -	\$ -	\$ 25,259,481
Public safety	96,033,895	2,583,178	-	-	98,617,073
Highways and streets	18,300,796	-	-	-	18,300,796
Solidification	14,688,364	-	-	-	14,688,364
Health and welfare	-	181,991	-	-	181,991
Cultural and recreation	8,593,979	41,476	-	-	8,635,455
Community development and housing	-	2,282,442	-	-	2,282,442
Economic development	-	1,744,973	-	-	1,744,973
Business opportunity	-	3,288,083	-	-	3,288,083
Capital utility	-	351,403	-	38,557,633	38,909,036
Debt service	-	-	-	-	-
Principal	-	-	11,487,088	-	11,487,088
Interest and fiscal charges	-	-	14,549,954	-	14,549,954
Bond income - rents	-	-	-	63,671	63,671
Total expenditures	114,814,978	13,667,963	24,727,031	38,659,298	191,879,270
					\$ 3,901,293

CITY OF BOSTON - CONTRACT LIABILITIES
COMBINED STATEMENT OF REVENUES, EXPENDITURES, CONTINGENCIES, AND FUND BALANCES
REVENUE AND ACTS OF AN ORDINARY NATURE
GENERAL AND CERTAIN SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDING DECEMBER 31, 1987

	General Fund		Certain Special Revenue Funds	
	Budget	Expenditure	Budget	Expenditure
Revenues:				
Taxes	\$ 92,241,000	\$ 92,175,212	\$ -	\$ -
Licenses and permits	5,821,000	5,677,286	660,000	1,110,000
Entertainment	640,000	660,481	-	-
Charges for services	17,472,100	15,252,917	-	-
Fees and inhibitors	2,708,000	3,650,864	315,000	258,717
Use of money and property	281,000	507,282	450,000	662,286
Grants	-	-	8,923,000	1,428,910
Miscellaneous	1,660,000	1,625,208	-	-
Total revenues	120,028,000	118,886,258	9,442,000	3,179,003
Expenditures:				
Current:				
General government	50,287,112	50,155,221	2,163,281	1,551,000
Public safety	34,873,656	33,276,981	-	-
Public works	16,287,479	16,003,649	-	-
Cultural and recreation	6,781,149	6,560,194	-	-
Economic development	-	-	2,111,854	1,802,081
Total expenditures	108,229,296	115,992,035	2,165,135	3,353,081
Excess of revenues over expenditures	11,808,704	12,894,223	-	-
Other financing sources (uses):	2,671,114	1,064,481	3,156,337	3,156,337
Operating transfers in	2,280,000	2,298,000	1,815,500	1,150,000
Operating transfers out	(5,288,100)	(6,000,000)	(4,441,285)	(4,418,125)
Transfers to component units	(1,798,100)	(1,477,110)	-	-
Total other financing sources (uses)	(4,206,000)	(5,209,110)	(2,625,785)	(3,268,125)
Income (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	10,273,718	11,779,205	119,145	2,784,184
Fund balances, beginning of year	14,846,659	14,846,659	14,127,262	14,127,262
Decrease in income (deficiency)	128,429	128,429	-	-
Total fund balances, end of year	\$ 24,248,956	\$ 24,677,443	\$ 14,246,407	\$ 16,911,446

See accompanying notes to the financial statements.

Depreciation on assets acquired through grants, reimbursements or shared revenues which reduces contributed capital

3,461,399	-	3,461,399	-	1,082,399
<u>99,691,652</u>	<u>7,215,340</u>	<u>106,906,992</u>	<u>2,111,798</u>	<u>109,018,790</u>
\$ <u>108,648,652</u>	\$ <u>8,129,279</u>	\$ <u>116,777,931</u>	\$ <u>2,173,618</u>	\$ <u>118,951,549</u>

Revised earnings, beginning of year

Revised earnings, end of the year

See accompanying notes to the financial statements.

CITY OF SHREVEPORT, LOUISIANA
COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS/BURDEN
ALL PRESENTED IN FIFTY-TWO AND FORTY-ONE PERIODS PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 2017

	Primary Fund Type		Transfers From Other Components (Miscellaneous) (Debit)	Transfers From Other Components (Miscellaneous) (Debit)	Compos Unit - Services Fees (Miscellaneous) (Debit)	Transfers From Other Components (Miscellaneous) (Debit)
	Enterprise Funds	Special Revenue Funds				
Operating revenues:						
Charges for sales and services	\$ 40,031,878	\$ -	\$ 40,031,878	\$ -	\$ -	\$ 40,031,878
Employee contributions	-	681,000	681,000	-	-	681,000
Employer contributions	-	218,838	218,838	-	-	218,838
Business revenue	-	6,793,419	6,793,419	-	-	6,793,419
Interest and dividends	-	-	-	2,660,246	-	2,660,246
Other income	908,073	118,118	1,026,191	23,801	-	1,050,042
Total operating revenues	40,940,203	8,099,655	50,839,858	2,708,267	-	53,548,125
Operating expenses:						
Salaries	-	7,790,648	7,790,648	-	-	7,790,648
Costs of sales and services	10,344,864	981,153	11,326,017	-	2,821,408	14,147,475
Depreciation and amortization	8,179,787	1,491	8,181,278	-	1,147	9,329,796
Total operating expenses	40,364,517	9,803,392	50,167,909	2,822,555	3,970,063	57,160,929
Operating income (loss)	575,686	(703,737)	(128,051)	(1,114,288)	(3,970,063)	(5,429,344)
Nonoperating revenues (expenses):						
Operating subsidies	4,286,820	-	4,286,820	-	-	4,286,820
Interest income	3,643,278	688,000	4,331,278	-	-	4,331,278
Interest expense	(5,811,478)	-	(5,811,478)	-	-	(5,811,478)
Proportion facility charges	1,074,394	-	1,074,394	-	-	1,074,394
Net income (loss) fair value of investments	41,784	-	41,784	-	-	41,784
Loss on disposal of fixed assets	(43,893)	-	(43,893)	-	-	(43,893)
Total nonoperating revenues (expenses)	3,191,875	688,000	3,880,000	-	-	3,880,000
Net income before operating transfers	3,066,294	(15,000)	3,051,294	-	(3,970,063)	(918,769)
Operating transfers in	-	598,000	598,000	-	-	598,000
Operating transfers out	(817,880)	-	(817,880)	-	-	(817,880)
Net income	2,248,414	583,000	2,831,414	-	(3,970,063)	(1,138,649)

Net cash used in capital and related financing activities and cash flows from investing activities				<u>(19,210,676)</u>		<u>(19,210,676)</u>
Percent of investments	(4,611,408)					1478,384
Percent from sale and maturity of investments	2,918,379					2,918,379
Percent from investments	3,528,729					3,528,729
Net cash provided by (used in) investing activities	<u>1,825,421</u>			<u>1,825,421</u>		6,251,872
Net increase in cash and cash equivalents	382,343					668,398
Cash and cash equivalents, beginning of year	64,113,286					89,471,848
Cash and cash equivalents, end of year	<u>64,500,471</u>			<u>64,500,471</u>		<u>76,118,246</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 4,678,612	\$		\$ 4,678,612	\$	61,328
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	6,778,971	1,493		6,780,464		6,780,464
Provision for uncollectible accounts (increase) decrease in assets	388,981	-				
Accounts receivable	(298,021)	(294,679)		(3,326,009)		28,738
Other noncurrent assets	-	-				(1,000,218)
Due from other funds	18,322	917,889		936,211		936,211
Inventory	281,917	-		281,917		281,917
Prepaid items	6,064	881		6,945		18,247
Increase (Decrease) in liabilities:						
Accounts payable	(298,177)	(182,374)		(480,551)		(480,551)
Accounts' liabilities	(24,671)	(6,439)		(31,110)		(31,110)
Due to other funds	626,796	-		626,796		626,796
Deferred revenue	11,197	-		11,197		(1,141)
Customer deposits	(1,005)	-		(1,005)		(1,005)
Other liabilities	(12,987)	-		(12,987)		35,188
Unallocated assets deposits	1,184	-		1,184		1,184
Interest on investments	-	-		-		(548,485)
Interest on bonds payable	-	-		-		2,522,786
Loan account accounts	-	-		-		(278,280)
Due on sale of investments	-	-		-		4990
Principal reduction on mortgage loans	-	-		-		3,029,422
Total adjustments	<u>12,877,057</u>	<u>640,311</u>		<u>13,517,368</u>		<u>12,888,019</u>
Net cash provided by operating activities	<u>\$ 17,455,669</u>	<u>\$ 640,311</u>		<u>\$ 18,095,980</u>		<u>\$ 15,998,757</u>

(continued)

CITY OF DENVER, COLORADO
 COMBINED STATEMENT OF CASH FLOWS
 ALL INFORMATION FROM YEARS AND PERIODS PRESENTED COMPONENT UNIT
 FOR THE YEAR ENDED DECEMBER 31, 1997

	Proprietary Fund System		Total Government Monorail Subway Other	Compressed Unit - Monorail/Bus Subway Other	Total Reporting Entity Monorail/Bus Subway Other
	Enterprise Funds	Utility Funds			
Cash flows from operating activities:					
Receipts from operations	\$ 40,115,794	\$ -	\$ 40,115,794	\$ -	\$ 40,115,794
Other operating revenues	-	8,771,446	8,771,446	-	8,771,446
Charges	-	(2,371,068)	(2,371,068)	-	(2,371,068)
Payments for goods and services	(12,445,486)	(781,778)	(13,227,264)	(89,528)	(13,316,792)
Payments for employee services	(13,860,963)	(264,506)	(14,125,469)	-	(14,125,469)
Payments in lieu of taxes	(95,000)	-	(95,000)	-	(95,000)
Payments for direct and indirect costs	(4,114,574)	-	(4,114,574)	-	(4,114,574)
Interest received on loans	-	-	-	3,892,218	3,892,218
Principal payments on loans	-	-	-	(3,689,221)	(3,689,221)
New mortgage loans	-	-	-	(2,687,218)	(2,687,218)
Subsidy/investor interest	615,748	-	615,748	-	615,748
Other	-	-	-	23,088	23,088
	<u>(2,311,568)</u>	<u>465,152</u>	<u>(1,846,416)</u>	<u>3,115,387</u>	<u>(1,187,442)</u>
Net cash provided by operating activities					
Cash flows from noncapital financing activities:					
Operating subsidies	4,344,950	-	4,344,950	-	4,344,950
Operating transfers in	-	203,000	203,000	-	203,000
Operating transfers out	(811,800)	-	(811,800)	-	(811,800)
Interest paid on operations	(1,004)	-	(1,004)	-	(1,004)
Principal paid on bonds	-	-	-	(3,115,180)	(3,115,180)
Interest paid on bonds	-	-	-	(2,301,264)	(2,301,264)
Cash loan received in lieu of performance bond	828	-	828	-	828
Net cash provided by (used for) noncapital financing activities					
Financing activities	<u>3,534,972</u>	<u>203,000</u>	<u>3,737,972</u>	<u>(3,115,180)</u>	<u>(377,208)</u>
Cash flows from capital and related financing activities:					
Proceeds from issuance of debt	3,840,000	-	3,840,000	-	3,840,000
Acquisition and construction of capital assets	(13,661,074)	-	(13,661,074)	-	(13,661,074)
Payment on liability and refund revenues	(5,797)	-	(5,797)	-	(5,797)
Principal paid on debt	(3,194,700)	-	(3,194,700)	-	(3,194,700)
Interest paid on debt	(2,248,427)	-	(2,248,427)	-	(2,248,427)
Capital contributed by others	282,288	-	282,288	-	282,288
Capital grants	4,877,413	-	4,877,413	-	4,877,413
Payments of debt issuance costs	(267)	-	(267)	-	(267)
Refund of debt issuance costs	6,828	-	6,828	-	6,828
Refund interest from refinancing	1,110,298	-	1,110,298	-	1,110,298
Deposit to debtors funds	(165,000)	-	(165,000)	-	(165,000)
Passenger facility charge	1,074,324	-	1,074,324	-	1,074,324

CITY OF MONROE, LOUISIANA
 EMPLOYEES' RETIREMENT FUND
 COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 1997

	Total
ADDITIONS	
Contributions:	
Employee	\$ 8,838,223
Member	3,137,888
Total contributions	11,976,111
Investment income:	
Net increase in the fair value of investments	18,787,813
Interest	4,303,879
Dividends	1,403,492
Total investment income	24,495,184
Less investment expenses	987,479
Net investment income	23,507,705
Life insurance proceeds	228,000
Operating surplus (in - General Fund)	1,244,600
Miscellaneous	4,983
Total additions	34,973,377
DEDUCTIONS	
Pensions	1,882,419
Rebates of member contributions	1,002,471
Administrative expense	178,814
Life insurance	158,366
Total deductions	3,122,070
NET INCREASE	31,851,307
FUND BALANCE RESERVED FOR EMPLOYEES' PENSION BENEFITS	
BEGINNING OF YEAR	15,825,813
END OF YEAR	\$ 47,677,120

See accompanying notes to the financial statements.

Table 5
(continued)

CITY OF SHREVEPORT, LOUISIANA
ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1997

Noncash investing, capital and financing activities:

The Water and Sewer Department disposed of miscellaneous equipment. The undepreciated cost of the equipment was recorded as a loss of \$48,831.

The Water and Sewer Department had a net increase in the fair value of its reserve funds in the amount of \$45,764.

See accompanying notes to the financial statements.

Received for gifts services	-	-	-	-	-	-	-	-	-	-	-	5,180,887	-	-	5,180,887	
Unrecruited	-	-	-	-	-	-	-	-	-	-	-	800,253	-	-	800,253	
Filed balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Received for:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prepaid items	-	-	-	5,188	-	-	-	-	-	-	-	-	-	-	-	5,188
Revolutions	-	-	-	-	-	-	-	4,828	-	-	-	-	-	-	-	4,828
Discontinued subsequent years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
expeditions	-	854,788	-	50,000	-	-	-	-	-	-	-	-	-	-	-	904,788
Unrecruited	1,759,413	434,932	811,839	-	-	-	-	-	-	-	-	-	-	-	-	2,996,184
Total received donations/total balances	1,759,413	1,290,317	857,668	-	-	-	41,828	-	-	-	-	2,453,311	-	-	-	2,996,184
Total equity and other credits	1,118,218	1,548,248	1,067,732	-	-	-	1,878,795	-	-	-	-	2,453,311	-	-	-	4,998,562
Total liabilities, equity and other credits	2,118,218	1,548,248	1,351,945	-	-	-	3,458,440	-	-	-	-	3,257,111	-	-	-	7,494,812

See accompanying notes to the financial statements.

CITY OF OBERLIN, OHIO
 COMBINED BALANCE SHEET - COMPONENT FUNDS
 ALL FUND TYPES
 DECEMBER 31, 2007

	Governmental Fund Type		Municipal Fund Type		Proprietary Fund Type		Fiduciary Fund Type - Agency Funds				
	City Council	City Manager	City Council	City Manager	Waterworks	Electricity	City Council	City Manager	City Council		
ASSETS											
Cash and cash equivalents	\$ 1,735,813	\$ 1,291,110	\$ 491,871	\$ 11,889	\$ -	\$ -	\$ 501,372	\$ 101,878	\$ -	\$ 4,884,814	
Property taxes receivable	-	-	498,942	-	-	-	-	-	-	698,400	
Accounts receivable	-	-	1,291	403	-	-	-	-	-	1,115	
Due from other governmental units	-	-	1,884	-	-	-	-	-	-	1,884	
Due from primary government:	-	-	-	55,829	-	-	-	-	-	83,829	
Intragov. loans	-	-	5,198	-	-	-	-	-	-	5,198	
Interfund assets	-	-	-	-	-	981,300	-	-	-	981,300	
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	5,078,181	
Investments - U.S. Government	-	-	-	-	-	318,270	-	-	-	318,270	
Bond agency securities	-	-	-	-	-	20,000,146	-	-	-	20,000,146	
Interest receivable	-	-	-	-	-	4,500,011	-	-	-	4,500,011	
Mortgage loans receivable	-	-	198,138	1,878,796	-	-	-	-	-	2,076,934	
Notes receivable	-	-	-	-	-	-	-	-	-	301,391	
Fixed assets, net	-	-	-	-	-	348,327	-	-	-	348,327	
Other assets	-	-	488	-	-	-	-	-	-	488	
Total assets	\$ 2,176,726	\$ 2,582,220	\$ 1,992,019	\$ 1,899,685	\$ 1,000,117	\$ 1,000,117	\$ 501,372	\$ 101,878	\$ -	\$ 9,888,176	
LIABILITIES, EQUITY AND OTHER FUNDS											
Liabilities:											
Accounts payable	-	-	\$ 67,273	\$ 8,478	\$ -	\$ -	\$ -	\$ 101,508	\$ -	\$ 225,111	
Accrued liabilities	-	-	1,811	-	-	-	-	-	-	321,388	
Due to other governmental units	-	-	-	4,823	-	318,431	-	-	-	4,823	
Due to primary government:	-	-	-	15,088	-	-	-	-	-	33,000	
Long-term debt current	-	-	-	-	1,547,000	-	-	-	-	1,547,000	
Deposits and other	-	-	-	-	98,483	-	501,372	-	-	817,187	
Long-term debt	-	-	-	-	38,900,177	-	-	-	-	38,900,177	
Total liabilities	-	-	\$ 68,084	\$ 48,389	\$ -	\$ 1,585,410	\$ -	\$ 501,372	\$ -	\$ 20,491,177	
Equity and other funds:											
Investment in general fund assets	-	-	198,138	1,878,796	-	-	-	-	-	2,076,934	
Retained earnings:											
Governmental	191,451	207,110	-	-	-	-	-	-	-	2,264,688	

**CITY OF SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1997**

(1) Summary of Significant Accounting Policies

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

A. The Financial Reporting Entity

The City of Shreveport was incorporated in 1898, under the provisions of Louisiana R.S. 67. In May of 1978, the present City Charter was adopted which established a mayor-council form of government. The City provides a full range of municipal services as authorized by the charter. These include police and fire protection, emergency medical services, public works (streets and waste collection), public improvements, water and sewer services, parks and recreation, planning and zoning, public transportation, social, cultural and general administrative services.

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

The financial statements present the City of Shreveport (the primary government) and its component units. The operations of the Shreveport Municipal and Regional Airports and the Shreveport Area Transit System are included as a part of the primary government. The discrete 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. There are no blended component units in the City.

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.

Metropolitan Planning Commission

The Metropolitan Planning Commission is responsible for the orderly, physical development of the City of Shreveport and the surrounding planning area. The Commission makes recommendations to the City Council and the Parish Commission. The Metropolitan Planning Commission consists of nine members with four appointed by both the City of Shreveport and the Caddo Parish Commission and one member elected by joint action of the governing authorities. Although the Commission is legally separate, the City acts as its fiscal agent and has the authority to modify and approve its budget. The Metropolitan Planning Commission

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1992**

	Governmental Fund Types				Total
	City Code	City Municipal	Declaratory Development Authority	Municipal Planning Commission	
Revenues:					
Taxes	\$ -	\$ -	\$ 98,074	\$ -	\$ 98,074
Intergovernmental	-	4,625	293,386	131,008	579,099
Charges for services	-	-	18,900	-	18,900
Fees and licenses	908,213	294,598	-	-	1,202,811
Use of money and property	68,183	2,592	18,008	-	108,783
Interest income	-	-	-	68,773	68,773
Total revenues	976,406	301,815	758,411	200,781	1,948,605
Expenditures:					
Current:					
General government	1,411,773	71,095	-	921,876	2,104,744
Economic development	-	-	603,183	-	603,183
Capital outlay	23,874	31,681	-	-	55,555
Total expenditures	1,435,647	102,776	603,183	921,876	2,763,482
Excess (deficiency) of revenues over (under) expenditures	(459,241)	(20,961)	(144,772)	(921,095)	(1,726,069)
Other financing sources (uses):					
Transfer to primary government	-	-	(75,000)	(81,000)	(156,000)
Transfer from primary government	1,971,893	303,590	-	733,793	2,979,276
Total other financing sources (uses)	1,971,893	303,590	(75,000)	652,793	2,568,606
Excess of revenues and other financing sources over expenditures and other financing uses	(463,454)	(28,471)	(119,772)	(158,302)	(769,999)
Fund balances, beginning of year	1,298,181	1,134,793	829,426	-	3,262,400
Fund balances, end of year	\$ 1,115,627	\$ 1,106,322	\$ 709,654	\$ -	\$ 2,931,603

See accompanying notes to the financial statements.

The Metropolitan Planning Commission does not issue separate financial statements. Their financial statements are included in this report and these financial statements can be obtained from the Finance Department, 1234 Texas Avenue, Shreveport, Louisiana 71104. Complete financial statements of the other individual component units may be obtained from their respective administrative offices.

Administrative Offices:

City Courts
1234 Texas Avenue
Shreveport, Louisiana 71104

Shreveport Home Mortgage Authority
1400 Youssou Drive
Shreveport, Louisiana 71104

City Marshal
1234 Texas Avenue
Shreveport, Louisiana 71104

Downtown Development Authority
480 Edwards Street
Shreveport, Louisiana 71104

Related Organizations

Shreveport Housing Authority

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

Jointly Governed Organization

Caddo-Shreveport Sales and Use Tax Commission

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

B. Basis of Presentation - Fund Accounting

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

is fiscally dependent on the City. The Metropolitan Planning Commission serves the advisory of the City of Shreveport.

City Courts

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

City Marshal

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

Shreveport Home Mortgage Authority

The Shreveport Home Mortgage Authority is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to undertake various programs to assist in the financing of housing for persons of low to moderate income in the City of Shreveport. There are five trustees that are appointed by the City Council for terms of five years. For the term of the trust instrument, the City has no power to transact business for the trustees nor to control or direct the actions of the trustees. The City is entitled solely to the benefits of the trust, and at the termination of the trust it shall receive the residual assets of the trust. The City cannot access the equitator's funds at will, although there is some ability to access them at the discretion of the Authority. The City is financially accountable since it appoints all of the governing body and there is a potential for Shreveport Home Mortgage Authority to provide specific financial benefits to the City. The Shreveport Home Mortgage Authority serves the advisory of the City of Shreveport.

Downtown Development Authority

The Downtown Development Authority was established by an ordinance of the City of Shreveport to provide for the revitalization of downtown Shreveport. Its purpose is to coordinate the efforts of the public and private sectors for the economic and overall development of the Downtown Development District. The Downtown Development District is a special taxing district within the City of Shreveport created by an act of the State Legislature. The City Council appoints the seven voting members of the Authority. The Authority must submit to the City Council its proposals, programs and recommendations for the levy of special ad valorem taxes. The City has the ability to modify or approve the budget of the Authority and its plan of work. The Authority's governing body is not substantively the same as the City's. The Authority provides services for a limited area of the City of Shreveport, which consists basically of the downtown area.

FIDUCIARY FUNDS

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

Trust Funds

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

Agency Fund

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

ACCOUNT GROUPS

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the City except those accounted for in the Enterprise Funds.

General Long-Term Debt Account Group

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

C. Basis of Accounting

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

All proprietary and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Their fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenditures) in net total assets.

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

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

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

GOVERNMENTAL FUNDS

General Fund

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

Special Revenue Funds

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

Debt Service Fund

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

Capital Projects Funds

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

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

PROPRIETARY FUNDS

Enterprise Funds

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

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments, on a cost-reimbursement basis. The City's Internal Service Funds are the Employees Health Care and Retained Risk Funds.

B. Budgets and Budgetary Accounting

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

Action Taken	City Charter Requirements	Louisiana State Statutes Requirements
1. The Mayor files with the Clerk of Council before October 1 a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources along with a budget message from the Mayor outlining the rationale for requested appropriations. A five year capital program and one year capital budget are presented simultaneously with the operating budget.	1. Proposed operating budget resolutions must be filed with the Clerk of Council prior to October 1 of each year. Section 7.03(3). Proposed capital program and budget must be filed with the clerk by October 1 of each year. Section 7.05.	1. R.S. 39:1384 - The Budget message shall include a summary description of the proposed financial plan, policies, objectives, assumptions, budgetary basis, and a discussion of the most important features. R.S. 39:1385 - Proposed budgets must be filed no later than 15 days prior to the beginning of the fiscal year. (In this case, the City Charter requirement is more stringent, therefore it should be followed.)
2. The Chief Administrative Officer maintains a complete copy of the proposed budget in his/her office for public inspection. The Clerk of Council publishes a summary of the proposed budget in the official journal.	2. Complete copy of the proposed budget must be made available as a public record, open to inspection every business day until final adoption. Section 7.03(4). Publication of summary of budget and notice of public hearing in the official journal of the City must be made before November 15th of each year. Section 7.03(4) and 4.18.	2. R.S. 39:1386 requires the same as the City Charter. R.S. 39:1386 requires the same as the City Charter, except does not require it to be made before November 15th. Also requires publication of notice of public hearing on the budget.

considered "measurable" at the date of levy, whereas sales taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Licenses and permits, charges for general governmental services, fees and forfeitures, 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.

Revenues which are measurable to accrual are property taxes, franchise taxes, intergovernmental, special assessments and interest. Sales taxes in the hands of the intermediary collecting agency are recognized as revenue. Licenses and permits, charges for general governmental services (except landfill fees), fees and forfeitures, and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due.

Proprietary funds and pension funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989: Financial Accounting Standards Board Statements and Interpretations, AICPA opinions, and AICPA (unless those pronouncements conflict with or contradict GASB pronouncements).

Action Taken	City Charter Requirements	Louisiana State Statute Requirements
<p>6. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department with the exception of the Community Development Department where funds must be spent within the same division. Budgetary transfer across department lines or between classes of lump sum appropriations must be approved by the City Council. During the year, the City Council approves several amendments to the budget. The City Charter provides that expenditures may not legally exceed appropriations.</p>	<p>6. Section 7.003 provides that no funds shall be expended other than in accordance with the operating budget ordinances and allotments. Section 7.04 prohibits expenditures exceeding appropriations.</p>	<p>6. R.S. 38:1318(c) provides that the adopted budget constitutes the authority to incur liabilities and expenditures from the respective budgeted fund. R.S. 38:1380 provides that expenditures shall not exceed the total of estimated funds available.</p>
<p>7. Formal budgetary integration is employed as a management control device during the year for the General, certain Special Revenue, Capital Projects Funds and Enterprise Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.</p>		
<p>8. The budget and actual comparison presented in Exhibit 3 in the accompanying financial report includes the General Fund and certain Special Revenue Funds (Community Development and Riverfront Development) which are included in the annual operating budget. The Community Development Fund is comprised of several divisions. An annual operating budget is adopted for business development and services and for permits and inspections and code enforcement. The workforce development portion of the fund, which is financed with Job Training Partnership Act monies and the Community Development Block Grant funds, are controlled through restrictive grant provisions, and they are on a different fiscal year. The Entertainment Fund does not adopt an annual operating budget. Effective control for the expenditures for the Police Grants Fund is achieved through restrictive grant provisions. The Capital Projects Funds adopt project length budgets. Annual budgets are adopted for the Municipal and Regional Airports, Sewerage Asset Trusts, the Department of Water and Sewerage and Golf, Enterprise Funds. In addition, an annual budget is adopted for Retained Risk, an Internal Service Fund.</p>		
<p>9. All appropriations which are not expended or encumbered lapse at year end.</p>		
<p>10. The budgets for governmental funds are adopted on a basis substantially consistent with generally accepted accounting principles with the following exceptions: (1) encumbrances are treated as budgeted expenditures in the year of the commitment to purchase and (2) capital leases are not budgeted as expenditures at the inception of the leases. The adjustments necessary to convert</p>		

Action Taken	City Charter Requirements	Louisiana State Statutes Requirements
3. The City Council conducts public hearings and proposes adoption of the various budget ordinances.	3. Section 4.18 requires the City Council to hold a public hearing, not less than five days after publication of the notice set forth above.	3. R.S. 29:1206 requires the public hearing to be held not less than ten days after publication. R.S. 29:1206(c) additionally requires the City to certify completion of the requirements for publication of the public hearing by publishing another notice that it has done so.
4. The City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.	4. Prior to December 15, the budgets are legally enacted through passage of ordinances. Section 7.02.	4. R.S. 29:1208 requires adoption of the budget prior to the end of the fiscal year. (In this case, the City Charter requirement is more stringent and should be followed.) R.S. 29:1208(c) requires the Chief Administrative Officer to retain certified copies of the budget and adoption instrument.
5. Legal budgetary control for operating budgets is exercised at the department/object class with the exception of the Community Development Department where control is exercised at the division/object class. The ordinances provide lump sum appropriation at the object level.	3. Section 7.02(a) requires the operating budget to be in accordance with generally accepted accounting principles.	5. R.S. 29:1210(a) provides that the adopted budget and any adopted amendments shall form the framework to control expenditures.

2. Investment contracts and pooled accounts maintained by trust companies, banks and investment managers.
3. Stocks traded on a national stock exchange.
4. Short-term money market securities.

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

G. Unbilled Accounts Receivable

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

H. Interfund Transactions

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

I. Inventories

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

J. Bond Discounts and Issuance Costs

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

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

governmental fund actual expenditures in accordance with generally accepted accounting principles to the budgetary basis in Exhibit 3 are disclosed in Note 2. Budgeted amounts reflected in the accounting budget and actual comparisons have been legally amended by the City Council during the fiscal year. The effect of the amendments on the original budget is disclosed in Note 2.

E. Encumbrances

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

F. Pooled Cash and Investments

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

Investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Interest is accrued as earned. For purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The Statement of Investment Policy approved by the Mayor and Chief Administrative Officer authorizes the City to invest in the following types of securities:

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

The City is prohibited from investing in derivatives.

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

1. Corporate bonds - no lower than Baa rated.

Classification	Range of terms
Buildings	10-30 years
Water plant	10-50 years
Wastewater treatment plant	30 years
Revenue vehicles	12 years
Railways, airports and runways	20 years
Machinery, equipment and other	3-25 years

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

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

M. Compensated Absences and Other Employee Benefits

For financial reporting purposes, the City does not accrue vacation earned but not paid in the governmental funds since the liability will be funded from future revenues. Vacation and sick leave are recorded as an expenditure when paid in governmental funds. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as it is earned by the employees. The estimated liability for accrued vacation for governmental funds is recorded in the General Long-Term Debt Account Group.

N. Claims and Judgments

Claims and judgments are recorded as expenditures in governmental funds for the amount that will be equivalent with expendable available financial resources. The remainder of the liability is recorded in the Retained Risk Fund. Proprietary funds follow GASB Statement 3 without modification. An expense and liability are recorded in the fund when both of the following conditions have been met: (1) information is available prior to the issuance of the financial statements that it is probable that a liability has been incurred and (2) the amount of loss can be reasonably estimated.

O. Capital Leases

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

P. Reserves and Designation of Equity

Use of the term "reserves" in describing fund balances/retained earnings indicates that a portion of the fund balances/retained earnings is not appropriate for expenditure or is legally segregated for a specific future use. Designated portions of fund balances indicate tentative future spending

K. Deferred Revenues

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

Fund	Type of Revenue
General Fund	Liquor licenses
Special Revenue Fund	Land loans
Capital Projects Fund	Parking assessments
Enterprise Fund	Building rental and unredeemed music tickets

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

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

L. Fixed Assets and Long-Term Liabilities

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Such assets are valued at historical cost, if purchased, and at fair market value at date of gift, if donated. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, culverts and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized as general fixed assets.

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

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

(D) Compliance, Stewardship, and Accountability

A. Excess of Expenditures over Appropriations

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

General Fund

Fleet Services	
Materials and supplies	\$ 198,196
Contractual services	215,841
Improvements and equipment	2,797

Finance-General Government	
Claims	602,679

Community Development Fund

Permits and Inspections	
Personal services	4,341
Code Enforcement	
Contractual services	6,906

The excess of expenditures over appropriations in Fleet Services is due to a reorganization in the department. The services of a consultant were used which was not budgeted. Also, additional materials and supplies were purchased to improve services.

Finance-general government claims exceeded appropriations due to claims and judgments being greater than anticipated.

B. Deficit Retained Earnings/Fund Balance

Both the 1989 and 1996 General Obligation Bond Funds, capital projects funds, have a negative unreserved undesignated portion of fund balance in the amount of \$1,213,401 and \$275,879, respectively. Projects are budgeted in this fund with obligations encountered that will be financed in part by other capital projects funds.

The Golf Fund has a deficit retained earnings of \$3,935 that is expected to be funded through golf operations.

C. Discretely Presented Component Unit - Deficit Fund Balance

The Metropolitan Planning Commission has a negative unreserved undesignated portion of fund balance in the amount of \$2,131. Expenditures are budgeted in this component unit with obligations encountered that will be financed through intergovernmental revenues and operating transfers from the primary government.

B. Budgets and Budget Basis of Accounting

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

plans, which may be changed and are subject to subsequent authorization before expenditures can be made. The nature and purpose of these reserves and designations are explained below.

Reserved For Encumbrances

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

Reserved For Inventories

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

Reserved for Debt Service

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

Reserved for Employees' Pension Benefits

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

Reserved For Investments

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

Designated for Landfill Closure

The unreserved portion of fund balance designated for landfill closure is to provide for amounts to be required when the landfill closes.

Designated for Subsequent Year's Expenditures

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

Q. Discretely Presented Component Units - Reserves for Prepaid Items

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

R. Municipal Solid Waste Closure and Post-Closure Care Costs

Municipal solid waste closure and post-closure care costs are accounted for in accordance with guidelines recommended by GASB Statement No. 35, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs. The liability is recorded in the General Long-Term Debt Account Group. A complete explanation of the liability and its calculation is referenced in Note 17.

S. Memorandum Only - Total Columns

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

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

B. Investments

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

	Category			Carrying Amount and Fair Value
	1	2	3	
Repurchase agreements	\$ 59,000,000	\$ --	\$ --	\$ 59,000,000
U.S. Government securities	85,710,180	--	41,881,327	127,591,507
Common stock	--	--	10,801,716	10,801,716
Corporate bonds	--	--	30,171,811	30,171,811
	<u>\$144,710,180</u>	<u>\$ --</u>	<u>\$82,854,954</u>	<u>\$132,565,134</u>
Mutual funds				16,340,666
Louisiana Asset Management Fund				<u>1,320,483</u>
Total investments				<u>\$149,226,283</u>
Total deposits				<u>8,003,399</u>
Cash, cash equivalents and investments including restricted assets				<u>\$319,556,081</u>

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

Employee Health Care Fund	\$ 4,021,406	2.4%
Pension Trust Fund	152,549,469	90.8
Department of Water and Sewerage	11,281,339	6.7
	<u>\$257,852,214</u>	<u>100.0%</u>

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

A reconciliation of cash and investments as shown on the Combined Balance Sheet for the primary government follows:

	Original Budget	Total Revisions	Revised Budget
General Fund	\$134,818,276	\$6,490,209	\$141,308,485
Special Revenue Funds			
Community Development	3,108,490	4,800	3,113,290
Riverfront Development	1,878,034	(3,800)	1,874,234
Total	\$139,804,800	\$6,490,209	\$146,295,009

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

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

	General Fund	Special Revenue Funds
Revenues		
Budgetary basis	\$115,846,916	\$9,724,629
Adjustment for State Supplemental Pay	3,510,879	--
Revenues from divisions of Community Development Fund with different fiscal years	--	7,998,131
Nonrecurring unbudgeted revenues	--	64,987
Special Revenue Funds without operating budgets	--	2,350,093
GAAP basis	\$119,357,795	\$12,137,840
Expenditures		
Budgetary basis	\$113,782,855	\$ 4,363,911
Encumbrances outstanding at December 31, 1997 for funds with operating budgets	(2,181,835)	(195,407)
Adjustment for State Supplemental Pay	3,510,879	--
Special Revenue Funds without operating budgets	--	3,629,429
GAAP basis	\$114,874,899	\$7,807,933

(C) Cash and Investments

A. Deposits

All deposits of the City are held by one financial institution. At year-end, the carrying amount of the City's deposits was \$8,009,398 and the bank balances were \$5,664,873. The cash and certificates of deposit were all categorized as being insured by federal depository insurance or collateralized with securities held by the City's agent in the City's name.

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy. The City's property tax collection records show that 95.8% of the property taxes due were collected within 60 days after the due date. Historically, within 60 days after the due date, the City collects an average of 94% of adjusted taxes levied. Assessed values are established by the Riverside Parish and Caldeir Parish Tax Assessors each year on a uniform basis at the following ratios to fair market value.

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

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

Property taxes receivable are net of allowances for uncollectible taxes of \$1,335,157 and \$1,804,983 in 1997 and 1996, respectively.

(8) Receivables

An allowance for uncollectible accounts has been recorded in the enterprise funds in the amount of \$410,585 for 1997 and \$497,525 in 1996. Within the City's Water and Sewerage Fund, billed accounts receivable have been recorded in the amount of \$1,193,131 at December 31, 1997.

(9) 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, Special Revenue, Capital Projects and Enterprise Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purposes for which the funds may be used and are audited annually under the single audit as mandated by OMB Circular A-133.

During 1997 and 1996, the following amounts under various grants and entitlements are recorded as revenues, subsidies or contributions in the accompanying financial statements:

Grants from Other Governmental Units

Fund	1997	1996
General Fund	\$ 3,879,217	\$ 3,477,816
Special Revenue Funds:		
Community Development	6,891,939	5,924,298
Community Partnership	--	180,758
Riverfront Development	--	1,186,811
Police Grants	2,036,614	1,483,215
Capital Projects Funds:		
1980 General Obligation Bond	--	1,022,865
1983 General Obligation Bond	85,486	329,543
1990 General Obligation Bond	--	193,234
1993 General Obligation Bond	44,214	251,790
Miscellaneous Capital Projects	2,817,383	--

Cash and cash equivalents	\$118,186,779
Investments, at fair value	374,111,558
Restricted assets:	
Cash and cash equivalents	33,799,304
Investment -	
U.S. Government and agency securities	11,281,558
Total	\$358,360,662

C. Discretely Presented Component Units - Deposits

	City Covington	City Metairie	Shreveport Home Mortgage Authority
Deposits - Carrying Amount	\$2,348,887	\$1,444,718	\$1,633,378
Deposits - Bank Balances			
Insured by Federal Depository Insurance	1,190,975	286,819	--
Collateralized with securities held by pledging financial institution's trust department in the City/Court or City/Metairie's name	1,054,914	1,463,716	--
Uncollateralized	--	--	1,633,378
Total Deposits-Bank Balances	\$2,348,887	\$1,290,675	\$1,633,378

D. Discretely Presented Component Units - Investments

Shreveport Home Mortgage Authority had the following Category 2 investments recorded at carrying amount/fair value at December 31, 1997:

	Amount
1994 Issue (Single Family) - Bank One, MBank Investment Agreements	\$ 100,362
1995 Issue (Single Family - Refunding) - Bayviewbank Landbank Investment Agreements	2,866,819
	\$2,967,181

14) 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 Iberian Parish and Cadeo Parish Tax Assessors and approved by the State of Louisiana Tax Commission.

Property Tax Calendar

Assessment date	January 1, 1997
Levy date	Not later than June 1, 1997
Tax bills mailed	On or about November 15, 1997
Total taxes are due	December 31, 1997
Penalties and interest are added	January 1, 1998
Lien date	January 1, 1998
Tax sale - 1997 delinquent property	July 1, 1998

Highways:

Interst Highway 14/91 - Downtown Airport	\$	403,789
Cargo Apcon Expansion - Regional		1,379,982
Terminal Building Renovation - Regional		2,269,112
ARFF Station Construction - Regional		1,683,179
FAA Part 150 Property Acquisition - Regional		1,211,173
Safety Area Drainage Improvement - Regional		325,008

Water and Sewerage:

Water Main at Kansas and Filkins and the linear Loop		1,251,798
Water Treatment Plant Renovations		1,839,878
Water Main Maintenance and Replacement		4,662,288
North Plaza Gravity Sewer Main		3,342,870
Lucas Water Treatment Plant Upgrade		824,963
Sewer Main Rehabilitation Replacement Program		3,870,880
Transmission Line at Lucas Water Treatment Plant		999,589
North Pump Sewer Main Extension		1,610,042
Kansas Water Treatment Plant - Lab Improvements		718,999
Amelia Water Treatment Plant - Wastewater and Sludge		2,174,633
Wilkeswood and Home Acre Subdivision Sewer System		1,091,087
Stone Relief Sewer - Phase II		679,243
Champion Lake Area Development - Sewer		541,864
Sewer Main Extension - Foundry Rehabilitation		894,949
Lucas Wastewater Upgrade		378,236
Twelve Mile Pump Station Modifications		784,037

For the year ended December 31, 1997, the Department of Water and Sewerage capitalized interest totaling \$1,925,177 in construction in progress. Interest earned totaled \$3,549,803 of which \$1,969,171 was offset against interest cost. Total interest cost was \$2,740,025.

(8) Compensated Absence and Other Employee Benefits**Compensated Absence**

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

Total Employment	Days Earned Per Year
Less than five years	10
Five to ten years	12
Ten to fifteen years	13
Fifteen to twenty years	18
Twenty or more years	21

A maximum of 240 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. Accumulated sick leave is forfeited at the time an employee terminates employment. However, accumulated sick leave is accrued as creditable service if retirement if the employee has accumulated at least 175 hours. As December 31, 1997, unpaid vacation was \$1,671,994 for governmental funds, and it is included in the General Long-Term Debt Account Group.

Deferred Compensation

Under the guidelines established in accordance with the Internal Revenue Code Section 457, the City has two deferred compensation plans which are administered by Public Employees Benefit Service

Enterprise Funds:		
Metropolitan and Regional Airports	1,796,976	1,088,908
Shoreport Area Transit System	1,726,894	3,583,748
Department of Water and Sewerage	<u>20,932</u>	<u>4,818</u>
Totals	\$11,548,813	\$18,633,567

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 1997 and 1998 respectively, the State paid supplemental salaries to the following groups of employees: Fire Department \$1,875,888 and \$1,479,784, Police Department \$1,799,426 and \$1,618,127 and City Marshal (a component unit) \$43,616 and \$45,083.

(7) Changes in Fixed Assets

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

	Balance, as restated January 1, 1997	Additions	Deletions	Balance December 31, 1997
General Fixed Assets Account Group				
Land	\$ 17,878,893	\$ --	\$ --	\$ 17,878,893
Buildings	55,768,034	21,212	3,585,664	52,204,442
Improvements	23,290,347	8,676	390,438	22,898,484
Equipment	56,985,876	3,873,476	183,778	60,675,574
Construction in progress	<u>3,071,958</u>	<u>16,994,530</u>	<u>1,382,156</u>	<u>28,674,318</u>
Totals	\$152,989,698	\$20,892,894	\$ 5,035,032	\$267,856,960
Fixed Assets of Enterprise Funds				
Land	\$ 6,607,703	\$ --	\$ --	\$ 6,607,703
Buildings	26,767,888	18,781	--	26,786,669
Improvements	211,212	--	--	211,212
Water plant	128,404,475	503,005	--	128,941,518
Wastewater treatment plant	168,743,888	1,318,897	--	169,964,977
Revenue vehicles	8,705,054	1,023,807	--	9,728,861
Highways, aprons and runways	59,575,858	312,338	--	59,888,194
Machinery, equipment and other	14,763,352	808,634	133,834	15,438,152
Licensed facilities	272,968	--	34,128	238,840
Construction in progress	<u>28,809,668</u>	<u>13,854,074</u>	<u>2,595,652</u>	<u>39,967,989</u>
	<u>413,964,312</u>	<u>17,363,836</u>	<u>3,568,616</u>	<u>427,759,532</u>
Less accumulated depreciation	158,670,281	<u>9,244,530</u>	<u>1,104,892</u>	168,019,503
Fixed assets (net of accumulated depreciation)	\$255,294,031	\$ 8,119,306	\$ 2,463,724	\$259,740,029

The beginning balance at January 1, 1997 of the General Fixed Assets Account Group has been restated to reflect the deletion of \$1,878,798 of general fixed assets of the Metropolitan Planning Commission that previously was presented as a blended-component unit and for 1997 is presented as a discrete component unit.

Included in construction in progress for the enterprise funds are the following major projects as of December 31, 1997:

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 15% of the total assessed valuation. A total of approximately \$118,981,400 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$802,115,880 pursuant to the 10% limitation. Included in the total assessed valuation of property within the City is \$7,849,028 of assessed valuation which has been adjudicated to Cable Pools. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 1993.

	Debt limit - 10% of assessed value for any one purpose...	Deduct - Amount of debt applicable to debt limit...	Legal Debt margin
Street Improvements	\$83,213,588	\$84,407,078	\$1,193,490
Police and Fire	83,213,588	13,176,265	67,937,323
Water and Sewer Improvements	83,213,588	1,573,528	81,640,060
Parks and Recreation	83,213,588	13,989,884	67,223,704
Public Buildings	83,213,588	1,467,536	81,746,052
Debtless	83,213,588	48,158,081	35,055,507
Sanitation and Incinerator	83,213,588	1,973,474	81,240,114
Industrial Bond	83,213,588	256,238	82,957,350
Airports	83,213,588	971,824	82,241,764
Spectrum	83,213,588	69,631	82,143,957
Kemperfest Park	83,213,588	3,183,340	81,030,248

Corporation and ICMA Retirement Corporation on behalf of all participating employees. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred pay and any income earned on it is not subject to income taxes until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

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

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

(9) Changes in Long-Term Debt

The following is a summary of debt transactions of the City for the year ended December 31, 1997 (in thousands of dollars):

	Balance January 1, 1997	Additions	Debt Retired/ Payments	Balance December 31, 1997
General Long-Term Debt				
Account Group				
General obligation bonds/notes	\$184,516	\$25,000	\$14,105	\$195,411
Pension liability	36,847	--	2,329	34,518
Net pension obligation	1,349	--	1,123	226
Accrued vacation	1,591	1,833	951	2,473
Landfill post-closure care liability	999	90	--	1,089
Total General Long-Term Debt Account Group	225,302	26,923	18,508	233,717
Enterprise Funds				
Water and Sewer				
General obligation bonds, net	1,770	342	500	1,612
Revenue bonds	121,542	10,882	13,426	128,998
Total Water and Sewer	123,312	11,224	13,926	130,610
Golf	44	--	21	23
Municipal and Regional Airports	6,000	--	100	5,900
Total Enterprise Funds	129,656	11,224	14,047	136,833
Total Changes in Long-Term Debt	\$354,958	\$38,147	\$32,555	\$360,650

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

2012 Refunding Issue - 4.25-7.00%

Less: Unamortized Discount

10,124	1,000	2,000	2,000	2,000	2,000	11,000	12,000	-
<u>20,124</u>	<u>(1,111)</u>	<u>1,885</u>	<u>1,125</u>	<u>(7,433)</u>	<u>(3,859)</u>	<u>(10,443)</u>		
20,179	2,064	4,084	4,225	7,141	7,141	7,422		

2012 Issue - 4.25-8.00%

2014a Issue - 3.125-8.00%

7,000	343	290	443	443	2,000	2,000	2,000	2,000
<u>11,550</u>	<u>541</u>	<u>1,008</u>	<u>1,041</u>	<u>1,119</u>	<u>6,890</u>	<u>6,890</u>	<u>6,890</u>	<u>6,890</u>

2014a Issue - 4.00-5.40%

Less: Deferred Amount on Refunding

1,500	159	159	159	159	149	149	149	149
<u>1,500</u>	<u>15</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>238</u>	<u>238</u>	<u>238</u>	<u>238</u>

Total Revenue Bonds - Water and Sewerage

120,117	6,441	6,678	6,431	6,179	2,694	26,162	27,316	12,136
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Total Principal

303,042	21,640	21,677	20,341	19,714	17,697	81,613	71,900	30,278
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INTEREST PAYABLE TO BONDHOLDERS

General Obligation Debt

Revenue Bonds

Water and Sewerage

93,248	6,136	6,360	5,051	7,079	7,141	21,297	14,008	1,841
<u>96,596</u>	<u>9,141</u>	<u>9,273</u>	<u>7,203</u>	<u>9,108</u>	<u>8,316</u>	<u>29,261</u>	<u>24,296</u>	<u>3,813</u>

Total Interest Requirements

179,809	11,279	12,298	14,211	16,184	15,457	69,871	38,293	2,695
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Total Project Debt Requirements

482,851	34,919	34,975	34,552	35,908	33,154	150,644	110,193	32,973
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(1) The principal and interest for the 1973a Refunding and 1973a General Obligation Bond Issues which were due January 1, 1998 have been paid as of December 31, 1997. Thus, there is no requirement for 1998.

General Obligation Bonds

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

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

On December 1, 1985, the City issued \$125,781,625 in General Obligation Refunding Bonds-Series 1985 of which \$8,640,000 were recorded on the financial statements of the Department of Water and Sewerage Fund. The proceeds, along with other monies from the City, was used to refund all prior outstanding general obligation bonds except for one series of the 1982 bonds which were issued to finance an industrial plant which was issued to a private entity. The refunded bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1997 on the bonds refunded was \$11,480,000.

On July 17, 1987, the City issued \$17,281,140 in General Obligation Refunding Bonds to advance refund \$17,281,000 of outstanding 1986 Series A Bonds. The City advance refunded the 1986 Series A Bonds to reorganize its debt structure in anticipation of future bond issues. The 1986 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1997 on the bonds refunded was \$10,718,000.

In September 1990, the City issued \$8,200,000 in General Obligation Refunding Bonds to advance refund a portion of the outstanding 1987 and 1988A bonds. The bonds refunded were \$1,025,000 of the 1987 bonds which mature February 1, 1998 inclusive and \$6,600,000 of the 1988A bonds which mature January 1, 2000 to January 1, 2009 inclusive. These portions of the 1987 and 1988A bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1997 on the bonds refunded was \$7,885,000.

In January 1996, the City issued \$15,808,000 in General Obligation Refunding Bonds to advance refund a portion of the outstanding 1998A bonds. The bonds refunded were \$12,765,000 of the 1998A bonds which mature February 1, 2001 to February 1, 2018. That portion of the 1998A bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1997 on the bonds refunded was \$12,765,000.

In June 1997, The City issued \$25,000,000 in general obligation bonds. The bonds were issued for various public safety projects, parks and recreation, streets, Sportsman maintenance facility, riverfront park recreation and drainage projects. Principal payments range from \$683,000 to \$1,045,000 with interest rates of 4.75 - 8.0%. The maturity dates range from 1998 to 2017. The bonds are secured by and payable from ad valorem taxation. The 1997 bond issue was the second series of a total of one hundred and four million, nine hundred and eighty-five thousand dollars (\$104,985,000) of general obligation bonds approved on April 20, 1996. The City plans to issue the remaining \$84,985,000 in authorized general obligation bonds in series during the next several years.

General Obligation Note

During 1988, the City executed an agreement for a \$7,000,000 loan for the purpose of constructing facilities at the regional airport. The loan is interest-bearing and has a 10-year term. Payments on the loan are payable from a twenty-five year loan. Current assets will be set aside to cover

The Escrow Trustee sold government obligations in the Escrow Fund and reinvested the proceeds in other government obligations pursuant to the City's escrow restructuring agreement. The sales price of the government obligations in the Escrow Fund was \$42,569,793 and the purchase price of the government obligations purchased was \$41,320,239. The government obligations purchased along with \$3,897 of cash balance in the Escrow Fund were used to pay the principal, premium and accrued interest on the deferred bonds on the optional redemption date of December 1, 1997. The escrow restructuring after payment of professional service fees of \$111,250 resulted in a difference between the sales price of the securities sold and purchase price of the securities purchased of \$1,193,586. This difference, reported in the accompanying financial statements as an addition to bonds payable, is being added to operations through December 1, 2014, which is the life of the 1986 Series A and the 1986 Series C Bonds using the straight-line method. The escrow restructuring transaction resulted in an economic gain of \$1,135,096. Since the \$39,910,000 of the 1986 Series C Bonds were redeemed, there is no principal outstanding at December 31, 1997.

In April 1997, the City issued 16,060,000 in Water and Sewer Revenue Bonds (1997 Refunding Series A) in advance refund the balance of the 1986 Series C Bonds. Payment of the principal and interest when due is insured by a municipal bond new issue insurance policy. The bonds refunded were \$5,685,000 of the 1986 C Bonds which mature December 2005 and December 1, 2014. On June 1, 1997, the bonds refunded were called for redemption at the principal amount, plus accrued interest and a premium of 3/8% of the principal amount advanced. Therefore as of December 31, 1997, there were no outstanding amounts from the refunded \$5,685,000 1986 C Bonds. The net proceeds of \$6,850,281 (after payment and deductions of \$592,710 for underwriters' fees, insurance costs and discounts) were deposited in an irrevocable trust with an escrow agent and were used to redeem the bonds refunded on the call date. The portion of the 1986 C Bonds are considered to be retired and have been removed from the City's financial statements.

The City advanced refunded a portion of the 1986 C Bonds to reduce the annual debt service and produce a present value savings. Total debt service payments over the next 17 years will decrease by \$825,598 and an economic gain (difference between the net present value of the old and new debt service payments) of \$344,106 will be realized. The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$526,720. This difference is reflected in the accompanying financial statements as a deduction from bonds payable and is being charged to operations through December 1, 2014.

The City has authorization for \$10,900,000 of unissued water and sewer revenue bonds. These bonds are from a total of \$45 million of water and sewer bonds authorized on March 23, 1993.

The resolutions applicable to the Department of Water and Sewerage Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Department of Water and Sewerage. Restricted earnings of the Department of Water and Sewerage have been restricted in accordance with the provisions of the respective bond indentures in the amount of \$4,838,718 at December 31, 1997, which represents the restricted assets included in the various debt service reserve funds and bond principal and interest sinking funds at that date less current liabilities payable from these restricted assets of \$7,498,207.

The City has debt covenants with respect to the various Water and Sewer bond issues to fix and collect rates and charges for all water and sewerage services supplied by the System which will be sufficient in each fiscal year, after making due allowance for delinquencies in collection and after providing for the payment of the reasonable and necessary expense of operating and maintaining the System, to produce net revenues (i) sufficient to pay debt service on all outstanding city bonds and to maintain the funds and accounts as provided in the bond resolution and (ii) which result in each fiscal year in

payments during the last five years of the term. The note is recorded in the financial statements of the Municipal and Regional Airports in the Enterprise Funds.

Pension Liability

The City has a contractual agreement with the Statewide Flightmen Retirement System to pay \$18,941,750 over a 30-year period to fund an accrued liability for active and retired flightmen and beneficiaries who were merged into the state system from the local plan. In addition, there is a contractual agreement to pay \$28,568,685 over a 30-year period to the Municipal Police Employees Retirement System to fund the liability for active and retired policemen who were merged into the state system.

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

Pension Liability

Liability at Mergers - January 1, 1985:	
Liability to State Plan:	
Active Flightmen	\$19,669,569
Active and Retired Policemen	38,568,685
Liability at Mergers - January 1, 1987:	
Liability to State Plan:	
Retired Flightmen	26,039,215
	68,518,468
Principal Payments - Inception To December 31, 1996:	
	32,465,133
Current Year Payment	
	2,319,881

Pension Liability - December 31, 1997 **\$43,723,024**

Department of Water and Sewerage Revenue Bonds

During September 1986, the City issued \$10,080,000 in Water and Sewer Revenue Bonds (1986 Series B) to advance refund \$25,713,080 of the 1984 Series A Bonds. The proceeds, net of issuance costs, along with additional City funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1984 Series A Bonds. Payment of the principal and interest on the bonds when due is insured by a municipal bond new issue insurance policy. Under current federal tax law, the interest earned by the 1988 Series B bondholders is taxable. The interest is not taxable under Louisiana state tax law. The 1984 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 1997 on the bonds refunded was \$18,033,883.

In June 1993, the City issued \$33,695,716 in Water and Sewer Revenue Bonds (1993 Refunding Series A) to advance refund a portion of the 1986 Series C Bonds. The proceeds net of issuance costs and costs from converting and remarketing the 1986 Series A Bonds to a fixed rate were used to purchase U.S. government and agency securities that accreted in value to December 31, 1996 when they were placed in an irrevocable trust to provide all future debt service requirements for \$18,900,000 of the 1986 Series C Bonds. This portion of the 1986 Series C Bonds are considered to be defeased and have been removed from the City's financial statements. On July 13, 1997, the City reinstated the entire in the irrevocable trust for the \$39,918,000 of the 1986 Series C Bonds. The City exercised its option to call the defeased bonds for optional redemption since the requirements of the Revenue Agreement were satisfied.

	Municipal and Regional Airports	Storvport Area Transit System	Department of Water and Sewerage	Govt	Retained Eas	Total
Balance at January 1, 1997	\$26,899,798	\$10,238,651	\$84,810,092	\$198,000	\$1,715,000	\$123,761,541
Contributions:						
Federal and state grants	3,756,376	846,452	28,790	--	--	4,631,618
City funds	--	389,138	--	--	--	389,138
	3,756,376	1,235,690	28,790	--	--	4,991,576
Amortization of contribution	(1,118,058)	(975,279)	(1,371,060)	--	--	(3,464,397)
Balance at December 31, 1997	\$29,538,116	\$10,589,061	\$83,467,822	\$198,000	\$1,715,000	\$125,517,000

(12) Other Individual Fund Disclosures

A. Interfund Receivables and Payables

The following balances at December 31, 1997 represent individual interfund receivables and payables:

	Interfund Receivables	Interfund Payables
General Fund	\$ 171,458	\$ 7,298,470
Special Revenue Funds:		
Community Development	--	141,189
Riverfront Development	--	2,811,525
Police Grants	45,908	63,599
Capital Projects Funds:		
1980 General Obligation Bond	1,776	58,212
1983 General Obligation Bond	3,412,584	45
1989 General Obligation Bond	87,009	--
1993 General Obligation Bond	--	62,894
1994b General Obligation Bond	--	31,286
1996 General Obligation Bond	279,463	16,815
1997 General Obligation Bond	--	276,463
Miscellaneous Capital Projects	6,819,908	--
Enterprise Funds:		
Storvport Area Transit	158,261	--
Department of Water and Sewerage	--	648,836
Municipal and Regional Airports	--	10,854
Internal Service Funds:		
Retained Eas	2,344,816	--
Pension Trust Funds:		
Employees' Retirement System	--	2,373,913
Policemen's Pension Fund	59,143	85,681
Firemen's Pension Fund	186,189	--
Total	\$12,598,285	\$12,896,288

the greater of (a) the sum of debt service payable on the city bonds in the ensuing fiscal year plus any required deposit to the Debt Service Reserve Fund, or (b) a ratio of net revenues to average annual debt service of not less than 1.25 to 1, the required debt service coverage ratio.

Restricted assets on the balance sheet of the Department of Water and Sewerage primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness (bond amortization, debt service, and bond principal and interest sinking funds). A summary of restricted assets by bond issue at December 31, 1997 and 1996 follows:

Fund	1997	1996
Miscellaneous Bond Construction Fund	\$ 286,846	\$ 89,518
1989 Bond Construction Fund	1,054,864	1,898,711
1990A Bond Construction Fund	2,583,333	2,399,183
1991 A Bond Construction Fund	4,630,241	4,214,859
1992A Bond Construction Fund	980,680	889,142
1992B Bond Construction Fund	191,647	453,333
1993B Bond Construction Fund	3,128,810	3,990,670
Debt Service Reserve Funds	11,341,888	11,350,728
Bond and Interest Sinking Funds	1,038,690	1,844,649
1994A Bond Construction Fund	13,834,392	23,628,329
Total restricted assets	\$48,732,420	\$48,340,321

Shoreport Home Mortgage Authority Bonds

On March 14, 1995, the Authority issued \$4,435,000 in bonds, the 1995 issue (Multi-Family Refinancing), to advance refund the \$4,460,000 1983-B issue bearing interest at 6.4% and pay part of the issuance costs of the new bonds. The 1983-B Bonds are considered defeased and have been removed from the Authority's financial statements. The new bonds in the amount of \$4,850,000 are non-taxable and bear interest at a fixed rate of 5.4% until the initial adjustment date of March 1, 2006. Bonds in the amount of \$75,000 are taxable and bear interest at a fixed rate of 8.45%. At December 31, 1997, the principal outstanding on the refunded bonds was \$4,360,000.

The 1979 issue bonds are considered defeased and have been removed from the Authority's financial statements. At December 31, 1997, \$40,890,000 of bonds in the 1979 issue are still outstanding.

(10) Transit System

The Shoreport Area Transit System (Transit System) is managed and operated for the City by a management company pursuant to an agreement which expires September 30, 1998. Based on terms of the agreement, management fees included in operating expenses for 1997 and 1996 were \$154,882 and \$151,808 respectively. The City is required to reimburse the management company for the excess of expenses over revenues derived from the operation of the Transit System. Pursuant to an agreement between the City of Shoreport and the City of Bossier City, Bossier City will pay the Transit System for the excess of expenses incurred over revenues derived from operations of transit services in Bossier City. During 1997 and 1996 respectively, the City reimbursed the Transit System \$2,761,668 and \$2,837,848. Bossier City reimbursed the Transit System \$213,897 and \$208,682 in 1997 and 1996 respectively.

(11) Changes in Contributed Capital

The following changes in contributed capital occurred during the year:

B. Separate Information

The City maintains four Enterprise Funds which provide airport, transit, water and sewerage services and operations of three golf courses. Expense information for the years ended December 31, 1997 and 1998 is as follows:

	Managerial and Regional Support	Enterprise Area Fund System	Department of Water and Sewerage	Full	1997	1998
OPERATING RESERVES	\$ 3,628,841	1,915,528	36,891,597	1,344,258	\$ 48,141,201	\$ 48,141,211
SUBSCRIPTION AND MEMBERSHIP FEE						
AMORTIZATION EXPENSE	\$ 1,098,428	975,278	6,804,618	31,398	\$ 8,111,707	\$ 8,111,681
OPERATING BATTERY CHARGE	\$ 945,173	(1,119,445)	6,899,658	93,891	\$ 2,475,631	\$ 4,494,179
OPERATING EXPENSES	--	4,184,889	--	--	\$ 4,184,889	\$ 4,184,889
OPERATING TRANSFERS IN	--	--	--	--	\$ --	\$ 148,000
OPERATING TRANSFERS OUT	\$ 507,889	--	--	--	\$ 507,889	\$ 507,889
NET INCOME/LOSS	\$ 1,218,662	(975,278)	4,479,878	97,223	\$ 4,820,504	\$ 7,081,292
CONTRIBUTED CAPITAL	\$ 3,758,376	1,315,609	30,793	--	\$ 4,992,778	\$ 4,992,796
TOTAL ASSETS	\$ 41,794,871	11,944,485	338,607,403	466,458	\$ 384,853,217	\$ 385,778,765
DEBT AND OTHER LONG TERM LIABILITIES PAYABLE FROM OPERATING REVENUES	\$ 6,088,000	--	121,798,694	52,148	\$ 127,888,742	\$ 127,888,691
TOTAL EQUITY	\$ 35,706,871	11,944,485	326,808,709	364,310	\$ 357,064,811	\$ 357,890,074
NET WORKING CAPITAL EQUITY LESS LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 4,000,870	360,794	20,155,294	68,262	\$ 24,525,210	\$ 24,994,322
TOTAL ASSETS						
ASSETS	\$ 5,071,229	1,144,264	6,147,594	3,077	\$ 12,366,174	\$ 12,366,099
LIABILITIES	\$ 8,109	--	179,823	--	\$ 187,964	\$ 1,798,172

B. Operating transfers in and out by fund for the year 1997:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ 2,298,800	\$ 6,085,418
Special Revenue Funds:		
Community Development	1,757,558	--
Riverfront Development	--	4,418,120
Police Grants	381,500	--
Data Service	2,528,881	--
Capital Projects Funds:		
1980 General Obligation Bond	34,148	187,240
1983 General Obligation Bond	1,373,407	137,746
1989 General Obligation Bond	2,831,248	273,738
1990 General Obligation Bond	40,852	168,000
1991 General Obligation Bond	--	21,599
1993 General Obligation Bond	274,138	198,332
1997B General Obligation Bond	250,000	2,997,851
1998 General Obligation Bond	368,712	861,318
1997 General Obligation Bond	--	288,712
Miscellaneous Capital Projects	2,982,200	--
Enterprise Funds:		
Municipal and Regional Airports	--	603,800
Interest Service Fund:		
Retained Risk	500,000	--
Pension Trust Funds:		
Pension's Pension	1,344,498	--
Total	\$18,628,426	\$18,628,426

The operating transfer from the General Fund to the Pension's Pension Fund of 14,344,498 was recorded as a transfer instead of a contribution due to the one-time nature of this funding that was intended to make up for previous years' shortfalls that created a net pension obligation to be covered.

C. Residual equity transfer

During 1997, several capital projects that were initially recorded in the Riverfront Development Fund and the Community Development Fund were transferred to the Miscellaneous Capital Project Fund. These transfers resulted in closing the subfunds that were initially used to record the projects. These residual equity amounts of 18,294,844 were transferred to the Miscellaneous Capital Project Fund from the Riverfront Development Fund for 17,689,780 and the Community Development Fund for 658,864.

Fireman's Pension and Relief Fund

Plan Description - The 1962 is a single-employer defined benefit pension plan that temporarily covers firefighters who retire after January 1, 1963 and meet the eligibility requirements of the local retirement plan but not the State plan.

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

Disability benefits are payable under the Old Plan on the basis of: (1) temporary total disability in the line of duty, (2) total disability in the line of duty, (3) occupational disability in the line of duty, or (4) total disability not in the line of duty. Disability benefits payable are (1) 60 2/3% of the monthly salary, payable for no more than one year; (2) 60 2/3% of the salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled is payable for the duration of the disability or until the member reaches eligibility for retirement on service basis, except the benefit will end as of the time when the member would have completed 30 years of service; (3) 80% of salary of active members holding the position corresponding to that held by the disabled, not to exceed 66 2/3% of first class fireman's salary, payable for duration of disability or until eligible for service retirement; and (4) 25% of salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled, plus an additional 2% of each salary for each year of service over 3 years, but not to exceed 50% of a first class fireman's salary payable for the duration of the disability. Under the New Plan, the disability benefit is (1) 60% of the fireman's monthly salary or (2) 75% of the accrued benefit. The City guarantees it will pay any excess of the benefits of this plan over the Statewide Firefighters Retirement System.

Under the Old Plan, death benefits equal to 80% of a beginning fireman's salary are payable to a surviving spouse. The City guarantees that it will pay this benefit for each fireman holding a guarantee of benefits contract. Under the New Plan, there is not an automatic benefit provided. Death benefits are based on the option chosen by the member at retirement.

There was not a vesting provision under the Old Plan. Members were eligible for benefits only after serving the time requirement for normal retirement. Under the New Plan, members vest after twelve years service and may receive a benefit at age 30 with twenty years service or at age 55 with a minimum of twelve years service. Benefits are established and may be amended by State statute.

The guaranteed benefits are paid to a closed group of firefighters. A significant part of the guaranteed benefits are the temporary benefits payable until age 50. The value of these temporary benefits can fluctuate widely, since it directly depends upon how many people retire before age 50.

114 Retirement Commitments - Defined Benefit Pension Plans

The City of Sharpsport administers three defined benefit pension plans: the Firemen's Pension and Relief Fund (FPRF), the Policemen's Pension and Relief Fund (PPRF) and the Employees' Retirement System (ERS). These plans do not issue stand-alone financial reports and are not included in the report of a public employee retirement system or another entity.

A. 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. Investments that do not have an established market are reported at estimated fair value. The cash surrender value of life insurance policies is recorded as an other asset for the FPRF and PPRF. The policies are valued at their cash value as of the date of the financial statements. The policies provide assets to fund benefits of the plan.

B. Concentration of Investments

The FPRF, PPRF and ERS had no investments in any one organization representing 5% or more of the fund balance reserved for employees' pension benefits except for obligations of the federal government. There are no investments in loans to or leases with parties related to the pension plans.

C. Plan Descriptions and Contribution Information

Membership of each plan consisted of the following at December 31, 1997:

	FPRF	PPRF	ERS
Retirees and beneficiaries receiving benefits	318	152	628
Terminated plan members entitled to but not yet receiving benefits	--	--	31
Active plan members:			
Vested	167	63	561
Nonvested	---	---	---
Total	485	215	2,180
Number of participating employees	1	1	1

Administrative costs of the ERS are financed through contributions from the employees, members and investment income. Administrative costs of the PPRF and FPRF are financed through contributions from the employer and investment income.

The PPRF, FPRF and ERS do not have any legally required reserves.

until the member is eligible for the Municipal Police Employee's Retirement System. It guarantees to pay the excess benefits, if any, of this plan over the Municipal Police Employee's Retirement System for the life of the member.

Disability benefits are payable on the basis of: (1) temporary total disability in the line of duty; (2) total and permanent disability in the line of duty; and (3) occupational disability that is total and permanent and occurred in the line of duty which renders the member unable to function in his police duties. Benefits payable are: (1) 86 2/3% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Payments will be made for no more than one year or benefits will continue until member becomes eligible for service retirement; or (2) 50% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Benefits will continue until member becomes eligible for service retirement. The City guarantees that it will pay any excess of the benefits of this plan over the MPERS.

A death benefit is payable to a surviving spouse equal to 30% of a beginning policeman's salary. The City guarantees that it will pay this benefit for each policeman holding a guarantee-of-benefit only after serving the time requirement for normal retirement. Benefits are established and may be amended by State statutes.

The guaranteed benefits are paid to a closed group of policemen. A significant part of the guaranteed benefits are the temporary benefits payable until age 50.

Contributions - Only the employer makes contributions. The employer contribution obligations are established and may be amended by State statutes. The funding approach is to amortize all benefits over 25 years. However, the contribution cannot be less than the expected benefit payments for the year. Contributions are made from the General Fund. The City's contribution rate is currently 22.7% of covered payroll.

Annual Pension Cost and Net Pension Asset - The City's annual pension cost and net pension asset to PPRF for the current year were as follows:

Annual required contribution	\$ 685,979
Increase in net pension asset	(83,819)
Adjustment to annual required contribution	318,886
Annual pension cost	708,636
Contributions made	708,217
Decrease in net pension asset	(419)
Net pension asset beginning of year	1,882,688
Net pension asset end of year	\$ 1,882,269

The annual required contribution for the current year was determined as part of the December 31, 1997 actuarial valuation using the entry age normal actuarial cost method.

The pension asset is \$1,042,137 at December 31, 1997.

Three-Year Trend Information

Final Year Ending	Annual Premium Cost	Percentage of APC Contributed	Net Premium Asset
12/31/98	\$792,434	105.2%	\$ 878,184
12/31/98	848,799	111.2	1,042,658
12/31/97	708,636	96.9	1,042,137

Employees' Retirement System

Plan Description - The ERS is a cost-sharing multiple employer defined benefit pension plan that covers all full-time classified employees of the City other than policemen and firemen and is administered by the City.

Membership in the system includes any employee of the City who was an employee on February 6, 1934, and who elected not to join the plan. Non-City employees employed by the following organizations may become members in the system: Caddo Parish Library, Caddo-Shreveport Sales and Use Tax Commission, Caddo Parish Communications District No. 1 (R911), Caddo-Boonier Civil Defense Agency, Metropolitan Planning Commission, and other non-City employees recommended by the Board of Trustees and approved by the City Council. Appointed officials of the City and the Mayor have the option to join by filing an application within 90 days after taking office. However, by joining the retirement system, they may not participate in the deferred compensation program for appointed employees.

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

Benefits available to employees hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions, plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 7% of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3% of average compensation times years of creditable service for 1996 and future years of service. For a service retirement benefit prior to age 65 with less than twenty but more than ten years of service, the benefit is reduced by 1/3% for each month below age 65. If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50% of the member's retirement benefit for the rest of his/her life. A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment, which is likely to be permanent. The excess balance of \$928,143 at December 31, 1997 consists of payments by members into the Deferred Retirement Option Plan. This plan allows members who have met eligibility requirements to defer receipt of benefits. Upon termination of employment, the participant will be eligible to receive the deferred benefits.

Contributions - Plan members are required by City ordinance to contribute 5% of compensation to the Plan. The City or other employees are required by the same ordinance to contribute 9.15% of compensation. Contribution amounts from plan members, the City and other employees may be assessed by City ordinance. Contributions are made from the fund that the employee is paid from and from the organizations noted above. The contribution rate is currently 3.8% of annual covered payroll.

The pension asset is \$7,900,871 at December 31, 1997.

Annual Pension Cost and Net Pension Asset - The City's annual pension cost and net pension asset to GAS for the current year were as follows:

Annual required contribution	\$ 1,708,048
Interest on net pension asset	(484,148)
Adjustment to annual required contribution	<u>337,361</u>
Annual pension cost	1,750,889
Contributions made	<u>(2,218,586)</u>
Increase in net pension asset	1,448,127
Net pension asset beginning of year	6,851,744
Net pension asset end of year	\$ 7,900,871

The annual required contribution for the current year was determined as part of the December 31, 1997 actuarial valuation using the entry age normal actuarial cost method.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Asset
12/31/95	\$2,238,269	142.0%	\$3,178,993
12/31/96	2,386,756	137.8	6,851,744
12/31/97	1,781,468	182.3	7,900,871

Statewide Firefighters' Retirement System (SFRS)

Plan Description

The City of Shreveport contributes to the Statewide Firefighters' Retirement System Pension Plan, a cost-sharing multi-employer defined benefit pension plan administered by the Firefighters' Retirement System. SFRS covers firefighters employed by any municipality, parish, or fire protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2151 through 2189 effective January 1, 1980. Benefits are established and may be amended by State statute. The SFRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Board of Trustees, Firefighters' Retirement System, 2051 Shreveville Drive, Suite 210, Baton Rouge, Louisiana 70808-4136 or by calling 504-935-4068.

Funding Policy

Plan members are required to contribute 8% of their annual compensation, and the City is required to contribute 1% of annual compensation, excluding overtime but including State supplemental pay. The contribution requirements of plan members and the City are established and may be amended by the SPERS Board of Trustees. The City's contributions to SPERS for the years ending December 31, 1991, 1996 and 1995 were \$1,328,800, \$1,217,479 and \$1,368,232, respectively, equal to the required contributions for each year.

Municipal Police Employees Retirement System (MPERS)

Plan Description

The City of Shreveport contributes to the Municipal Police Employees Retirement System Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Municipal Police Employees' Retirement System. MPERS covers any full-time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$175 per month excluding state supplemental pay, or an elected Chief of Police whose salary is at least \$100 per month, and any employee of this system may participate in the MPERS. Benefits are established and may be amended by State statute. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Room 303, Baton Rouge, Louisiana 70808 or by calling 1-800-643-8188.

Funding Policy

Plan members are required to contribute 7.5% of their annual compensation and the City is required to contribute 1% of annual compensation, excluding overtime but including State supplemental pay. The contribution requirements of plan members and the City are established and may be amended by State statute. The City's contributions to MPERS for the years ending December 31, 1991, 1996 and 1995 were \$1,944,146, \$1,219,645 and \$1,178,092, respectively, equal to the required contributions for each year.

(04) Post-Employment Health Care Benefits

In addition to providing pension benefits, the City provides dental and medical care coverage for any retiree who receives a monthly retirement check from one of the City's retirement plans. Retirees may also continue to cover their dependents after their retirement. Currently, there are 1,573 retirees who are eligible to receive benefits. Retirees are given a choice of Health Maintenance Organizations (HMO) to choose from. The City's contribution is equal to 50% of the cost of the least expensive HMO. Provisions of the plan and obligations to contribute are established in the City Charter.

The post-employment dental care benefits are accounted for in the City's Health Care Internal Service Fund along with dental benefits for active employees. The benefits are recognized as expenses when claims are incurred. At year-end, an estimate is made for incurred but not reported claims. The actual cost of the post-employment benefits is based directly on the amount of claims actually incurred. The costs are funded on a pay-as-you-go basis. For 1995, the total costs to the City for the retirees' medical premium and dental benefits were approximately \$1,179,281.

(13) Contingencies

Litigation

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

Grant Disallowances

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

(14) Lease and Construction Commitments

Lease Commitments

The City has commitments under operating lease agreements for various facilities and equipment used in the City's operations. Generally, these lease agreements provide for cancellation in the event the City Council does not appropriate funding in subsequent fiscal years. Therefore, the City is not obligated beyond the end of each fiscal year. However, management reports that in the normal course of business, leases that expire for data processing and duplicating equipment will be renewed or replaced by other leases. Total rent expense under operating leases was approximately \$174,442 and \$264,797 for 1997 and 1996, respectively.

Construction Commitments

At December 31, 1997, the City had major contractual commitments of \$24,918,699 for design and construction of various projects:

Type of Project	Remaining Commitment Committed	Financing Sources
Streets	\$ 4,860,251	General Obligation Bonds
Drainage	1,048,385	General Obligation Bonds
Public Safety	896,816	General Obligation Bonds
Buildings-City Hall Campus Plan	10,176,439	City Court, General Fund, State Grant, Revolving Development
Terminal Building Renovation	1,850,980	Airport Authority Revenue and Bond Funds
Cargo Apron Expansion	705,573	FAA and State of Louisiana Grants
T.L. Amos Wastewater Treatment Plant	4,520,510	Water and Sewer Revenue Bonds
Water and Sewer Master Plan	...792,821	Water and Sewer Revenue Bonds
Total	\$24,918,699	

(17) Landfill Closure and Post-Closure Care Cost

State and federal laws and regulations require the City to place a final cover on its Woodworth Road landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City has entered into a sanitary landfill services contract with a contractor. The contractor is responsible for the operation and closure of that portion of the landfill on which it conducted operations. The City is responsible for the maintenance and construction of all monitoring facilities and the conduct of all monitoring programs. If the contractor defaults on the contract, the City would be liable for all costs. We have reviewed the financial capability and stability of the contractor to ensure that the contractor will be able to meet the closure obligations when they are due. We believe that the contractor will be able to meet the obligations.

Some post-closure care costs will not be paid with expendable, available resources and not until after the date that the landfill stops accepting waste, the City reports in the General Long-Term Debt Account Group the amount to be provided for post-closure care costs. Additionally, the City has designated \$999,800 of the General Fund fund balance for landfill post-closure care costs. The City expects to close the landfill in the year 2021 which is an estimated remaining life of 24 years. The \$1,084,400 reported at December 31, 1997 represents the cumulative costs reported based on 25% of the capacity of the landfill having been used to date. The estimated total current cost of post-closure care remaining to be recognized is \$1,679,540. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

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

(18) Risk Management

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

The City is retaining the risk for its automobile and general liability exposures. Liability policies are maintained with third-party insurance carriers for the City's ambulances, the drivers, and attendants. The Municipal and Regional Airports were insured in 1997 with a third-party carrier with liability limits to \$20 million combined single limit. In 1997, the liability for worker's compensation was insured with a third-party insurance carrier with statutory limits in excess of the City's self-insured retention of \$215,000 per occurrence. Blanket property insurance was maintained during 1997 with a third-party carrier on approximately \$711.0 million in City property, subject to a \$75,000 per occurrence retention. Property coverage was also maintained with third-party carriers on heavy equipment and on boilers and machinery.

There were no reductions in insurance coverage from coverage in the prior year. No claims exceeded the City's insurance coverage for each of the past three fiscal years.

Payments to the Retained Risk Fund are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the program. Payments in excess of actual expenses are recorded as operating surpluses. At December 31, 1997, \$1,865,990 is reported as a designation of the Retained Risk Fund fund balance for future catastrophic losses.

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, savings and subrogation. No other allocated or unallocated claim adjustment expenses are included. The claims liability of \$1,818,177 reported in the fund at December 31, 1997 is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount in fiscal years 1996 and 1997 were:

Retained Risk Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-end
1996	\$2,099,232	\$6,898,948	\$8,384,083	\$3,602,083
1997	3,602,083	6,264,031	6,053,181	3,802,925

The City also maintains a self-insurance program to cover dental care claims of City employees. This program is accounted for in the Employees Health Care Fund. Employees are given a choice of Health Maintenance Organizations to choose from, with the City retaining the dental care claims. All self-insurance programs are accounted for within Internal Service Funds. The City has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

Changes in the fund's claims liability amount in fiscal years 1996 and 1997 were:

Employees Health Care Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-end
1996	\$1,263,138	\$1,719,689	\$2,307,023	\$675,804
1997	675,804	1,879,613	1,213,877	541,540

(19) Change in Reporting

In 1997, the Community Partnership Fund was closed. The federal grant funding for the Community Partnership was terminated and there was no remaining fund balance.

In previous years, the Metropolitan Planning Commission was presented as a blended component unit. Through a reanalysis of the criteria, it was determined that proper presentation is as a discrete component unit, since services are not provided entirely or almost entirely to the City.

(20) Accounting Changes

The City elected to early implement GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. This statement establishes accounting and financial reporting standards for all investments held by governmental external investment pools. For most other governmental entities, it establishes fair value standards for investments in participating

interest-bearing investment contracts, external investment pools, open-end mutual funds, debt securities, and equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Investments are reported at fair value on the balance sheet. See Note 1.3. for disclosure of the City's pooled cash and investments policies and compliance with GASB Statement No. 31. The effect of the adoption of GASB 31 was an increase in the carrying amount of investments at December 31, 1996 of 306,842, which is an immaterial amount to restate.

(2) Subsequent Events

In January 1998, the City issued \$1,396,000 in airport system revenue bonds and \$18,610,000 in airport system passenger facility charge revenue bonds.

In February 1998, the City opened bids on \$25,000,000 in general obligation bonds. The bonds will be delivered in April 1998.

CITY OF SHREVEPORT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1997
(UNAUDITED)

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	FTRP	PTRP	ERS
Valuation date	12/31/97	12/31/97	12/31/97
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost
Amortization method	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll
Remaining amortization period	19 years closed	24 years closed	24 years open
Asset valuation method	Market value	Market value	Five-year smoothed market
Actuarial assumptions: Investment rate of return*	9%	9%	9%
Projected salary increases*	5%	5%	5%
*Includes inflation at	3.5%	3.5%	3.5%
Cost-of-living adjustments	3.5%	3.5%	3.5%

CITY OF SHREVEPORT, LOUISIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRAMS
 PERMANENT YEAR-END DECEMBER 31, 1991 THROUGH DECEMBER 31, 1993
 (IN \$ MILLIONS)

Assessed Valuation Item	City	Assessed Value of Assets	Assessed Liability (AAL) - Net Assets	Unbonded AAL (UnAAL) (B-1)	Funded Ratio (B-1)	City	City	City	Total as a Percentage of Assessed Property Value
PERM									
125101		\$2,100,000	\$10,441,137	\$7,243,980	78.4%			\$7,243,980	97.9%
125102		3,000,000	10,000,000	9,200,000	83.1			9,200,000	90.6
125103		4,200,100	1,341,447	7,968,125	58.1			7,968,125	88.3
125104		5,000,000	13,000,000	7,000,000	41.9			5,000,000	104.6
125105		3,000,000	12,000,000	9,000,000	75.1			9,000,000	161.2
125106		4,248,000	12,800,000	8,271,000	33.1			7,248,000	133.8
125107		6,251,100	13,000,000	6,000,000	46.1			7,001,000	87.4
PER2									
125108		2,000,000	6,000,000	4,000,000	41.7			3,000,000	111.1
125109		3,000,000	6,000,000	3,500,000	50.0			3,000,000	80.0
125110		3,500,000	7,000,000	4,000,000	47.6			3,700,000	88.5
125111		4,000,000	8,000,000	5,200,000	52.5			5,471,000	106.0
125112		3,000,000	6,000,000	3,000,000	30.1			3,001,110	100.1
125113		3,500,000	9,000,000	5,000,000	39.4			5,000,000	100.2
125114		4,000,000	9,000,000	5,000,000	41.6			5,001,000	100.0
PER3									
125115		70,000,000	94,000,000	64,000,000	68.1			26,000,117	31.1
125116		80,000,000	100,000,000	80,000,000	80.0			28,001,000	40.0
125117		90,000,000	100,000,000	80,000,000	80.0			28,001,000	40.0
125118		90,000,000	100,000,000	80,000,000	80.0			28,001,000	40.0
125119		100,000,000	120,000,000	90,000,000	90.0			30,000,000	45.0
125120		120,000,000	150,000,000	100,000,000	83.3			30,001,000	41.7
125121		140,000,000	180,000,000	130,000,000	93.0			30,000,000	41.4

See accompanying notes to the required supplementary information.

CITY OF SHREVEPORT, LOUISIANA
 EMPLOYER SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 FISCAL YEARS ENDED DECEMBER 31, 1991 THROUGH DECEMBER 31, 1997
 (UNAUDITED)

Year Ended December 31,	PMP			PMP		
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
1991	\$670,000	87.1%	\$1,580,000	112.1%	\$2,114,000	100.0%
1992	\$11,000	9.1	1,080,000	12.1	2,250,000	19.7
1993	\$60,000	9.0	\$90,000	14.0	2,000,000	18.2
1994	1,710,000	70.0	910,000	11.0	1,680,000	18.0
1995	1,410,000	86.4	770,000	10.4	2,210,000	94.1
1996	1,080,000	76.9	\$0,000	0.0	2,280,000	100.1
1997	\$90,000	20.0	\$0,000	0.0	1,700,000	100.0

See accompanying notes to the required supplementary information.

GENERAL FUND

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

**CITY OF BERKELEYPORTE, LOUISIANA
GENERAL FUNDS
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 1997 AND 1996**

	<u>1997</u>	<u>1996</u>
ASSETS		
Cash and cash-equivalents	\$ 1,640,366	\$ 1,867,208
Property taxes receivable, less allowance for uncollectible taxes of \$503,582 in 1997 and \$238,103 in 1996	5,046,363	4,634,679
Franchise taxes receivable	1,383,200	1,147,241
Accounts receivable	1,404,118	2,629,766
Special assessments receivable	280	229
Due from other governmental units	8,283,654	8,256,784
Due from other funds	571,409	3,448
Due from component unit	33,000	-
Inventories, at cost	871,071	870,642
Total assets	\$ 23,614,764	\$ 29,382,797
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 1,956,870	\$ 2,180,940
Accrued liabilities	179,176	389,660
Due to other governmental units	283,814	288,322
Due to other funds	7,296,470	9,889,129
Due to component unit	39,828	-
Deferred revenue (property taxes of \$1,104,800 in 1997 and \$155,128 in 1996)	1,511,806	1,251,650
Deposits and other	264,915	614,627
Total liabilities	11,839,552	14,515,328
Fund balance:		
Reserved for:		
Contingencies	2,298,165	2,589,295
Inventories	871,071	870,642
Encumbrances	14,719	14,719
Unreserved:		
Designated for:		
Subsequent year's expenditures	190,680	-
Landfill closure	999,880	-
Undesignated	8,680,602	12,888,113
Total fund balance	13,324,207	14,868,869
Total liabilities and fund balance	\$ 23,614,764	\$ 29,382,797

See accompanying notes to combined financial statements.

**CITY OF MONROE, LOUISIANA
GENERAL FUND**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996**

	<u>1997</u>	<u>1996</u>
Revenues		
Taxes		
Property taxes	\$ 16,893,608	\$ 16,156,433
Penalty and interest on delinquent taxes	347,237	368,377
Sales taxes	63,815,832	63,023,883
Franchise taxes	9,860,274	9,680,477
Total taxes	<u>89,906,891</u>	<u>89,229,170</u>
Licenses and permits		
Retail and occupational licenses	4,879,658	4,946,328
Building permits	"	856,714
Other permits	662.5	54,888
Total licenses and permits	<u>4,880,320</u>	<u>5,857,930</u>
Intergovernmental		
Tobacco tax	723,884	720,884
Rent tax	297,671	303,976
State tax	593,457	603,299
State highway maintenance	"	3,477,686
State and Federal grants	3,858,317	3,981,636
Video poker	"	734,000
Hotel sales tax rebate	"	"
Total intergovernmental	<u>6,473,329</u>	<u>7,120,485</u>
Charges for services		
Parks and recreation	431,303	466,881
Public works, design and engineering	3,006,878	3,082,883
Emergency medical services	2,340,889	1,607,448
Internal services charges	4,247,493	4,217,276
Landfill fees	3,311,331	6,576,308
Other charges	1,388,035	1,823,120
Total charges for services	<u>15,335,829</u>	<u>19,522,696</u>
Fees and forfeitures	<u>5,471,580</u>	<u>3,884,188</u>
Use of money and property:		
Interest	981,390	211,583
Buildings and property	1,881,272	1,568,783
Total use of money and property	<u>2,862,662</u>	<u>1,780,366</u>
Miscellaneous		
Covers and material	268,834	288,200
Other	807,286	642,938
Total miscellaneous	<u>1,076,120</u>	<u>931,138</u>
Total revenues	<u>119,971,588</u>	<u>125,951,545</u>

(continued)

CITY OF MONROE, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Expenditures:		
General government:		
Office of the mayor:		
Salaries, wages and employee benefits	1,907,833	1,094,300
Materials and supplies	42,262	55,268
Contractual services	178,284	184,917
Other charges	8,228	7,469
Improvements and equipment	<u>14,492</u>	<u>58,732</u>
Total office of the mayor	<u>2,151,299</u>	<u>1,398,686</u>
City council:		
Salaries, wages and employee benefits	307,628	481,760
Materials and supplies	9,281	8,415
Contractual services	102,991	88,348
Improvements and equipment	<u>8,576</u>	<u>18,160</u>
Total city council	<u>428,476</u>	<u>606,683</u>
Finance:		
Salaries, wages and employee benefits	1,636,827	1,606,191
Materials and supplies	400,608	418,161
Contractual services	836,288	820,311
Improvements and equipment	<u>308,783</u>	<u>420,426</u>
Total finance	<u>3,182,506</u>	<u>3,265,089</u>
Finance - general government:		
Salaries, wages and employee benefits	1,652,784	1,072,566
Materials and supplies	24,527	67,086
Contractual services	178,827	248,011
Interest and civic appropriations	8,440,178	1,232,854
Improvements and equipment	<u>71,488</u>	<u>90,178</u>
Grants	<u>5,297,176</u>	<u>3,596,036</u>
Total finance - general government	<u>15,295,070</u>	<u>15,606,731</u>
Total general government	<u>18,558,258</u>	<u>24,614,978</u>
Public safety:		
Police:		
Salaries, wages and employee benefits	15,785,968	22,828,244
Materials and supplies	891,395	952,833
Contractual services	680,538	733,738
Other charges	88,090	48,864
Improvements and equipment	<u>343,164</u>	<u>765,364</u>
Total police	<u>17,728,155</u>	<u>24,735,043</u>

(continued)

CITY OF MONROE, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996

	1997	1996
PWR:		
Salaries, wages and employee benefits	26,290,506	24,597,111
Materials and supplies	925,355	581,881
Contractual services	1,312,968	1,524,891
Other charges	1,500	1,446
Improvements and equipment	511,354	599,735
Total PW	<u>29,021,683</u>	<u>27,314,964</u>
Total public safety	<u>29,021,683</u>	<u>27,314,964</u>
Highways and streets:		
Salaries, wages and employee benefits	4,021,813	3,993,660
Materials and supplies	927,679	803,884
Contractual services	1,425,414	2,276,367
Improvements and equipment	2,861,860	2,599,358
Total highways and streets	<u>10,236,766</u>	<u>9,673,309</u>
Sanitation:		
Salaries, wages and employee benefits	1,483,197	1,526,379
Materials and supplies	1,491,112	1,271,411
Contractual services	7,094,379	6,899,242
Improvements and equipment	549,645	523,253
Total sanitation	<u>11,618,333</u>	<u>12,220,285</u>
Cultural and recreation:		
Salaries, wages and employee benefits	6,209,849	6,101,289
Materials and supplies	782,148	646,073
Contractual services	2,179,328	2,531,093
Improvements and equipment	392,840	777,833
Total cultural and recreation	<u>9,564,165</u>	<u>10,056,288</u>
Total expenditures	<u>114,874,958</u>	<u>113,124,148</u>
Excess of revenues over expenditures	<u>6,482,406</u>	<u>12,617,381</u>
Other financing sources (uses):		
Operating transfers in:		
Municipal and Regional Airports	937,000	937,000
Riverbank Development Fund	1,351,000	2,821,000
Total operating transfers in	<u>2,288,000</u>	<u>3,758,000</u>

(continued)

CITY OF MONROE, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Operating transfers out:		
Community Development	(1,717,000)	(2,000,000)
Debt Service Fund	(509,780)	(500,000)
Capital Projects Fund	(1,012,280)	650,000
Retained Risk Fund	(300,000)	(100,000)
Civil	--	(100,000)
Pensions	(1,344,000)	--
Police Grants	(50,000)	(50,000)
	<u>(6,085,400)</u>	<u>(4,660,000)</u>
Transfers to component units	<u>(2,478,000)</u>	<u>(2,453,000)</u>
Total other financing uses	<u>(8,563,400)</u>	<u>(7,113,000)</u>
Excess (deficiency) of revenues and other financing sources over funds expenditures and other financing uses	(1,781,051)	6,000,000
Fund balance, beginning of year	14,846,800	8,763,112
Increase (decrease) in reserves for inventory	138,420	(72,110)
Revised equity transfer in	--	82,400
Fund balance, end of year	<u>\$ 13,204,200</u>	<u>\$ 14,646,800</u>

See accompanying notes to condensed financial statements.

CITY OF BERRYSPORT, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Revenues:					
Taxes:					
Sales taxes	\$ 68,815,812	\$ --	\$ 68,815,812	\$ 68,255,000	\$ 560,812
All other taxes and penalties	17,236,897	--	17,236,897	16,699,000	537,897
Franchise taxes	5,880,204	--	5,880,204	5,265,500	614,704
Local share state taxes	1,021,550	--	1,021,550	983,000	38,550
Blind sales tax rebate	--	--	--	50,000	(50,000)
Video/poker	1,241,864	--	1,241,864	1,200,000	41,864
Total taxes	85,176,327	--	85,176,327	82,343,500	2,832,827
Licenses and permits:					
Business licenses	4,863,198	--	4,863,198	4,891,100	(27,902)
Construction permits, licenses and penalties	128,122	--	128,122	75,000	53,122
Vehicle licenses and permits	76,680	--	76,680	75,000	1,680
Total licenses and permits	5,067,999	--	5,067,999	5,041,100	26,899
Intergovernmental - Grants	4,811,761	(3,585,878)	525,883	640,200	(114,317)
Charges for services:					
External service charges:					
Parking and rentals	446,908	--	446,908	655,000	(208,092)
Parks and recreation	234,737	--	234,737	235,000	237
Public works	6,848,878	--	6,848,878	8,785,000	(1,936,122)
Buildings and property	326,148	--	326,148	302,200	23,948
Other	918,763	--	918,763	905,000	13,763
Total external charges	8,775,334	--	8,775,334	11,882,200	(3,106,866)
Internal service charges	4,649,463	--	4,649,463	4,219,000	430,463
Emergency medical service	2,242,000	--	2,242,000	1,885,000	357,000
Total charges for services	15,266,801	--	15,266,801	17,986,200	(2,719,399)
Fees and forfeitures:					
Parking tickets	189,000	--	189,000	170,000	19,000
Courts and municipal	3,458,894	--	3,458,894	2,576,000	882,894
Total fees and forfeitures	3,647,894	--	3,647,894	2,746,000	901,894
Interest	507,393	--	507,393	340,000	167,393
Miscellaneous	1,627,000	--	1,627,000	1,600,000	27,000
Total revenues	118,271,288	(3,585,878)	114,685,410	120,156,000	(5,470,590)

(continued)

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL, ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Expenditures:					
General government:					
Office of the mayor:					
Salaries, wages and employee benefits	1,667,835	198	1,668,033	2,171,800	503,767
Materials and supplies	82,362	3,263	45,767	68,792	23,029
Contracted services	178,344	3,782	184,086	249,240	65,154
Other charges	8,239	4,893	13,294	23,000	9,706
Improvements and equipment	14,820	--	14,820	34,640	19,820
Total office of the mayor	2,152,400	18,133	2,166,544	2,553,480	386,936
Public affairs:					
Public buildings:					
Salaries, wages and employee benefits	1,538,959	730	1,539,249	1,826,420	287,171
Materials and supplies	216,667	8,906	225,573	349,777	124,194
Contractual services	1,281,679	82,155	1,324,428	1,511,863	187,435
Improvements and equipment	273,164	381,165	779,319	604,690	174,629
Total public buildings	3,300,469	1,195,156	4,495,780	3,892,740	603,040
Fleet services:					
Salaries, wages and employee benefits	1,883,870	115	1,885,985	1,990,180	104,195
Materials and supplies	1,164,912	79,814	1,215,728	1,855,532	639,804
Contractual services	796,579	86,817	887,220	867,238	(20,018)
Improvements and equipment	61,197	18,360	83,317	77,880	(5,437)
Total fleet services	3,807,558	185,106	4,075,850	3,790,810	(285,000)
Total public affairs	7,108,027	1,380,262	7,725,812	7,683,550	42,262
Finance operations:					
Salaries, wages and employee benefits	3,626,921	90	3,627,917	3,877,400	249,483
Materials and supplies	400,659	28,950	429,609	483,813	54,204
Contractual services	936,266	76,865	1,033,131	1,082,170	148,939
Improvements and equipment	365,781	185,492	575,197	484,879	(90,318)
Total finance operations	5,335,627	391,307	5,862,934	5,928,262	66,328
Finance general government:					
Salaries, wages and employee benefits	1,771,020	214	1,771,234	1,898,000	126,766
Materials and supplies	130	--	130	1,100	970
Contractual services	977,790	87,648	1,065,438	812,500	(252,932)
Interest and civic appropriations	5,219,638	138,318	5,378,774	5,978,112	599,338
Improvements and equipment	--	--	--	188,000	188,000
Charges	5,397,178	--	5,397,178	4,794,800	(602,378)
Total finance general government	12,665,746	226,260	12,893,500	13,174,612	281,112

(continued)

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL, ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
City council:					
Salaries, wages and employee benefits	707,629	--	707,629	707,600	60,171
Materials and supplies	9,291	--	9,291	11,600	2,309
Contractual services	303,991	58,747	150,738	180,025	18,287
Improvements and equipment	8,576	--	8,576	35,499	1,873
Total city council	829,487	58,747	887,234	899,224	82,480
Total general government	29,840,641	1,134,580	29,150,231	30,291,710	1,140,491
Public safety:					
Police:					
Salaries, wages and employee benefits	25,780,869	(1,278,750)	34,007,117	24,888,249	891,618
Materials and supplies	891,393	41,740	933,140	1,833,280	89,800
Contractual services	880,930	18,880	667,711	874,283	208,930
Other charges	58,680	2,700	58,730	61,900	1,100
Improvements and equipment	745,164	20,238	568,174	211,296	5,771
Total police	27,726,936	(1,091,222)	26,836,651	27,219,807	1,282,026
Fire:					
Salaries, wages and employee benefits	26,295,706	(1,026,223)	34,671,480	24,531,899	293,645
Materials and supplies	706,918	40,880	748,220	792,780	46,770
Contractual services	1,312,265	39,019	1,350,880	1,399,533	68,124
Other charges	1,900	--	1,900	1,900	--
Improvements and equipment	211,961	15,180	324,361	335,123	8,588
Total fire	28,528,750	(1,001,393)	37,246,121	27,657,644	498,921
Total public safety	26,255,295	(2,075,614)	35,276,661	34,877,451	1,588,655
Public works:					
Salaries, wages and employee benefits	10,218,212	1,830	18,211,000	10,680,878	471,848
Materials and supplies	1,568,214	88,700	1,993,350	1,401,916	6,025
Contractual services	5,048,248	432,813	9,473,460	10,005,213	532,009
Other charges	306	--	306	800	294
Improvements and equipment	1,517,845	485,851	4,884,687	4,295,291	290,295
Total public works	18,272,525	1,006,294	25,063,103	26,384,178	1,305,878
Cultural and recreation:					
Parks and recreation:					
Salaries, wages and employee benefits	4,688,029	331	4,681,480	5,194,450	411,289
Materials and supplies	463,668	18,841	481,710	508,034	35,504
Contractual services	107,660	30,800	838,383	868,242	1,828
Other charges	181,820	5,230	305,840	171,146	144,126
Improvements and equipment	178,288	80	119,260	173,242	3,881

Continued

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 1977

	Actual on GAAP Basis	Adjustment in Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Total cultural and recreation	6,203,761	(7,827)	6,195,934	6,167,049	288,885
Total expenditures	11,674,898	(1,133,943)	10,540,955	10,528,276	12,679
Excess of revenues over expenditures	4,482,436	(1,087,955)	3,394,481	3,022,734	371,747
Other financing sources (uses)					
Operating transfers in	2,298,800	--	2,298,800	2,298,800	--
Operating transfers out	(6,885,479)	--	(6,885,479)	(5,588,000)	(1,297,479)
Transfers to component units	(2,475,888)	(289)	(2,476,177)	(1,768,500)	(707,677)
Total other financing uses	(6,662,567)	(289)	(6,662,856)	(5,058,000)	(1,604,856)
Deficiency of revenues and other financing sources over expenditures and other financing uses	(1,781,891)	(2,998,164)	(4,779,255)	(3,038,176)	(1,741,079)
Fund balance, beginning of year	14,846,869	--	14,846,869	14,846,869	--
Increase in reserves for inventory	128,429	--	128,429	128,429	--
Fund balance, end of year	\$ 13,204,307	\$ (2,998,164)	\$ 10,206,143	\$ 11,895,022	\$ (1,688,879)

See accompanying notes to combined financial statements.

SPECIAL REVENUE FUNDS

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

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

Community Development Fund - This fund is used to account for receipts and disbursements under the Community Development Block Grant program and the Job Training Partnership Act program. The fund accounts for other funds used to assist in the creation and expansion of businesses, employment opportunities and expansion of the local tax base. Receipts and disbursements of permits and inspections and code enforcement are accounted for in this fund.

Streetfront Development Fund - This fund accounts for the collection and disbursement of funds from the streetfront gaming activities.

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

CITY OF SHREVEPORT, LOUISIANA
 SPECIAL REVENUE FUNDS
 COMBINED BALANCE SHEET
 DECEMBER 31, 1997

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	<u>Revenues</u>	<u>Community Development</u>	<u>Business Development</u>	<u>Fellow- Grants</u>
ASSETS				
Cash and cash equivalents	\$ 648,798	\$ 1,443,993	\$ 8,890,915	\$ 88,330
Accounts receivable	380	231,685	582,507	879
Due from other governmental units	--	1,337,893	--	373,375
Notes receivable	--	9,330,804	--	--
Due from other funds	--	--	--	43,500
Total assets	\$ 649,178	\$ 12,946,275	\$ 9,503,422	\$ 465,184
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 570	\$ 347,376	\$ 31,775	\$ 17,685
Due to other funds	--	341,888	2,811,505	65,358
Deferred revenues	--	8,980,273	--	--
Notes payable	--	1,079,823	--	--
Total liabilities	\$ 570	\$ 9,838,688	\$ 2,873,280	\$ 83,043
Fund balances:				
Reserved for encumbrances	5,471	1,430,588	111,588	321,153
Unreserved:				
Designated for subsequent years' expenditures	643,627	1,307,966	8,468,487	133,148
Total fund balances	\$ 649,178	\$ 2,812,571	\$ 8,980,163	\$ 431,352
Total liabilities and fund balances	\$ 649,178	\$ 12,946,275	\$ 9,503,422	\$ 465,184

See accompanying notes to combined financial statements.

		Totals	
		1997	1996
D	11,003,879	\$ 10,000,444	
	823,182	383,487	
	1,711,696	2,957,787	
	9,986,604	8,258,250	
	<u>43,580</u>	<u>477,834</u>	
D	<u>23,214,891</u>	<u>27,249,603</u>	
E	277,188	\$ 1,891,827	
	2,117,994	2,905,643	
	8,546,177	8,258,228	
	<u>1,159,927</u>	<u>—</u>	
	<u>12,901,286</u>	<u>12,995,698</u>	
	1,888,642	11,237,989	
	<u>8,793,655</u>	<u>3,227,799</u>	
	<u>18,179,827</u>	<u>16,223,798</u>	
E	<u>23,214,891</u>	<u>27,249,602</u>	

**CITY OF SHREVEPORT, LOUISIANA
SPECIAL REVENUE FUNDS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996**

	Education	Community Development	Recreation Development	Police Grants
Revenues:				
Licenses and permits	\$ --	\$ 1,115,896	\$ --	\$ --
Intergovernmental	--	6,894,833	--	2,855,804
Fees and forfeitures	--	228,977	--	--
Special assessments	--	--	--	--
Use of money and property	56,185	99,335	940,946	24,830
Gaming	--	--	7,428,610	--
Miscellaneous:				
Program income	--	283,437	--	--
Refunds	83,880	--	--	--
Donations	154,893	7,800	--	--
Other	49,796	3,634	84,997	--
Total miscellaneous	298,569	304,871	84,997	--
Total revenues	354,554	8,207,536	8,244,553	2,880,634
Expenditures:				
Current:				
General government	--	2,477,811	--	--
Public safety	166,284	--	--	2,187,025
Health and welfare	--	181,994	--	--
Cultural and recreation	1,704	59,770	--	--
Community development and housing	--	3,293,455	--	--
Economic development	--	363,657	1,388,316	--
Economic opportunity	--	1,268,646	--	--
Capital outlay	--	351,400	--	--
Total expenditures	168,288	8,000,349	1,388,316	2,187,025
Excess (deficiency) of revenues over (under) expenditures	186,266	11,007,187	4,856,237	693,609
Other financing sources (uses):				
Operating transfers in:				
General Fund	--	1,757,338	--	500,000
Recreation Development Fund	--	--	--	--
Capital Projects Funds	--	--	--	--
Total operating transfers in	--	1,757,338	--	500,000
Operating transfers out:				
General Fund	--	--	(1,363,000)	--
State Service Fund	--	--	(1,850,120)	--
Capital Projects Funds	--	--	(1,148,000)	--
Community Development	--	--	--	--
Total operating transfers out	--	--	(4,441,120)	--
Total other financing sources (uses)	--	1,757,338	(4,441,120)	500,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other	186,266	12,764,525	4,415,117	1,193,609
Financing use	14,000	483,479	3,676,757	29,000
Fund balances, beginning of year	246,876	2,251,940	8,600,035	407,723
Residual equity transfers in	--	--	--	--
Residual equity transfers out	--	(154,364)	(1,695,760)	--
Fund balances, end of year	\$ 442,942	\$ 2,618,577	\$ 6,904,275	\$ 478,723

See accompanying notes to combined financial statements.

Total	
1997	1996
\$ 1,113,886	\$ --
6,918,649	6,716,782
218,377	--
--	(3,928)
1,132,886	1,209,854
7,480,602	6,687,009
395,477	655,716
85,890	79,212
141,895	84,347
117,215	568,498
815,279	1,388,073
19,748,887	18,029,431
2,477,871	2,571,186
2,863,749	1,882,615
191,881	419,517
41,476	103,271
2,285,455	2,228,344
1,744,373	1,488,115
2,269,045	2,131,617
331,882	2,149,432
13,883,982	14,914,683
3,880,829	3,114,766
2,099,058	2,595,115
--	415,888
--	58,397
2,099,058	4,069,332
11,381,000	(150,888)
11,267,170	(1,958,648)
11,186,000	(1,366,943)
--	615,888
14,818,170	(4,188,883)
12,099,082	(179,433)
1,501,762	2,815,313
13,058,718	12,178,881
--	2,471,218
(8,194,649)	(7,311,629)
\$ 16,179,837	\$ 15,311,768

CITY OF SHREVEPORT, LOUISIANA
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL, ON BUDGETARY BASIS
FOR THE YEAR ENDING DECEMBER 31, 1997

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Revenues:					
Licenses and permits	\$ 1,113,050	\$ --	\$ 1,113,050	\$ 895,000	\$ 218,050
Intergovernmental	6,891,900	(6,891,900)	--	--	--
Fees and forfeitures	234,571	--	234,571	214,000	12,077
Miscellaneous	766,190	(766,190)	--	--	--
Total revenues	8,805,711	(7,260,190)	1,545,521	1,109,000	436,521
Expenditures:					
Current:					
General government:					
Permits and inspections					
Personal services	699,644	573	700,217	695,375	(4,768)
Materials and supplies	31,834	1,080	32,914	38,380	5,388
Contractual services	29,943	--	29,943	35,800	3,857
Improvements and equipment	(6,823)	18,274	11,451	74,000	46,523
Total permits and inspections	765,600	19,757	785,355	843,555	51,600
Code enforcement:					
Personal services	699,638	4,739	704,377	698,700	(6,113)
Materials and supplies	42,263	1,169	43,432	44,915	2,153
Contractual services	415,668	18,898	434,566	438,800	(6,988)
Other charges	456,733	34,280	491,013	498,000	1,087
Improvements and equipment	(44,834)	8,894	(35,940)	(29,000)	33,518
Total code enforcement	1,799,235	66,980	1,713,660	1,607,505	106,071
Total general government	2,477,831	86,737	2,564,568	2,451,060	113,471
Community development and housing:					
Housing projects	1,764,736	(1,764,736)	--	--	--
Economic development:					
Community services:					
Personal services	(591,138)	(591,138)	(594,400)	(594,400)	--
Materials and supplies	(22,835)	(22,835)	--	--	--
Contractual services	40,839	(40,839)	--	--	--
Other charges	2,830	(2,830)	--	--	--
Improvements and equipment	(8,147)	(8,147)	--	--	--
Loan program	388,862	(388,862)	12,000	(2,000)	--
Business development projects	(91)	--	192	2,500	2,308
Professional service sales tax	75	--	75	(4,500)	(4,425)
Workforce development program	2,322,700	(2,322,700)	--	--	--
Total community services	1,648,987	(1,418,732)	230,255	(271,400)	50,155

(continued)

CITY OF SHREVEPORT, LOUISIANA
 COMMUNITY DEVELOPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL-ON BUDGETARY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 1997

	Actual to GAAP Basis	Adjustment to Budgetary Basis	Actual to Budgetary Basis	Budget	Variance
Administration:					
Personnel services	786,648	(182,848)	(214,508)	124,600	--
Materials and supplies	33,671	(13,871)	--	--	--
Contracted services	43,484	(83,494)	--	--	--
Other charges	3,699	(3,699)	--	--	--
Improvements and equipment	46,547	(46,697)	--	--	--
Interest cost	263,200	(565,200)	--	--	--
Emergency shelter grants	186,779	(148,779)	--	--	--
Public facility and improvements	2,798	(2,798)	--	--	--
Public services	261,948	(261,948)	--	--	--
Total administration	<u>1,768,797</u>	<u>(1,656,977)</u>	<u>(214,608)</u>	<u>124,600</u>	<u>--</u>
Total economic development	<u>7,171,529</u>	<u>(6,948,654)</u>	<u>314,287</u>	<u>948,000</u>	<u>16,733</u>
Capital Outlay	<u>331,402</u>	<u>(331,402)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>19,883,293</u>	<u>(7,118,156)</u>	<u>2,999,687</u>	<u>5,113,299</u>	<u>219,284</u>
Excess (deficiency) of revenues over (under)-expenditures					
	(1,863,679)	1487,973	(1,811,604)	(2,083,891)	412,277
Other financing sources:					
Operating transfers in General Fund	1,731,558	--	1,731,558	1,805,500	(177,942)
Total other financing sources (uses)	<u>1,731,558</u>	<u>--</u>	<u>1,731,558</u>	<u>1,805,500</u>	<u>(177,942)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses					
	667,879	1487,973	305,954	(68,391)	274,293
Fund balance, beginning of year	2,321,968	--	2,321,968	2,321,968	--
Residual equity transfer in (out)	(298,284)	--	(298,284)	(298,284)	--
Fund balance, end of year	<u>\$ 2,677,572</u>	<u>\$ 1,487,973</u>	<u>\$ 2,321,684</u>	<u>\$ 1,895,392</u>	<u>\$ 274,293</u>

See accompanying notes to consolidated financial statements.

(continued)

CITY OF SHREVEPORT, LOUISIANA
RIVERFRONT DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance
Revenues:					
Use of money and property	\$ 902,586	\$ --	\$ 902,586	\$ 450,000	\$ 512,586
Gaming	1,409,643	--	1,409,643	1,923,800	1,497,343
Miscellaneous	54,977	(54,977)	--	--	--
Total revenues	<u>2,467,206</u>	<u>(54,977)</u>	<u>2,412,229</u>	<u>2,473,800</u>	<u>2,009,896</u>
Expenditures:					
Salaries, wages and employee benefits	88,293	--	88,293	149,000	60,707
Materials and supplies	2,215	0	2,215	3,900	1,685
Contractual services	688,478	111,800	779,278	687,715	102,758
Other charges	609,135	--	609,135	983,844	405,708
Improvements and equipment	--	--	--	228,000	228,000
Capital outlay	--	--	--	--	--
Total expenditures	<u>1,398,116</u>	<u>111,800</u>	<u>1,470,824</u>	<u>1,973,549</u>	<u>302,280</u>
Status of revenues over expenditures	<u>1,069,090</u>	<u>(176,800)</u>	<u>892,290</u>	<u>4,990,251</u>	<u>2,312,036</u>
Other financing work -					
Operating transfers out	<u>(4,418,129)</u>	<u>--</u>	<u>(4,418,129)</u>	<u>(4,461,000)</u>	<u>42,871</u>
Status of revenues over expenditures and other financing work	<u>2,679,757</u>	<u>(176,800)</u>	<u>2,494,957</u>	<u>(87,749)</u>	<u>2,555,896</u>
Fund balance, beginning of year	<u>11,605,135</u>	<u>--</u>	<u>11,605,135</u>	<u>11,605,135</u>	<u>--</u>
Residual transfer out	<u>(7,095,782)</u>	<u>--</u>	<u>(7,095,782)</u>	<u>(7,095,782)</u>	<u>--</u>
Fund balance, end of year	<u>\$ 4,583,910</u>	<u>\$ (176,800)</u>	<u>\$ 4,407,110</u>	<u>\$ 3,509,353</u>	<u>\$ 2,915,896</u>

See accompanying notes to combined financial statements.

DEBT SERVICE FUND

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

CITY OF BERKLEYPORT, LOUISIANA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 1997 AND 1996

C-1

ASSETS	<u>1997</u>	<u>1996</u>
Cash and cash equivalents	\$ 86,007,827	\$ 11,345,885
Property taxes receivable, less allowance for uncollectible taxes of \$804,873 in 1997 and \$766,879 in 1996	<u>1,507,000</u>	<u>4,708,681</u>
Total assets	\$ <u>24,204,828</u>	\$ <u>21,052,486</u>
LIABILITIES AND FUND BALANCE		
Accounts payable	\$ --	\$ 1,526
Deferred revenue	1,596,112	1,000,480
Deferred charges	<u>--</u>	<u>168,943</u>
Total liabilities	1,596,112	1,269,281
Fund balance - reserved for debt service	<u>22,608,716</u>	<u>20,783,205</u>
Total liabilities and fund balance	\$ <u>24,204,828</u>	\$ <u>21,052,486</u>

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Property taxes	\$ 24,450,880	\$ 23,589,896
Use of money and property	614,000	173,411
Miscellaneous	827	33
Total revenues	<u>25,065,707</u>	<u>23,763,340</u>
Expenditures:		
Debt service:		
Principal	11,407,584	9,673,150
Interest and fiscal charges	14,341,084	10,758,110
Bond insurance cost	"	365,448
Advance refunding cost	"	473,061
Total expenditures	<u>25,748,668</u>	<u>21,269,769</u>
Excess (deficiency) of revenues over expenditures	<u>696,039</u>	<u>2,493,571</u>
Other financing sources (uses)		
Proceeds of refunding bonds	"	11,805,000
Payments to refunded bond escrow agent	"	(11,403,342)
Operating transfers in:		
General Fund	589,761	589,340
Recreation Development	1,577,120	1,699,049
Total operating transfers in	<u>2,166,881</u>	<u>2,288,409</u>
Total other financing sources	<u>2,166,881</u>	<u>2,897,698</u>
Excess of revenues and other financing sources over expenditures	<u>1,862,920</u>	<u>5,391,269</u>
Fund balance, beginning of year	<u>20,789,203</u>	<u>15,273,650</u>
Fund balance, end of year	<u>\$ 22,652,123</u>	<u>\$ 20,789,203</u>

See accompanying notes to condensed financial statements.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for all resources used for the acquisition and/or construction of capital facilities by the City, including those financed by special assessments. These funds do not include acquisitions and/or construction for Enterprise Funds.

1988 General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of constructing and/or improving streets, incinerators, fire department stations and drainage systems.

1989 General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of constructing and/or improving streets, drainage systems, water disposal, parks, an industrial park and a stadium.

1989, 1990, 1991, 1995, 1998 General Obligation Bond Funds - These funds are used to account for bonds issued for the purpose of constructing and/or improving streets and drainage systems.

1996 General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of constructing and/or improving public safety, parks and recreation, streets, Sports maintenance facility, Riverfront Park Extension and drainage systems.

1997 General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of constructing and/or improving public safety, parks and recreation, streets, Sports maintenance facility, the Riverfront and drainage systems.

Miscellaneous Capital Projects Fund - This fund is used to account for various projects funded by miscellaneous sources other than general obligation bonds.

**CITY OF EBBSFORD, LOUISIANA
CAPITAL PROJECTS FUND
COMBINED BALANCE SHEET
DECEMBER 31, 1991
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1990**

	1991 General Obligation Bond Fund	1990 General Obligation Bond Fund	1989 General Obligation Bond Fund	1988 General Obligation Bond Fund	1987 General Obligation Bond Fund
ASSETS					
Cash and cash equivalents	\$ 1,017,699	\$ 1,668,294	\$ 834,267	\$ 146,812	\$ 273,850
Special assessments receivable, less allowance for uncollectible accounts of \$790,723 in 1990 and \$155,297 in 1989	11,624	581	--	40,211	--
Due from other governmental units	--	--	--	--	--
Due from other funds	1,736	3,412,514	87,879	--	--
Total assets	\$ 1,029,429	\$ 5,082,319	\$ 922,146	\$ 187,023	\$ 273,850
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 172,271	\$ 50,440	\$ 352,851	\$ --	\$ --
Due to other funds	58,232	40	--	--	--
Deferred revenue	--	--	--	37,824	--
Total liabilities	230,503	90,480	352,851	37,824	--
Fund balances:					
Reserve for encumbrances (Inventory)	15,810	2,567,139	1,603,896	61,827	--
Designated for subsequent years' operations	778,898	3,442,284	--	108,343	377,830
Undesignated	--	--	11,213,411	--	--
Total fund balances	794,708	6,009,423	161,307	169,970	377,830
Total liabilities and fund balances	\$ 1,025,211	\$ 6,091,912	\$ 514,158	\$ 187,794	\$ 377,830

See accompanying notes to combined financial statements.

1993 General Obligation Bond Fund	1995B General Obligation Bond Fund	1996 General Obligation Bond Fund	1997 General Obligation Bond Fund	Miscellaneous Capital Project Fund	Totals	
					1997	1998
\$ 1,679,184	\$ 3,009,206	\$ 3,374,015	\$ 25,982,176	\$ 5,269,792	\$ 48,777,973	\$ 32,343,188
--	--	--	--	--	32,466	69,657
--	--	379,463	--	1,426,211	1,426,211	--
--	--	--	--	6,819,908	30,711,660	9,871,078
\$ 1,679,184	\$ 3,009,206	\$ 3,853,578	\$ 25,982,176	\$ 12,696,211	\$ 80,968,112	\$ 42,384,899
\$ 73,122	\$ 16,239	\$ 391,967	\$ 2,208	\$ 2,899,603	\$ 3,698,795	\$ 1,420,049
62,394	32,286	39,873	279,463	--	662,316	299,892
--	--	--	--	--	37,928	44,888
138,316	68,519	650,442	361,831	2,899,603	4,149,339	1,764,280
68,567	57,800	3,506,815	259,082	9,216,082	21,658,574	17,574,650
1,451,108	4,933,187	--	24,741,298	2,881,183	34,898,603	24,828,892
--	--	(279,879)	--	--	(1,887,809)	(2,962,912)
1,578,668	4,933,187	3,226,126	25,000,395	11,218,278	36,779,077	40,829,698
\$ 1,679,184	\$ 3,009,206	\$ 3,853,578	\$ 25,982,176	\$ 12,696,211	\$ 80,968,112	\$ 42,384,899

CITY OF SPRINGPORT, PENNSYLVANIA
CAPITAL PROJECTS FUND
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	1985 General Obligation Bond Fund	1985 General Obligation Bond Fund	1989 General Obligation Bond Fund	1990 General Obligation Bond Fund	1991 General Obligation Bond Fund
Revenues:					
Intergovernmental	\$ --	\$ 95,445	\$ --	\$ --	\$ --
Special assessments	5,448	358	--	4,386	--
Use of money and property	118,365	173,514	30,800	39,091	21,192
Miscellaneous	10	5	--	80	--
Total revenues	<u>123,823</u>	<u>269,322</u>	<u>30,800</u>	<u>43,557</u>	<u>21,192</u>
Expenditures:					
Capital outlay	249,215	2,236,299	2,851,430	45,641	--
Bond insurance costs	--	--	--	--	--
Total expenditures	<u>249,215</u>	<u>2,236,299</u>	<u>2,851,430</u>	<u>45,641</u>	<u>--</u>
Excess (deficiency) of revenues over bond expenditures	(125,392)	(1,966,977)	(2,820,630)	(1,703)	21,192
Other financing sources (uses):					
General obligation bond proceeds	--	--	--	--	--
Operating transfers in:					
General Fund	--	--	--	--	--
Recreation Development Fund	--	50,000	--	--	--
Community Development Fund	--	--	--	--	--
Capital Projects Funds	74,148	1,315,487	2,821,238	48,832	--
Total operating transfers in	<u>74,148</u>	<u>1,315,487</u>	<u>2,821,238</u>	<u>48,832</u>	<u>--</u>
Operating transfers out:					
Capital Projects Funds	(137,208)	(137,246)	(233,796)	(168,000)	(21,399)
Community Development Fund	--	--	--	--	--
Total operating transfers out	<u>(137,208)</u>	<u>(137,246)</u>	<u>(233,796)</u>	<u>(168,000)</u>	<u>(21,399)</u>
Transfers from component units	--	119,880	--	--	--
Proceeds from sale of building	--	--	--	--	--
Total other financing sources (uses)	<u>74,148</u>	<u>1,315,487</u>	<u>2,587,508</u>	<u>(168,000)</u>	<u>(21,399)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses					
	(51,244)	348,510	(243,122)	(124,543)	(30)
Fund balances, beginning of year	982,146	5,654,889	811,183	276,115	378,617
Equity transfer in	--	--	--	--	--
Fund balances, end of year	<u>\$ 930,902</u>	<u>\$ 5,999,399</u>	<u>\$ 568,061</u>	<u>\$ 151,572</u>	<u>\$ 348,617</u>

See accompanying notes to combined financial statements.

1990 General Obligation Bond Fund	1993 General Obligation Bond Fund	1996 General Obligation Bond Fund	1997 General Obligation Bond Fund	Miscellaneous Capital Projects Fund	Totals	
					1997	1996
\$ 44,314	\$ --	\$ --	\$ --	\$ 2,917,580	\$ 3,097,248	\$ 1,180,973
196,017	268,273	640,348	640,864	302,463	1,297,240	1,449,798
23,824	20,000	17,000	--	--	80,000	51,004
184,085	288,273	667,348	640,864	3,130,048	3,485,717	3,112,812
1,071,748	681,508	7,391,140	51,140	14,050,181	26,597,625	11,650,880
--	--	--	180,671	--	181,671	50,826
1,071,748	681,508	7,391,140	152,817	14,050,181	26,879,296	11,701,706
(641,607)	(284,677)	(6,728,892)	(498,667)	(10,910,000)	(21,173,876)	(6,178,624)
--	--	--	21,000,000	--	21,000,000	(5,000,000)
--	--	--	--	1,612,288	1,612,288	66,480
--	--	--	--	1,050,000	1,050,000	1,315,880
--	--	--	--	--	--	80,943
233,738	280,000	889,712	--	--	1,103,450	8,846,826
233,738	280,000	889,712	--	2,662,288	7,465,737	6,431,171
(96,522)	(2,971,600)	(987,319)	(289,712)	--	(1,103,450)	(6,446,826)
--	--	--	--	--	--	(58,297)
(96,522)	(2,971,600)	(987,319)	(289,712)	--	(1,103,450)	(6,505,123)
--	--	--	--	--	100,000	1,400,000
--	--	--	--	2,215,004	2,215,004	--
75,418	(2,747,600)	(677,607)	34,668,348	5,076,084	3,108,004	17,970,848
(788,147)	(3,843,264)	(7,286,499)	21,108,155	(5,037,051)	7,894,479	9,803,724
1,207,615	6,883,973	14,408,655	--	7,936,287	40,626,608	31,193,284
--	--	--	--	6,294,844	6,294,844	--
\$ 1,538,668	\$ 4,961,263	\$ 7,220,156	\$ 21,108,155	\$ 11,211,276	\$ 46,778,077	\$ 46,603,688

ENTERPRISE FUNDS

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

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

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

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

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

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

CITY OF MONROE, LOUISIANA
 ENTERPRISE FUNDS
 COMBINED BALANCE SHEET
 DECEMBER 31, 1997
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	Municipal and Regional Accounts	Shreveport Area Trunk System	Department of Water and Sewerage
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,604,488	\$ 700,823	\$ 18,288,490
Accounts receivable (net of \$419,983 in 1997 and \$497,309 in 1996 for uncollectible accounts)	491,861	60,240	5,841,880
Due from other governmental units	770,535	68,344	--
Due from other funds	--	158,304	--
Inventories, at cost	1,900	223,314	1,818,844
Prepaid items	--	28,888	--
Total current assets	5,867,784	1,281,509	26,138,199
Restricted assets:			
Cash and cash equivalents	4,408,348	--	33,790,888
Investments -			
U.S. Government and agency securities	--	--	33,191,309
Interest receivable	--	--	49,836
Total restricted assets	4,408,348	--	67,021,933
Fixed assets:			
Land	3,615,008	1,540,488	1,000,277
Buildings	12,782,305	4,348,051	--
Improvements	--	--	--
Water plant	--	--	329,048,143
Wastewater treatment plant	--	--	381,088,977
Revenue vehicles	--	8,728,831	--
Roadways, aprons and taxiways	58,888,174	--	--
Machinery, equipment and other	6,732,781	1,394,403	7,500,284
Leased facilities	--	--	238,568
Construction in progress	8,097,280	168,990	50,388,690
	88,215,388	17,572,718	3,938,86,798
Less accumulated depreciation	(48,798,213)	(1,020,367)	(90,833,282)
Fixed assets (net of accumulated depreciation)	39,417,175	16,552,351	3,848,034,516
Other assets:			
Deferred bond issue, net of amortization	306	--	2,332,236
Total assets	\$ 41,784,893	\$ 11,744,482	\$ 98,997,493

Cost	Totals	
	1997	1998
\$ 311,834	\$ 23,704,419	\$ 20,823,488
500	4,588,654	4,449,475
--	826,782	636,723
--	129,364	178,083
21,867	1,287,031	1,688,818
--	29,888	39,452
334,581	30,386,055	27,587,147
--	31,799,304	40,288,811
--	31,299,319	11,283,825
--	49,926	84,428
--	49,183,689	11,819,161
--	6,607,705	6,607,705
148,588	26,779,661	36,797,680
211,212	211,212	211,212
--	129,941,210	129,684,475
--	140,954,977	140,745,680
--	9,729,821	9,705,634
--	38,888,274	39,879,834
148,895	13,416,343	14,797,192
--	254,840	272,860
--	58,367,882	26,908,680
526,506	479,141,423	483,944,237
1186,894	1146,839,808	1,176,670,791
340,620	243,833,684	277,740,421
307	2,281,728	2,418,067
\$ 498,431	\$ 364,833,252	\$ 358,746,196

(continued)

CITY OF SHREVEPORT, LOUISIANA
ENTERPRISE FUNDS
COMBINED BALANCE SHEET
DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	Municipal and Regional Accounts	Streetcar and Tramway System	Department of Water and Sewerage
LIABILITIES, CONTRIBUTED CAPITAL, AND RETAINED EARNINGS (DEFICIT)			
Liabilities:			
Current liabilities:			
Accounts payable	\$ 399,774	\$ 151,583	\$ 689,408
Accrued liabilities	317,793	734,933	1,356,095
Due to other funds	80,854	--	648,836
Long-term debt - current (net of unamortized discounts)	200,000	--	1,675,729
Liability and/or fund accounts payable - current	--	--	3,787
Total current liabilities	998,361	886,516	3,373,855
Other noncurrent liabilities:			
Deferred revenues	56,784	389,943	27,828
Liability and/or fund contracts payable	--	--	14,947
Customer deposits	3,000	--	689,651
Total other noncurrent liabilities	60,784	389,943	732,426
Long-term debt, excluding current portion above:			
Notes payable	5,700,000	--	--
Revenue bonds payable (net of unamortized discounts)	--	--	87,258,679
General obligation bonds payable (net of unamortized discounts)	--	--	1,181,744
Revenue bonds (1995) (net of deferred amount on refunding)	--	--	48,413,937
Revenue bonds (1997A) (net of deferred amount on refunding)	--	--	5,518,175
Total long-term debt	5,700,000	--	144,270,435
Total liabilities	6,698,137	1,276,459	151,195,695
Contributed capital and retained earnings:			
Contributed capital	19,230,516	19,466,982	83,462,822
Retained earnings (deficit):			
Reserved for debt service Unreserved	5,886,238	--	4,558,718
Total retained earnings (deficit)	5,886,238	--	182,288,332
Total contributed capital and retained earnings (deficit)	25,116,754	19,466,982	187,751,154
Total liabilities, contributed capital and retained earnings (deficit)	\$ 9,214,891	\$ 11,743,441	\$ 338,946,849

See accompanying notes to combined financial statements.

Golf	Totals	
	1997	1998
\$ 1,850	\$ 3,432,623	\$ 3,118,332
81,770	2,907,600	3,178,740
--	690,200	500,644
21,148	3,795,871	7,598,700
--	3,771	3,132
<u>81,770</u>	<u>102,779,499</u>	<u>11,000,650</u>
15,871	476,442	399,240
--	16,947	38,648
--	452,683	477,648
<u>15,871</u>	<u>940,872</u>	<u>875,636</u>
--	2,700,000	5,822,148
--	67,159,639	77,440,345
--	1,100,316	1,474,287
--	46,413,937	59,268,830
--	3,518,115	--
<u>81,770</u>	<u>120,004,814</u>	<u>126,346,181</u>
798,696	121,558,716	127,831,667
--	4,509,718	4,834,588
<u>15,833</u>	<u>103,408,917</u>	<u>99,836,644</u>
<u>15,833</u>	<u>108,098,635</u>	<u>99,667,502</u>
798,731	211,668,811	221,695,728
<u>\$ 496,428</u>	<u>\$ 3,364,850,217</u>	<u>\$ 3,358,735,176</u>

CITY OF SHREVEPORT, LOUISIANA
 INTERFUND FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	<u>Municipal and Regional Support</u>	<u>Shreveport Area Transit System</u>	<u>Department of Water and Sewerage</u>
Operating revenues:			
Charges for sales and services:			
Water sales	\$ --	\$ --	\$ 30,443,096
sewer charges	--	--	15,891,599
Golf cart rentals	--	--	--
Green fee	--	--	--
Concessions	--	--	--
Memberships	--	--	--
Passenger charges	--	1,958,639	--
Landing fees	1,360,933	--	--
Deprecial and maintenance buildings and other rentals	1,064,934	--	--
Parking, car rental and other concessions	1,053,660	--	--
Total charges for sales and services	5,480,520	1,958,639	36,334,695
Miscellaneous	140,310	35,690	673,341
Total operating revenues	5,620,830	1,994,329	37,008,036
Operating expenses:			
Costs of sales and services:			
Salaries, wages and employee benefits	1,471,508	8,647,831	9,640,644
Materials and supplies	230,993	649,335	2,899,098
Services and other expenses	373,078	1,182,636	5,796,958
Utilities	201,042	68,708	2,233,218
Repairs and maintenance	333,527	340,440	1,387,423
Total cost of sales and services	2,570,148	10,198,940	21,957,337
Depreciation and amortization	1,808,428	975,379	8,804,610
Total operating expenses	4,378,576	11,174,319	30,761,947

Cost	Total	
	1997	1996
\$ --	\$ 28,442,886	\$ 28,691,496
--	15,771,870	16,075,001
158,002	158,002	151,647
128,944	118,934	905,853
158,411	159,921	941,588
120,672	115,671	130,558
--	1,854,629	1,831,204
--	1,265,801	1,277,864
--	2,864,834	1,891,282
--	2,877,682	1,775,148
<u>1,170,689</u>	<u>45,831,808</u>	<u>45,883,273</u>
<u>75,627</u>	<u>769,273</u>	<u>748,128</u>
<u>1,246,316</u>	<u>46,601,081</u>	<u>46,631,401</u>
756,138	15,804,581	15,698,117
179,486	3,866,044	3,583,884
123,296	4,643,242	7,703,058
81,461	3,282,507	3,294,499
8,688	1,893,058	1,688,129
<u>1,138,969</u>	<u>23,544,864</u>	<u>31,873,387</u>
<u>21,388</u>	<u>9,708,702</u>	<u>9,764,051</u>
<u>1,160,357</u>	<u>33,253,566</u>	<u>41,637,438</u>

(continued)

CITY OF MONROE, LOUISIANA
 ENTERPRISE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RELATED FUNDINGS (DEFICIT)
 FOR THE YEAR ENDED DECEMBER 31, 1997
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	Municipal and Regional Airports	Newport Area Transit System	Department of Water and Sewerage
Operating income (loss)	645,173	(5,158,849)	5,895,598
Nonoperating revenues (expenses):			
Operating subsidies	--	4,185,815	--
Interest income	477,120	--	3,909,239
Interest expense	--	(3,894)	(5,814,702)
Passenger facility charges	1,874,504	--	--
Net increase in the fair value of investments	--	--	45,764
Loss on disposal of fixed assets	--	--	(48,811)
Total nonoperating revenues (expenses)	2,351,624	4,182,721	(2,318,800)
Net income (loss) before operating transfers	2,196,801	(976,128)	4,376,998
Operating transfers in:			
General Fund	--	--	--
Operating transfers out:			
General Fund	(932,880)	--	--
Net income (loss)	1,311,801	(976,128)	4,376,998
Depreciation on assets acquired with externally restricted capital contributions which reduces contributed capital	1,116,808	976,128	1,371,801
Retained earnings (deficit), beginning of year	3,471,730	--	86,799,312
Retained earnings (deficit), end of year	\$ 4,829,339	\$ --	\$ 102,346,331

See accompanying notes to combined financial statements.

Cost	Totals	
	1997	1998
<u>93,941</u>	<u>2,475,632</u>	<u>4,404,739</u>
--	<u>4,186,833</u>	<u>4,294,530</u>
<u>4,918</u>	<u>3,945,235</u>	<u>8,867,871</u>
<u>(1,652)</u>	<u>(5,821,434)</u>	<u>(8,754,130)</u>
--	<u>1,074,904</u>	<u>1,008,811</u>
--	<u>45,764</u>	--
--	<u>(28,811)</u>	<u>(10,584)</u>
<u>3,382</u>	<u>3,581,811</u>	<u>3,994,111</u>
<u>97,319</u>	<u>3,658,804</u>	<u>8,398,891</u>
--	--	<u>140,800</u>
--	<u>(557,800)</u>	<u>(557,800)</u>
<u>97,319</u>	<u>4,609,704</u>	<u>7,881,291</u>
--	<u>3,452,899</u>	<u>3,254,435</u>
<u>(130,158)</u>	<u>89,669,732</u>	<u>89,428,858</u>
<u>\$ (3,915)</u>	<u>\$ 106,098,811</u>	<u>\$ 95,665,111</u>

CITY OF BERKENSPOORT, LOUISIANA
ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	Municipal and Regional Airports	Newport Area Transit System	Department of Water and Sewerage
Cash flows from operating activities:			
Receipts from operations	\$ 3,418,479	\$ 3,049,404	\$ 58,116,818
Payments for goods and services	(287,351)	(2,092,528)	(8,419,670)
Payment for employee services	(1,401,019)	(4,003,187)	(8,675,428)
Payment in lieu of taxes	--	--	(605,880)
Payment for direct and indirect costs	(1,288,200)	--	(3,081,373)
Miscellaneous revenues	(41,315)	(6,820)	477,541
Net cash provided by (used in) operating activities	<u>7,400,592</u>	<u>(4,053,131)</u>	<u>(13,991,202)</u>
Cash flows from noncapital financing activities:			
Operating activities	--	4,344,263	--
Operating leases in	--	--	--
Operating leases out	(871,800)	--	--
Interest paid on operations	--	(3,094)	--
Cash bond received in lieu of performance bond	--	--	836
Net cash provided by (used in) noncapital financing activities	<u>(871,800)</u>	<u>4,341,169</u>	<u>836</u>
Cash flows from capital and related financing activities:			
Proceeds from issuance of debt	--	--	2,882,891
Acquisition and construction of capital assets	(3,373,289)	(1,232,889)	(7,550,179)
Payment on liability and related contracts	--	--	(3,737)
Principal paid on debt	(400,000)	--	(13,073,294)
Interest paid on debt	--	--	(1,248,478)
Capital contributed by others	--	281,589	--
Capital grants	3,334,524	1,812,447	58,392
Payment of debt issuance costs	(186)	--	(134)
Refund of debt issuance costs	--	--	8,800
Refund received from restructuring	--	--	1,135,395
Receipts to defray bonds	--	--	(343,000)
Passenger facility charges	1,079,284	--	--
Net cash provided by (used in) capital and related financing activities	<u>(186,287)</u>	<u>82,037</u>	<u>(11,288,448)</u>

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Cost	Totals	
	1991	1992
\$ 1,243,793	\$ 44,803,744	\$ 44,799,488
(384,707)	(11,487,488)	(11,583,818)
673,288	(15,888,561)	(15,584,041)
--	(585,000)	(585,000)
(24,998)	14,134,378	14,214,079
--	525,348	548,150
<u>118,776</u>	<u>11,583,669</u>	<u>11,583,500</u>
--	4,344,865	4,051,046
--	--	148,000
--	(197,800)	(197,800)
--	(3,094)	(3,176)
--	836	13,788
<u>--</u>	<u>3,486,917</u>	<u>4,148,058</u>
--	3,865,891	--
(3,437)	(93,663,874)	(93,218,325)
--	(7,777)	(7,343)
(11,402)	(93,196,700)	(88,660,000)
(1,849)	(5,348,477)	(5,058,376)
--	282,999	108,111
--	4,777,413	3,648,680
--	(241)	--
--	9,880	6
--	1,135,296	--
--	(165,000)	--
--	1,874,264	1,006,812
<u>(26,888)</u>	<u>(19,379,670)</u>	<u>(19,214,862)</u>

(Continued)

CITY OF ABBEYSFORT, LOUISIANA
 ENTERPRISE FUNDS
 COMBINED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 1997

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	<u>Municipal and Regional Airports</u>	<u>Shreveport Area Transit System</u>	<u>Department of Waste and Sewerage</u>
Cash flows from investing activities:			
Purchases of investments	--	--	(21,098,700)
Proceeds from sale and maturity of investments	--	--	21,098,800
Interest on investments	417,129	--	3,198,130
Net cash provided by investing activities	<u>417,129</u>	<u>--</u>	<u>3,198,130</u>
Net income/(losses) in cash and cash equivalents	1,917,893	340,587	11,504,919
Cash and cash equivalents, beginning of year	7,415,143	362,438	21,294,179
Cash and cash equivalents, end of year	<u>\$ 9,332,977</u>	<u>\$ 703,025</u>	<u>\$ 32,899,149</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	<u>\$ 665,171</u>	<u>\$ (1,128,049)</u>	<u>\$ 6,896,598</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,908,415	978,179	6,894,658
Provision for noncollectible accounts	--	--	340,587
Increase/(Decrease) in assets:			
Accounts receivable	(83,488)	74,000	(84,521)
Due from other funds	--	(8,522)	--
Inventory	607	(18,712)	212,506
Prepaid items	--	9,584	--
Increase/(Decrease) in liabilities:			
Accounts payable	(21,782)	77,888	(898,434)
Accrued liabilities	4,522	(5,216)	(78,785)
Due to other funds	2,943	--	688,821
Deferred revenue	3,853	(5,288)	--
Customers' deposits	678	--	(5,489)
Other liabilities	--	--	(12,314)
Unclaimed money deposits	--	--	1,154
Total adjustments	<u>3,819,794</u>	<u>1,075,692</u>	<u>6,894,727</u>
Net cash provided by (used in) operating activities	<u>\$ 3,484,965</u>	<u>\$ (4,052,357)</u>	<u>\$ 13,791,325</u>

See accompanying notes to combined financial statements.

B.3

CoE	Total	
	1997	1998
--	(17,894,838)	(15,883,778)
--	15,888,000	14,375,144
4,914	3,590,358	4,408,821
4,914	3,821,623	8,908,122
88,684	391,343	11,383,148
42,150	64,111,288	38,756,172
\$ 131,614	\$ 81,288,623	\$ 84,111,289
\$ 93,941	\$ 2,476,632	\$ 4,484,778
26,390	9,798,397	9,764,028
--	348,667	271,120
(233)	(296,158)	(449,628)
--	38,320	23,995
(2,613)	28,131.7	(71,191)
--	8,664	(18,205)
(13,268)	(586,727)	63,154
3,407	(24,072)	183,970
--	406,706	(204,418)
--	(1,787)	378
--	(9,000)	(209,688)
(764)	(13,987)	(13,444)
--	3,184	11,042
14,817	9,897,087	9,438,121
\$ 110,788	\$ 11,583,668	\$ 11,583,800

(continued)

CITY OF SHERBOURNE, LOUISIANA
ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1991
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1990

Noncash investing, capital and financing activities:

The Water and Sewer Department disposed of miscellaneous equipment. The un depreciated cost of the equipment was recorded as a loss of \$48,831.

The Water and Sewer Department had a net increase in the fair value of its reserve funds in the amount of \$43,764.

INTERNAL SERVICE FUNDS

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

Employee Health Care Fund - This fund is used to account for dental care claims by the employees.

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

CITY OF MONROE, LOUISIANA
 INTERNAL SERVICE FUNDS
 COMBINED BALANCE SHEET
 DECEMBER 31, 1997
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

ASSETS	Employee Health Tax	Retained Risk	Totals	
	1997	1996	1997	1996
Cash and cash equivalents	\$ 361,594	\$ 6,711,531	\$ 7,073,125	\$ 6,705,619
Investments, at fair value -				
U.S. government securities	4,031,404	--	4,031,404	2,839,279
Interest receivable	15,481	--	15,481	11,121
Accounts receivable	241,642	300	241,942	261,267
Due from other funds	--	2,794,816	2,794,816	3,415,625
Prepaid items	--	68,960	68,960	69,646
Total current assets	<u>4,649,411</u>	<u>9,585,607</u>	<u>14,274,648</u>	<u>13,435,477</u>
Fixed assets				
Equipment	--	14,193	14,193	14,193
Less accumulated depreciation	--	(14,294)	(14,294)	(21,602)
Fixed assets (net of accumulated depreciation)	<u>--</u>	<u>9,799</u>	<u>9,799</u>	<u>30,791</u>
Total assets	<u>\$ 4,649,411</u>	<u>\$ 9,595,406</u>	<u>\$ 14,284,447</u>	<u>\$ 13,466,268</u>
LIABILITIES, CONTRIBUTED CAPITAL, AND RETAINED EARNINGS				
Liabilities				
Accounts payable	\$ --	\$ 67,771	\$ 67,771	\$ 249,250
Accounts liabilities	<u>541,541</u>	<u>3,665,081</u>	<u>4,206,622</u>	<u>4,864,383</u>
Total liabilities	<u>541,541</u>	<u>3,732,852</u>	<u>4,274,393</u>	<u>5,113,633</u>
Contributed capital and retained earnings				
Contributed capital	--	1,705,600	1,705,600	1,715,600
Retained earnings - reserved	<u>4,104,869</u>	<u>4,148,399</u>	<u>8,253,279</u>	<u>7,205,240</u>
Total contributed capital and retained earnings	<u>4,104,869</u>	<u>5,853,999</u>	<u>9,958,879</u>	<u>9,200,840</u>
Total liabilities, contributed capital and retained earnings	<u>\$ 4,646,411</u>	<u>\$ 9,586,851</u>	<u>\$ 14,233,272</u>	<u>\$ 13,444,473</u>

See accompanying notes to combined financial statements.

CITY OF MONROE, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETIRED PAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 1997
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	Employee Health Care	Retired Risk	Totals	
			1997	1996
Operating revenues:				
Employee's contributions	\$ 607,897	\$ --	\$ 607,897	\$ 681,837
Employee's contributions	518,904	--	518,904	596,627
Pensioners' revenue	--	6,793,416	6,793,416	6,824,625
Miscellaneous:				
Price paid expense refunds	14,635	26,144	74,780	78,824
Insurance reimbursements	219	82,412	40,334	76,093
Total miscellaneous	15,854	108,556	115,114	154,917
Total operating revenues	1,202,650	6,894,876	8,096,512	8,397,896
Operating expenses:				
Claims	1,879,612	6,284,073	7,263,686	7,893,617
Cost of sales and services:				
Salaries, wages and employee benefits	38,874	245,870	384,888	317,266
Insurance premiums	--	489,752	489,340	582,311
Materials and supplies	1,726	8,825	8,640	14,842
Services and other expenses	81,744	14,274	96,418	213,317
Total cost of sales and services	122,344	558,721	599,286	1,147,836
Depreciation	--	1,491	1,491	1,707
Total operating expenses	1,222,656	7,049,853	8,266,092	8,796,117
Operating loss	(22,006)	(148,854)	(170,580)	(768,189)
Nonoperating revenues:				
Interest income	203,889	379,640	608,999	529,048
Net income (loss) before operating transfers	181,883	230,786	438,419	(239,141)
Operating transfers in:				
General Fund	--	598,000	598,000	723,000
Net income	181,883	728,786	1,036,419	483,859
Retained earnings, beginning of year	1,887,606	1,421,628	1,515,540	7,069,388
Retained earnings, end of year	\$ 2,069,489	\$ 2,148,414	\$ 2,551,959	\$ 7,553,247

See accompanying notes to combined financial statements.

CITY OF GREENSBORO, NORTH CAROLINA
 FINANCIAL STATEMENTS
 COMBINED STATEMENT OF CASH FLOWS
 DECEMBER 31, 1997
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	Employee Pledge Tax	Required Fund	Transf. 1997	Transf. 1996
Cash flows from operating activities				
Color operating revenues	\$ 1,181,378	\$ 171,108	\$ 8,875,688	\$ 10,088,979
Chains	(1,253,877)	(6,180,871)	(1,087,880)	(10,648,388)
Payments for funds and services	(28,470)	(83,285)	(95,788)	(11,258,855)
Payments for employee services	(28,874)	(243,878)	(184,844)	(277,841)
Net cash provided by (used in) operating activities	(288,843)	(838,926)	608,828	(1,498,005)
Cash flows from noncapital financing activities				
Operating transfers to	-	(261,008)	300,000	(851,000)
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	-	-	(1,000)
Cash flows from investing activities				
Purchase of investments	(4,821,406)	-	(8,021,406)	(2,918,275)
Proceeds from sale and maturity of investments	3,078,275	-	2,878,275	4,578,863
Interest on investments	300,000	375,000	881,000	541,000
Net cash provided by (used in) investing activities	(813,131)	375,000	(6,052,131)	2,191,588
Net increase (decrease) in cash and cash equivalents	(1,591,500)	(1,463,891)	381,697	(188,821)
Cash and cash equivalents, beginning of year	1,440,141	1,377,328	6,722,573	5,985,892
Cash and cash equivalents, end of year	\$ 288,641	\$ 673,437	\$ 7,104,270	\$ 6,797,071
Reconciliation of operating loss to net cash provided by (used in) operating activities:				
Operating loss	\$ (22,395)	\$ (148,854)	\$ (170,985)	\$ (758,385)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation	-	1,461	1,461	1,397
Deferred Assistant in Charge	(26,175)	(500)	(26,175)	(26,898)
Accounts receivable	-	607,000	617,000	2,374,817
Due from other funds	-	185	185	(81,174)
Prepaid items	-	-	-	(81,174)

Increase (decrease) in liabilities:

Accounts payable	(5,000)	(176,500)	(130,500)	(791,669)
Accrued liabilities	(134,282)	176,500	42,218	(2,341,965)
Pay to other funds	—	—	—	—
Total adjustments	<u>(139,282)</u>	<u>176,500</u>	<u>42,218</u>	<u>(2,133,634)</u>
Net cash provided by (used) in operating activities	\$ 200,500	\$ 470,500	\$ 480,818	\$ 1,151,818

The accompanying notes to consolidated financial statements.

TRUST AND AGENCY FUNDS

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

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

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

CITY OF BERKELEY, LOUISIANA
TRUST AND AGENCY FUNDS
COMBINED BALANCE SHEET
DECEMBER 31, 1997

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	Position Type Funds			Agency Fund	Total	
	Fund	Trust	Agency			
ASSETS						
Due and receivable						
Investments, at fair value:						
U.S. government securities	\$ 876,762	\$ -	\$ -	\$ -	\$ 876,762	\$ 808,024
Interest funds	471,508	583,717	23,287,407	-	26,262,632	24,175,524
Common stock	2,314,508	1,946,416	-	11,679,682	14,960,606	11,882,923
Corporate bonds	-	-	94,887,176	-	94,887,176	61,686,409
Total investments	2,891,270	2,529,416	118,174,583	11,679,682	175,074,951	141,952,860
Interest receivable	1,748	3,130	888,903	-	893,781	794,224
Accounts receivable	-	27,175	-	-	27,175	24,660
Due from other funds	264,148	28,141	-	-	292,289	-
Prepaid items	24,176	385,120	-	-	409,296	659,989
Other assets:						
Cash (netted value of 784 insurance policies)	2,211,080	1,986,207	-	-	4,197,287	3,611,408
Total assets	\$ 5,351,030	\$ 4,888,175	\$ 333,977,987	\$ 11,679,682	\$ 175,896,874	\$ 148,446,053
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ -	\$ 449	\$ 1,728	\$ 11,679,682	\$ 12,870,111	\$ 16,820,798
Due to other funds	-	85,681	2,379,813	-	2,465,494	646,672
Employee deposits held in escrow	-	-	928,140	-	928,140	1,212,844
Total liabilities	-	86,130	2,380,581	11,679,682	14,844,637	18,680,314
Fund balances -						
Retained for employee retirement systems	4,311,202	4,028,648	180,679,207	-	189,019,057	180,025,813
Total liabilities and fund balances	\$ 4,311,202	\$ 4,028,648	\$ 333,977,987	\$ 11,679,682	\$ 175,896,874	\$ 148,446,053

See accompanying notes to reinforced financial statements.

CITY OF BERKELEY, CALIFORNIA
PENSION TRUST FUNDS
COMBINING STATEMENTS OF PLANS NET ASSETS
DECEMBER 31, 1997

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1996

	1997		1996	
ASSETS				
Cash and short-term investments	\$ 85,282	\$ -	\$ 84,282	\$ 80,629
Receivables:				
Interest receivable	1,748	2,150	888,905	734,254
Accounts receivable	-	21,275	-	31,985
Due from other funds	106,148	10,140	88,290	-
Prepaid items	154,770	305,250	693,980	679,985
Investments, at fair value:				
U.S. government securities	475,588	505,125	15,307,437	24,771,004
Municipal bonds	2,219,568	1,340,445	-	3,104,588
Domestic corporate bonds	-	-	50,172,651	37,061,221
Domestic common stock	-	-	75,895,375	87,689,478
Total investments	2,695,156	1,845,570	111,285,463	133,636,301
Other assets:				
Cash surrender value of life insurance policies	1,212,940	1,960,232	-	3,411,478
Total assets	6,006,681	4,400,178	115,373,062	171,967,289
LIABILITIES				
Accounts payable	870	849	1,759	42,398
Due to other funds	-	16,581	2,371,917	688,873
Employer's deposits held in trust	-	-	339,140	1,572,944
Total liabilities	870	16,581	3,822,796	1,904,215
FUND BALANCES MAINTAINED FOR EMPLOYEES				
PENSION BENEFITS (A) (RECALLS OF FUNDING PROGRESS FOR EACH PLAN IS PRESENTED ON PAGE 66.)	\$ 5,971,241	\$ 4,311,648	\$ 1,537,515	\$ 1,055,261

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA
 PENSION TRUST FUNDS
 COMBINED STATEMENTS OF CHANGES IN PLAN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 1997
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

	Firemen's Pension and Relief Fund	Police/Police Pension and Relief Fund	Employee/ Retirement System	Totals	
				1997	1996
ADDITIONS					
Contributions:					
Employer	\$ 139,438	\$ 798,217	\$ 3,119,596	\$ 4,657,251	\$ 4,719,022
Member	--	--	3,157,886	3,157,886	3,124,647
Total contributions	139,438	798,217	6,277,482	7,815,137	7,843,669
Investment Income:					
Net appreciation in fair value of investments	344,963	222,824	19,128,426	19,796,213	19,888,633
Interest	11,123	71,791	4,275,814	4,358,728	4,836,588
Dividends	99,764	69,231	1,298,437	1,467,432	1,449,569
Total investment income	455,850	363,846	24,702,677	25,622,373	26,174,810
Less investment expense	5,828	3,081	326,646	365,415	487,732
Net investment income	449,022	360,765	24,376,031	25,256,958	25,686,878
Life insurance proceeds	--	220,000	--	220,000	220,000
Operating transfer in - General Fund	3,344,400	--	--	3,344,400	--
Miscellaneous	--	--	5,993	5,993	267
Total additions	3,813,422	1,231,065	24,682,064	24,379,777	26,164,768
DEDUCTIONS					
Pensions	331,734	301,206	6,048,779	7,681,719	7,412,483
Refund of member contribution	--	--	1,642,411	1,642,411	1,881,253
Administrative expenses	17,464	17,687	143,000	178,151	817,543
Life insurance	79,711	79,611	--	159,322	73,896
Total deductions	428,909	409,504	8,773,200	9,661,544	9,713,781
NET INCREASE	2,405,513	731,561	15,908,864	14,718,233	16,450,887
FUND BALANCE RESERVED FOR EMPLOYEE/PENSION BENEFITS					
BEGINNING OF YEAR	4,347,661	3,541,508	28,128,604	18,017,773	12,617,874
END OF YEAR	\$ 6,753,174	\$ 4,273,069	\$ 44,037,468	\$ 32,736,006	\$ 19,068,761

See accompanying notes to combined financial statements.

CITY OF SHREVEPORT, LOUISIANA
 SERVIC. F. FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 1997

	<u>Balance</u> <u>January 1,</u> <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>1997</u>
DEFERRED COMPENSATION				
Assets				
Investments, at market value	\$ <u>11,671,682</u>	\$ <u>2,933,117</u>	\$ <u>705,671</u>	\$ <u>11,671,682</u>
Liabilities				
Due to employee participants	\$ <u>11,671,682</u>	\$ <u>2,933,117</u>	\$ <u>705,671</u>	\$ <u>11,671,682</u>

See accompanying notes to combined financial statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group represents a summary of the fixed assets of the City, other than assets of the Enterprise Funds. Capital outlay in funds other than Enterprise Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for municipalities, depreciation is not recorded on general fixed assets.

CITY OF SHREVEPORT, LOUISIANA
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES
DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
GENERAL FIXED ASSETS		
Land	\$ 17,079,895	\$ 17,079,895
Buildings	21,286,121	21,798,024
Improvements	21,858,464	23,258,347
Equipment	23,418,976	20,095,176
Construction in progress	<u>20,674,182</u>	<u>2,021,956</u>
Total general fixed assets	<u>\$ 1,107,326,345</u>	<u>\$ 1,172,264,398</u>
INVESTMENT IN GENERAL FIXED ASSETS		
General Fund	\$ 70,120,273	\$ 70,979,186
Federal Revenue Sharing	11,980,879	11,980,879
Federal and State Grants	415,000	16,481
Riverfront Development Revenue	13,978,171	1,554,303
Community Development Block Grant	3,470,631	1,008,738
State Revenue Sharing	413,001	-
General Obligation Bonds	62,328,879	58,029,491
Donations	<u>413,200</u>	<u>286,908</u>
Total investment in general fixed assets	<u>\$ 187,528,385</u>	<u>\$ 221,006,986</u>

See accompanying notes to condensed financial statements.

CITY OF BIRMINGHAM, ALABAMA
 SCHEDULE OF CHANGES IN GENERAL FUND ASSETS BY SOURCE
 FOR THE YEAR ENDED DECEMBER 31, 1997

	Land	Building	Improvements	Equipment	Construction in Progress	Total
General fund assets, as received January 1, 1997	\$ 11,879,490	\$ 55,798,034	\$ 11,150,247	\$ 59,893,479	\$ 5,871,258	\$ 152,092,508
Additions:						
General Fund	-	28,394	8,579	1,763,273	3,594,005	5,394,251
Federal and State Grants	-	-	-	284,911	14,275	499,186
Birmingham Development Revenue	-	-	-	-	8,413,879	8,413,879
Community Development Block Grant	-	-	-	60,009	1,908	61,917
State Revenue (Housing)	-	-	-	-	411,527	411,527
General Obligation Bonds	-	-	-	1,382,136	4,003,386	5,385,522
Donations	-	3,111	-	123,123	-	126,234
Total additions	-	31,515	8,579	3,873,479	18,994,573	26,992,574
Subtractions:						
Not completed	-	-	-	-	(1,892,150)	(1,892,150)
Fixed assets sold or retired	-	-	-	-	-	-
General Fund	-	(3,263,144)	-	(550,776)	-	(4,016,960)
General Obligation Bonds	-	-	(900,429)	-	-	(900,429)
Total assets sold or retired	-	(3,263,144)	(900,429)	(550,776)	-	(4,614,353)
General fund assets, December 31, 1997	\$ 11,879,490	\$ 52,295,135	\$ 11,199,464	\$ 59,416,579	\$ 28,674,328	\$ 163,464,996

The accompanying notes to condensed financial statements.

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 1997

Function and Activity	Land	Buildings	Improvements	Equipment	Total
General government:					
Mayor	\$ --	\$ --	\$ --	\$ 56,247	\$ 56,247
Chief administrative officer	--	--	183,508	278,468	461,976
City attorney	--	--	--	112,297	112,297
Finance	--	12,133	--	4,208,438	4,220,571
City council	--	--	--	3,891	3,891
Internal audit	--	--	--	28,789	28,789
Public works:					
Administration and engineering	2,695,283	2,478,609	1,899,500	4,611,106	11,684,498
Total general government	<u>2,695,283</u>	<u>2,490,742</u>	<u>1,899,500</u>	<u>9,551,956</u>	<u>16,637,481</u>
Public safety:					
Police	6,088	326,673	--	8,088,412	8,419,173
Fire	238,286	2,887,649	71,300	86,838,283	90,045,518
Police and fire academy	72,886	1,434,802	--	72,832	1,580,520
Total public safety	<u>317,260</u>	<u>4,649,124</u>	<u>71,300</u>	<u>95,000,527</u>	<u>101,338,211</u>
Highways and streets:					
	99,886	170,288	138,620	2,688,349	3,087,143
Sanitation:					
	1,779,838	4,438,613	793,468	12,302,431	19,314,350
Community, cultural and recreation:					
	8,794,500	38,761,571	19,254,000	8,278,841	75,118,912
Total general fixed assets allocated to functions:	<u>\$ 17,673,863</u>	<u>\$ 52,286,123</u>	<u>\$ 21,898,484</u>	<u>\$ 31,618,736</u>	<u>146,487,206</u>
Construction in progress					20,811,308
Total general fixed assets					<u>\$ 167,298,514</u>

See accompanying notes to combined financial statements.

CITY OF MONROE, LOUISIANA
 SCHEDULE OF CHANGES IN GENERAL FUND ASSETS
 BY FUNCTIONAL AND ACTIVITY
 FOR THE YEAR ENDED DECEMBER 31, 1997

	General Fund Assets January 1, 1997	Addition	Deductions	Transfer	General Fund Assets December 31, 1997
Function and Activity					
General government					
Mayor	\$ 39,313	\$ 16,834	\$ --	\$ --	\$ 56,147
Chief administrative officer	444,927	--	3,588	--	441,339
City attorney	188,555	3,763	--	--	192,318
Finance	4,164,799	55,781	--	--	4,220,580
City council	3,394	--	--	--	3,394
Internal audit	29,789	--	--	--	29,789
Public works					
Administration and engineering	15,593,755	39,343	3,324	--	15,631,800
Permits and inspections	594,756	--	--	(234,738)	--
	<u>20,881,905</u>	<u>89,186</u>	<u>3,674</u>	<u>(234,738)</u>	<u>20,841,123</u>
Public safety					
Police	9,284,649	715,073	186,927	--	9,812,800
Fire	14,889,395	1,845,408	34,880	--	16,711,204
Police and fire academy	1,569,354	--	--	--	1,569,354
	<u>25,883,400</u>	<u>2,339,883</u>	<u>221,807</u>	<u>--</u>	<u>27,874,249</u>
Highways and streets					
	3,207,006	351,643	288,429	--	3,289,219
Sanitation					
	18,227,361	482,369	3,184	--	18,704,547
Community, cultural and recreation					
	79,083,110	305,087	3,581,095	534,738	79,311,929
Construction in progress					
	3,071,936	16,894,538	1,893,156	--	20,073,318
Total general fund assets	<u>\$ 1,121,864,938</u>	<u>\$ 20,699,654</u>	<u>\$ 5,438,355</u>	<u>\$ --</u>	<u>\$ 1,157,136,283</u>

See accompanying notes to combined financial statements.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

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

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
FOR THE YEAR ENDED DECEMBER 31, 1997

	January 1, 1997	Addition	Payments/ Reductions	Debt Service Fund Operations	December 31, 1997
Amount available in Debt Service Fund	\$ 20,716,203	\$ --	\$ --	\$ 3,840,511	\$ 22,628,715
Amount to be provided for payment of accrued vacation	1,590,777	1,831,581	951,254	--	1,671,004
Amount to be provided for retirement of general obligation bonds/notes	140,711,561	25,800,000	14,395,711	(3,840,511)	158,491,879
Amount to be provided for payment of pension liability	36,045,105	--	2,119,881	--	33,725,424
Amount to be provided for payment of net pension obligation	1,349,426	--	1,125,888	--	228,338
Amount to be provided for post-closure care of landfill	899,000	83,460	--	--	1,056,460
Totals	\$ 264,598,504	\$ 26,127,841	\$ 18,789,854	\$ --	\$ 291,838,741
Long-term obligations payable:					
Accrued vacation	\$ 1,590,777	\$ 1,831,581	\$ 951,254	\$ --	\$ 1,671,004
General obligation bonds/notes	144,513,766	25,800,000	14,395,171	--	175,128,595
Pension liability	36,045,105	--	2,119,881	--	33,725,424
Net pension obligation	1,349,426	--	1,125,888	--	228,338
Landfill post-closure care liability	899,000	83,460	--	--	1,056,460
Totals	\$ 264,598,504	\$ 26,127,841	\$ 18,789,854	\$ --	\$ 291,838,741

See accompanying notes to condensed financial statements.

CITY OF SHREVEPORT, LOUISIANA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
FISCAL YEARS ENDING DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

<u>Fiscal Year Ended</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Sanitation</u>	<u>Health and Welfare</u>	<u>Cultural and Recreation</u>
1988	\$11,373,885	\$28,694,150	\$6,614,264	\$7,647,945	\$	\$6,023,800
1989	34,428,774	30,282,507	6,953,807	8,837,353	--	3,873,340
1990	35,583,850	33,668,860	7,747,564	8,300,273	--	6,867,034
1991	36,428,754	33,217,873	7,805,313	8,614,150	--	7,073,854
1992	35,898,352	35,495,647	8,448,869	9,678,026	263,026	7,574,686
1993	31,426,008 (1)	41,276,791 (2)	7,405,807	10,668,421	328,122	8,088,716
1994	37,328,940	48,824,308	10,818,984	14,423,613	483,318	9,278,424
1995	33,888,940	51,540,334	9,893,240	14,795,003	593,754	8,028,820
1996	36,348,711	53,055,600	9,648,305	15,835,478	485,007	8,473,190
1997	36,226,171	58,057,114	10,360,366	14,098,364	181,690	9,548,432

Includes general, special revenue and debt service funds.

(1) In 1993, State merger payments for the Police and Firemen's Pension funds of \$3,344,493 were paid out of Public Safety. Previously, they were paid out of General Government.

(2) In addition to the increase noted in (1) above, Public Safety had a significant increase in salaries and wages between 1993 and 1995.

Unaudited - see accompanying audit report.

Table 1

Community Development and Housing	Economic Development	Economic Opportunity	Capital Outlay	Debt Service	Total
\$2,528,399	\$ -	\$5,851,603	\$1,215,215	\$8,583,185	\$18,078,200
1,483,815	-	4,849,776	2,609,054	8,742,135	16,404,781
1,817,832	98,289	5,043,878	3,198,289	8,605,802	11,114,389
1,792,819	498,195	5,095,626	704,547	20,078,580	11,114,328
2,316,806	834,242	6,711,997	1,661,051	21,663,908	119,232,488
3,183,608	1,688,507	4,833,773	1,409,415	18,583,685	123,524,838
6,397,266	1,745,045	3,674,523	8,158,156	20,145,159	198,877,786
3,594,589	2,267,197	3,586,555	2,195,868	21,358,839	151,685,311
2,336,544	1,488,125	3,131,617	3,149,422	28,603,669	148,431,656
3,283,433	1,338,871	3,289,043	355,481	29,732,478	154,491,628

EXPENDITURES BY FUNCTION

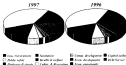


Table 1A

**CITY OF BERKELEY, CALIFORNIA
GENERAL FUND EXPENDITURES BY FUNCTION
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997**

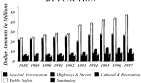
Fiscal Year Ended	General Government	Public Safety	Highways and Streets	Sanitation	Cultural and Recreation	Total
1988	\$21,891,292	\$28,694,192	\$6,954,204	\$7,647,985	\$8,755,140	\$73,942,813
1989	22,682,793	30,281,507	6,969,907	8,837,833	9,801,221	78,583,261
1990	23,749,801	33,668,860	7,787,364	8,308,273	8,713,843	82,328,041
1991	24,345,273	35,211,273	7,803,325	8,614,132	8,911,894	84,888,097
1992	25,164,202	35,048,242	8,488,960	9,078,326	9,406,429	87,186,159
1993	26,348,683 (1)	48,333,282 (2)	7,483,907	10,668,421	7,982,833	99,826,126
1994	26,320,873	48,215,248	10,818,264	14,428,615	9,093,312	108,884,312
1995	27,319,896	53,291,265	9,293,110	16,395,050	9,818,436	116,317,757
1996	24,814,575	53,772,887	9,648,200	15,903,476	10,368,528	114,507,666
1997	23,158,200	56,210,593	10,962,766	14,698,364	9,503,975	114,634,900

(1) In 1993, State strike payments for the Police and Firemen's Pension funds of \$3,348,433 were paid out of Public Safety. Previously, they were paid out of General Government.

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

Unaudited - see accompanying audit report.

**GENERAL FUND EXPENDITURES
BY FUNCTION**



CITY OF BERKELEY, CALIFORNIA
 COMMUNITY DEVELOPMENT DEPARTMENT
 FISCAL YEAR ENDING DECEMBER 31, 1998 THROUGH DECEMBER 31, 1997

Fiscal Year (1997)	Total	Licenses and Permits	State Government	Charges for Services	Fees and Penalties	Special Assessments	Use of Money and Property	Gaming	Microfinance	Total
1997	170,877,792	64,112,059	50,877,566	17,883,459	11,352,605	-	876,409	-	11,482,750	166,097,619
1998	74,373,248	4,300,466	5,493,179	5,986,959	3,453,287	-	804,058	-	1,299,672	96,943,632
1999	81,365,083	4,103,049	16,141,923	9,481,196	2,479,373	-	640,278	-	2,641,293	113,690,783
2000	88,489,872	4,000,913	9,377,914	18,440,054	2,625,817	-	462,192	-	1,286,618	118,163,462
2001	90,482,827	3,066,307	11,090,882	12,340,417	2,990,883	18,332	1,204,032	-	1,900,170	127,308,452
2002	96,272,274	3,112,624	12,343,726	18,266,800	2,259,816	12,882	1,203,312	-	2,822,421	133,196,313
2003	101,640,008	3,621,148	20,280,005	16,879,377	2,407,186	17,115	217,823	3,071,774	1,977,468	153,895,133
2004	106,021,274	3,704,500	18,400,008	17,004,250	2,343,529	13,179	2,888,124	6,486,262	1,816,720	164,494,364
2005	116,078,268	3,645,122	12,001,794	19,022,631	3,118,108	19,009	2,976,314	6,871,005	2,281,280	167,695,654
2007	111,371,274	3,099,129	13,261,742	15,318,330	1,699,878	-	3,260,400	7,403,619	1,264,628	164,312,326

Includes general, special revenue and debt service funds.

Unaudited - see accompanying audit report.

REVENUES BY SOURCE



Table 1A

CITY OF BOSTONPORT, MASSACHUSETTS
 GENERAL FUNDS MAINTAINED BY ACCOUNTS
 FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year Ended	Taxes	Donations and Fees	Inter- governmental	Charges for Services	Fees and Fines	Use of Interest and Profits	Miscellaneous	Total
1988	\$57,084,498	\$4,321,928	\$1,396,088	\$7,893,824	\$2,733,398	\$1,481,632	\$864,268	\$71,875,436
1989	57,086,330	4,304,484	1,393,000	8,388,664	2,785,118	1,393,613	414,843	75,865,052
1990	57,367,578	4,320,698	1,662,240	8,833,395	2,869,815	1,338,345	1,041,843	87,933,269
1991	60,698,130	4,800,363	1,831,272	10,448,834	2,984,204	926,492	341,804	90,937,099
1992	72,266,178	5,866,367	1,769,482	12,345,417	2,298,000	1,393,217	244,273	96,080,771
1993	75,241,650	5,313,624	2,490,240	13,268,800	2,259,816	1,336,319	446,814	100,605,309
1994	80,208,680	5,621,348	3,629,412	16,293,177	2,873,160	1,423,668	1,175,850	111,088,343
1995	85,818,655	5,784,355	6,478,628	17,254,230	3,243,235	1,427,660	608,786	119,621,081
1996	87,889,172	5,840,122	7,189,882	18,222,681	3,288,208	1,476,117	861,273	125,181,349
1997	86,860,650	4,846,275	6,671,180	18,338,930	3,471,265	1,268,664	568,230	119,937,194

Unaudited - see accompanying audit report.

CITY OF BERKELEY, CALIFORNIA
GENERAL FUND TAX REVENUES BY SOURCE
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year Ended	Property Taxes	Sales Taxes	Franchise Taxes	Total
1988	\$14,617,286	\$71,026,819	\$2,642,328	\$88,286,433
1989	13,596,189	71,506,690	5,193,213	\$90,296,092
1990	13,886,182	68,413,261	5,089,915	87,389,558
1991	14,590,316	66,516,900	4,794,129	85,901,345
1992	15,026,699	51,609,609	4,927,679	71,564,087
1993	13,476,677	54,896,273	5,193,340	73,566,290
1994	16,050,793	59,079,288	5,244,039	80,374,120
1995	16,679,366	62,219,477	5,214,850	84,113,693
1996	16,694,760	61,020,963	5,469,627	83,185,350
1997	17,278,647	65,815,812	5,890,274	89,004,733

Unaudited as accompanying audit report.



Table 8

CITY OF SHREVEPORT, LOUISIANA
PROPERTY TAX LEVY AND COLLECTIONS
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year Period	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collected	Ratio of Total Collections to Tax Levy
1988	\$29,987,056	\$21,281,116	91.0 %	8,705,940	\$29,987,056	91.9 %
1989	30,010,119	28,041,110	93.4	1,969,009	29,990,119	93.4
1990	31,070,068	29,281,799	94.2	1,788,269	31,070,068	94.2
1991	31,530,481	31,280,330	99.2	250,151	31,530,481	99.2
1992	31,990,842	31,000,897	93.8	989,945	31,990,842	93.8
1993	32,450,261	32,000,309	98.6	449,952	32,450,261	98.6
1994	33,010,681	31,991,109	96.9	1,019,572	33,010,681	96.9
1995	33,161,687	31,600,672	95.3	1,561,015	33,161,687	95.3
1996	40,002,292	38,000,781	95.0	2,001,511	40,002,292	95.0
1997	42,000,000	40,000,000 (1)	95.2	2,000,000	42,000,000	95.2

(1) Current collections through February 28, 1998. Taxes collected after 60 days from the year-end are included in the prior year's delinquent tax collections. Collections for 1997 will continue until November, 1998 when 1998 taxes are billed.

Unaudited - see accompanying audit report.

**CITY OF SHREVEPORT, LOUISIANA,
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FISCAL YEARS (ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997)**

Fiscal Year	Assessed Value	Estimated Actual Value	Ratio Assessed Value to Estimated Actual Value
1988	\$63,836,860	\$5,861,241,899	11.7%
1989	694,196,880	5,933,708,940	11.7
1990	687,631,820	5,882,605,681	11.7
1991	694,128,660	5,922,191,185	11.7
1992	692,654,320	5,898,489,213	11.6
1993	711,696,680	6,027,866,730	11.6
1994	736,649,860	6,183,177,380	11.9
1995	762,234,730	6,426,617,333	11.9
1996	792,161,740	6,639,115,987	11.9
1997	832,155,880 (1)	6,943,576,693	12.0

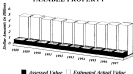
Note:

Assessed values are established by the Caddo Parish Tax Assessor on January 1 of each year at approximately 10-12% 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. The next revaluation will be completed as of January 1, 2000 for the 2000 tax roll.

(1) Included in the total assessed value of property within the City is \$7,649,028 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying audit report.

**ASSESSED & ACTUAL VALUE OF
TAXABLE PROPERTY**



CITY OF GREENSBORO, LOUISIANA
PROPERTY TAX RATES AND TAX LIES - LOCAL AND OVERLAPPING GOVERNMENTS
FISCAL YEARS ENDED FEBRUARY 28, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year	Tax Rate			Tax Base			Tax Liens		
	City	School	Parish	City	School	Parish	City	School	Parish
1988	344.81	244.92	812.79	150,987,064	513,008,000	650,814,098	22,400,792	884,700,792	884,700,792
1989	44.81	54.92	34.29	50,313,175	15,484,879	24,860,160	86,057,923	86,057,923	86,057,923
1990	45.81	55.92	35.29	51,876,068	16,881,416	25,461,320	86,419,485	86,419,485	86,419,485
1991	46.81	56.92	42.46	53,551,001	17,489,020	24,933,811	81,944,512	81,944,512	81,944,512
1992	51.34	56.92	41.85	55,386,442	18,183,649	26,613,158	81,052,848	81,052,848	81,052,848
1993	51.34	56.92	42.31	56,482,501	18,678,049	27,466,493	80,466,542	80,466,542	80,466,542
1994	51.34	54.92	38.71	57,803,084	17,732,491	25,711,278	81,257,533	81,257,533	81,257,533
1995	51.34	54.92	38.22	58,316,655	17,648,213	26,786,374	80,780,314	80,780,314	80,780,314
1996	51.81	53.91	41.96	48,902,282	16,431,809	26,349,228	80,792,871	80,792,871	80,792,871
1997	51.81	53.92	41.87	42,845,449	14,868,714	21,951,268	80,279,378	80,279,378	80,279,378

Note: Property was evaluated for January 1, 1988.

Unaudited - see accompanying audit report.

Table 6

CITY OF MONROE, LOUISIANA
 SPECIAL ASSESSMENT DELINQUENCY AND COLLECTIONS
 FISCAL YEARS ENDING DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year	Amount of Specialment Assessments Due	Total Revenue (Collected)	Percentage of Revenue To Assessments Due
1988	\$20,343	\$258,570	7.86%
1989	18,626	245,034	7.6%
1990	15,889	177,346	8.96%
1991	14,318	155,264	9.22%
1992	12,263	111,628	10.98%
1993	8,608	79,173	10.87%
1994	41,088	73,607	55.82%
1995	35,004	28,564	122.5%
1996	20,000	31,004	64.5%
1997	1,800	8,798	20.46%

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

Fiscal Year	Population (1)	Assessed Value	Gross Bonded Debt (2)	Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Debt Per Capita
1988	217,415	\$681,596,960	\$171,643,831	\$16,912,439	\$209,731,694	16.4%	\$456
1989	217,842	694,196,960	188,364,735	13,855,155	96,809,623	13.9	443
1990	198,325	687,002,850	171,662,327	11,013,327	149,649,200	20.3	708
1991	198,782	694,128,660	180,364,334	9,731,355	149,633,129	20.3	707
1992	198,872	692,304,100	148,691,808	8,141,150	132,350,718	19.1	666
1993	194,186	711,698,680	180,799,489	35,563,368	149,232,081	19.7	712
1994	200,368	738,649,960	167,082,660	11,089,477	155,993,083	21.2	775
1995	195,815	763,204,730	158,594,682	15,273,634	140,321,051	18.3	712
1996	200,730	792,161,780	164,515,366	30,798,205	149,717,561	18.1	714
1997	200,368	832,103,880 (3)	173,128,939	21,628,716	152,491,879	18.3	717

Note:

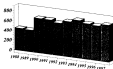
(1)Source: Metropolitan Planning Commission

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

(3)Excluded to the total assessed value of property within the City is \$3,849,020 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying audit report.

NET DEBT PER CAPITA



**CITY OF BIRMINGHAM UTILITIES
COMPARISON OF LOCAL SEWER REVENUE
REVENUES BY YEAR**

Accounted for by	Water and Sewer Improvements	Police and Fire	Public Buildings	Debt	Education and Activities	Interest	Reserve	Unaccounted for
Debt Issues - 100% of amount raised for city use	\$4,871,878	\$1,274,304	1,460,000	48,188,961	1,871,878	256,100	48,401	\$4,871,878
Legal title savings	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400
Debt - Amount of debt applicable to city issue	\$5,883,278	2,285,704	2,471,400	49,200,361	2,883,278	357,500	49,401	\$5,883,278
Unaccounted for	\$1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400	1,011,400

Notes:

(1) Included in the total unaccounted value of property within the City is \$1,048,000 of unaccounted value which has been allocated to Cable Franchise. Cable has a maximum of 10% of the unaccounted value for bonded debt for any project. However, the 10% maximum can be exceeded if the appropriate bond for all projects does not exceed 10% of the total unaccounted value. A total of \$1,048,000 of additional bonded debt is possible for the duration of the project in the 10% limitation.

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA
COMPARISON OF BUDGET APPROPRIATED DEBT
RECEMBER 31, 1997

Direct Debt	Direct Debt	Subsidiary (1)	Amount Available Debt Service Fund	Net Debt	Percentage of Debt Applicable to the City (2)	City's Share of Debt
City of Shreveport:						
General Obligation Bonds	\$113,078,341	\$1,622,389	\$21,628,718	\$1,468,671,422	100%	\$1,468,671,422
General Obligation Notes	20,888,808	1,658,031	-	2,854,403	100	2,854,403
Total Direct Debt	<u>\$133,967,149</u>	<u>\$3,280,420</u>	<u>\$13,286,718</u>	<u>\$1,471,986,228</u>		<u>\$1,471,986,228</u>
Outstanding Debt:						
Public Works Commission	21,078,000	-	\$4,111,728	18,966,272	88	13,955,819
Public Works School Board	25,790,000	-	1,088,578	20,601,421	78	16,225,488
Total Outstanding Debt	<u>\$46,868,000</u>	<u>-</u>	<u>\$5,200,306</u>	<u>\$39,666,851</u>		<u>\$30,181,307</u>
Total Direct and Outstanding Debt	<u>\$180,835,149</u>	<u>\$3,280,420</u>	<u>\$18,487,024</u>	<u>\$1,511,653,079</u>		<u>\$1,501,804,925</u>

Notes:

- (1) Excludes interest general obligation bonds and notes issued for enterprise fund purposes which are payable from those funds.
- (2) Based on 1994 assessed valuation.

(Modified) see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
FISCAL YEARS ENDING DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997

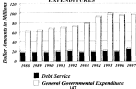
Fiscal Year	Principal	Interest and Other Costs	Total Debt Service	Total General Governmental Expenditures(1)	Debt Service as a Percentage of General Expenditures
1988	\$14,229,870	\$4,072,133	\$18,302,003	\$70,721,910 (2)	25.9%
1989	15,049,155	2,735,878	18,785,033	74,575,220	25.1
1990	11,655,771	2,752,631	14,408,402	60,007,608	23.9
1991	10,699,204	2,382,376	13,081,580	52,992,014	24.7
1992	11,347,933	10,217,869	21,565,804	69,735,838	30.9
1993	8,941,492	9,094,283	18,035,775	52,734,109	34.2
1994	8,028,328	11,117,431	19,145,759	108,369,844	17.7
1995	8,783,832	11,366,430	20,150,262	114,771,336	17.6
1996	9,675,370	10,782,233	20,457,603	113,134,108	18.1
1997	11,407,984	14,345,094	25,753,078	114,874,690	22.4

(1) Excludes General Fund only.

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

Unaudited - see accompanying audit report.

**DEBT SERVICE TO
GENERAL GOVERNMENTAL
EXPENDITURES**



CITY OF AMHERST, MASSACHUSETTS
 BROWN'S BONES CLOVEBUD
 WATER AND SEWER FUND
 FISCAL YEARS ENDED DECEMBER 31, 1993 THROUGH DECEMBER 31, 1997

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements		Times Covered
				Principal	Interest	
1993	\$4,051,320	\$1,190,300	16,640,820	\$4,314,488	\$6,890,488	1.41
1994	26,175,549	36,282,259	11,973,291	9,023,183	9,028,929	1.31
1995	26,381,194	36,790,892	11,590,302	4,065,469	9,055,796	1.29
1996	26,178,129	31,563,346	11,614,783	4,062,240	9,075,448	1.29
1997	26,675,687	31,277,833	11,697,854	4,287,786	9,012,029	1.32
1998	34,941,489	36,776,341	13,862,348	3,035,833	4,039,227	1.95
1999	36,076,024	39,378,337	30,897,337	6,008,491	4,790,666	3.89
2000	42,034,779	31,694,867	31,119,003	6,192,241	4,759,481	3.94
2001	44,431,224	30,818,488	31,654,726	6,093,317	4,727,786	3.19
2002	48,440,889	31,199,429	31,230,371	6,371,823	4,819,274	3.50

Notes:

(1) Includes operating revenues and interest income and net appreciation in fair value of investments. (2) Includes depreciation and amortization expenses.

Revised - see accompanying audit report.

**CITY OF SHREVEPORT, LOUISIANA
DEMOGRAPHIC STATISTICS
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997**

<u>Fiscal Year</u>	<u>Population(T)</u>	<u>Median Age(S)</u>	<u>School Enrollment(T)</u>	<u>Unemployment Rate(S)</u>
1988	217,435	31.4	52,135	8.6
1989	217,842	31.8	52,841	8.8
1990	198,825	31.7	49,797	7.6
1991	198,792	32.5	50,554	7.4
1992	198,872	32.3	49,134	8.1
1993	194,886	32.3	48,793	8.3
1994	201,565	32.4	49,310	6.7
1995	193,815	32.3	49,139	5.6
1996	201,279	32.3	48,841	6.3
1997	201,558	34.3	48,818	5.8

Sources:

- (T)Metropolitan Planning Commission
- (S)Sales and Marketing Management Publications
- (X)Caddo Parish School Board
- (O)Office of Employment Security

Unaudited - see accompanying audit report.

UNEMPLOYMENT RATE



Table 10

**CITY OF SHREVEPORT, LOUISIANA
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
FISCAL YEARS ENDED DECEMBER 31, 1988 THROUGH DECEMBER 31, 1997**

Fiscal Year	Commercial Construction (1)		Residential Construction(2)		Property Value(3)	
	Number of Units	Value	Number of Units	Value	Commercial	Residential
1988	143	\$21,391,368	183	\$28,448,694	\$2,941,720,399	\$2,815,528,800
1989	129	19,794,637	80	9,427,464	3,071,296,946	2,881,602,000
1990	107	26,844,915	69	9,375,490	2,962,608,660	2,819,693,000
1991	200	12,233,824	87	12,213,840	3,011,727,988	2,816,603,200
1992	24	14,031,670	273	21,870,965	3,081,061,213	2,807,428,000
1993	42	24,778,622	184	24,366,780	3,234,028,128	2,795,628,600
1994	64	28,406,873	233	21,893,896	3,400,281,388	2,792,868,700
1995	78	33,831,704	249	24,198,237	3,530,817,603	2,699,786,500
1996	78	42,339,029	276	27,297,116	3,624,032,687	3,028,981,100
1997	104	118,501,428	235	27,121,697	3,694,911,508	3,648,666,100

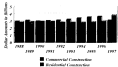
Bank deposits are not disclosed. Several banks in the City are part of statewide banking operations, and they are not able to include the deposits within the City of Shreveport.

Notes:

(1) Permit and Inspection's Annual Reports

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

Property Value



**CITY OF MONROE, LOUISIANA
PRINCIPAL TAXPAYERS
DECEMBER 31, 1997**

Name	Assessed Value	Tax Amount	Percentage of Assessed Value to Total Assessment
1. Southwestern Electric Power Company	\$4,145,000	\$1,752,810	4.1%
2. Bathcoath	38,370,490	1,460,830	3.4
3. Atlas Processing Company	21,478,650	1,150,634	2.7
4. Bank One	14,889,480	758,946	1.8
5. Lucant Technologies	14,693,190	706,373	1.8
6. Deposit-Community National Bank	11,403,790	548,407	1.3
7. Elberys National Bank	8,287,970	428,540	1.0
8. Nu-Air Energy Corporation	8,278,600	425,236	1.0
9. Harrah Casino	7,624,180	389,641	.9
10. Casino Magic	7,178,370	378,489	.9
Total amount for ten principal taxpayers	198,281,290	8,172,379	19.2
Total for remaining taxpayers	813,844,500	31,728,652	81.8
Total amount for all taxpayers	\$1,012,125,790	\$40,901,031	100.0%

Unaudited - see accompanying audit report.

CITY OF SHREVEPORT, LOUISIANA
 SUMMARY OF AD VALOREM TAX MILLAGE RATES
 (TAX RATE PER \$1,000 ASSESSED VALUE)
 FISCAL YEARS ENDING DECEMBER 31, 1983 THROUGH DECEMBER 31, 1997

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Debt Service (1)	\$30.84	\$30.84	\$29.67	\$29.67	\$29.67	\$29.67	\$29.67	\$29.67	\$29.67	\$29.17
General Allotment (2)	12.10	12.10	12.65	12.65	12.65	12.65	12.65	12.65	12.65	12.16
Police Three-Phase System (3)	1.78	1.78	1.81	1.81	1.81	1.81	1.74	1.74	1.74	1.74
Police and Fire Uniform & Equipment (4)	1.30	1.30	1.37	1.37	1.37	1.37	1.30	1.30	1.30	1.30
Salary & Wage Schedules (5)	1.30	1.30	1.37	1.37	1.37	1.37	1.30	1.30	1.30	1.30
Street Improvements (6)	1.30	1.30	1.37	1.37	1.37	1.37	1.30	1.30	1.30	1.30
Employee Benefits (7)	1.00	1.00	1.07	1.07	1.07	1.07	1.00	1.00	1.00	1.00
Parks & Recreational Facilities (8)	1.00	1.00	1.05	1.05	1.05	1.05	.99	.99	.99	.99
Total	\$41.83	\$41.83	\$51.34	\$51.34	\$51.34	\$51.34	\$48.51	\$48.51	\$48.81	\$48.01

(1) Political subdivisions in Louisiana are required to levy without limitation on each rate as may be necessary to service general obligation bonds.

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

\$12.65 mills for General Allotment

\$11.81 mills for Police Three-Phase System

(3) Special millage approved by referendum and must be approved by referendum every 5 years.
 (Last submitted and approved on July 19, 1997).

Unaudited - see accompanying audit report.

Table 15

**CITY OF MONROE, LOUISIANA
MISCELLANEOUS STATISTICS
DECEMBER 31, 1997**

Date of annexation	1835
Date of incorporation	1859
Form of government	Mayor-Council
Date established	1978
Area square miles	117
Less miles of paved streets	1,362
Police protection	Municipal
Number of policemen & officers	215
Fire protection	Municipal
Number of firemen & officers	315
Employees:	
Classified, appointed, elected, and exempt (exclusive of fire and police)	1,044
Recreation:	
Parks - Number of acres	3,173
Number of playgrounds	43
Number of picnic areas	32
Number of municipal golf courses	1
Number of street lights	28,877
Water storage tanks:	
Number of storage tanks	18
Total capacity of water storage tanks	11,000,000 gallons
Municipal waste plant:	
Number of accounts	65,025
Daily average consumption	15,600,000 gallons
Miles of sewer mains	1,040
Sewer:	
Number of accounts	65,433
Daily average inflow flow	45,400,000
Miles of sewer mains	1,038
Miles of drainage ditches:	
Paved	408
Non-paved	910

Unaudited - see accompanying audit report.

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CITY OF SHREVEPORT, LOUISIANA

**Schedule of Expenditures of Federal Awards
(Single Audit)**

December 31, 1997

(With Independent Auditor's Report Thereon)

Prepare Date _____

Under provisions of state law, this report is a public document. A copy of this report has been made available to the auditor or reviewer, and other appropriate parties. This report is available for public inspection at the Bureau of Legislative Audits, 1000 Board of State Court, 100 and, where appropriate, at the office of the parish clerk of court.

CITY OF SHREVEPORT, LOUISIANA

Schedule of Expenditures of Federal Awards
(Single Audit)

Year ended December 31, 1997

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**Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

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

We have audited the financial statements of the City of Shreveport, Louisiana as of and for the year ended December 31, 1997, and have issued our report thereon dated March 25, 1998, which includes an explanatory paragraph due to a change in accounting principle for the adoption of Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Government Pools* in 1995. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Shreveport, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Shreveport, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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 over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control that we have reported to the management of the City of Shreveport, Louisiana, in a separate letter dated March 25, 1998.

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

KPMG Peat Marwick LLP

March 23, 1998

1000 Deposit Guaranty Tower
100 South Street
Memphis, CA 38103-0000

**Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133**

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

Compliance

We have audited the compliance of the City of Shreveport, Louisiana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 1997. The City of Shreveport, Louisiana's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Shreveport, Louisiana's management. Our responsibility is to express an opinion on the City of Shreveport, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audit of State, Local Government, and Non-Profit Organizations. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Shreveport, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Shreveport, Louisiana's compliance with these requirements.

In our opinion, the City of Shreveport, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997. The results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 90-1.

Internal Control Over Compliance

The management of the City of Shreveport, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Shreveport, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 over compliance and its operations that we consider to be material weaknesses. However, we noted other matters involving internal control that we have reported to the management of the City of Shreveport, Louisiana, in a separate letter dated March 23, 1998.

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the City of Shreveport, Louisiana as of and for the year ended December 31, 1997, and have issued our report thereon dated March 23, 1998. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

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

KPMG East Missouri LLP

March 23, 1998

CITY OF MONROE, LOUISIANA

Schedule of Expenditures of Federal Awards

Year ended December 31, 1997

Grant Title	Federal CFDA Number	Grant Number	1997 Expenditures
U.S. Department of Transportation			
Direct Programs:			
Urban Mass Transit Capital (UMTA)			
System 83 Capital Improvements	20.500	LA-80-0141	\$ 2,379
System 84 Capital Improvements	20.500	LA-80-0155 LA-80-2115	79,695
System 85 Capital Improvements	20.500	LA-80-0167 LA-80-2168	311,419
System 86 Capital Improvements	20.500	LA-80-0173	149,020
System 86 and 97 Capital Improvements	20.500	LA-80-0187 LA-90-2160	<u>506,132</u>
			<u>1,348,145</u>
Operating - DOT Operating Auditors (1995)	20.507	LA-80-1101	<u>484,820</u>
			<u>1,732,965</u>
Passed through Louisiana State Department of Transportation and Development:			
Culley Ditch Improvement	20.205	29-04-0009	<u>31,886</u>
Total U.S. Department of Transportation			<u>1,811,496</u>
U.S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grant	14.218	80C-02-0007	2,731,684
Emergency Shelter	14.218	80C-02-0008	<u>84,230</u>
			<u>2,815,914</u>
Community Development Block Grant			
Section 108 Loan Guarantees	14.248	80C-02-0007	1,185,000
FOHHS Investments in Affordable Housing	14.239	80C-02-0008	318,172
Home Ownership and Opportunity for People Everywhere	14.240	LA-0884-4-A	383,218
State Emergency Shelter	14.234	08541	<u>98,582</u>
Total U.S. Department of Housing and Urban Development			<u>4,807,864</u>

(Continued)

CITY OF SHREVEPORT, LOUISIANA

Schedule of Expenditures of Federal Awards, Continued

Grant Title	Federal CFDA Number	Grant Number	1997 Encumbrance
U.S. Department of Labor			
Funded through Louisiana Department of Education and Training - 8% Education Grant			
Job Training Partnership Act	17-250	08-175-0071-2	\$ 83,193
Job Training Partnership Act	17-250	71-18	826,516
Job Training Partnership Act	17-250	71-18	718,658
Job Training Partnership Act	17-250	71-12	508,982
Title II B Incentive Older Workers	17-280	71-092	180,192
	17-250	171-09-09-175-1129-2	20,000
			<u>2,128,539</u>
Title III Dislocated Workers			
Funded through Louisiana Department of Social Services - Office of Family Support - Louisiana U.E.T. Program	17-248	175-791-175-5894-3	798,283
	N/A	335418	281,621
Total U.S. Department of Labor			<u>3,136,589</u>
Environmental Protection Agency			
Lowlands Environmental	66-602	V-09031-81-8	42,584
Federal Aviation Administration			
Direct Programs:			
Airport Improvement Program			
Rowley 1812 Rehabilitation	20-186	3-23-0048-14	9,843
Cargo Agent Expansion	20-186	3-23-0048-17	169,231
A.R.P. Station Construction	20-186	3-23-0048-18	1,281,680
FAR Part 158 Property Safety Area Drainage Improvements	20-186	3-23-0048-19	1,421,668
Master Plan Update - Regional Airport	20-186	3-23-0048-20	446,942
General Aviation Ramp Lighting Improvement	20-186	3-23-0048-20	37,892
	20-186	3-23-0048-20	<u>14,326</u>
Total Federal Aviation Administration			<u>2,189,529</u>

(Continued)

CITY OF SHREVEPORT, LOUISIANA

Schedule of Expenditures of Federal Awards, Continued

Grant Title	Federal CFDA Number	Grant Number	1997 Expenditures
U.S. Department of Justice			
Parole through Louisiana Commission of Law Enforcement - Police Hiring			
Supplement	15.540	94DL-CR-0017	\$ 370,554
Ward and Bond	15.540	94-DD-CR-0106	446,321
Acad. Postfitters	N/A	N/A	40,888
Cops Ahead	15.710	95CX-WP0009	221,343
Personal Response on Street Terrorism	15.779	95-B1-B-02-0010	46,177
Youth Center, Holding, Counseling, and Referral Center	15.540	95-J1-1-3-0001	17,900
Drug Abuse Resistance Education	1594C	95S-B-071	157,006
Criminal Activity Panel	15.579	95-B1-B-07-0017	9,999
Police Block Grant	15.592	96-LB-WP-3074	232,340
Domestic Violence	15.538	95-M1-04-01-0448	11,976
Tracking Violent Offenders	15.579	95-B1-B-07-0000	<u>35,312</u>
Total U.S. Department of Justice			<u>2,081,082</u>
Total Federal Financial Assistance			<u>\$ 12,123,756</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF SHREVEPORT, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards

December 31, 1997

(0) **General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the City of Shreveport, Louisiana (the "City"), for the year ended December 31, 1997. The City's reporting entity is defined in note 1(A) 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, is included on the schedule.

(1) **Basis of Accounting**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in note 3(C) to the City's general purpose financial statements.

(2) **Subrecipients**

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Police Block Grant	16.579	\$ 171,680
Community Development Block Grant	14.218	365,086
BE Education Grant	17.250	88,745
Job Training Partnership Act	17.280	458,987

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

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

CITY OF SHREVEPORT, LOUISIANA

Schedule of Findings and Questioned Costs
(Single Audit)

Year ended December 31, 1997

(1) Summary of Auditor's Results

- (a) The type of report issued on the general-purpose financial statements: unqualified opinion
- (b) Reportable conditions in internal control were disclosed by the audit of the Financial Statements: no Material weaknesses: no
- (c) Noncompliance which is material to the general-purpose financial statements: no
- (d) Reportable conditions in internal control over major programs: no
Material weaknesses: no
- (e) The type of report issued on compliance for major programs: unqualified opinion
- (f) Any audit findings which are required to be reported under section 3100 of OMB Circular A-133: no
- (g) Major programs:
United States Department of Housing and Urban Development:
Community Development Block Grant (CFDA Number 14.208)
Community Development Block Grant Section 108 Loan Guarantee (CFDA Number 14.248)
Home Investment in Affordable Housing (CFDA Number 14.238)
United States Department of Labor:
Job Training Partnership Act (CFDA 17.250)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$125,000
- (i) Auditor qualified as a low risk auditee under section 530 of OMB Circular A-133: yes
- (1) Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards:

None.

CITY OF SHREVEPORT, LOUISIANA

Schedule of Findings and Questioned Costs, Continued

Year ended December 31, 1997

(C) Findings and Questioned Costs relating to Federal Awards:

Item: 90-1

Grant: Community Development Block Grant Section 508 Loan Guarantee

CIFIs: 14,245

Grant Number: HCC21-0807

Award Year: 1997

Specific Requirement: Davis-Bacon Act

Condition Found: All employees for one construction activity were not paid the prevailing wage rate established by the DOL for the locality at the time of the construction period.

Questioned Costs: Unknown

Asseried Effect: Prime contractor responsible for informing subcontractors.

Recommendation: Contracts between the prime contractor and subcontractors should be reviewed to ensure that the required prevailing wage rate clauses were included in contracts for construction which exceeded \$2,000.

Management's Response: It was detected early in the construction phase that Davis-Bacon had been violated by the prime contractor. Immediately the contractor was notified and allowed an opportunity to make restitution to those workers not paid the prevailing wage rates. This resulted in the suspension of the remaining project payment or loan guarantee funds. We have retained \$59,250.00. These are sufficient funds to cover the \$19,843.68 owed to the workers. Additional contracts have been put in place to assure that this does not occur again.

The Department has a labor standards implementation and contracting procedure process. One component of the process is to hold a pre-construction meeting. During the meeting, the labor standards requirements, preparation and submission of payroll, and site inspection employee interview requirements are explained. The contractor and all subcontractors are required to attend. In addition, the prime contractor must certify that they are adhering to the Davis-Bacon Act.

CITY OF SHREVEPORT, LOUISIANA
Summary Schedule of Prior Audit Findings
Year ended December 31, 1997

14) Summary Schedule of Prior Audit Findings:

Reference: 96-01

Findings:

Subrecipient monitoring. — During our review of six subrecipient files, we noted that one file (Rutherford House) did not contain documentation indicating that a contract monitor review had been performed. Federal regulations require a contract monitor to review if total subrecipient expenditures exceed \$15,000.

Contact Person: Craig Steppert

Status: The Department of Community Development's Monitoring Unit conducted a program review of Rutherford House's Program Year 1997 JTPA Contract (0000) that was written with an effective period of August 14, 1995 to June 15, 1998. The monitoring report that was completed in conjunction with this program review was submitted to the Director of the Department of Community Development on October 13, 1997. The report's recommended corrective action, based on findings in this monitoring report, was completed by the Bureau of Community Services on November 3, 1997. It should be noted that the Department of Community Development has also received a copy of a financial audit for Rutherford House for the period covering July 1, 1996 to June 30, 1997. This audit was conducted by Beard, McElroy, & Vreel, L.L.P. and identified no questioned or disallowed costs in relation to JTPA funds received by Rutherford House from the City of Shreveport.

KPMG Peat Marwick LLP

1900 Capital Square Tower
500 West Street
Shreveport, LA 71201-0001

March 23, 1998

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

Dear Members:

We have audited the financial statements of the City of Shreveport, Louisiana (the "City"), for the year ended December 31, 1997, and have issued our report, dated March 23, 1998. In planning and performing our audit of the financial statements of the City, we considered the internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. We have not considered internal control since the date of our report.

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

COMMUNITY DEVELOPMENT

Notes Receivable — The United States Euron Trust (USET) provides the Community Development Department with a monthly accounting of transactions to client accounts with current note balances on each report. These reports are submitted to the Finance Department monthly to update the FAMES accounting system. In addition, a diskette is provided by USET that contains the same data in FAMES format. This diskette is submitted to Data Processing on a monthly basis to update the notes receivable balances on the FAMES system.

It was noted during the audit that one new note of a significant dollar amount issued was not included in the FAMES accounting system. In addition, the Community Development Department does not continuously update the notes receivable balances on the FAMES accounting system. We noted several differences in the notes receivable balances between the Community Development

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Department and the FAMIS accounting system. The accuracy of the balances is the responsibility of the Community Development Department and the Finance Department. The monthly reports and balances obtained from USET reduces the risk of inaccurate note balances provided they are received by Data Processing early enough to be processed before close-out. When a new note is issued, the Finance Department must be notified so that an adjusting journal entry can be made and monthly reconciliations should be prepared between the Community Development Department and Finance Department.

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

Management's Response – We concur. We will take the necessary steps to ensure that the FAMIS Accounting System accurately reflects the balances of all notes and any new notes issued on a monthly basis.

Community Development's Fiscal Unit will work closely with the fund accountant in the Finance Department to ensure that monthly updates have been done to the FAMIS System using the database that is provided by USET that contains the same data in FAMIS format.

The Community Development Housing Unit will update the in-house monthly reports. The Fiscal Unit will reconcile the reports to ensure that all notes receivables are accurate and current.

The Planning and Housing Units will inform the Fiscal Unit in order to inform the fund accountant of the current status.

Job Training Partnership Act Financial Agreements – During our review of the Job Training Partnership Act Financial Agreements with Subscriptions, we noted the agreements refer to the compliance of the Subscription with the Office of Management and Budget (OMB) Circular A-128. Due to the 1998 Single Audit Act Amendments, OMB Circular A-133, *Audit of Institutions of Higher Education and Other Non-Profit Institutions*, and OMB Circular A-128, *Audit of States and Local Governments*, were consolidated and a revised OMB Circular A-133, *Audit of States, Local Governments and Non-Profit Organizations* was issued. We recommend that the Department of Community Development revise the Subscriptions Financial Agreements to properly reflect this amendment.

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Management's Response — The Department of Community Development has updated the section within its JTPA Financial Agreements that specifically addresses the revised OMB audit requirements. This provision now reads as follows:

The Subrecipient agrees to comply with Office of Management and Budget Circular A-133 concerning grantees that receive \$300,000 or more a year in financial aid. Federal financial assistance means assistance provided by the federal agency in the form of grants, contracts, cooperative agreements, loans, etc. Pursuant to the requirements of Circular A-133 and other applicable City requirements, the Subrecipient shall submit a copy of its completed audit to the Recipient (City of Shreveport) for review and approval.

During February of 1998, the Department of Community Development included information on the revised OMB audit requirements in its Request for Proposal (RFP) packets that were distributed to prospective JTPA service providers. The revised OMB audit requirements were also mentioned during a "bidder's conference" for prospective JTPA service providers that the Department of Community Development held during February 1998.

Job Training Partnership Act — Due to recent revisions of OMB Circular A-133, *Audit of States, Local Governments and Non-Profit Organizations*, which consolidates the former OMB Circulars A-128, *Audit of State and Local Governments*, and A-131, *Audit of Institutions of Higher Education and Other Non-Profit Institutions*, grantees that expend \$300,000 annually or more in federal awards must have a single audit. This is an increase from \$25,000. Thus, many subrecipients that spend less than \$300,000 annually are no longer required to have a single audit under this revised OMB Circular A-133. Currently, no JTPA subrecipient of the City receives/spends more than \$300,000 annually. We recommend the City review their overall subrecipient monitoring process and decide what, if any, additional monitoring procedures may be necessary to ensure subrecipient compliance. The City should consider various risk factors, such as the size of the federal awards and a subrecipient's prior audit experience, in developing monitoring procedures.

Management's Response — The Louisiana Department of Labor has instituted a policy through Instruction No. 342 that, "... requires each service provider to be monitored at least once during the course of the subagreement or at least once a year in case of multi-year subagreements." To meet this state requirement, the Department of Community Development's Monitoring Unit will endeavor to develop monitoring schedules that will enable it to complete program reviews for as many JTPA service providers as possible during each program year. The Monitoring Unit will give priority in scheduling program reviews to those service providers who have been obligated the greatest amount of JTPA funds through contracts or financial agreements. Throughout each program year, the Monitoring Unit reviews records on file in the Bureau of Community Services to identify new JTPA contracts or financial agreements that have been implemented in order to develop effective monitoring schedules and to prioritize its monitoring activities.

PENSION FUNDS

Funding — The Employee Retirement System maintains a large net pension asset at year end. The City may want to consider reducing member contributions and/or increase benefits of the pension fund as it appears to be overfunded.

Management's Response — Consideration will be given to adjusting the funding contribution and/or benefits of the pension funds.

HEALTHCARE TRUST FUND

During our review of the unreported claims reserve, we noted that the Healthcare Trust Fund still accrues for unreported medical claims. However, the City has not been self-funded for medical since January 1, 1996 and it is unclear whether such a reserve is still necessary for any lagging claims. We recommend the City investigate the status of claims related to this period and make any necessary adjustments to the reserve.

Management's Response — We will evaluate the unreported claims reserve and make adjustments, if necessary.

YEAR 2000 ISSUE

Year 2000 Initiative — The Year 2000 issue encompasses an entire organization. Many organizations are focusing on the information technology (IT) component of the problem. This issue is more encompassing than just the IT organization. Any item with electronic components might be impacted if it has a microcomputer chip which controls its functions. These are commonly referred to as embedded chips. Embedded chips are used to control many electrical items (e.g. water flow controllers, process control systems, etc.).

The IT department has begun a project to resolve Year 2000 issues relating to the IT systems and software. The department has made progress in seeking to be Year 2000 compliant. The City's Chief Administrative Officer has requested an inventory of all systems and that each department investigate whether their independently running systems are Year 2000 compliant. Additionally, the Purchasing Department has incorporated into all contracts with vendors a section requiring third party vendors to be Year 2000 compliant.

However, at the time of our inquiries there had been little, if any, investigation in the impact the Year 2000 has on the city's operations, embedded systems, etc. For example, many cities have

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electronically-controlled traffic systems, water systems, jail systems, etc. that may be affected by the Year 2000. Additionally, major vendors, service providers, should be contacted to ensure their addressing the Year 2000 issue.

We recommend the scope of the oversight committee be expanded to include systems outside of data processing and Year 2000 status should be communicated to the oversight committee and the audit committee periodically. A risk analysis should be performed to facilitate the setting of priorities and establishment of contingency plans. The committee should address operational/embedded systems that are not under the scope of the IS department.

The Year 2000 initiative among other things should include:

- Project ownership
- Project budget
- Project management
- Estimated completion dates
- Quality assurance plan
- Testing plans for every system in use within the City
- Contingency plans for critical systems

Our discussions, which included limited inquiries in connection with the Year 2000 issue, were not designed to, and does not provide any assurance that the Year 2000 issues which may exist have been identified, or the adequacy of the City's remediation plans related to the Year 2000 financial or operational issues or whether the City is or will become Year 2000 compliant. Year 2000 compliance is the responsibility of the City's officials and management.

Management's Response — We agree that there are Year 2000 issues that encompass the entire organization. All department heads were asked by the CAO to let him know where they are in relation to existing systems such as traffic engineering, water and sewer, etc. are Year 2000 compliant. They have been asked to keep him updated on progress. A business recovery plan is in progress and being developed to show how departments will operate without computer systems.

The "internal IS committee" was established by IS and is currently working toward a completion date of December 31, 1998. This project has been on-going since 1994 when Data Processing started reviewing the City's programs and ensuring purchased programs are Year 2000 compliant. In addition to the Data Processing Division, there is a Data Processing Steering Committee consisting of the Director of Finance, Controller, Assistant to the Chief Administrative Officer, Director of Public Works, Personnel Director, Director of Metropolitan Planning Commission and representation from the internal audit staff which works with the division on information systems matters which encompass the entire City.

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DATA PROCESSING

IT Organization and Management — The City has a five-year Long Term Information Technology (IT) Plan that outlines the planned hardware and software changes. However, the plan was last updated in 1994. KPMG did note that goals are set by the Data Processing Department each year, however, they are not based on an established Long Term Plan for the overall City.

A Long Term IT plan that is aligned with the City's overall strategy is beneficial. The Data Processing functions should support the City's operations and its future operations. We recommend that the City update its Plan annually that outlines goals and objectives of the City's operations.

Management's Response — The goals are set by the Administration and the Steering Committee. We will discuss this recommendation in the Steering Committee and determine a proper course of action.

Physical Access — During our tour of the computer room, we noted that there are leaks in the ceiling of this room. As the computer room houses critical systems, there should be environmental controls over the physical location of the computer room. Leakage from the ceiling could cause damage to the computer systems that could result in the loss of valuable information and interruption of City operations. KPMG did note, through discussion with management, that the leakage problem has been addressed and the cost of the building is in the process of being repaired. We recommend the City verify that the computer room no longer has a leakage problem and ensure the computer room remains free of environmental hazards.

Management's Response — We agree that there has been leakage problems in the Computer Room. We will continue to monitor the leakage and continue to make every attempt to correct the problem.

Business Continuity Plan — The City has a Disaster Recovery Plan (DRP) which is currently being updated. Additionally, they have hired a consultant to expand this DRP plan into a comprehensive Business Continuity Plan (BCP). However, arrangements have not been made for the procurement of alternate computing facilities in the event of a disaster. We recommend that a comprehensive BCP be developed to assist all departments in planning their recovery in the event of a disaster. The plan should address recovery from a partial and/or total loss of facilities and computing resources. The plan should also be regularly updated and tested. As a minimum, the plan should include the following:

- Detailed prioritized procedures for specified individuals that will enable full recovery to the back up site while the primary location is being repaired or restored;
- Complete inventory of hardware and software;
- Current hardware and telecommunications configuration charts;
- List of key staff to be contacted in the event of a disaster including their home telephone numbers;
- Contact list of all relevant vendors for replacement of equipment;
- Procedures detailing the restoration of data and software from back ups and the location of the back ups;
- Full testing procedures for the contingency plan which should be executed annually;
- Back up site should be identified and tested.

Management's Response — A Comprehensive Business Continuity Plan is currently underway which encompasses the items recommended. The Business Recovery Plan should be completed and tested by mid-summer.

IS Policies and Procedures — During our review of System Development, we noted that the policies and procedures are documented, but such documentation is located in various and in the Administrative Procedures. There is no consolidated repository of all System Development policies and procedures. Also, we noted that the Administrative Procedures have not been revised since 1988. Updated policies and procedures reduce the risk of confusion over the steps to be taken and the documentation required to provide internal control. Furthermore, we noted that the City has not developed, adopted and implemented formal security policies and procedures. Although informal policies exist, a single comprehensive security guide has not been developed. Failure to formally set and then uniformly deploy and monitor compliance with security policies and procedures creates the risk that security will be implemented in a manner that is haphazard and inconsistent with the wishes and goals of management. We recommend that policies and procedures be developed and/or formalized for the IT functions.

Management's Response — The Data Processing Division is currently in the process of updating and consolidating the IS Policies and Procedures. The target date for the completion date of this effort is December 31, 1998. Procedures are documented and consistently applied. The procedure covering the movement of programs into production is rigidly enforced through a three-level review and approval process and by the separation of duties. Testing procedures are documented and require independent and user testing before a program is moved to production. Operational procedures are documented in the Quality Assurance Documentation procedure which provides operator instructions for each job placed in production. Further, the policies and procedures that are in place were developed by the IS management staff to insure information integrity and security. These procedures and policies have been reviewed and modified over the years in response to previous K&P audits.

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GENERAL FIXED ASSET ACCOUNT GROUP

Documentation of Fixed Asset Retirements — During our review of fixed asset retirements, we noted out of the five items tested, four of the items were not authorized until after the assets were removed from the fixed asset system. We recommended the City implement procedures to assure that all fixed asset retirements are properly authorized before being removed from the fixed asset system.

Management's Response — We agree that proper procedures were not followed in the retirement of fixed assets. Steps have been taken to ensure compliance in the future.

Fixed Asset Purchases — During our review of fixed asset additions, we noted out of seven items tested, one item was booked to the system at \$80,000 over the actual purchase price per the invoice. Fixed asset additions should be booked to the system at the purchase price per the invoice. We recommended that procedures be put in place to ensure the accuracy of recorded amounts for fixed asset additions.

Management's Response — During 1997, there was a FAMES System upgrade from 3.2 to 4.2. Fixed assets were the last unit to be upgraded. In order to complete the financial statements in a timely manner, there were some manually processed additions to fixed assets. The 4.2 upgrade field file is invoice payment driven and should eliminate errors in fixed asset additions relative to cost.

Equipment Management — Local governments shall follow the A-103 Common Rule for equipment acquired under Federal awards received directly from a Federal awarding agency. The A-103 Common Rule requires that equipment be used in the program which acquired it or, when appropriate, other Federal programs. Equipment records shall be maintained, a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained. Such property records shall contain the following information about the equipment: description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of Federal participation in the cost, location, condition, and any ultimate disposition data. During procedures performed on the Single Audit Compliance Requirements Equipment and Real Property Management, we noted that insufficient property records were maintained. We noted that fixed assets were not tracked by grant number. Also, the percentage of Federal participation in the cost was not properly documented. We recommended that all fixed assets acquired under Federal awards received directly from the Federal awarding agency be tracked by grant number and/or Federal CFDA number. Also, the percentage of Federal participation in the cost should be documented in the property records.

Management's Response — Since the conversion of the fixed assets system in late 1993, assets have been tracked by grant number and the percentage of Federal participation.

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SHREVEPORT AREA TRANSIT SYSTEM

Reconciliations — During our review of the Shreveport Area Transit System, we noted one instance in which the Transit System's records did not reconcile to the City's records. To prepare accurate financial reports and federal financial assistance schedules it is essential that the Transit System perform regular reconciliations of its records to the City's records and investigate any variances to ensure that financial reports are accurate. Also, the City should perform similar reconciliations and inform Transit System management of any adjustment and/or discrepancies between the City's records and the Transit System's records.

Management's Response — SpcTrans now performs regular reconciliations of its records to the City records. We will monitor reports closer at year end.

Bank Reconciliations — The Shreveport Area Transit System bank statements are not being reconciled on a timely basis. As of March, we noted that the bank statements were reconciled through November. We recommend that bank reconciliations be performed on a timely basis to ensure the accuracy of the cash balances.

Management's Response — Bank statements are now reconciled monthly.

TREASURER'S GROUP

Bank Reconciliations — During our audit, we noted the bank statements (depositing and payroll accounts) for the Treasurer's Group of Accounts had not been reconciled on a timely basis. However, by March 1988, we noted that the bank statements were reconciled through December 1987. Also during our review of the December bank reconciliation, we noted several outstanding checks dating back to 1986. We recommend that cash reconciliations be performed on a timely basis and adjustments be booked for reconciling items that exceed past a pre-determined time period to ensure the accuracy of the cash balances.

Management's Response — We agree that bank statements should be reconciled on a timely basis and that adjustments for reconciling items should be booked timely. We will monitor this to ensure reconciliations are performed timely.

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AIRPORT

Accounts Receivable — During our procedures performed to determine if the accounts receivable balances for the Airport Fund were properly aged, one customer file could not be located. We noted that the vendor/customer files were not properly secured. Invoices, statements, etc. were loose in the file folders. Also, some files were pulled and stacked on the tops of boxes and no check-out procedures are used when pulling files. We recommend the Airport implement procedures to ensure all vendor/customer files are properly secured.

Management's Response — We agree that at the time of the review one customer file could not be located. The file was later found to have been misfiled. The folder was immediately placed in the proper place alphabetically. All files are kept in a locked file cabinet and are not allowed to leave the accounting section. The files that were pulled and stacked on boxes had been pulled earlier that same day in order to determine the total revenues from the several rental-car operators on the airport and also to determine the total loaded weight of each airline serving the airport during the past year. As soon as this assignment was completed, the files were returned to their proper place. We agree that the statements, invoices, etc. were loose in the folders. We will begin to bind forms in the folders matching payments in the revenues.

* * * * *

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

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

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

Very truly yours,

KPMG Peat Marwick LLP