



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Primary Government Financial Report**

**Year Ended December 31, 2003**

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

Release Date 7-14-04

**CADDO PARISH COMMISSION**  
**Primary Government Financial Statements and**  
**Individual Fund Statements**  
**Year Ended December 31, 2003**  
**(With Independent Auditors' Report Thereon)**

# **INTRODUCTORY SECTION**

---

---

---

- **TABLE OF CONTENTS**
- **LETTER OF TRANSMITTAL**
- **ORGANIZATION CHART**
- **ELECTED OFFICIALS**
- **APPOINTED OFFICIALS**

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Primary Government Financial Statements and  
Individual Fund Statements**

**Year ended December 31, 2003**

**Table of Contents**

	Page(s)
<b>INTRODUCTORY SECTION</b>	
Title Page	i
Table of Contents	ii-v
Letter of Transmittal	vi-x
Organization Chart	xi
Elected Officials	xii
Appointed Officials	xiii
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	1-2
<b>Required Supplementary Information (Unaudited)</b> Management's Discussion and Analysis (MD&A)	3-13
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements (GWFS)	
Statement of Net Assets	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	19

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Primary Government Financial Statements and  
Individual Fund Statements**

**Year ended December 31, 2003**

**Table of Contents (Continued)**

	Page(s)
Statement of Net Assets – Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Statement of Fiduciary Assets and Liabilities	23
Notes to Basic Financial Statements	24-44
<b>Required Supplementary Information (Unaudited)</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on a Budgetary Basis – General Fund	45
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on a Budgetary Basis – Shreve Memorial Library Fund	46
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on a Budgetary Basis – Detention Facilities Fund	47
Notes to Budgetary Comparison Schedules	48-49
<b>Combining Fund Financial Statements:</b>	
Combining Balance Sheet – By Fund Type – Nonmajor Governmental Funds	50
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – By Fund Type – Nonmajor Governmental Funds	51
Combining Balance Sheet – Nonmajor Special Revenue Funds	52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	53
Combining Balance Sheet – Nonmajor Capital Projects Funds	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	55
Combining Statement of Net Assets – Internal Service Funds	56

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Primary Government Financial Statements and  
Individual Fund Statements**

**Year ended December 31, 2003**

**Table of Contents (Continued)**

	<b>Page(s)</b>
<b>Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds</b>	<b>57</b>
<b>Combining Statement of Cash Flows – Internal Service Funds</b>	<b>58-59</b>
<b>Combining Statement of Assets and Liabilities – Agency Funds</b>	<b>60</b>
<b>Combining Statement of Changes in Assets and Liabilities – Agency Funds</b>	<b>61</b>
<b>Individual Fund Schedules:</b>	
<b>Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (unaudited):</b>	
<b>Courthouse Maintenance</b>	<b>62</b>
<b>Solid Waste Disposal</b>	<b>63</b>
<b>Road and Bridge</b>	<b>64</b>
<b>Parks and Recreation</b>	<b>65</b>
<b>Drainage</b>	<b>66</b>
<b>Juvenile Court</b>	<b>67-68</b>
<b>Health Tax</b>	<b>69-70</b>
<b>Law Officers Witness</b>	<b>71</b>
<b>Biomedical</b>	<b>72</b>
<b>Riverboat</b>	<b>73</b>
<b>Reserve Trust</b>	<b>74</b>
<b>Economic Development</b>	<b>75</b>
<b>Criminal Justice</b>	<b>76</b>
<b>Debt Service</b>	<b>77</b>

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Primary Government Financial Statements and  
Individual Fund Statements**

**Year ended December 31, 2003**

**Table of Contents (Continued)**

	<b>Table</b>	<b>Page(s)</b>
<b>STATISTICAL SECTION (unaudited)</b>		
General Governmental Expenditures by Function – Last Ten Fiscal Years	1	78
General Governmental Revenues by Source – Last Ten Fiscal Years	2	79
Property Tax Levies and Collections – Last Ten Tax Years	3	80
Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	4	81
Property Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Fiscal Years	5	82
Special Assessment Collections – Last Ten Fiscal Years	6	83
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita – Last Ten Fiscal Years	7	84
Computation of Legal Debt Margin	8	85
Computation of Direct and Overlapping Debt	9	86
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures – Last Ten Fiscal Years	10	87
Demographic Statistics – Last Ten Fiscal Years	11	88
Commercial Construction, Residential Construction, and Property Value – Last Ten Fiscal Years	12	89
Principal Taxpayers	13	90
Miscellaneous Statistics	14	91
Compensation Paid to Commissioners	15	92



# CADDO PARISH COMMISSION

GOVERNMENT PLAZA - 1ST FLOOR - 505 TRAVIS STREET - SHREVEPORT, LOUISIANA 71101-5409

**JAMES H. "JIM" MORRIS**  
PRESIDENT  
DISTRICT 1  
P.O. BOX 217  
OIL CITY, LA 71061

**JOYCE BOWMAN**  
VICE PRESIDENT  
DISTRICT 5  
3623 MILTON STREET  
SHREVEPORT, LA 71109

**ROBERT BROWN**  
PARLIAMENTARIAN  
DISTRICT 9  
1509 CAMBRIDGE DRIVE  
SHREVEPORT, LA 71105

**LINDORA BAKER**  
DISTRICT 6  
P.O. BOX 6041  
SHREVEPORT, LA 71106

**CLIFFORD RAY COLLINS**  
DISTRICT 12  
4040 CALDERWOOD DRIVE  
SHREVEPORT, LA 71119

**DAVID COX**  
DISTRICT 10  
2633 LYLES LANE  
SHREVEPORT, LA 71118

**GILFORD L. "GIF" GILLEN**  
DISTRICT 4  
645 DALZELL STREET  
SHREVEPORT, LA 71104

**MICHAEL D. LONG**  
DISTRICT 8  
236 PRESTON AVENUE  
SHREVEPORT, LA 71105

**STEPHANIE LYNCH**  
DISTRICT 7  
5037 WATERS PLACE  
SHREVEPORT, LA 71109

**ROSE WILSON-McCULLOCH**  
DISTRICT 2  
2509 KEMP LANE  
SHREVEPORT, LA 71107

**CARL A. PIERSON, SR.**  
DISTRICT 3  
2106 WYOMING CIRCLE  
SHREVEPORT, LA 71101

**RON WEBB**  
DISTRICT 11  
2406 HELMSDALE COURT  
SHREVEPORT, LA 71118

**JERRY C. SPEARS**  
COMMISSION CLERK  
318-226-6596  
FAX 318-226-6994

May 28, 2004

The Honorable James H. "Jim" Morris, President  
and Members of the Caddo Parish Commission  
Government Plaza  
505 Travis Street  
Shreveport, Louisiana 71101-5409

Dear Commissioners:

In compliance with Section 3-09 of the Home Rule Charter for Caddo Parish, we are pleased to submit the Primary Government Financial Report of the Caddo Parish Commission (the Commission) for the year ended December 31, 2003. These financial statements present the primary government only and do not include the data of the discrete component units necessary for reporting in conformity with generally accepted accounting principles (GAAP). These financial statements were audited in accordance with generally accepted government auditing standards by a firm of licensed certified public accountants. I believe this report presents comprehensive information about the Commission's financial and operating activities during 2003 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Department of Finance and consists of management's representations concerning the finances of the Commission. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Commission has established an internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Commission's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Commission's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Section 3-09 of the Home Rule Charter for Caddo Parish requires that the Commission provide for an annual independent audit of all accounts and financial transactions of the Commission by a firm of independent certified public accountants duly licensed to practice in the state of Louisiana. The accounting firm of KPMG LLP was selected by the Commission to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Commission for the fiscal year ended December 31, 2003, are free of



material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion on the Commission's governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government. However, because the financial statements do not include financial data for the Commission's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Commission's primary government, the Commission's financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Commission as of December 31, 2003. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Commission was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Commission's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Commission's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE CADDO PARISH COMMISSION**

The Commission is the governing authority for Caddo Parish and is a political subdivision of the state of Louisiana. The Commission, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy, and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health and welfare, libraries, culture and recreational facilities, economic development, and general administrative services.

The Commission was established December 10, 1984, after voter approval of the Home Rule Charter for Caddo Parish on April 7, 1984. The Commission replaced the Caddo Parish Police Jury which was established January 18, 1838.

These financial statements present the Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with generally accepted accounting principles.

Several agencies provide public services to Caddo Parish residents and should be included in the financial statements of the Commission as discrete component units. Financial data for these entities is not included in this report. Louisiana statutes do not require annual audited financial statements to be prepared for a majority of these units. Generally accepted accounting principles do not allow us to present unaudited or out of date information in our financial statements. Since annually audited financial statements are generally not available from these units, we have elected to issue a report covering only the Commission (the primary government). The entities thus excluded are:

- Caddo Parish Sheriff's Office and Tax Collector
- Caddo Parish Clerk of Court
- Caddo Parish Tax Assessor
- Caddo Community Action Agency
- Caddo Parish Communications District Number 1

Waterworks District Number 1  
Waterworks District Number 7  
Waterworks District Number 8  
Sewerage District Number 2  
Sewerage District Number 7  
Fire District Number 1  
Fire District Number 2  
Fire District Number 3  
Fire District Number 4  
Fire District Number 5  
Fire District Number 6  
Fire District Number 7  
Fire District Number 8  
Fire District Number 9  
North Caddo Hospital Service District

## **BUDGETARY CONTROL**

The Commission maintains a system of budgetary controls, the objective of which is to ensure compliance with the annual appropriated budget. The annual budget serves as the foundation for the Commission's financial planning and control. Prior to November 1, the Parish Administrator submits to the Commission a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments. Prior to December 27, the budget is legally enacted through passage of an ordinance.

The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department (function) or program expenditures. The Home Rule Charter provides that expenditures may not legally exceed appropriations on a functional (departmental or program) basis. Expenditures approved on a functional level are detailed by object account by the Parish Administrator and Finance Director. Revisions to the budget as enacted at the department (function) or program level require Commission action. Revisions at the object level can be approved by the Parish Administrator without seeking approval of the Commissioners. Several such revisions were made during the year ended December 31, 2003.

## **LOCAL ECONOMY**

The completion of the nearly \$900 million General Motors expansion has had a significant impact on the local economy. This project has resulted in a significant increase in sales tax revenue since 2000. It has also contributed to a 6.3% increase in 2003 property tax revenue since the additional square footage was added to the property tax roll in 2003. The project will continue to have a positive impact on the local economy with the location of several General Motors suppliers in the Shreveport area. These suppliers will create new jobs as well as require operational facilities which will provide additional property tax revenue. The Commission has worked closely with General Motors and several of its suppliers in the area of land acquisition and access to rail, roads, drainage, and utilities to facilitate their development.

Overall, the local economy is stable with a bright outlook. As the nation's economy improves, the expectation is that the local economy will also.

## **LONG-TERM FINANCIAL PLANNING**

During the 2004 budget process, the Commission addressed long-term financial concerns to ensure resources are available to meet future needs and allow for continuity of services. This analysis revealed an immediate concern in the area of criminal justice, primarily juvenile justice. Costs related to the juvenile justice system which includes the court operations and the juvenile detention center continue to rise at an alarming rate. The property tax millage dedicated to juvenile justice has not been increased since 1957.

To alleviate the funding crisis for juvenile justice, the Commission has called an election for Saturday, July 17, 2004 asking voters to approve a 15% parish-wide sales tax that will provide essential funding for the juvenile justice system. The 15% sales tax would generate \$5.3 million annually and allow the juvenile justice system to operate for the foreseeable future without the need to ask taxpayers for more money. A significant reduction in services will be necessary if the sales tax is not approved.

## **CASH MANAGEMENT AND INVESTMENTS**

The Commission has a cash management program which consists of pooling cash and investments for all funds of the Commission except the Shreve Memorial Library. Available cash was invested in a special bank "sweep account" collateralized by obligations of United States government agencies or insured by the Federal Deposit Insurance Corporation. Additional investments are accomplished through purchases of obligations of the United States Treasury, obligations of United States government agencies, and by participation in the Louisiana Asset Management Pool.

## **RISK MANAGEMENT**

The Commission maintains limited risk management programs for general liability and workers' compensation. As part of this plan, workers are trained in accident prevention and hazard avoidance techniques. Third-party coverage of \$3,000,000 is maintained for general liability claims. Retention limits are \$50,000 per claim with an annual aggregate total of \$250,000. Third-party coverage is also maintained for workers' compensation cases above \$300,000. In addition to the revenues collected in the General Insurance Fund, resources are designated within the General Fund for payment of potential claims. The Commission is partially self-insured for employee medical and life insurance with third-party coverage for occurrences over \$150,000 and aggregate stop-loss coverage for losses in excess of 125% of expected claims.

## **PENSION AND OTHER POSTEMPLOYMENT BENEFITS**

Substantially all Commission employees are members of the Parochial Employees' Retirement System of Louisiana. Employee payroll deductions of 9.5% of gross pay are partially matched by the Commission at a rate of 7.75% of gross wages. All deducted and matched funds are remitted to the retirement system. Retirement benefits are administered by the statewide plan and are not guaranteed by the Commission.

The Commission provides postretirement healthcare benefits and life insurance, in accordance with state statutes, to all retiring employees who were participating in the group insurance plan prior to their retirement date. The Commission is self-insured for medical benefits including postretirement healthcare benefits and life insurance.

## ACKNOWLEDGMENTS

The preparation of this report could not be accomplished without the dedicated and efficient services of the entire Department of Finance staff and the assistance of the Commission's independent auditors, KPMG LLP. Substantial recognition should also be given to the Commission and our Parish Administrator, Mr. William T. Hanna, Jr., for their interest and support in conducting the financial operations of the Commission in a responsible and progressive manner.

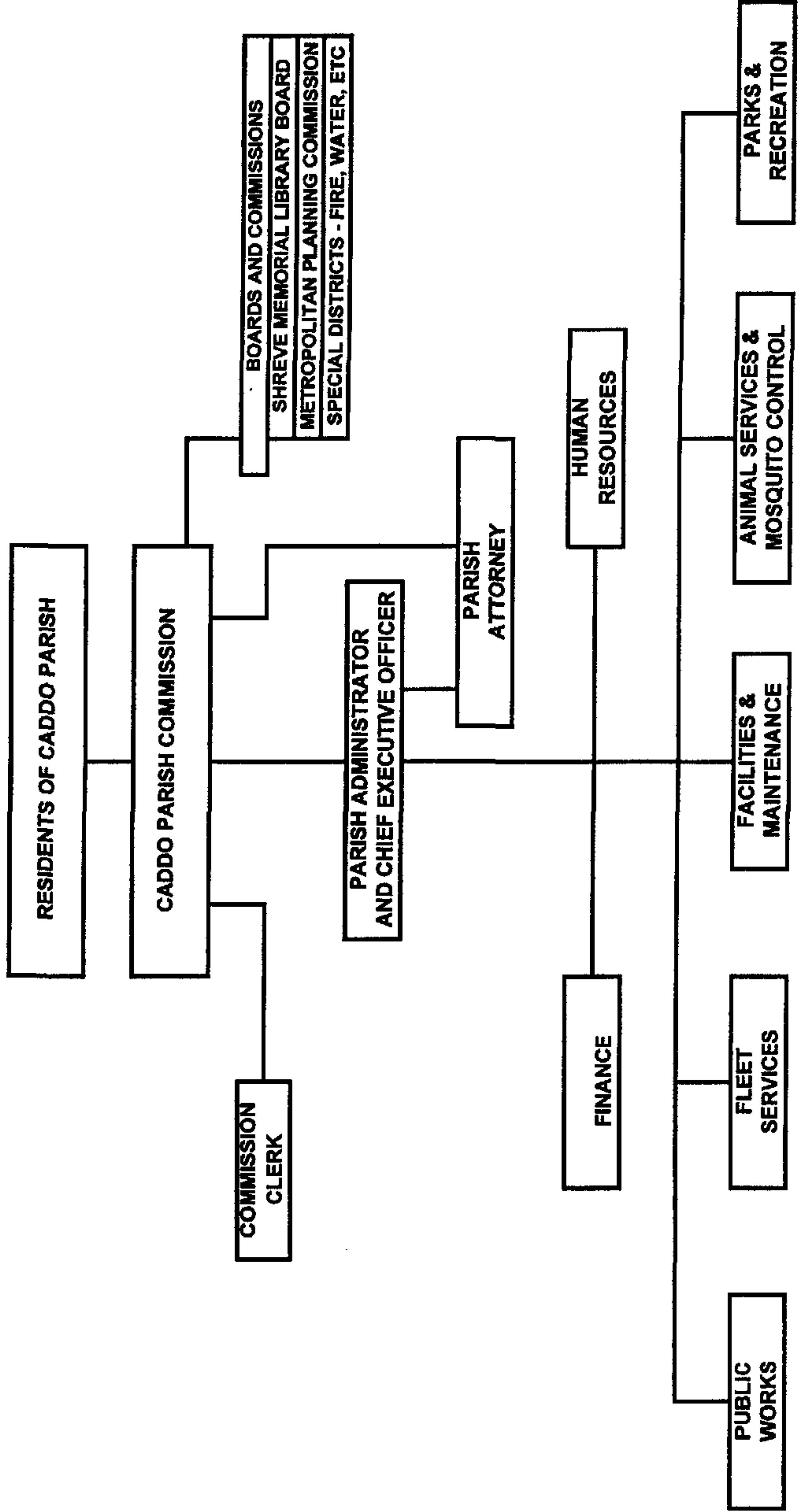
Sincerely,

A handwritten signature in cursive script that reads "Erica R. Bryant".

Erica R. Bryant  
Director of Finance

**ORGANIZATION CHART**

**CADDO PARISH COMMISSION  
SHREVEPORT, LOUISIANA**



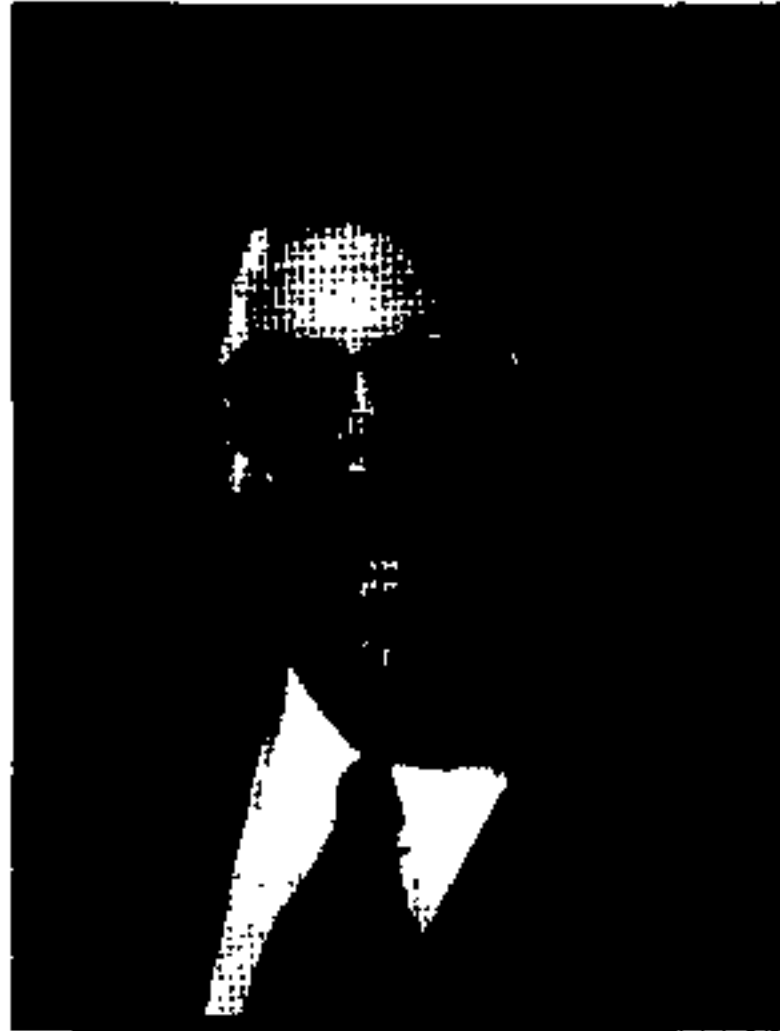


# CADDO PARISH COMMISSION

## Shreveport, Louisiana

### COUNCIL-MANAGER FORM OF GOVERNMENT

---



**James H. "Jim" Morris**  
District 1



**Rose Wilson McCulloch**  
District 2



**Carl A. Pierson, Sr.**  
District 3



**Gilford L. "Gif" Gillen**  
District 4



**Joyce Bowman**  
District 5



**Lindora Baker**  
District 6



**Stephanie Lynch**  
District 7



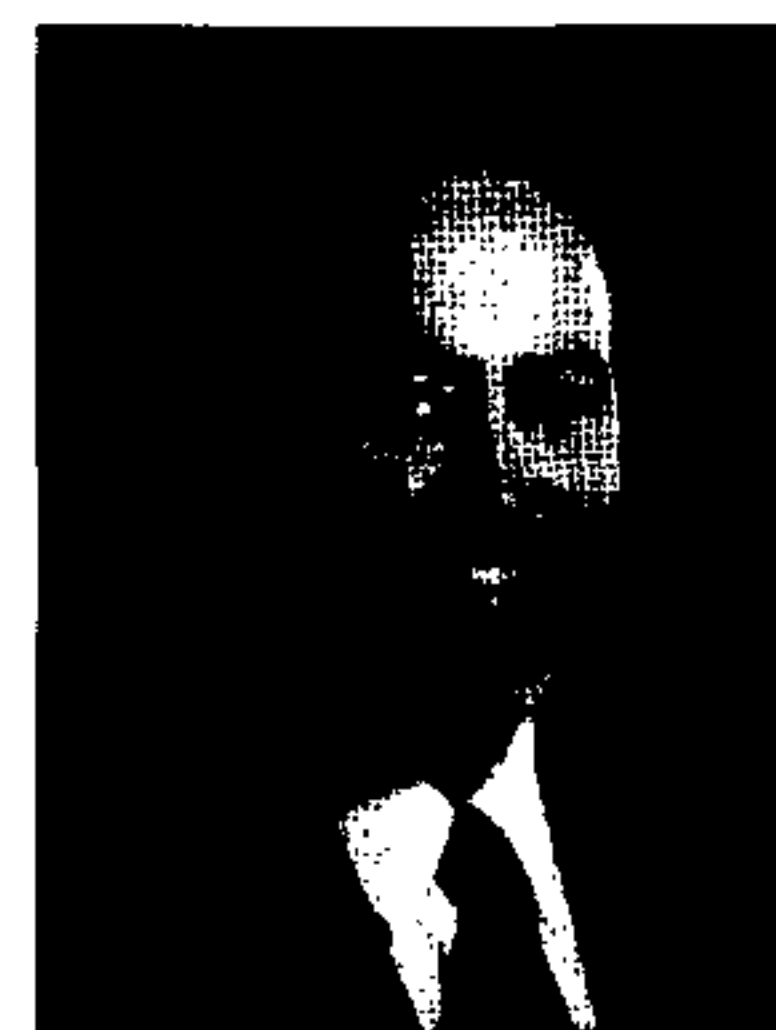
**Michael Long**  
District 8



**Bob Brown**  
District 9



**David Cox**  
District 10



**Ron Webb**  
District 11

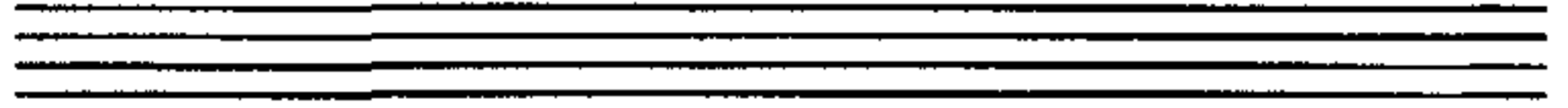


**Clifford Collins**  
District 12

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Appointed Officials Per Home Rule Charter**

Mr. William T. Hanna, Jr.	Parish Administrator and Chief Executive Officer
Ms. Erica R. Bryant	Director of Finance
Mr. Jeron Rogers	Director of Public Works
Ms. Maria Eades	Director of Human Resources
Mr. Woodrow Wilson, Jr.	Director of Facilities and Maintenance
Mr. Larry R. Raymond	Director of Parks and Recreation
Mr. Todd Hopkins	Director of Fleet Services
Mr. Richard J. McMillan, III	Director of Animal Services and Mosquito Control
Mr. Jerry C. Spears	Commission Clerk
Mr. Charles Grubb	Parish Attorney

**FINANCIAL  
SECTION**







KPMG LLP  
Suite 1900  
333 Texas Street  
Shreveport, LA 71101-3692

## Independent Auditors' Report

Members of the Caddo Parish Commission  
Shreveport, Louisiana:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2003, which collectively comprise the basic financial statements of the Commission's primary government as listed in the table of contents. We have also audited the financial statements of each of the Commission's nonmajor governmental, internal service, and fiduciary funds presented as supplementary information in the accompanying combining fund financial statements as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the Commission, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Commission's legal entity. The financial statements do not include financial data for the Commission's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Commission's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Commission, as of December 31, 2003, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of the Commission, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary funds of the



Commission as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in note 11 to the basic financial statements, the Commission adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements* in 2003.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2004 on our consideration of the Commission’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management’s discussion and analysis, and budgetary comparison information listed as Required Supplementary Information in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission’s basic financial statements and on each nonmajor governmental, internal service, and fiduciary fund of the Commission. The introductory section, the individual fund schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section, individual fund schedules, and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we express no opinion on them.

**KPMG LLP**

May 28, 2004

## **CADDO PARISH COMMISSION**

Shreveport, Louisiana

### **Management's Discussion and Analysis**

December 31, 2003

We offer readers of the Caddo Parish Commission's financial statements this narrative overview and analysis of the financial activities of the Caddo Parish Commission (the Commission) for the fiscal year ended December 31, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that the GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the Commission has elected to exclude the information in this report. Subsequent reports will include the comparative information.

#### **Financial Highlights**

Key financial highlights for the 2003 fiscal year include the following:

- The assets of the Commission exceeded its liabilities at the close of the fiscal year by \$308,100,780 (net assets). Of this amount, approximately \$12.7 million (unrestricted net assets) may be used to meet the Commission's obligations to citizens and creditors.
- The total net assets of the Commission decreased by \$923,527 for the year ended December 31, 2003, all of which relates to governmental activities.
- As of the close of the fiscal year, the Commission's governmental funds reported a combined ending fund balance of \$67,564,400, a decrease of \$3,919,173 in comparison with the prior fiscal year. Of this amount, \$37.9 million was unreserved, undesignated, and available for spending; \$16.3 million was unreserved but designated for capital projects; \$1.9 million was unreserved but designated for subsequent years' expenditures and for future claims; \$1.8 million was reserved for debt service; and \$1.2 million is held in a permanent trust and can only be used to make revolving loans to the General Fund.
- At the end of the fiscal year, unreserved, undesignated fund balance for the General Fund was \$3.0 million or 50.4% of total General Fund expenditures.
- The Commission's total long-term liabilities decreased \$3.7 million (11.7%) during the fiscal year primarily as a result of principal payments made during the year offset by additional borrowings of \$5.4 million.

#### **Overview of the Financial Statements**

This MD&A is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Management's Discussion and Analysis**

December 31, 2003

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The Statement of Net Assets and the Statement of Activities distinguish functions of the Commission that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Commission's governmental activities include general government, criminal justice, health and welfare, highways and streets, building facilities, drainage, sanitation, cultural and recreation, and economic development. The Commission did not report any business-type activities for the current fiscal year.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Commission can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

***Governmental funds.*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Management's Discussion and Analysis**

December 31, 2003

The Commission maintains 24 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Detention Facilities Fund, Shreve Memorial Library Fund, Road Construction Fund, Head Start Fund, and the Capital Outlay Fund, all of which are considered to be major funds. Data for the other 18 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Commission adopts an annual appropriated budget for its General Fund and certain special revenue funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

*Proprietary funds.* The Commission maintains only one type of proprietary fund, internal service funds, and therefore does not report any business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Commission's various functions. The Commission uses internal service funds to account for its healthcare, worker's compensation, and fleet services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside Caddo Parish. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Commission's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's compliance with budgets for its major funds.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on budgetary comparisons.

#### **Financial Analysis of Government-Wide Activities**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets exceed liabilities by \$308,100,780 at the close of the fiscal year.

The largest portion of the Commission's net assets totaling approximately \$237.8 million (77.2%) reflects its investment in capital assets (e.g. land, buildings, streets, drainage, machinery, and equipment) less any related

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Management's Discussion and Analysis**

**December 31, 2003**

debt used to acquire those assets that is still outstanding. The Commission uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Commission's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Assets**

**December 31, 2003**

		<b>Governmental Activities</b>
Current and other assets	\$	80,551,010
Capital assets, net		263,828,705
Total assets		<u>344,379,715</u>
Current and other liabilities		9,045,848
Long-term liabilities		27,233,087
Total liabilities		<u>36,278,935</u>
<b>Net assets:</b>		
Invested in capital assets, net of related debt		237,790,940
Restricted		57,652,323
Unrestricted		12,657,517
Total net assets	\$	<u><u>308,100,780</u></u>

18.7% of net assets represent resources that are subject to external restrictions on how they may be used. Debt Service Funds account for \$1,771,737 of the total of restricted net assets. The remaining balance is monies restricted for highways and streets (\$17.1 million), culture and recreation (\$17 million), drainage (\$4.6 million), sanitation (\$4.5 million), criminal justice (\$4.3 million), building facilities (\$3.8 million), and other restricted purposes (\$4.6 million).

The remaining balance of unrestricted net assets of \$12,657,517 is used to meet the Commission's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the Commission is able to report positive balances in all three categories of net assets.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Management's Discussion and Analysis**  
**December 31, 2003**

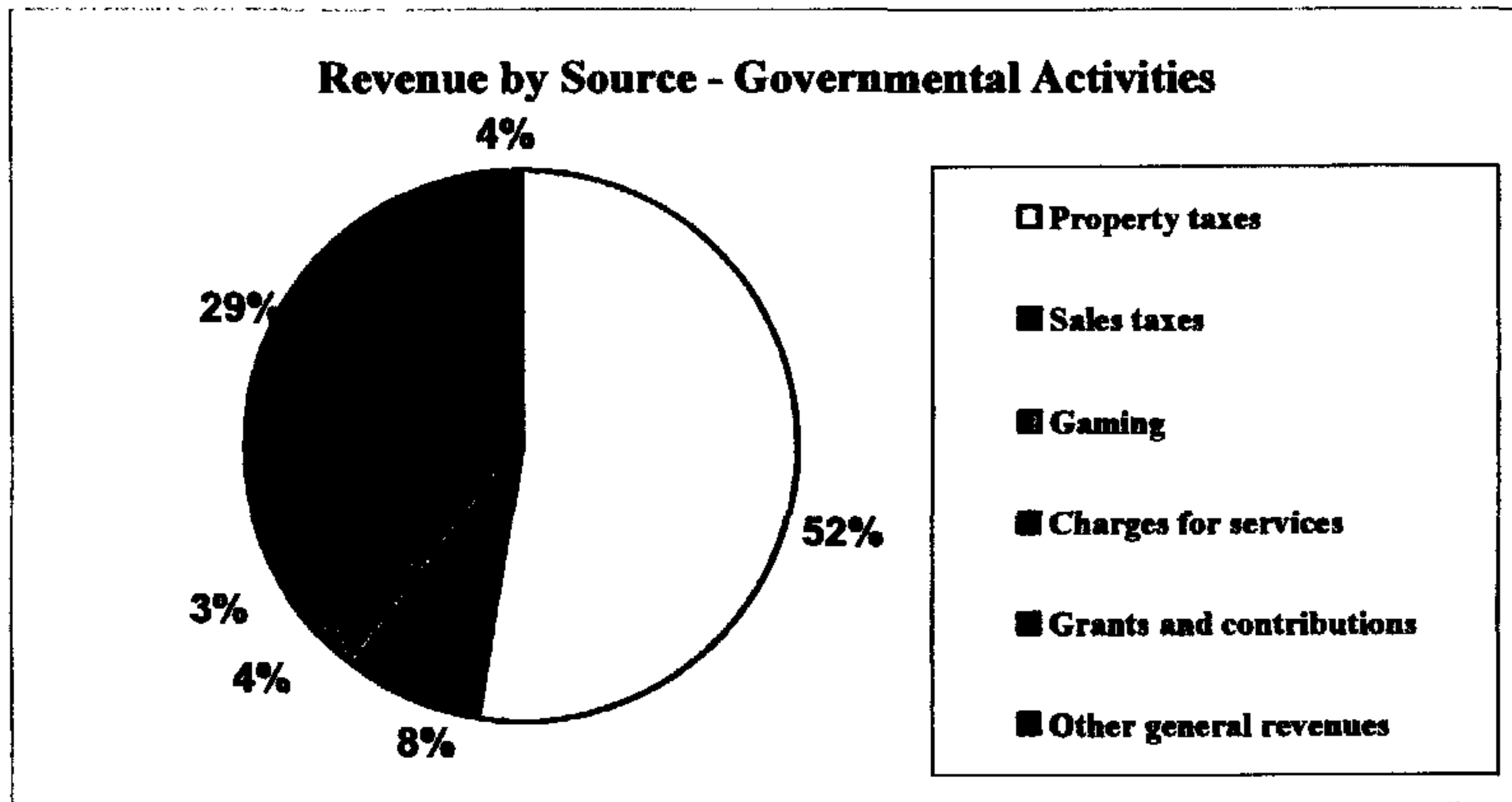
The Commission's net assets decreased by \$923,527 during the fiscal year. The Commission's total revenues and expenses for governmental activities are reflected in the following chart:

**Changes in Net Assets**  
**For the Year Ended December 31, 2003**

	<b>Governmental Activities</b>
<b>Revenues:</b>	
<b>Program revenues:</b>	
Charges for services	\$ 1,775,349
Grants and contributions	19,393,649
<b>General revenues:</b>	
Property taxes	35,446,748
Sales taxes	5,421,578
Gaming	2,636,180
Other general revenues	2,663,822
<b>Total revenues</b>	<b>67,337,326</b>
<b>Expenses:</b>	
General government	3,954,248
Criminal justice	14,589,593
Health and welfare	11,992,466
Highways and streets	18,670,941
Building facilities	4,074,079
Drainage	1,033,681
Sanitation	1,856,858
Culture and recreation	7,540,812
Economic development	3,372,689
Interest on long-term debt	1,175,486
<b>Total expenses</b>	<b>68,260,853</b>
Decrease in net assets	(923,527)
Net assets at beginning of year	309,024,307
Net assets at end of year	<b>\$ 308,100,780</b>

General revenues, specifically property taxes and sales taxes, are the largest component of revenues (68.6%). Property taxes represent 52.6% of revenues at \$35.4 million. Property taxes increased during the fiscal year due to an increase in the property tax assessment resulting from the completion of new construction projects.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Management's Discussion and Analysis  
December 31, 2003



The Statement of Activities shows that \$1.8 million was financed by those who use the services, \$19.4 million by grants and contributions, and \$46.1 million with the Commission's general revenues.

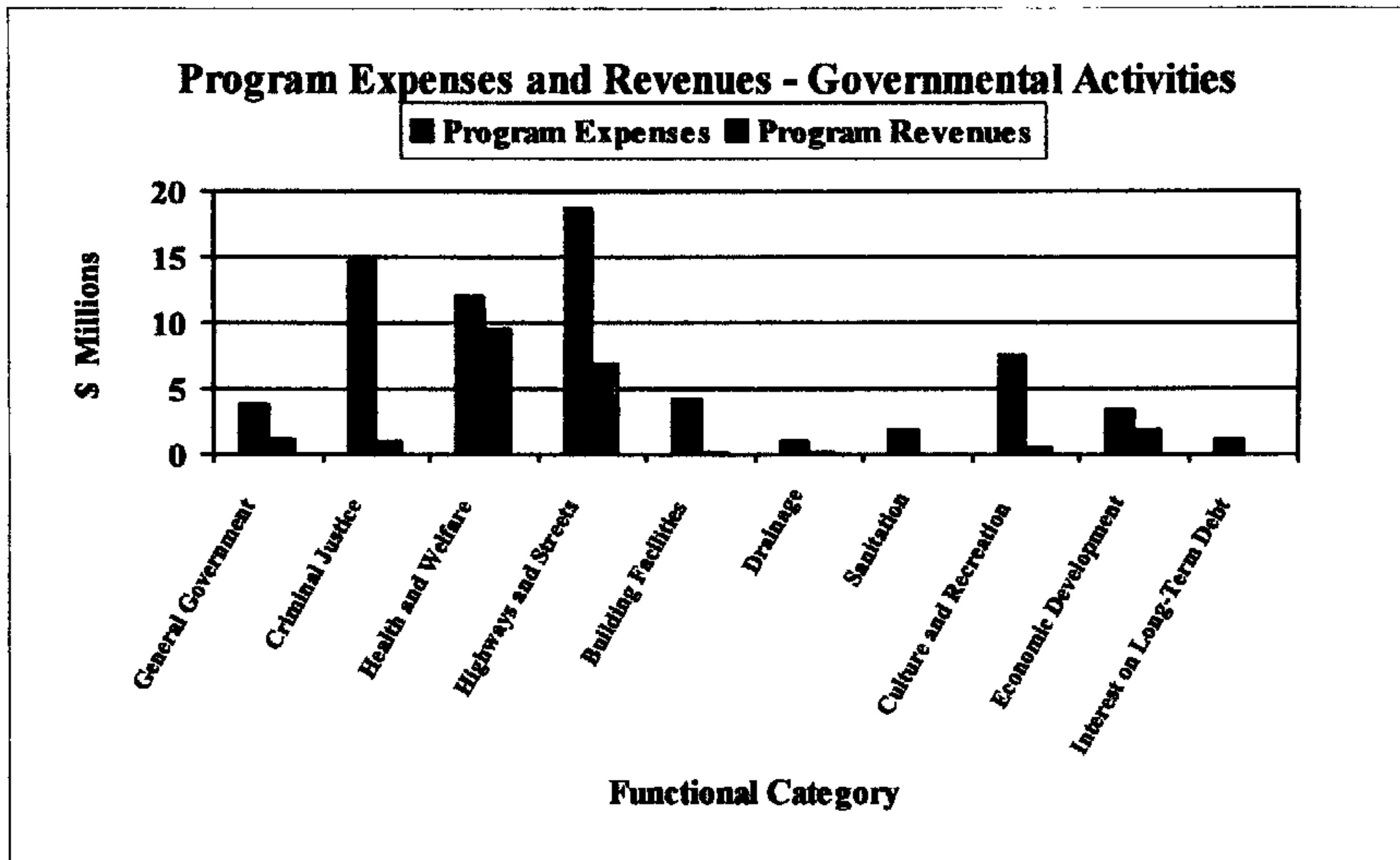


**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Management's Discussion and Analysis

December 31, 2003

The Commission's four largest programs are criminal justice, health and welfare, highways and streets, and culture and recreation. The graph below shows the expenses and program revenues generated by governmental activities:



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Management's Discussion and Analysis**

December 31, 2003

**Financial Analysis of the Caddo Parish Commission's Funds**

**Governmental Funds**

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Commission's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Commission's net resources available for spending at the end of the fiscal year.

- As of the close of the fiscal year, the Commission's governmental funds reported a combined ending fund balance of \$67,564,400 a decrease of \$3,919,173 in comparison with the prior fiscal year. Of this amount, \$37.9 million or 56.1% was unreserved, undesignated, and available for spending. \$16.3 million or 24% was unreserved but designated for capital projects. \$1.9 million or 2.8% was unreserved but designated for subsequent years' expenditures and future claims. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$2.4 million), (2) to pay debt service (\$1.8 million), (3) to provide financial resources in the event of a major interruption in services such as a natural disaster (\$5.9 million), or (4) for other restricted purposes (\$1.5 million).
- The General Fund is the chief operating fund of the Commission. At the end of the fiscal year, unreserved fund balance of the General Fund was \$4,122,442. The unreserved and undesignated portion is \$3.0 million. Therefore, it is available for spending at the Commission's discretion. The Commission has chosen to designate funds for future claims and subsequent years' expenditures. The fund balance of the Commission's General Fund increased by \$333,774. A key factor in this increase is a transfer of \$450,000 from the Criminal Justice Fund.
- The Shreve Memorial Library Fund has a total fund balance of \$10,330,391. The majority of the fund balance (\$9.6 million) is unreserved, undesignated, and available for spending. The remainder of the fund balance is reserved to liquidate contracts and purchase orders of the prior period (\$653,641) and for prepaid items (\$74,513). Fund balance increased \$539,002 largely due to transfers from the Library Bond Fund to reimburse for capital expenditures for the Library capital improvement program.
- The Detention Facilities Fund has a total fund balance of \$106,352. The fund balance is designated for subsequent year's expenditures. This fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the maintenance and operation of the Caddo Correctional Center and Juvenile Court Detention Facility. Fund balance increased \$25,710, largely due to transfers from the Criminal Justice Fund which provides operating subsidies to those funds with significant criminal justice expenditures.
- The Head Start Fund accounts for federal monies received by the Commission that are passed through to the Caddo Community Action Agency. No fund balance is maintained. The funds passed through decreased from the prior year by \$1,360,000.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Management's Discussion and Analysis  
December 31, 2003

- The Road Construction Fund has a total fund balance of \$7,195,895. Almost all of the fund balance (\$7,190,920) is unreserved, undesignated, and available for spending. The remainder is reserved to liquidate contracts and purchase orders of the prior period. The fund balance of the Road Construction Fund increased by \$276,910 due primarily to a reduction in the number of the road projects funded during the year.
- The Capital Outlay Fund has a total fund balance of \$9,693,500. Of which, \$8.3 million is unreserved but designated for capital projects and \$1.4 million is reserved to liquidate contracts and purchase orders of the prior period. A net decrease of \$1,825,690 occurred during the fiscal year. Expenditures in this fund are for specific projects as outlined in the Commission's capital projects budget and are not expected to be similar from year to year.

**Proprietary Funds**

The only proprietary funds the Commission maintains are the three internal service funds for healthcare, worker's compensation, and fleet services. The total net assets of the internal service funds were \$3,102,345 which was an increase of \$80,388 from the prior year. The increase is due to a decrease in general liability claims and a transfer of \$44,905 from the Riverboat Fund to the Fleet Services Fund.

**General Fund Budgetary Highlights**

The budget policy of the Commission complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original budget for the General Fund of the Caddo Parish Commission was adopted on December 3, 2002. No amendments were made. Differences between the budget and the actual results of the General Fund are as follows:

**Revenues**

- Other taxes exceeded the budget by \$89,085 due to delinquent tax collections which are not budgeted each year.
- Licenses and permits exceeded the budget by \$29,809 as a result of increased collections of occupational license fees primarily due to additional efforts to collect unpaid fees.
- Intergovernmental revenues exceeded the budget by \$154,755 primarily due an increase in timber sales and state revenue sharing.

**Expenditures**

- Total 2003 General Fund expenditures did not exceed the budget, however there were two functions that exceeded the individual budget. Finance exceeded its budget by \$21,900 due to increased salary costs from a temporary position that was not included in the budget. Allocations to other entities were \$474 over budget due to increased costs for the Office of Veterans Affairs.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Management's Discussion and Analysis**

December 31, 2003

**Capital Assets and Debt Administration**

Capital Assets: The Commission's investment in capital assets as of December 31, 2003 was \$263,828,705 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, streets, drainage, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

	<b>Capital Assets December 31, 2003 (net of depreciation)</b>
	<b><u>Governmental activities</u></b>
Land and land improvements	\$ 12,962,400
Buildings and structures	57,682,158
Equipment and vehicles	7,724,551
Infrastructure	181,006,095
Construction in progress	<u>4,453,501</u>
Total	<b><u><u>\$ 263,828,705</u></u></b>

Major additions to capital assets during the fiscal year included the following:

- Completed construction of five new libraries (\$11.1 million).
- Accepted roads into the Commission maintenance system that were built to Commission standards by private developers (\$2.7 million).
- Added new turn lanes to General Motors Boulevard and Dinkins Drive, donated by the state of Louisiana (\$2.4 million).
- Purchased new library books and library equipment (\$1.4 million).
- Purchased new street and drainage equipment (\$.9 million).

Long-term debt: At the end of the fiscal year, the Commission had total debt outstanding of \$26,049,019. The following table summarizes debt outstanding at December 31, 2003:

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Management's Discussion and Analysis**  
**December 31, 2003**

**Outstanding Debt**  
**December 31, 2003**

	<u><b>Governmental activities</b></u>
General obligation bonds	\$ 11,570,000
Certificates of indebtedness, net of deferred loss	<u>14,479,019</u>
Total	<u><u>\$ 26,049,019</u></u>

During the fiscal year, the Commission issued \$2,060,000 of refunding certificates of indebtedness to advance refund a portion of the Series 1999 certificates of indebtedness in the amount of \$1,915,000. The outstanding principal balances of the Series 1999 certificates from December 1, 2005 through December 1, 2009 were the balances subject to the advance refunding and are considered to be defeased.

The Commission's general obligation bonds continue to maintain a rating of AA3 by Moody's Investors Service.

For additional information regarding capital assets and long-term debt, see the notes to the basic financial statements.

**Economic Factors and Next Year's Budgets and Rates**

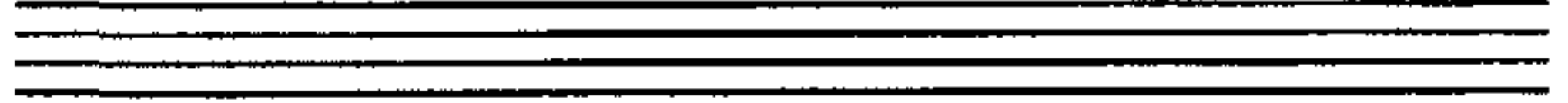
The following economic factors were considered when the budget for fiscal year 2004 was presented to the Caddo Parish Commission:

- The anticipation of a 1% increase in ad valorem revenue resulting from an expected growth in the property tax assessment. Ad valorem taxes represent 71% of the Commission's budgeted revenues.
- The increase in mandated costs from the state of Louisiana primarily in the criminal justice area. Criminal justice expenditures represent 64% of the 2004 budget for the General Fund.
- The overall economy which could have a significant impact on revenues. An economic downturn would result in decreased sales tax revenue and a decline in property values, since 2004 is a reassessment year.

**Requests for Information**

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Caddo Parish Commission, 505 Travis Street, Suite 850, Shreveport, LA 71101.

**BASIC FINANCIAL  
STATEMENTS**



**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Statement of Net Assets  
 December 31, 2003

<b>Assets</b>		<b>Governmental activities</b>
Cash and cash equivalents	\$	6,079,909
Investments		36,105,613
Receivables, net		35,755,657
Due from other governmental agencies		2,471,160
Inventories		52,904
Bond issue costs		11,254
Other assets		74,513
Capital assets:		
Land and construction in progress		17,415,901
Other capital assets, net of depreciation		246,412,804
<b>Total assets</b>		<b><u>344,379,715</u></b>
<b>Liabilities</b>		
Accounts payable		6,625,013
Accrued liabilities		703,480
Accrued interest payable		384,195
Retainages payable		252,938
Claims payable		274,854
Due to other governmental agencies		783,575
Deferred revenue		21,793
Noncurrent liabilities:		
Due within one year		4,598,932
Due in more than one year		22,634,155
<b>Total liabilities</b>		<b><u>36,278,935</u></b>
<b>Net Assets</b>		
Invested in capital assets, net of related debt		237,790,940
Restricted for:		
Criminal justice		4,292,552
Highways and streets		17,124,067
Building facilities		3,791,930
Drainage		4,610,390
Sanitation		4,501,507
Culture and recreation		16,987,118
Other purposes		6,344,759
Unrestricted		12,657,517
<b>Total net assets</b>	<b>\$</b>	<b><u>308,100,780</u></b>

See accompanying notes to basic financial statements.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Activities

Year ended December 31, 2003

Functions/programs	Expenses	Program Revenues		Net (expense) revenues and changes in net assets
		Charges for services	Operating grants and contributions	
<b>Primary government:</b>				
<b>Governmental activities:</b>				
General government	\$ 3,954,248	1,180,470	—	(2,773,778)
Criminal justice	14,589,593	139,809	914,344	(13,535,440)
Health and welfare	11,992,466	244,259	8,777,228	(2,534,556)
Highways and streets	18,670,941	103,741	1,610,284	(11,851,540)
Building facilities	4,074,079	—	124,774	(3,949,305)
Drainage	1,033,681	—	167,916	(865,765)
Sanitation	1,856,858	—	14,018	(1,842,840)
Cultural and recreation	7,540,812	105,420	432,512	(6,992,880)
Economic development	3,372,689	1,650	1,800,774	(1,570,265)
Interest on long-term debt	1,175,486	—	—	(1,175,486)
<b>Total governmental activities</b>	<b>68,260,853</b>	<b>1,775,349</b>	<b>13,841,850</b>	<b>(47,091,855)</b>
<b>General revenues:</b>				
<b>Taxes:</b>				
Property taxes levied for general purposes				33,701,635
Property taxes levied for debt service				1,745,113
Sales taxes				5,421,578
Franchise taxes				175,842
Gaming				2,636,180
Grants and contributions not restricted to specific programs				1,159,918
Investment earnings				950,072
Miscellaneous				377,990
<b>Total general revenues</b>				<b>46,168,328</b>
<b>Change in net assets</b>				<b>(923,527)</b>
Net assets, beginning				309,024,307
Net assets, ending				<b>\$ 308,100,780</b>

See accompanying notes to basic financial statements.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Balance Sheet  
Governmental Funds  
December 31, 2003

Assets	General	Shreve Memorial Library Fund	Detention Facilities Fund	Head Start Fund	Capital Outlay Fund	Road Construction Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 94,087	2,248,551	—	—	712,580	644,830	1,729,367	5,429,415
Investments	1,008,691	—	—	—	7,675,985	6,944,923	18,202,379	33,831,978
Receivables, net								
Ad Valorem Taxes	3,696,598	8,243,856	5,011,133	—	—	—	17,311,089	34,262,678
Paving Assessments	—	—	—	—	—	326,504	19,327	345,831
Other	71,568	—	—	—	—	321,358	439,697	832,623
Accrued Interest	6,522	—	—	—	49,501	44,794	118,355	219,172
Due from other funds	400,959	—	—	—	3,071,579	1,712,718	4,936,212	10,121,468
Due from other governments	346,492	272,379	235,978	—	—	206,032	1,410,259	2,471,160
Other assets	\$ —	74,513	—	—	—	—	—	74,513
<b>Total assets</b>	<b>5,624,917</b>	<b>10,839,299</b>	<b>5,247,113</b>	<b>—</b>	<b>11,509,645</b>	<b>10,201,179</b>	<b>44,166,685</b>	<b>87,588,838</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities:</b>	<b>\$</b>							
Accounts payable	68,527	108,811	74,981	—	1,563,207	2,895,695	1,895,360	6,606,581
Accrued liabilities	107,403	75,229	89,759	—	—	—	416,068	688,459
Retainages payable	—	—	—	—	252,938	—	—	252,938
Due to other funds	1,100,000	—	4,219,569	—	—	—	4,801,899	10,121,468
Deferred revenue	197,025	324,868	280,421	—	—	109,589	659,514	1,571,417
Due to other governments	27,544	—	476,031	—	—	—	280,000	783,575
<b>Total liabilities</b>	<b>1,500,499</b>	<b>508,908</b>	<b>5,140,761</b>	<b>—</b>	<b>1,816,145</b>	<b>3,005,284</b>	<b>8,052,841</b>	<b>20,024,438</b>
<b>Fund balance:</b>								
Reserved for:								
Debt service	—	—	—	—	—	—	1,771,737	1,771,737
Encumbrances	1,976	653,641	78,718	—	1,377,276	4,975	248,868	2,365,454
Contingencies	—	—	—	—	—	—	5,859,946	5,859,946
Industrial development	—	—	—	—	—	—	205,720	205,720
Revolving loans to general fund	—	—	—	—	—	—	1,175,986	1,175,986
Prepaid items	—	74,513	—	—	—	—	—	74,513
Unreserved:								
Designated for subsequent year's expenditures	786,484	—	27,634	—	8,316,224	—	—	9,130,342
Designated for future claims	362,748	—	—	—	—	—	—	362,748
Designated for subsequent year's expenditure in nonmajor special revenue funds	—	—	—	—	—	—	749,794	749,794
Designated for subsequent year's expenditure in nonmajor capital projects funds	—	—	—	—	—	—	7,941,247	7,941,247
Undesignated, reported in nonmajor special revenue funds	—	—	—	—	—	—	18,160,546	18,160,546
Undesignated	2,973,210	9,602,237	—	—	—	7,190,920	—	19,766,367
<b>Total fund balance</b>	<b>4,124,418</b>	<b>10,330,391</b>	<b>106,352</b>	<b>—</b>	<b>9,693,500</b>	<b>7,195,895</b>	<b>36,113,844</b>	<b>67,564,400</b>
<b>Total liabilities and fund balance</b>	<b>5,624,917</b>	<b>10,839,299</b>	<b>5,247,113</b>	<b>—</b>	<b>11,509,645</b>	<b>10,201,179</b>	<b>44,166,685</b>	<b>87,588,838</b>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets**

Year ended December 31, 2003

<b>Fund balances – total governmental funds</b>		<b>\$ 67,564,400</b>
<b>Amounts reported for governmental activities in the statement of net assets are different because:</b>		
<b>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds</b>		
Governmental capital assets	466,340,258	
Less accumulated depreciation	<u>(202,849,819)</u>	263,490,439
<b>Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds</b>		
Unamortized bond issuance costs		11,254
<b>Some of the Commission's property taxes will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the governmental funds</b>		
		1,549,624
<b>Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds</b>		
Accrued interest payable	(384,195)	
Compensated absences	(1,184,068)	
Deferred loss on refunding	125,981	
Bonds, notes, and loans payable	<u>(26,175,000)</u>	(27,617,282)
<b>Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities</b>		
		<u>3,102,345</u>
<b>Net assets of governmental activities</b>		<b>\$ <u>308,100,780</u></b>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

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

**Governmental Funds**

Year ended December 31, 2003

Revenues	General	Shreve	Detention	Head	Capital	Road	Other	Total
		Memorial	Facilities	Start	Outlay	Construction	Governmental	Governmental
		Library	Fund	Fund	Fund	Fund	Funds	Funds
		Fund						
Taxes	\$ 4,036,932	8,620,939	5,174,250	—	—	3,631,451	19,877,760	41,341,332
Licenses and permits	410,309	—	—	—	—	—	122,900	533,209
Intergovernmental	1,159,918	394,026	419,574	8,255,000	—	1,306,986	3,902,687	15,438,191
Charges for services	—	—	—	—	—	—	100,826	100,826
Fines and forfeitures	—	92,117	—	—	—	—	119,085	211,202
Gaming	113,837	—	—	—	—	—	2,522,343	2,636,180
Use of money and property:								
Rental, camping fees, and other	—	—	—	—	—	—	159,953	159,953
Investment earnings	40,162	92,894	—	—	223,100	191,335	622,764	1,170,255
Change in the fair value of								
Investments	(1,028)	—	—	—	(62,455)	(42,562)	(154,074)	(260,119)
Other revenues	21,024	140,848	1,369	—	—	108,487	233,928	505,656
<b>Total revenues</b>	<b>5,781,154</b>	<b>9,340,824</b>	<b>5,595,193</b>	<b>8,255,000</b>	<b>160,645</b>	<b>5,195,697</b>	<b>27,508,172</b>	<b>61,836,685</b>
<b>Expenditures</b>								
Current:								
General government	2,046,200	—	—	—	—	—	237,739	2,283,939
Criminal Justice	3,827,791	—	7,359,483	—	—	—	2,601,499	13,788,773
Health and Welfare	23,389	—	—	8,255,000	—	—	3,461,848	11,740,237
Highways and streets	—	—	—	—	—	143,545	4,420,410	4,563,955
Building Facilities	—	—	—	—	—	—	2,661,624	2,661,624
Drainage	—	—	—	—	—	—	424,160	424,160
Sanitation	—	—	—	—	—	—	1,807,916	1,807,916
Culture and recreation	—	6,879,273	—	—	—	—	769,284	7,648,557
Economic Development	—	—	—	—	—	—	2,088,052	2,088,052
Debt service:								
Principal	—	1,980,000	—	—	—	—	1,820,000	3,800,000
Interest	—	440,661	—	—	—	—	694,687	1,135,348
Fees and Charges	—	—	—	—	—	—	83,024	83,024
Capital outlay	—	4,240,919	—	—	9,456,319	—	—	13,697,238
<b>Total expenditures</b>	<b>5,897,380</b>	<b>13,540,853</b>	<b>7,359,483</b>	<b>8,255,000</b>	<b>9,456,319</b>	<b>143,545</b>	<b>21,070,243</b>	<b>65,722,823</b>
<b>Excess (deficiency) of</b>								
<b>    revenues over (under)</b>								
<b>    expenditures</b>	<b>(116,226)</b>	<b>(4,200,029)</b>	<b>(1,764,290)</b>	<b>—</b>	<b>(9,295,674)</b>	<b>5,052,152</b>	<b>6,437,929</b>	<b>(3,886,138)</b>
<b>Other Financing Sources (Uses)</b>								
Refunding certificates issued	—	—	—	—	—	—	2,060,000	2,060,000
Payment to refunding escrow agent	—	—	—	—	—	—	(2,048,130)	(2,048,130)
Transfers in	450,000	4,739,031	1,790,000	—	7,688,433	3,258	2,472,305	17,143,027
Transfers out	—	—	—	—	(218,449)	(4,778,500)	(12,190,983)	(17,187,932)
<b>Total other financing</b>								
<b>    sources and uses</b>	<b>450,000</b>	<b>4,739,031</b>	<b>1,790,000</b>	<b>—</b>	<b>7,469,984</b>	<b>(4,775,242)</b>	<b>(9,706,808)</b>	<b>(33,035)</b>
<b>Net change in fund</b>								
<b>    balances</b>	<b>333,774</b>	<b>539,002</b>	<b>25,710</b>	<b>—</b>	<b>(1,825,690)</b>	<b>276,910</b>	<b>(3,268,879)</b>	<b>(3,919,173)</b>
Fund balances, beginning	3,790,644	9,791,389	80,642	—	11,519,190	6,918,985	39,382,723	71,483,573
<b>Fund balances, ending</b>	<b>\$ 4,124,418</b>	<b>10,330,391</b>	<b>106,352</b>	<b>—</b>	<b>9,693,500</b>	<b>7,195,895</b>	<b>36,113,844</b>	<b>67,564,400</b>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures, and Changes in Fund Balances to the Statement of Activities**

Year ended December 31, 2003

Net change in fund balances – total governmental funds	\$	(3,919,173)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense		
Capital outlay	8,226,570	
Depreciation expense	<u>(13,650,314)</u>	(5,423,744)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial revenues		5,113,376
In the statement of activities, only the gain on the sale of the park land is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the land sold		(19,179)
Revenues reported in the statement of activities are not reported in governmental funds because they do not provide current financial resources. This adjustment is to recognize the net change in unavailable revenues (property taxes and special assessments)		(405,651)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:		
Principal payments	3,800,000	
Payment of bond issue costs	<u>13,130</u>	3,813,130
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		
Amortization of deferred loss on advance refunding	(19,019)	
Amortization of bond issue costs	(1,876)	
Increase in compensated absences	(160,958)	
Decrease in accrued interest	41,702	
Loss on disposal of capital assets	<u>(22,523)</u>	(162,674)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.		<u>80,388</u>
Change in net assets of governmental activities	\$	<u><u>(923,527)</u></u>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Net Assets

Proprietary Funds

December 31, 2003

		<b>Governmental Activities Internal Service Funds</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$	650,494
Investments		2,273,635
Receivables, net		95,353
Due from other funds		227,697
Inventories		52,904
Total current assets		3,300,083
<b>Noncurrent assets:</b>		
<b>Capital assets:</b>		
Land		163,475
Sewer line		107,541
Buildings		14,579
Vehicles		23,322
Equipment		134,428
Less accumulated depreciation		(105,079)
Total capital assets (net of accumulated depreciation)		338,266
Total assets		3,638,349
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Accounts payable		18,432
Accrued liabilities		15,021
Accrued insurance claims payable		274,854
Due to other funds		227,697
Total current liabilities		536,004
<b>Net Assets</b>		
Invested in capital assets		338,266
Unrestricted		2,764,079
Total net assets	\$	3,102,345

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Proprietary Funds

Year ended December 31, 2003

		<b>Governmental Activities Internal Service Funds</b>
<b>Operating Revenues</b>		
Employer's contributions	\$	2,117,832
Employees' contributions		696,032
Charges for sales and services		2,199,560
		5,013,424
<b>Operating Expenses</b>		
Claims		2,707,945
Cost of sales and service		1,147,616
Insurance premiums		806,149
General and administrative		306,838
Depreciation		12,444
Other		33,964
		5,014,956
Total operating expenses		5,014,956
Operating loss		(1,532)
<b>Nonoperating Revenues (Expenses)</b>		
Investment earnings		39,936
Interest expense		(2,921)
		37,015
Total nonoperating revenues		37,015
Income before transfers		35,483
Transfers in		44,905
		80,388
Change in net assets		80,388
Total net assets, beginning		3,021,957
Total net assets, ending	\$	3,102,345

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2003

		<u>Governmental Activities Internal Service Funds</u>
<b>Cash flows from operating activities:</b>		
Contributions	\$	2,952,930
Receipts from operations		2,210,989
Payments to suppliers		(2,385,396)
Claims paid		(2,756,424)
Net cash provided by operating activities		<u>22,099</u>
<b>Cash flows from noncapital financing activities:</b>		
Interest paid		(2,921)
Transfers in		44,905
Net cash provided by capital and related financing activities		<u>41,984</u>
<b>Cash flows from investing activities:</b>		
Purchase of investments		(121,134)
Sales of investments		112,884
Interest received		61,992
Net cash provided by investing activities		<u>53,742</u>
Net increase in cash and cash equivalents		117,825
Cash and cash equivalents, beginning of year		532,669
Cash and cash equivalents, end of year	\$	<u><u>650,494</u></u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating loss	\$	(1,532)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation		12,444
(Increase) decrease in assets:		
Accounts receivable – other		75,734
Inventory		(4,386)
Due from other funds		74,761
Increase (decrease) in liabilities:		
Accrued insurance claims payable		(48,479)
Accounts payable		(26,703)
Accrued liabilities		15,021
Due to other funds		(74,761)
Total adjustments		<u>23,631</u>
Net cash provided by operating activities	\$	<u><u>22,099</u></u>
<b>Noncash items:</b>		
Net decrease in the fair value of investments		(17,031)

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
**Statement of Fiduciary Assets and Liabilities**  
Fiduciary Funds  
December 31, 2003

<b>Assets</b>	
Cash and cash equivalents	\$ 30,731
Receivables	2,166
Due from other government agencies	<u>77,296</u>
Total assets	<u>110,193</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	69,156
Due to other governmental agencies	<u>41,037</u>
Total liabilities	<u>\$ 110,193</u>

See accompanying notes to basic financial statements.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Notes to Basic Financial Statements  
December 31, 2003

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

The Caddo Parish Commission (the Commission) is the governing authority for Caddo Parish and is a political subdivision of the state of Louisiana. The Commission, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy, and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health and welfare, libraries, culture and recreational facilities, economic development, and general administrative services.

The Commission was established December 10, 1984, after voter approval of the Home Rule Charter for Caddo Parish on April 7, 1984. The Commission replaced the Caddo Parish Police Jury which was established January 18, 1838.

**(a) Reporting Entity**

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for government-wide 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.

These financial statements present only the Caddo Parish Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with accounting principles generally accepted in the United States of America.

Other than the exclusion of the data of the discrete component units, the accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies:

**(b) Government-Wide and Fund Financial Statements**

During the current year, the Commission adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. See note 11 for additional information.

The government-wide financial statements (GWFS) (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Commission.

The statement of net assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Depreciation expense is identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements (FFS) are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the GWFS. Major individual governmental funds are reported as separate columns in the FFS.

**(c) *Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes are considered "measurable" at the time of levy whereas items such as beer taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time. Substantially all other non-intergovernmental revenues are susceptible to accrual and are recognized when earned or the underlying transaction occurs. Sales taxes are accrued in the individual funds to which they pertain. For intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Grants and similar items are recognized as revenues as soon as all eligibility requirements have been met. In reimbursement type programs, monies must be expended on the specific purpose or project before any amounts will be paid to the Commission; therefore revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Notes to Basic Financial Statements  
December 31, 2003

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

**Governmental Funds**

Governmental funds are those through which most governmental functions of the Commission are financed. The acquisition, use, and balances of the Commission's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The Commission reports the following major governmental funds:

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

Detention Facilities Fund – The Detention Facilities Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the maintenance and operation of the Caddo Correctional Center and Juvenile Court Detention Facility.

Head Start – The Head Start Fund accounts for federal monies received by the Commission that are passed through to the Caddo Community Action Agency.

Shreve Memorial Library Fund – The Shreve Memorial Library Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the operation of the Shreve Memorial Library system.

Road Construction Fund – The Road Construction Fund accounts for the proceeds of a sales tax approved by the voters in 1989. The tax was dedicated to capital improvement of roads and bridges. The fund also accounts for the proceeds of a portion of the gasoline tax levied by the state of Louisiana. These funds are dedicated to road and bridge improvement by the state.

Capital Outlay Fund – The Capital Outlay Fund was established to account for capital expenditures and capital projects still in progress. Monies for the Capital Outlay Fund are provided through transfers from various funds of the Commission.

Additionally, the Commission reports the following governmental fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund receives a dedicated portion of ad valorem taxes paid to the Commission.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

**Capital Projects Funds** – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. These funds are also used to account for the construction of public improvements which are to be ultimately financed through assessments to individual property owners.

**Permanent Funds** – In accordance with GASB Statement No. 34, *Nonexpendable Trust Funds* are now referred to as Permanent Funds. The Jail Site Permanent Fund was established in accordance with a government mandate by the legislature to account for the proceeds from the sale of certain property in downtown Shreveport. The fund is nonexpendable and may only be utilized for the purpose of making revolving loans to the General Fund.

**Proprietary Fund Type**

The Proprietary Fund type is used to account for the Commission's ongoing organizations and activities which are similar to those often found in the private sector. The Internal Service Funds are the only Proprietary Funds maintained by the Commission. The Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost-reimbursement basis. The following are the Commission's Internal Service Funds:

**Group Insurance Fund** – The Group Insurance Fund is used to account for employee medical and life insurance coverage.

**General Insurance Fund** – The General Insurance Fund is used to account for casualty and workmen's compensation insurance coverage and claims.

**Fleet Services** – The Fleet Services Fund is used to account for the vehicle and equipment repair services provided by the Commission's Central Garage location.

**Fiduciary Funds**

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

**Agency Funds** – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The Criminal Court Fund was established in accordance with a government mandate by the legislature to account for the proceeds from the operations of the First Judicial District Court. All fines, court costs, and bond forfeitures imposed by the Court are dedicated to trial costs and other operating expenditures. The Jury Fund was established in accordance with a government mandate by the legislature to account for the proceeds from a special fee assessed on criminal cases. The fees are used to provide compensation of jurors in criminal matters.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

**(d) Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the GWFS. Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. The Commission maintains a threshold level for capitalization of capital assets except land. All land is capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of \$5,000 for land improvements, buildings and building improvements, furniture, equipment, vehicles, and construction in progress. Infrastructure is capitalized utilizing a threshold of \$200,000 for roads, \$75,000 for bridges, \$50,000 for drainage ditches, and \$5,000 for solid waste. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are not reported in the FFS.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is calculated based on the following estimated useful lives:

Land improvements	20 years
Buildings	40 – 45 years
Building improvements	20 years
Sewer line	50 years
Drainage	15 – 30 years
Roadways	20 – 40 years
Bridges	40 years
Solid Waste	15 years
Vehicles	5 years
Equipment	5 – 20 years

**(e) Long-Term Liabilities**

In the GWFS, and proprietary fund types in the FFS, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the related debt. Bonds payable are reported net of the applicable bond premium or discount.

In the FFS, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**(f) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the Commission's governmental funds. Every appropriation, except an appropriation for a capital expenditure, will lapse at the close of the fiscal year to the extent it has not been expended. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

**(g) Investments**

State statutes authorize the Commission to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the state of Louisiana, which operates a local government investment pool. Investments of the Commission are stated at fair value. Investments, excluding the LAMP investments, are held in the Commission's name through a book-entry system at the Federal Reserve Bank.

**(h) Inventories**

Inventories are valued at cost using the first in, first out (FIFO) method. Inventory in the Internal Service Fund consists of parts, signs, and fuel. Inventories are accounted for using the purchase method.

**(i) Deferred Revenues**

Deferred revenues for ad valorem taxes represent those amounts of current year taxes not received within the 60-day period after December 31. Certain licenses are collected in advance; therefore, the recognition of revenue is deferred until the following year.

In addition, deferred revenues in the Road Construction Capital Projects Fund exist because paving assessments receivable are collected over several years. Revenue will be recognized as paving assessments receivable become current. As paving assessments become current but are not collected, the receivables then become delinquent. These receivables are secured by the property improved by the assessments and are therefore collectible. Delinquent receivables are immaterial.

**(j) Vacation and Sick Leave**

Full-time Commission employees may earn from 9 to 21 days of annual leave and 12 to 24 days of sick leave per year depending on length of service. Upon resigning, employees may be paid for accumulated annual leave. Retiring employees are not paid for accrued annual leave, but they are

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Full-time Shreve Memorial Library employees may earn from 12 to 22 days of annual leave and 6 to 15 days of sick leave annually depending on length of service. Employees may accrue a maximum of 44 days of annual leave and 60 days of sick leave. Any accrual over the maximum is forfeited. Employees resigning or retiring from the Library with proper notice are paid for their accrued annual leave. Accumulated sick leave is canceled upon termination or retirement with no credit toward retirement length of service.

In the FFS, the matured liability for compensated absences, which includes salary and salary-related payments, is reported in the fund. The total liability is reported in the GWFS. Accrued sick leave benefits are not accrued due to the Commission's policy of not paying benefits upon termination. No accrual is made in the governmental funds because the current portion of the liability does not exceed a normal year's accumulation of benefits and are deemed immaterial. Vacation and sick leave of Shreve Memorial Library are not accrued due to immateriality.

**(k) Pension Plans**

The Commission participates in two pension plans which are administered by other governmental entities. These plans cover substantially all employees who meet certain length of service requirements (see note 7 for details of these plans).

**(l) Reserves**

Use of the term "reserve" in describing governmental fund "fund balances" and proprietary fund "net assets" indicates that a portion of the fund balance or net assets is not appropriable for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

**Debt Service**

This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt and revenue bonds.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

**Revolving Loans to General Fund**

This amount represents the total fund balance of the Jail Site Permanent Fund, which as mandated by the Louisiana State Legislature, is reserved for and restricted to providing a source of funding for the purpose of making annual revenue anticipation loans to the General Fund.

**Contingencies**

This represents the fund balance of the Reserve Trust Fund, established to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity, or other occasion requiring immediate emergency funding needs or cash flow loan demand.

**Industrial Development**

This amount represents the total fund balance of the Economic Development Special Revenue Fund, which is reserved for industrial development in Caddo Parish.

**(m) Designations**

Use of the term "designated" in describing governmental fund "fund balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of these designations are explained as follows:

**Designated for Future Claims**

This amount represents a portion of fund balance that has been designated to fund possible claims and losses from lawsuits.

**Designated for Subsequent Year Expenditures**

This amount represents a portion of the current year fund balance that has been designated in the subsequent year budget to cover anticipated expenditures in excess of revenues.

**(n) Interfund Receivables and Payables**

All outstanding balances between funds are reported as due to/from other funds. There is no activity between funds that is representative of lending/borrowing arrangements at the end of the fiscal year.

The Criminal Court Agency Fund includes receipts and disbursements of the First Judicial District Court. The monies in the fund are not available for use by the Commission. However, state law requires that the Commission fund all deficits of the fund and entitles the Commission to one-half of any surplus. These transactions are accounted for as receipts or disbursements of the Criminal Court Fund and the General Fund as applicable.

**(o) Grants From Other Governmental Agencies**

Federal and state governmental agencies represent an important source of supplementary funding to finance housing, employment, construction programs, and other activities beneficial to the parish.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

These funds, primarily in the form of grants, are recorded in the General, Special Revenue, and Capital Projects Funds. A grant receivable is recorded when the Commission has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually under the single audit approach as mandated in OMB Circular A-133.

**(p) Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Commission considers all highly liquid investments with an original maturity of three months or less when purchased and its investment in the Louisiana Asset Management Pool (LAMP) to be cash equivalents.

**(2) Cash and Investments**

**(a) Deposits**

All deposits of the Commission are held by area financial institutions. At December 31, 2003, the carrying amount of the Commission's cash deposits, including fiduciary funds, was \$2,628,311 and the bank balance was \$1,989,766. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount of the deposit with the fiscal agent.

Of the bank balance at December 31, 2003, \$175,766 was covered by federal depository insurance and \$1,814,000 was collateralized with securities held by the pledging financial institution. Collateral securities were held in the Commission's name by the Federal Reserve Bank and require Commission approval in order to release the collateral.

The Commission maintains a pooled cash and investments account for all funds of the Commission. Each fund's positive equity in the pooled cash account is presented as "Cash and Cash Equivalent" or "Investments" in the statements. Negative equity balances have been reclassified and are reflected as interfund accounts payable. Interest income and interest expense are allocated to each respective individual fund monthly, based on their respective fund balances.

**(b) Investments**

State statutes authorize the Commission to invest in direct obligations of the United States Treasury, United States government agency obligations, LAMP, or certificates and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana.

The Commission's investments, with the exception of the LAMP, are considered to be Category 1. Category 1 includes investments that are insured or registered or for which the securities are held by the Commission or its safekeeping agent in the Commission's name. The U.S. Treasury and agency obligations are held in the Commission's name through a book-entry system at the Federal Reserve Bank. The Commission's investments and deposits at December 31, 2003 include the following:

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

	<b>Category 1</b>	<b>Carrying amount and fair value</b>
U.S. government and U.S. government agency obligations	\$ 36,105,613	36,105,613
Repurchase Agreement	43,235	43,235
Louisiana Asset Management Pool (LAMP)	N/A	3,439,094
Total investments		39,587,942
Total deposits		2,628,311
Cash, cash equivalents, and investments		\$ 42,216,253

Investments in LAMP are not categorized above because they are not evidenced by securities that exist in physical or book entry form. LAMP, a local government investment pool, is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the state of Louisiana. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a-7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to give participants immediate access to their account balances.

**(3) Ad Valorem Taxes**

The Commission levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the Commission on property values assessed by the Caddo Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

The Caddo Parish Sheriff's Office bills and collects property taxes for the Commission. Collections are remitted to the Commission monthly. Commission property tax revenues are recognized when levied to the extent that they are collected within 60 days after year-end.

**Property Tax Calendar**

Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Total taxes are due	December 31
Penalties and interest are added	January 1
Lien date	January 1
Tax sale – 2003 delinquent property	On or about May 25, 2004

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

The Commission is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes, 35% of the assessed valuation for the payment of principal and interest on long-term debt after approval by the voters of the parish. A total of approximately \$405,197,425 of additional bonded debt is available for issuance pursuant to the 35% limitation. Property taxes are recorded as receivables and revenues in the year assessed, net of combined estimated allowance for uncollectible accounts of \$1,718,741. Taxes totaling \$1,440,034 not collected within 60 days have been deferred in the FFS.

Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following ratios to fair value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2000. Total assessed value was \$1,190,764,070 in 2003. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$296,544,450 of the assessed value in 2003.

The distribution of the Commission's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2003:

Fund	Property within Shreveport or Vivian	Property outside Shreveport and Vivian
	<u>                    </u>	<u>                    </u>
General Fund	\$ 3.70%	7.40%
Road and Bridge	5.04%	5.04%
Courthouse Maintenance	3.08%	3.08%
Detention Facilities	6.03%	6.03%
Parks and Recreation	0.95%	0.95%
Solid Waste Disposal	0.20%	0.20%
Drainage	1.31%	1.31%
Juvenile Court	2.23%	2.23%
Criminal Justice	1.82%	1.82%
Health Unit	2.29%	2.29%
Shreve Memorial Library	9.92%	9.92%
Biomedical	1.88%	1.88%
Debt Service	1.95%	1.95%
	<u>\$ 40.40%</u>	<u>44.10%</u>

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

**(4) Capital Assets**

A summary of changes in capital assets is as follows:

	<u>Balance, December 31, 2002</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, December 31, 2003</u>
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land and land improvements	\$ 11,445,135	1,536,444	(19,179)	12,962,400
Construction in progress	12,452,105	5,501,772	(13,500,376)	4,453,501
Total capital assets not being depreciated	<u>23,897,240</u>	<u>7,038,216</u>	<u>(13,519,555)</u>	<u>17,415,901</u>
<b>Capital assets being depreciated:</b>				
Buildings and structures	63,030,741	11,189,751	—	74,220,492
Equipment and vehicles	21,221,136	3,222,343	(2,718,523)	21,724,956
Infrastructure	348,032,242	5,390,012	—	353,422,254
Total capital assets being depreciated	<u>432,284,119</u>	<u>19,802,106</u>	<u>(2,718,523)</u>	<u>449,367,702</u>
<b>Less accumulated depreciation for:</b>				
Buildings and structures	(14,911,841)	(1,626,493)	—	(16,538,334)
Equipment and vehicles	(14,994,777)	(1,701,628)	2,696,000	(14,000,405)
Infrastructure	(162,081,522)	(10,334,637)	—	(172,416,159)
Total accumulated depreciation	<u>(191,988,140)</u>	<u>(13,662,758)</u>	<u>2,696,000</u>	<u>(202,954,898)</u>
Total capital assets being depreciated, net	<u>240,295,979</u>	<u>6,139,348</u>	<u>(22,523)</u>	<u>246,412,804</u>
Capital assets, net	<u>\$ 264,193,219</u>	<u>13,177,564</u>	<u>(13,542,078)</u>	<u>263,828,705</u>

At December 31, 2003, construction in progress largely consisted of approximately \$3,043,148 in a construction project related to a fireproof stairwell at the Caddo Parish Courthouse.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

The Commission leases the Shreveport Regional Lab to the State Department of Health and Hospitals under an operating lease expiring in June of 2009. The building being leased has a cost of \$1,496,340. Minimum future rentals to be received are as follows:

	<b>Amount</b>
Years ending December 31:	
2004	\$ 145,000
2005	145,000
2006	145,000
2007	145,000
2008 – 2009	290,000

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental activities:</b>	
General Government	\$ 66,766
Criminal Justice	950,780
Health and Welfare	264,374
Highways and Streets	10,473,826
Building Facilities	401,989
Drainage	618,502
Sanitation	103,340
Economic Development	738,844
Culture and Recreation	44,337
Total depreciation expense – governmental activities	\$ 13,662,758

**(5) Long-Term Debt**

The following is a summary of the long-term obligation activity for the year ended December 31, 2003:

	<b>Beginning balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending balance</b>	<b>Due within one year</b>
<b>Governmental activities:</b>					
General obligation bonds payable	\$ 13,035,000	—	1,465,000	11,570,000	1,555,000
Deferred loss	—	19,019	145,000	(125,981)	—
Certificates of indebtedness	16,795,000	2,060,000	4,250,000	14,605,000	2,445,000
Claims and judgments payable	323,333	2,707,945	2,756,424	274,854	274,854
Compensated absences	1,023,110	746,902	585,944	1,184,068	598,932
Governmental activity long-term liabilities	\$ 31,176,443	5,533,866	9,202,368	27,507,941	4,873,786

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Notes to Basic Financial Statements  
 December 31, 2003

Long-term debt at December 31, 2003 is comprised of the following issues:

<b>General obligation bonds – applicable to general parish operations:</b>	
\$13,685,000 1995 Refunding Bonds, due in annual installments of \$1,080,000 to \$1,685,000 through February 1, 2009; interest at 4.35% to 5.50%	\$ 8,790,000
\$3,425,000 1998 Refunding Bonds, due in annual installments of \$40,000 to \$420,000 through February 1, 2011; interest at 3.75% to 4.65%	<u>2,780,000</u>
Total general obligation bonds payable	11,570,000
\$3,500,000 Certificates of Indebtedness, Series 1999, due in one final annual installment of \$350,000 on December 1, 2004	350,000
\$7,000,000 Certificates of Indebtedness, Series 2001, due in annual installments of \$1,080,000 to \$1,800,000 through March 1, 2006; interest at 3.24% to 3.9%	3,580,000
\$9,000,000 Certificates of Indebtedness, Series 2002, due in annual installments of \$360,000 to \$1,135,000 through March 1, 2012; interest at 2.875% to 3.7%	8,640,000
\$2,060,000 Refunding Certificates of Indebtedness, Series 2003, due in annual installments of \$25,000 to \$420,000 through December 1, 2009; interest at 1.0% to 3.5%	<u>2,035,000</u>
Total certificates of indebtedness	14,605,000
Total long-term debt	<u>\$ 26,175,000</u>

The annual requirements, excluding a deferred loss of \$114,111, to amortize all debt outstanding as of December 31, 2003 are as follows:

	<b>Governmental activities</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	
Years ending December 31:			
2004	\$ 4,000,000	990,690	4,990,690
2005	4,085,000	839,175	4,924,175
2006	4,105,000	675,252	4,780,252
2007	3,140,000	525,290	3,665,290
2008	3,300,000	388,779	3,688,779
2009 – 2012	<u>7,545,000</u>	<u>459,860</u>	<u>8,004,860</u>
	<u>\$ 26,175,000</u>	<u>3,879,046</u>	<u>30,054,046</u>



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Notes to Basic Financial Statements**

December 31, 2003

Principal payments of \$1,465,000 plus interest of \$615,770 on the bonds payable were paid from the Debt Service Fund. Principal payments of \$2,335,000 plus interest of \$519,578 on the certificates of indebtedness were paid from the Riverboat Fund and the Shreve Memorial Library Fund.

There are a number of limitations and restrictions contained in the various bond indentures and the certificates. Management believes the Commission is in substantial compliance with all significant limitations and restrictions.

General obligation bonds are direct general obligations of the Commission. Principal and interest are payable from ad valorem taxes levied on all taxable property within the parish.

In March 1998, the Commission issued \$3,425,000 of general obligation refunding bonds to advance refund a portion of the Series 1991 A and the Series 1991 B general obligation bonds in the amounts of \$2,445,000 and \$695,000, respectively. The Series 1991 A and B bonds are considered defeased and the liability for those bonds has been removed from the general long-term obligation. At December 31, 2003, the outstanding balance on the 1991 A and 1991 B refunded bonds was \$2,095,000 and \$595,000, respectively.

In 1995, the Commission issued \$13,685,000 in general obligation refunding bonds to advance refund a portion of the 1989 Series general obligation bonds in the amount of \$12,580,000. The outstanding principal balances on the 1989 series bonds from February 1, 2001 to February 1, 2009 were the balances subject to the advance refunding and are considered to be defeased. The outstanding balance of the defeased bonds at December 31, 2003 is \$8,675,000.

In 2003, the Commission issued \$2,060,000 of Certificates of Indebtedness, Series 2003. The net proceeds of \$2,046,870 (after payment of \$13,130 in costs of issuance) were used to defease the 1999 Series Certificates of Indebtedness of \$1,915,000. The reacquisition price exceeded the net carrying amount of the old debt by \$145,000. This amount is being netted against the new debt and amortized over seven years, which is equal to the life of the old debt and the life of the new debt. Amortization for 2003 was \$19,019. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt and complete the refunding totaled \$66,374. An economic gain (difference between the present value of the old and new debt service payments) of \$63,412 resulted from the refunding.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

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

**(a) Interfund Receivables and Payables**

Individual fund interfund receivable and payable balances at December 31, 2003 were as follows:

Due from Other Funds	Due to Other Funds			Total
	General Fund	Detention Facilities Fund	Nonmajor Special Revenue Funds	
General Fund	-	-	400,959	400,959
Road Construction Fund	-	-	1,712,718	1,712,718
Capital Outlay Fund	-	455,098	2,616,481	3,071,579
Nonmajor Special Revenue Funds	-	2,585,923	-	2,585,923
Nonmajor Capital Project Funds	-	1,178,548	-	1,178,548
Debt Service Fund	-	-	71,741	71,741
Permanent Fund	1,100,000	-	-	1,100,000
	<u>1,100,000</u>	<u>4,219,569</u>	<u>4,801,899</u>	<u>10,121,468</u>

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**(b) Transfers**

A reconciliation of operating transfers follows:

Transfers Out	Transfers In								Total
	General Fund	Detention Facilities Fund	Shreve Memorial Library Fund	Road Construction Fund	Capital Outlay Fund	Nonmajor Special Revenue Fund	Nonmajor Capital Project Fund	Internal Service Fund	
Road Construction Fund	\$ -	-	-	-	4,778,500	-	-	-	4,778,500
Capital Outlay Fund	-	-	-	3,258	-	212,901	2,290	-	218,449
Nonmajor Special Revenue Fund	450,000	1,790,000	-	-	2,774,433	2,257,314	-	44,905	7,316,452
Nonmajor Capital Project Fund	-	-	4,739,031	-	135,500	-	-	-	4,874,531
	<u>\$ 450,000</u>	<u>1,790,000</u>	<u>4,739,031</u>	<u>3,258</u>	<u>7,688,433</u>	<u>2,470,015</u>	<u>2,290</u>	<u>44,905</u>	<u>17,187,932</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

The Capital Outlay Fund was established to budget and monitor the status of ongoing capital projects and expenditures. The funding for this fund is provided primarily through transfers from various other funds of the Commission.

(c) *New Funds*

In 2003, the Commission established the Louisiana Community Development Block Grant Fund as a special revenue fund to account for federal monies received by the Commission to provide funds for projects that allow for the development of viable urban communities by providing decent housing and a suitable living environment. Also in 2003, the Commission established the Jury Fund as an agency fund. The establishment of this fund was mandated by the legislature to account for the proceeds from a special fee assessed on criminal cases. The fees are used to provide compensation to jurors in criminal matters.

(7) **Defined Benefit Pension Plans**

(a) *Description of Plans*

The Commission provides retirement, death, and disability benefits to its employees through two pension plans administered by other governmental entities.

**Parochial Employees' Retirement System of Louisiana (Parochial Plan)**

*Plan Description* – Substantially all Commission employees are members of this cost-sharing multiple-employer public employee statewide plan administered by the Parochial Employees' Retirement System. All classified parish employees who work at least 28 hours per week and are under 60 years of age are required to become members of the plan on the date of employment. Benefit provisions are established in accordance with Louisiana State Statute. The Parochial Plan 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 Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898.

*Funding Policy* – Covered employees are required to contribute 9.5% of their salary. The Commission is required to contribute 7.75% of covered employees' salaries. The employer and employee contribution obligations are established and may be amended by Louisiana State Statute. The Commission's contributions for the years ended December 31, 2003, 2002, and 2001 were \$816,716, \$772,537, and \$713,755, respectively, equal to the required contributions for each year. The plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

**City of Shreveport Employees' Retirement System (City Plan)**

*Plan Description* – Substantially all employees of the Shreve Memorial Library are members of this cost-sharing multiple-employer defined benefit plan which is administered by the City of Shreveport. Enrollment is mandatory for full-time permanent employees. Benefit provisions are established and may be amended by Shreveport City ordinance. The City of Shreveport issues a

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

publicly available financial report that includes financial statements and required supplementary information of the City Plan. That report may be obtained by writing the City of Shreveport, P.O. Box 31109, Shreveport, Louisiana 71130.

*Funding Policy* – Plan members are required to contribute 5% of their salary. The Commission is required to contribute 9.15% of covered employees' salaries. This total contribution rate is allocated between the City Plan and the ERS Employer Contribution Plan which is a savings plan for members. Under this employer allocation, 5.0% is contributed to the retirement plan and up to 4.05% is contributed to the savings plan based on a matching of the member's contributions. Any amounts not matched are contributed to the retirement plan. These percentages can vary from year to year based on actuarial evaluations, but in no case will the employer total rate of 9.15% change. The employer and employee contribution obligations are established and may be amended by Shreveport City ordinance. The Commission's contributions for the years ended December 31, 2003, 2002, and 2001, were \$228,608, \$202,637, and \$191,623, respectively, equal to the required contribution for each year. The plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

**(8) Post-Employment Healthcare Benefits**

In addition to the pension benefits described in note 7, the Commission provides postretirement healthcare benefits and life insurance, in accordance with state statutes, to all retiring employees who were participating in the group insurance plan prior to their retirement date. The Commission is self-insured for medical benefits including postretirement healthcare benefits and life insurance. Currently, there are 101 retirees receiving life insurance coverage and 84 receiving healthcare benefits. The Commission reimburses 80% of the amount of validated claims for medical and hospitalization costs incurred by pre-Medicare employees and their dependents. The Commission also reimburses 80% of Medicare supplemental benefits for retirees over the age of 65. Expenditures for postretirement healthcare benefits are recognized in the year claims are incurred. During 2003, expenditures of \$319,442 were recognized for postretirement healthcare. In addition, expenditures of \$9,000 were recognized for life insurance benefits paid during 2003.

**(9) Contingencies**

*Litigation*

The Commission is a defendant in several lawsuits involving civil actions. In the opinion of legal counsel, the Commission's ultimate exposure is unknown at this time. It is the policy of the Commission to pay judgments against the Commission on a current basis from current revenues. Settlements from litigation, insurance, and liability claims are included in General Insurance Fund expenditures.

The Commission is involved in litigation with a certain local governmental agency. This suit was decided in the Commission's favor and has since been appealed to the Louisiana Supreme Court. If found liable, the Commission could be responsible for paying retroactive expenses relating to this matter.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

***Grant Disallowances***

The Commission participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Commission management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**(10) Risk Management**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. The Group Insurance Fund is used to account for self-insurance activities involving group medical and life insurance coverage for Commission employees. The General Insurance Fund is used to account for self-insurance activities involving workers' compensation and general liability claims.

The Commission maintains property, general, automobile, and excess liability insurance coverage. The limit of coverage on the general liability policy is \$1,000,000 per occurrence and \$3,000,000 in the aggregate. The excess liability policy contains an additional aggregate limit of \$1,000,000 for general liability claims. The Commission is self-insured for medical benefits and workers' compensation coverage. Employees contribute for medical benefits coverage, and each department that pays salaries contributes for both medical and workers' compensation coverage. The Commission maintains stop-loss coverage with an insurance company for medical claims in excess of \$150,000 per occurrence with an aggregate total of 125% of expected losses. Stop-loss coverage is also maintained for workers' compensation cases above \$300,000. Settlements have not exceeded insurance coverage for each of the past three fiscal years, and there were no reductions in insurance coverage from coverage in the prior year.

Payments to the Internal Service Funds 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 self-insurance programs. Payments in excess of actual expenses are recorded as transfers. At December 31, 2003, \$2,251,119 and \$685,499, respectively, are reported as Group Insurance Fund and General Insurance Fund net asset balance.

All self-insurance programs are accounted for within Internal Service Funds. The Commission has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage, and subrogation. The claims liability of \$243,270 and \$31,584 reported in the Group Insurance and General Insurance Funds, respectively, at December 31, 2003 are based on the requirements of GASB Statement No. 10.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2003

Changes in the Group Insurance Fund's claims liability amount in fiscal years 2002 and 2003 were:

		<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance, fiscal year end</u>
2002	\$	198,608	2,070,258	1,982,050	286,816
2003		286,816	2,451,410	2,494,956	243,270

Changes in the General Insurance Fund's claims liability amount in fiscal years 2002 and 2003 were:

		<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance, fiscal year end</u>
2002	\$	27,447	289,484	280,414	36,517
2003		36,517	256,535	261,468	31,584

**(11) Changes in Accounting Principles**

For the year ended December 31, 2003, the Commission implemented GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

GASB Statement No. 34 creates new basic financial statements for reporting on the Commission's financial activities. The financial statements now include management's discussion and analysis, government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which had been the mode of presentation in previously issued financial statements. Nonmajor funds are presented in total in one column in the fund financial statements. In addition, the financial statements also include new footnote disclosures and the direct method of cash flows statement.



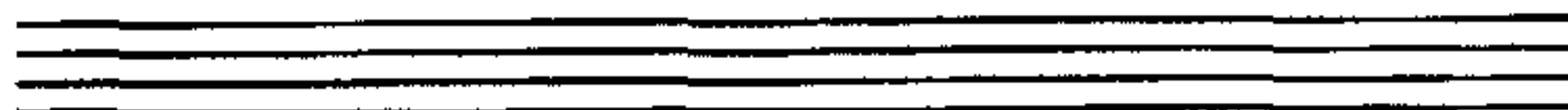
**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Notes to Basic Financial Statements**  
**December 31, 2003**

The implementation of GASB Statement No. 34 caused the opening fund balances at December 31, 2002 to be reported in terms of "net assets" as follows:

<b>Total Fund Balances – Governmental Funds – at December 31, 2002</b>		<b>\$ 64,913,265</b>
<b>Add: Cost of capital assets at December 31, 2002</b>	<b>\$ 455,738,014</b>	
Less: accumulated depreciation at December 31, 2002	(191,895,505)	
Deferred revenue on property taxes at December 31, 2002	1,955,275	
Internal service funds at December 31, 2002	2,683,801	
Contributed Capital - Fleet Services Fund	338,156	
Permanent Fund - Jail Site Fund at December 31, 2002	1,157,888	
Special Revenue Fund - Economic Development Fund at December 31, 2002	324,833	
Special Revenue Fund - Reserve Trust Fund at December 31, 2002	5,087,587	
<b>Less: Long-term debt:</b>		
Debt outstanding at December 31, 2002	(29,830,000)	
Compensated absences payable at December 31, 2002	(1,023,110)	
Accrued interest payable at December 31, 2002	<u>(425,897)</u>	<u>244,111,042</u>
		<b>\$ <u>309,024,307</u></b>

Adoption of GASB Statements No. 37 and 38 were required simultaneously with GASB Statement No. 34 and resulted in additional disclosures. At December 31, 2002, there was no effect on fund balance as a result of implementation of GASB Interpretation No. 6.

**REQUIRED SUPPLEMENTARY  
INFORMATION**





**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual on a Budgetary Basis

General Fund

Year ended December 31, 2003  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Taxes:			
Ad valorem	\$ 3,814,280	3,799,847	(14,433)
Other taxes, penalties, and interest	148,000	237,085	89,085
	<u>3,962,280</u>	<u>4,036,932</u>	<u>74,652</u>
Licenses and permits	<u>380,500</u>	<u>410,309</u>	<u>29,809</u>
Intergovernmental – state of Louisiana:			
Oil and gas severance tax	750,000	749,910	(90)
Beer tax	24,000	22,773	(1,227)
Timber severance pay	110,000	199,946	89,946
State revenue sharing	143,500	187,289	43,789
	<u>1,027,500</u>	<u>1,159,918</u>	<u>132,418</u>
Gaming	91,500	113,837	22,337
Use of money and property:			
Interest earned	51,000	40,162	(10,838)
Net decrease in the fair value of investments	—	(1,028)	(1,028)
	<u>51,000</u>	<u>39,134</u>	<u>(11,866)</u>
Other revenues	6,500	21,024	14,524
Total revenues	<u>5,519,280</u>	<u>5,781,154</u>	<u>261,874</u>
Expenditures:			
General government:			
Commission	495,032	489,235	5,797
Administration	350,768	338,857	11,911
Human Resources	131,940	94,700	37,240
Finance	262,903	284,803	(21,900)
Information Systems	57,833	35,218	22,615
Elections	385,173	345,335	39,838
LSU Extension	82,893	66,280	16,613
Metropolitan Planning Commission	160,000	160,000	—
Archives	58,000	54,446	3,554
Allocations to Other Entities	52,298	52,772	(474)
Miscellaneous	125,326	124,554	772
	<u>2,162,166</u>	<u>2,046,200</u>	<u>115,966</u>
Criminal Justice	4,031,836	3,827,791	204,045
Health and Welfare	33,394	23,389	10,005
Total expenditures	<u>6,227,396</u>	<u>5,897,380</u>	<u>330,016</u>
Excess (deficiency) of revenues over (under) expenditures	(708,116)	(116,226)	591,890
Other financing sources:			
Transfers in	450,000	450,000	—
	<u>450,000</u>	<u>450,000</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(258,116)	333,774	591,890
Fund balance, beginning of year	3,790,644	3,790,644	—
Fund balance, end of year	\$ <u>3,532,528</u>	\$ <u>4,124,418</u>	<u>591,890</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Shreve Memorial Library Fund  
Year ended December 31, 2003  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Ad valorem taxes	\$ 8,483,580	8,620,939	137,359
Intergovernmental revenues:			
State revenue sharing	414,637	394,026	(20,611)
	<u>8,898,217</u>	<u>9,014,965</u>	<u>116,748</u>
Library fines	78,000	92,117	14,117
Use of money and property – interest	210,000	92,894	(117,106)
Other revenues	197,629	140,848	(56,781)
	<u>9,383,846</u>	<u>9,340,824</u>	<u>(43,022)</u>
Expenditures – culture and recreation:			
Salaries, fringe benefits, and payroll taxes	4,587,156	4,534,681	52,475
Supplies	269,340	256,042	13,298
Utilities	492,800	467,918	24,882
Repairs and maintenance	334,400	361,998	(27,598)
Insurance	114,500	125,100	(10,600)
Books and library materials	1,123,935	723,993	399,942
Miscellaneous	540,150	409,541	130,609
Capital expenditures	3,293,389	4,240,919	(947,530)
	<u>10,755,670</u>	<u>11,120,192</u>	<u>(364,522)</u>
Debt service – interest	440,159	440,661	(502)
Debt service – principal	1,980,000	1,980,000	—
	<u>13,175,829</u>	<u>13,540,853</u>	<u>(365,024)</u>
Excess (deficiency) of revenues over (under) expenditures	(3,791,983)	(4,200,029)	(408,046)
Other financing sources – transfers in	5,058,423	4,739,031	(319,392)
Excess (deficiency) of revenues and other financing sources over (under) expenditures	1,266,440	539,002	(727,438)
Fund balance, beginning of year	9,791,389	9,791,389	—
Fund balance, end of year	\$ <u>11,057,829</u>	<u>10,330,391</u>	<u>(727,438)</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Detention Facilities Fund

Year ended December 31, 2003  
(unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 5,179,110	5,179,110	5,174,250	(4,860)
<b>Intergovernmental:</b>				
Federal grant	38,000	38,000	47,197	9,197
State revenue sharing	251,700	251,700	244,282	(7,418)
State prisoner's grant	135,000	135,000	128,095	(6,905)
	<u>424,700</u>	<u>424,700</u>	<u>419,574</u>	<u>(5,126)</u>
Other revenues	—	—	1,369	1,369
<b>Total revenues</b>	<u>5,603,810</u>	<u>5,603,810</u>	<u>5,595,193</u>	<u>(8,617)</u>
<b>Expenditures:</b>				
<b>Criminal Justice:</b>				
<b>Caddo Correctional Center:</b>				
Salaries, fringe benefits, and payroll taxes	636,721	636,721	637,300	(579)
Supplies	101,100	101,100	80,030	21,070
Utilities	726,000	726,000	632,417	93,583
Repairs and maintenance	201,800	201,800	201,823	(23)
Insurance	165,049	165,149	168,198	(3,049)
Interest	—	—	22,301	(22,301)
Miscellaneous	531,511	531,511	632,741	(101,230)
Reimbursement for non-statutory prisoners	(300,000)	—	—	—
Contracted services – prison operations	3,252,020	3,252,020	3,148,206	103,814
<b>Total caddo correctional center</b>	<u>5,314,201</u>	<u>5,614,301</u>	<u>5,523,016</u>	<u>91,285</u>
<b>Juvenile Detention Center:</b>				
Salaries, fringe benefits, and payroll taxes	1,279,981	1,279,981	1,286,545	(6,564)
Supplies	4,000	4,000	2,439	1,561
Repairs and maintenance	194,700	194,700	202,581	(7,881)
Insurance	37,450	37,450	37,450	—
Interest	10,500	10,500	—	10,500
Miscellaneous	223,515	223,515	248,240	(24,725)
Contracted services – prison operations	81,000	81,000	40,796	40,204
Capital outlay	19,000	19,000	14,250	4,750
<b>Total juvenile detention</b>	<u>1,850,146</u>	<u>1,850,146</u>	<u>1,832,301</u>	<u>17,845</u>
<b>STAR Boot Camp</b>	<u>17,980</u>	<u>17,980</u>	<u>4,166</u>	<u>13,814</u>
<b>Total criminal justice expenditures</b>	<u>7,182,327</u>	<u>7,482,427</u>	<u>7,359,483</u>	<u>122,944</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,578,517)</u>	<u>(1,878,617)</u>	<u>(1,764,290)</u>	<u>114,327</u>
Other financing sources – transfer in	1,800,000	1,800,000	1,790,000	(10,000)
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures</b>	<u>221,483</u>	<u>(78,617)</u>	<u>25,710</u>	<u>104,327</u>
Fund balance, beginning of year	80,642	80,642	80,642	—
Fund balance, end of year	\$ <u>302,125</u>	<u>2,025</u>	<u>106,352</u>	<u>104,327</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Notes to Budgetary Comparison Schedules  
December 31, 2003  
(unaudited)

**Budgets and Budgetary Accounting**

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

- (1) Prior to November 1, the Parish Administrator submits to the Commission a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 27, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department (function) or program expenditures. The Home Rule Charter provides that expenditures may not legally exceed appropriations on a functional (departmental or program) basis. Expenditures approved on a functional level are detailed by object account by the Parish Administrator and Finance Director. Revisions to the budget as enacted at the department (function) or program level require Commission action. Revisions at the object level can be approved by the Parish Administrator without seeking approval of the Commissioners. Several such revisions were made during the year ended December 31, 2003.
- (5) The Commission utilizes formal budgetary integration as a management control device and annual budgets are legally adopted for the General Fund, certain Special Revenue Funds, and the Debt Service Fund.
- (6) Comparison of budgeted and actual amounts as shown in the accompanying financial statements includes the General Fund, those Special Revenue Funds which are included in the annual operating budget and for which a budget to actual comparison is required, and the Debt Service Fund. Annual operating budgets were not prepared for the Section 8 Housing Fund, Head Start, and Louisiana Community Development Block Grant Fund. Section 8 Housing prepares their budget on a grant entitlement basis rather than an annual basis. The budget is not readily convertible to an annual operating budget and thus is not included in the financial statements. The Head Start Fund and the Louisiana Community Development Block Grant Fund were established to account for transactions involving federal funds received by the Commission. An annual operating budget was not adopted for these funds.

The capital budget appropriations which encompass the Capital Projects Funds present cumulative (project length) as opposed to annual budget amounts, and thus budget and actual comparisons are not reported in the accompanying financial report for these funds. Actual to budget comparison is not required for the Internal Service Fund and Fiduciary Funds.

- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations which are not expended lapse at year-end.

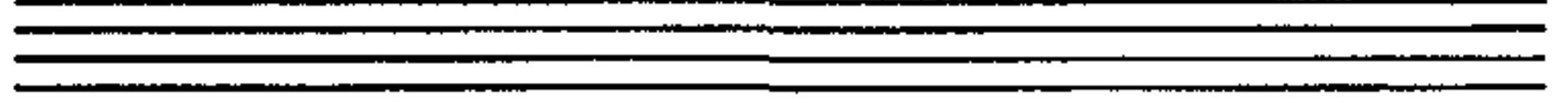
**CADDO PARISH COMMISSION**  
Notes to Budgetary Comparison Schedules  
December 31, 2003  
(unaudited)

**Excess of Expenditures Over Budget – Major Funds**

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

<b>Fund</b>	<u>Budget</u>	<u>Actual on a budgetary basis</u>	<u>Negative variance</u>
<b>General Fund:</b>			
<b>General government:</b>			
Finance	\$ 262,903	284,803	(21,900)
Allocations to other entities	52,298	52,772	(474)
<b>Shreve Memorial Library –</b>			
Culture and Recreation	10,755,670	11,120,192	(364,522)
Debt service – interest	440,159	440,661	(502)

**COMBINING FUND  
FINANCIAL STATEMENTS**



# NONMAJOR GOVERNMENTAL FUNDS

---

---

## SPECIAL REVENUE FUNDS

**Courthouse Maintenance Fund** – The Courthouse Maintenance Fund accounts for the proceeds of a special ad valorem tax dedicated for maintenance and operation of the parish courthouse and other public buildings.

**Solid Waste Disposal Fund** – The Solid Waste Disposal Fund accounts for the proceeds of a special ad valorem tax, sales tax, and other revenues dedicated for maintenance and operation of the parish solid waste system.

**Road and Bridge Fund** – The Road and Bridge Fund accounts for the proceeds of a special ad valorem tax, special assessments, and other revenues dedicated for road and bridge maintenance and improvement.

**Parks and Recreation Fund** – The Parks and Recreation Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance and operation of the parish park system.

**Louisiana Community Development Block Grant Fund** – The Louisiana Community Development Block Grant Fund accounts for federal monies received by the Commission to provide funds for projects that allow for the development of viable urban communities by providing decent housing and a suitable living environment.

**Drainage Fund** – The Drainage Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance of parish drainage facilities.

**Juvenile Court Fund** – The Juvenile Court Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish juvenile court facility.

**Health Tax Fund** – The Health Tax Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish health unit and animal services.



**Law Officers Witness Fund** – The Law Officers Witness Fund accounts for the proceeds of a special case charge on criminal matters. The revenues generated are dedicated to the payment of a special witness fee to law officers who are called as witnesses to testify in district court.

**Biomedical Fund** – The Biomedical Fund accounts for the proceeds of a special ad valorem tax dedicated to economic development.

**Section 8 Housing Fund** – The Section 8 Housing Fund accounts for the proceeds of a federal grant program which are dedicated housing assistance payments for the benefit of low income individuals. The program is funded by the United States Department of Housing and Urban Development.

**Riverboat Fund** – The Riverboat Fund accounts for revenues received by the Commission from boarding fees related to the riverboat casinos.

**Reserve Trust Fund** – This fund was established by the Caddo Parish Commission to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity, or other occasion requiring immediate emergency funding needs or cash flow loan demand. This fund was established with a transfer from the Riverboat Fund.

**Economic Development Fund** – This fund was established by the Caddo Parish Commission to account for the proceeds from the sale of land at the old penal farm site, now known as the West Shreveport Industrial Park. The sale proceeds as well as additional revenues are dedicated to economic development.

**Criminal Justice Fund** – The Criminal Justice Fund accounts for the proceeds of a special ad valorem tax dedicated for criminal justice system expenditures.

### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund is funded by the proceeds of a dedicated ad valorem tax.

## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Commission has two nonmajor capital projects funds:

**Criminal Justice Facilities Fund** – The Criminal Justice Facilities Fund accounts for the proceeds of a bond issue approved by the voters in 1988. Additional construction funding was also provided by the state of Louisiana. The issue was dedicated to the construction and renovation of jail facilities.

**Library Bond Fund** – The Library Bond Fund accounts for the proceeds of certificates of indebtedness. The certificates are dedicated to acquiring, equipping, constructing, and improving the public library system.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Combining Balance Sheet – By Fund Type**  
**Governmental Activities**

**Nonmajor Governmental Funds**

December 31, 2003

<b>Assets</b>	<b>Special Revenue Funds</b>	<b>Debt Service Fund</b>	<b>Capital Projects Funds</b>	<b>Permanent Fund (Jail Site Fund)</b>	<b>Total</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 1,131,510	8,254	571,233	18,370	1,729,367
Investments	11,906,427	87,845	6,151,784	56,323	18,202,379
Receivables, net					
Ad Valorem Taxes	15,690,573	1,620,516	—	—	17,311,089
Paving Assessments	19,327	—	—	—	19,327
Other	439,697	—	—	—	439,697
Accrued interest	76,807	573	39,682	1,293	118,355
Due from other funds	2,585,923	71,741	1,178,548	1,100,000	4,936,212
Due from other governmental units	1,410,259	—	—	—	1,410,259
<b>Total assets</b>	<b>\$ 33,260,523</b>	<b>1,788,929</b>	<b>7,941,247</b>	<b>1,175,986</b>	<b>44,166,685</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,895,360	—	—	—	1,895,360
Accrued liabilities	416,068	—	—	—	416,068
Due to other funds	4,801,899	—	—	—	4,801,899
Due to other governmental units	280,000	—	—	—	280,000
Deferred revenue	642,322	17,192	—	—	659,514
<b>Total liabilities</b>	<b>8,035,649</b>	<b>17,192</b>	<b>—</b>	<b>—</b>	<b>8,052,841</b>
<b>Fund balances:</b>					
<b>Reserved:</b>					
Debt service	—	1,771,737	—	—	1,771,737
Encumbrances	248,868	—	—	—	248,868
Contingencies	5,859,946	—	—	—	5,859,946
Industrial development	205,720	—	—	—	205,720
Revolving loans to general fund	—	—	—	1,175,986	1,175,986
<b>Unreserved:</b>					
Designated for subsequent year's expenditure	749,794	—	7,941,247	—	8,691,041
Undesignated	18,160,546	—	—	—	18,160,546
<b>Total fund balances</b>	<b>25,224,874</b>	<b>1,771,737</b>	<b>7,941,247</b>	<b>1,175,986</b>	<b>36,113,844</b>
<b>Total liabilities and fund balances</b>	<b>\$ 33,260,523</b>	<b>1,788,929</b>	<b>7,941,247</b>	<b>1,175,986</b>	<b>44,166,685</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances – By Fund Type

Nonmajor Governmental Funds

Governmental Activities

Year ended December 31, 2003

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Permanent Fund (Jail Site Fund)</u>	<u>Total</u>
<b>Revenues:</b>					
Taxes	\$ 18,117,384	1,760,376	—	—	19,877,760
Intergovernmental	3,902,687	—	—	—	3,902,687
Charges for services	100,826	—	—	—	100,826
Licenses and permits	122,900	—	—	—	122,900
Gaming	2,522,343	—	—	—	2,522,343
Fines and forfeitures	119,085	—	—	—	119,085
<b>Use of Money and Property</b>					
Rental, camping fees, and other	159,953	—	—	—	159,953
Investment earnings	383,627	4,030	216,761	18,346	622,764
Net decrease in the fair value of investments	(75,566)	(3,471)	(74,789)	(248)	(154,074)
Other revenues	233,928	—	—	—	233,928
<b>Total revenues</b>	<b>25,587,167</b>	<b>1,760,935</b>	<b>141,972</b>	<b>18,098</b>	<b>27,508,172</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	237,739	—	—	—	237,739
Criminal justice	2,601,499	—	—	—	2,601,499
Health and welfare	3,461,848	—	—	—	3,461,848
Drainage	424,160	—	—	—	424,160
Building facilities	2,661,624	—	—	—	2,661,624
Highways and streets	4,420,410	—	—	—	4,420,410
Sanitation	1,807,916	—	—	—	1,807,916
Economic Development	2,088,052	—	—	—	2,088,052
Culture and recreation	768,697	—	587	—	769,284
<b>Debt service:</b>					
Principal retirement	355,000	1,465,000	—	—	1,820,000
Fees and charges	—	83,024	—	—	83,024
Interest and fiscal charges	78,917	615,770	—	—	694,687
<b>Total expenditures</b>	<b>18,905,862</b>	<b>2,163,794</b>	<b>587</b>	<b>—</b>	<b>21,070,243</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>6,681,305</b>	<b>(402,859)</b>	<b>141,385</b>	<b>18,098</b>	<b>6,437,929</b>
<b>Other financing sources (uses):</b>					
Refunding certificates issued	2,060,000	—	—	—	2,060,000
Payment to refunding escrow agent	(2,048,130)	—	—	—	(2,048,130)
Transfers in	2,470,015	—	2,290	—	2,472,305
Transfers out	(7,316,452)	—	(4,874,531)	—	(12,190,983)
<b>Total other financing sources (uses)</b>	<b>(4,834,567)</b>	<b>—</b>	<b>(4,872,241)</b>	<b>—</b>	<b>(9,706,808)</b>
<b>Net change in fund balances</b>	<b>1,846,738</b>	<b>(402,859)</b>	<b>(4,730,856)</b>	<b>18,098</b>	<b>(3,268,879)</b>
Fund balances, beginning of year	23,378,136	2,174,596	12,672,103	1,157,888	39,382,723
<b>Fund balances, end of year</b>	<b>\$ 25,224,874</b>	<b>1,771,737</b>	<b>7,941,247</b>	<b>1,175,986</b>	<b>36,113,844</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2003

Assets	Courthouse Maintenance Fund		Solid Waste Disposal Fund		Road and Bridge Fund		Parks and Recreation Fund		Louisiana Community Development Block Grant		Drainage Fund		Juvenile Court Fund		Health Tax Fund		Law Officers Witness Fund		Biomedical Fund		Section 8 Housing Fund		Riverboat Fund		Reserve Trust Fund		Economic Development Fund		Criminal Justice Fund		Total	
Cash and cash equivalents	\$ 18,377		388,961	95,044	21,078	21,572	100	13,412	13,412		15,370	13,147	415,787	16,164									1,131,310						1,131,310			
Investments	195,372	4,189,120	1,020,472	226,165		228,180		146,311				38,512	4,475,867	176,275															11,906,427			
Receivables:																																
Ad valorem taxes	2,559,584	166,207	4,188,411	789,483		1,853,206	1,903,067		1,562,344																					15,690,573		
Paving assessments			19,327																											19,327		
Accrued interest	1,266	27,020	6,594	1,457		1,481		932					28,883	1,123																76,807		
Other		163,927	57,512	100		4,108	99																							439,697		
Due from other funds	78,138	949,796	177,800	40,758				75,690																						2,585,923		
Due from other governmental agencies	88,139	9,268	154,111	25,444		563,330	73,415	878	50,351		14,697																			1,410,259		
<b>Total assets</b>	<b>\$ 2,940,876</b>	<b>5,894,299</b>	<b>5,719,271</b>	<b>1,104,485</b>	<b>40</b>	<b>2,671,877</b>	<b>1,976,681</b>	<b>237,223</b>	<b>1,612,695</b>	<b>30,067</b>	<b>289,088</b>	<b>5,859,946</b>	<b>569,246</b>	<b>322,307</b>	<b>1,633,346</b>	<b>79,730</b>	<b>33,260,523</b>															
<b>Liabilities and Fund Balances</b>																																
Liabilities:																																
Accounts payable and accrued liabilities	\$ 80,580	1,521,530	80,129	2,733		139,498	16,885				4,669																				1,895,360	
Due to other funds	58,320		109,949	22,801		97,326	60,338																								416,068	
Due to other governmental agencies						1,593,602	293,848		1,223,069																						4,801,899	
Deferred revenues	109,609	7,704	189,457	33,815		280,000	88,174		68,776																						280,000	
<b>Total liabilities</b>	<b>248,509</b>	<b>1,529,234</b>	<b>379,535</b>	<b>59,349</b>	<b>40</b>	<b>2,179,790</b>	<b>459,445</b>	<b>237,223</b>	<b>1,291,845</b>	<b>4,669</b>	<b>23,769</b>	<b>308,955</b>	<b>1,501,258</b>	<b>16,132</b>	<b>308,955</b>	<b>1,501,258</b>	<b>8,033,649</b>															
Fund balances:																																
Reserved:																																
Encumbrances	41,183	68	199,658	1,267		1,320	5,372																									248,868
Contingencies																																5,859,946
Industrial Development Unreserved:																																205,720
Designated for subsequent year expenditures	6,382					457,964	196,341	34,336																								749,794
Undesignated	2,644,602	4,364,997	5,140,078	1,043,869	40	32,803	1,315,523	202,887	320,850	25,398	245,319	5,859,946																				18,160,546
<b>Total fund balances</b>	<b>2,692,367</b>	<b>4,365,065</b>	<b>5,339,736</b>	<b>1,043,136</b>	<b>40</b>	<b>492,087</b>	<b>1,517,236</b>	<b>237,223</b>	<b>320,850</b>	<b>25,398</b>	<b>245,319</b>	<b>5,859,946</b>	<b>260,291</b>	<b>260,291</b>	<b>1,52,088</b>	<b>1,52,088</b>	<b>25,224,874</b>															
<b>Total liabilities and fund balances</b>	<b>\$ 2,940,876</b>	<b>5,894,299</b>	<b>5,719,271</b>	<b>1,104,485</b>	<b>40</b>	<b>2,671,877</b>	<b>1,976,681</b>	<b>237,223</b>	<b>1,612,695</b>	<b>30,067</b>	<b>289,088</b>	<b>5,859,946</b>	<b>569,246</b>	<b>322,307</b>	<b>1,633,346</b>	<b>79,730</b>	<b>33,260,523</b>															

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

**Nonmajor Special Revenue Funds**

December 31, 2003

	Louisiana										Total				
	Charitable Meditation Fund	Solid Waste Disposal Fund	Road and Bridge Fund	Parks and Recreation Fund	Community Development Block Grant Fund	Drainage Fund	Juvenile Court Fund	Health Tax Fund	Law Offices Witness Fund	Biomedical Fund		Section 8 Housing Fund	Riverboat Fund	Reserve Trust Fund	Economic Development Fund
Revenues:															
Ad valorem taxes	2,672,154	172,945	4,366,787	\$24,440	--	1,135,016	1,934,617	1,982,453	1,628,009	--	--	--	--	--	1,610,787
Sales tax	--	1,790,126	--	--	--	1,135,016	1,934,617	1,982,453	1,628,009	--	--	--	--	--	1,610,787
Intergovernmental revenues:															
Federal grants:															
State grants:															
State revenue sharing	124,774	14,018	194,047	38,486	231,722	32,016	90,340	92,771	76,161	--	--	--	--	--	76,790
Economic mobilizing	--	--	--	--	--	--	60,000	--	--	--	--	--	--	--	--
State prisoners grant	--	--	--	--	--	--	53,046	204,701	--	--	--	--	--	1,724,613	--
Other state funds	--	--	109,251	--	--	--	421,040	297,472	76,161	429,457	--	--	--	1,724,613	--
Charges for services	--	--	503,298	38,486	231,722	167,916	421,040	297,472	76,161	429,457	--	--	--	1,724,613	--
Licenses and permits	--	--	80,101	--	--	--	--	--	--	--	--	--	--	--	--
Fees and forfeitures	--	--	23,641	--	--	--	118,969	99,239	--	--	--	--	--	--	--
Grants	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Use of money and property:															
Rental, camping fees, and other	--	--	--	13,303	--	--	--	145,000	--	--	--	--	--	1,658	--
Net income (decrease) in fair value of investments	(189)	(45,960)	(5,377)	(818)	--	(4,510)	(1,787)	--	--	--	--	--	(29,956)	(1,375)	--
Interest	22,866	108,805	37,800	10,351	60	37,449	5,871	13,958	317	146	6,706	108,147	6,198	475	383,627
Other revenues	22,677	82,845	52,479	22,836	60	28,939	4,084	158,958	317	146	6,356	78,191	6,473	475	468,014
Total revenues	3,450	65,817	12,254	31,195	--	7,795	1,200	20,397	317	146	6,356	90,000	6,473	475	233,928
Expenditures:															
Current:															
Central government	--	--	--	--	231,742	--	2,380,710	--	48,018	--	234,793	2,946	--	--	172,771
Criminal Justice	--	--	--	--	--	--	--	3,801,032	--	429,074	--	--	--	--	--
Health and welfare	--	--	--	--	--	424,160	--	--	--	--	--	--	--	--	--
Drainage	2,472,323	--	--	--	--	--	189,101	--	--	--	--	--	--	--	--
Building facilities	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Highways and streets	--	--	4,420,410	--	--	--	--	--	--	--	--	--	--	--	--
Solidification	--	1,807,916	--	--	--	--	--	--	--	--	--	--	--	--	--
Cultural and recreation	--	--	--	768,697	--	--	--	--	--	--	--	--	--	--	--
Economic development	--	--	--	--	--	--	--	1,787,530	--	--	--	--	320,512	--	--
Debt service:															
Principal retirement	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Interest	--	--	--	--	--	--	--	--	--	--	355,000	--	--	--	355,000
Total expenditures	2,472,323	1,807,916	4,420,410	768,697	231,742	424,160	2,369,811	3,801,032	48,018	429,074	688,710	2,946	320,512	172,771	18,905,862
Excess (deficiency) of revenues over (under) expenditures	350,632	317,835	418,124	149,260	40	915,486	(89,901)	(242,493)	(21,991)	1,339	1,746,152	165,345	1,524,361	1,512,221	6,681,305
Other financing sources (uses):															
Refunding Certificates issued	--	--	--	--	40	--	310,099	(319,114)	(63,033)	1,339	--	--	--	--	--
Payments to refunding escrow agent	--	100	--	--	--	142,949	400,800	20,289	--	--	2,048,130	--	--	--	2,660,000
Operating transfers in	--	--	--	--	--	(794,500)	--	(107,114)	--	--	49,563	607,134	--	1,250,000	2,478,015
Operating transfers out	--	(162,000)	--	(10,000)	--	--	400,000	--	--	--	(2,009,905)	--	--	(2,640,000)	(2,316,452)
Total other financing sources (uses)	--	(161,900)	--	(10,000)	--	(655,551)	400,000	(86,825)	--	--	(1,948,472)	607,134	--	(1,389,000)	(4,534,567)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	350,632	155,935	418,124	139,260	40	259,935	310,099	(319,114)	(63,033)	1,339	1,746,152	165,345	1,524,361	1,512,221	1,846,738
Fund balances, beginning of year	2,341,735	4,209,130	4,921,612	905,876	--	2,411,157	1,81,988	1,846,554	251,216	24,059	447,639	5,087,587	324,833	29,857	23,278,136
Fund balances, end of year	2,692,367	4,365,065	5,339,736	1,045,136	40	2,671,092	492,087	1,517,236	183,883	25,398	245,319	5,694,721	350,890	25,398	25,234,874

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2003**

<b>Assets</b>	<b>Criminal Justice Facilities Fund</b>	<b>Library Bond Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 202,907	368,326	571,233
Investments	2,183,641	3,968,143	6,151,784
Accrued interest	14,095	25,587	39,682
Due from other funds	405,511	773,037	1,178,548
Total assets	\$ <u>2,806,154</u>	<u>5,135,093</u>	<u>7,941,247</u>
<b>Fund Balances</b>			
<i>Total fund balances –</i>			
Unreserved – designated for subsequent years expenditures	\$ <u>2,806,154</u>	<u>5,135,093</u>	<u>7,941,247</u>

See accompanying independent auditors' report.



**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

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

**Nonmajor Capital Projects Funds**

Year ended December 31, 2003

	<b>Criminal Justice Facilities Fund</b>	<b>Library Bond Fund</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>			
Interest	\$ 56,778	159,983	216,761
Net decrease in the fair value of investments	(15,352)	(59,437)	(74,789)
<b>Total revenues</b>	<u>41,426</u>	<u>100,546</u>	<u>141,972</u>
<b>Expenditures:</b>			
Culture and Recreation	—	587	587
<b>Total expenditures</b>	<u>—</u>	<u>587</u>	<u>587</u>
<b>Excess of revenues over expenditures</b>	<u>41,426</u>	<u>99,959</u>	<u>141,385</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	2,290	—	2,290
Operating transfers out	(135,500)	(4,739,031)	(4,874,531)
<b>Total other financing sources (uses)</b>	<u>(133,210)</u>	<u>(4,739,031)</u>	<u>(4,872,241)</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(91,784)</u>	<u>(4,639,072)</u>	<u>(4,730,856)</u>
Fund balances, beginning of year	<u>2,897,938</u>	<u>9,774,165</u>	<u>12,672,103</u>
Fund balances, end of year	<u>\$ 2,806,154</u>	<u>5,135,093</u>	<u>7,941,247</u>

See accompanying independent auditors' report.

## **INTERNAL SERVICE FUNDS**

---

---

Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost-reimbursement basis. The Commission has three internal service funds:

**Group Insurance Fund** – The Group Insurance Fund accounts for the cost of providing group medical and life insurance coverage for Commission employees. The fund is used to account for contributions from Commission funds and withholdings from employees' payroll used to pay the costs of providing group coverage for Commission employees.

**General Insurance Fund** – The General Insurance Fund accounts for the costs of maintaining casualty and workmen's compensation insurance coverage.

**Fleet Services Fund** – The Fleet Services Fund accounts for the repairs and maintenance activities provided by the Commission's central garage location for the various departments of the Commission.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Combining Statement of Net Assets**

**Internal Service Funds**

December 31, 2003

<b>Assets</b>	<b>Group Insurance Fund</b>	<b>General Insurance Fund</b>	<b>Fleet Service Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 477,421	173,073	—	650,494
Investments	1,809,676	463,959	—	2,273,635
Receivables	45,353	—	35,355	80,708
Accrued interest receivable	11,659	2,986	—	14,645
Due from other funds – Fleet Services	150,280	77,417	—	227,697
Inventory	—	—	52,904	52,904
<b>Total current assets</b>	<b>2,494,389</b>	<b>717,435</b>	<b>88,259</b>	<b>3,300,083</b>
<b>Fixed assets:</b>				
Land	—	—	163,475	163,475
Sewer line	—	—	107,541	107,541
Buildings	—	—	134,428	134,428
Vehicles	—	—	14,579	14,579
Equipment	—	—	23,322	23,322
	—	—	443,345	443,345
<b>Less accumulated depreciation</b>	—	—	<b>(105,079)</b>	<b>(105,079)</b>
<b>Fixed assets, net</b>	—	—	<b>338,266</b>	<b>338,266</b>
<b>Total assets</b>	<b>\$ 2,494,389</b>	<b>717,435</b>	<b>426,525</b>	<b>3,638,349</b>
<b>Liabilities and Net Assets</b>				
<b>Liabilities:</b>				
Accounts payable	\$ —	352	18,080	18,432
Accrued liabilities	—	—	15,021	15,021
Accrued insurance claims payable	243,270	31,584	—	274,854
Due to other funds:				
Group Insurance	—	—	150,280	150,280
General Insurance	—	—	77,417	77,417
<b>Total liabilities</b>	<b>243,270</b>	<b>31,936</b>	<b>260,798</b>	<b>536,004</b>
<b>Net assets:</b>				
Invested in capital assets	—	—	338,266	338,266
Unrestricted	2,251,119	685,499	(172,539)	2,764,079
<b>Total net assets</b>	<b>2,251,119</b>	<b>685,499</b>	<b>165,727</b>	<b>3,102,345</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,494,389</b>	<b>717,435</b>	<b>426,525</b>	<b>3,638,349</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Internal Service Funds

Year ended December 31, 2003

	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Total
<b>Operating revenues:</b>				
Employer's contributions	\$ 2,117,832	—	—	2,117,832
Employees' contributions	696,032	—	—	696,032
Charges for sales and service	—	931,961	1,267,599	2,199,560
<b>Total revenues</b>	<b>2,813,864</b>	<b>931,961</b>	<b>1,267,599</b>	<b>5,013,424</b>
<b>Operating expenses:</b>				
Claims	2,451,410	256,535	—	2,707,945
Cost of sales and service	—	—	1,147,616	1,147,616
Insurance premiums	290,952	492,233	22,964	806,149
General and administrative	214,763	92,075	—	306,838
Depreciation	—	—	12,444	12,444
Other	—	—	33,964	33,964
<b>Total expenses</b>	<b>2,957,125</b>	<b>840,843</b>	<b>1,216,988</b>	<b>5,014,956</b>
<b>Operating income (loss)</b>	<b>(143,261)</b>	<b>91,118</b>	<b>50,611</b>	<b>(1,532)</b>
<b>Nonoperating revenues (expense):</b>				
Interest income	48,689	8,278	—	56,967
Net decrease in the fair value of investments	(14,454)	(2,577)	—	(17,031)
Interest expense	—	—	(2,921)	(2,921)
<b>Total nonoperating revenues</b>	<b>34,235</b>	<b>5,701</b>	<b>(2,921)</b>	<b>37,015</b>
Transfer from Riverboat Fund	—	—	44,905	44,905
<b>Change in net assets</b>	<b>(109,026)</b>	<b>96,819</b>	<b>92,595</b>	<b>80,388</b>
Net assets, beginning of year, restated	2,360,145	588,680	73,132	3,021,957
<b>Net assets, end of year</b>	<b>\$ 2,251,119</b>	<b>685,499</b>	<b>165,727</b>	<b>3,102,345</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Cash Flows

Internal Service Funds

Year ended December 31, 2003

	<u>Group Insurance Fund</u>	<u>General Insurance Fund</u>	<u>Fleet Service Fund</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>				
Contributions	\$ 2,952,930	—	—	2,952,930
Receipts from operations	—	957,833	1,253,156	2,210,989
Payments to suppliers	(505,715)	(584,541)	(1,295,140)	(2,385,396)
Claims paid	(2,494,956)	(261,468)	—	(2,756,424)
Net cash provided by (used in) operating activities	(47,741)	111,824	(41,984)	22,099
<b>Cash flows from noncapital financing activities:</b>				
Interest paid	—	—	(2,921)	(2,921)
Transfer in	—	—	44,905	44,905
Net cash provided by noncapital financing activities	—	—	41,984	41,984
<b>Cash flows from investing activities:</b>				
Purchases of investments	—	(121,134)	—	(121,134)
Sales of investment	112,884	—	—	112,884
Interest received	53,723	8,269	—	61,992
Net cash provided by (used in) investing activities	166,607	(112,865)	—	53,742
Net increase (decrease) in cash and cash equivalents	118,866	(1,041)	—	117,825
Cash and cash equivalents, beginning of year	358,555	174,114	—	532,669
Cash and cash equivalents, end of year	<u>\$ 477,421</u>	<u>173,073</u>	<u>—</u>	<u>650,494</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Combining Statement of Cash Flows**

**Internal Service Funds**

Year ended December 31, 2003

	<b>Group Insurance Fund</b>	<b>General Insurance Fund</b>	<b>Fleet Service Fund</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>				
Operating income (loss)	\$ (143,261)	91,118	50,611	(1,532)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	—	—	12,444	12,444
(Increase) decrease in assets:				
Accounts receivable – other	90,177	—	(14,443)	75,734
Due from other funds	48,889	25,872	—	74,761
Inventory	—	—	(4,386)	(4,386)
Increase (decrease) in liabilities:				
Accrued insurance claims payable	(43,546)	(4,933)	—	(48,479)
Accounts payable	—	(233)	(26,470)	(26,703)
Accrued liabilities	—	—	15,021	15,021
Due to other funds	—	—	(74,761)	(74,761)
<b>Net cash provided by (used in)     operating activities</b>	<b>\$ (47,741)</b>	<b>111,824</b>	<b>(41,984)</b>	<b>22,099</b>
<b>Noncash items:</b>				
Net decrease in the fair value of investments	\$ (14,454)	(2,577)	—	(17,031)

See accompanying independent auditors' report.

## **FIDUCIARY FUNDS**

---

---

Agency Funds are used to account for assets held as an agent for other governments. The Commission has two agency funds:

**Criminal Court Fund** – The establishment of this fund was mandated by the legislature to account for the proceeds from operations of the First Judicial District Court. All fines, court costs, and bond forfeitures imposed by the Court are dedicated to trial costs and other operating expenditures.

**Jury Fund** – The establishment of this fund was mandated by the legislature to account for the proceeds from a special fee assessed on criminal cases. The fees are used to provide compensation to jurors in criminal matters.



**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Combining Statement of Assets and Liabilities**

**Agency Funds**

December 31, 2003

<b>Assets</b>	<b>Criminal Court Agency Fund</b>	<b>Jury Agency Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 30,731	—	30,731
Receivables	2,166	—	2,166
Due from other government agencies	77,296	—	77,296
Total assets	110,193	—	110,193
<b>Liabilities</b>			
Accounts payable and accrued liabilities	69,156	—	69,156
Due to other governmental agencies	41,037	—	41,037
Total liabilities	\$ 110,193	—	110,193

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Combining Statement of Changes in Assets and Liabilities**

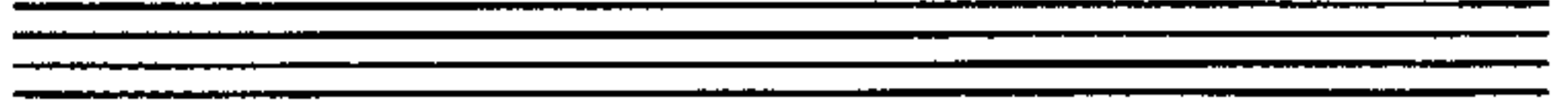
**Agency Funds**

December 31, 2003

	<u>Criminal Court Agency Fund</u>	<u>Jury Agency Fund</u>	<u>Total</u>
<b>Additions</b>			
Investment earnings	\$ 42	—	42
Transfer in from criminal court fund	—	71,046	71,046
Other revenues	806,415	17,717	824,132
Total additions	<u>806,457</u>	<u>88,763</u>	<u>895,220</u>
<b>Deductions</b>			
Miscellaneous	694,374	88,763	783,137
Transfer out to jury fund	71,046	—	71,046
Total deductions	<u>\$ 765,420</u>	<u>88,763</u>	<u>854,183</u>

See accompanying independent auditors' report.

**INDIVIDUAL FUND  
SCHEDULES**



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Courthouse Maintenance Fund  
Year ended December 31, 2003  
(unaudited)

	<u>Original and Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 2,641,630	2,672,154	30,524
Intergovernmental – state revenue sharing	120,100	124,774	4,674
Use of money and property:			
Net increase (decrease) in fair value of investments	—	(189)	(189)
Interest	14,500	22,866	8,366
Other revenues	3,000	3,550	550
<b>Total revenues</b>	<u>2,779,230</u>	<u>2,823,155</u>	<u>43,925</u>
<b>Expenditures:</b>			
<b>Building Facilities</b>			
<b>Courthouse</b>			
Salaries, fringe benefits, and payroll taxes	1,430,921	1,429,654	1,267
Supplies	9,300	10,055	(755)
Utilities	502,000	430,545	71,455
Repairs and maintenance	208,000	131,746	76,254
Maintenance contract	60,000	47,500	12,500
Insurance	162,949	162,949	—
Interest	4,220	—	4,220
Miscellaneous	183,004	78,326	104,678
Capital outlay	22,136	18,880	3,256
<b>Total courthouse expenditures</b>	<u>2,582,530</u>	<u>2,309,655</u>	<u>272,875</u>
<b>Francis Bickham Building and Government Plaza</b>			
Utilities	104,200	111,168	(6,968)
Repairs and maintenance	43,000	20,893	22,107
Miscellaneous	42,430	30,807	11,623
<b>Total Bickham Building and Govt. Plaza expenditures</b>	<u>189,630</u>	<u>162,868</u>	<u>26,762</u>
<b>Total expenditures</b>	<u>2,772,160</u>	<u>2,472,523</u>	<u>299,637</u>
<b>Excess of revenues over expenditures</b>	7,070	350,632	343,562
Fund balance, beginning of year	2,341,735	2,341,735	—
Fund balance, end of year	\$ <u>2,348,805</u>	<u>2,692,367</u>	<u>343,562</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Solid Waste Disposal Fund

Year ended December 31, 2003  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Ad valorem taxes	\$ 173,150	173,150	172,945	(205)
Sales tax	1,675,000	1,675,000	1,790,126	115,126
	<u>1,848,150</u>	<u>1,848,150</u>	<u>1,963,071</u>	<u>114,921</u>
Intergovernmental – state revenue sharing	8,450	8,450	14,018	5,568
Use of money and property:				
Net increase (decrease) in fair value of investments	—	—	(25,960)	(25,960)
Interest	69,500	69,500	108,805	39,305
Other revenues	22,500	22,500	65,817	43,317
Total revenues	<u>1,948,600</u>	<u>1,948,600</u>	<u>2,125,751</u>	<u>177,151</u>
Expenditures – sanitation:				
Salaries, fringe benefits, and payroll taxes	938,274	938,274	888,672	49,602
Utilities	30,000	30,000	26,482	3,518
Repairs and maintenance	104,000	99,400	89,650	9,750
Insurance	67,904	67,904	67,904	—
Contracted services – waste hauling	155,000	155,000	158,652	(3,652)
Waste disposal fees	370,000	370,000	347,942	22,058
Miscellaneous	213,686	218,286	221,357	(3,071)
Capital outlay	9,067	9,067	7,257	1,810
Total expenditures	<u>1,887,931</u>	<u>1,887,931</u>	<u>1,807,916</u>	<u>80,015</u>
Excess of revenues over expenditures	60,669	60,669	317,835	257,166
Other financing sources (uses):				
Transfers out	(162,000)	(162,000)	(162,000)	—
Transfers in	—	—	100	100
	<u>(162,000)</u>	<u>(162,000)</u>	<u>(161,900)</u>	<u>100</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(101,331)	(101,331)	155,935	257,266
Fund balance, beginning of year	4,209,130	4,209,130	4,209,130	—
Fund balance, end of year	\$ <u>4,107,799</u>	<u>4,107,799</u>	<u>4,365,065</u>	<u>257,266</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund**  
**Road and Bridge Fund**  
**Year ended December 31, 2003**  
**(unaudited)**

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 4,324,020	4,324,020	4,366,767	42,747
<b>Intergovernmental:</b>				
State revenue sharing	196,000	196,000	194,047	(1,953)
Other state funds	60,000	60,000	109,251	49,251
<b>Use of money and property:</b>				
Net increase (decrease) in fair value of investments	—	—	(5,327)	(5,327)
Interest	48,500	48,500	57,800	9,300
Other revenues	69,500	69,500	115,996	46,496
<b>Total revenues</b>	<u>4,698,020</u>	<u>4,698,020</u>	<u>4,838,534</u>	<u>140,514</u>
<b>Expenditures:</b>				
<b>Highways and Streets</b>				
<b>Administrative</b>				
Salaries, fringe benefits, and payroll taxes	570,353	570,353	598,264	(27,911)
Supplies	15,000	15,000	15,601	(601)
Utilities	7,000	7,000	12,424	(5,424)
Insurance	142,298	142,298	142,298	—
Interest	2,800	2,800	—	2,800
Miscellaneous	215,542	215,542	201,588	13,954
<b>Total administrative expenditures</b>	<u>952,993</u>	<u>952,993</u>	<u>970,175</u>	<u>(17,182)</u>
<b>Road Maintenance</b>				
Salaries, fringe benefits, and payroll taxes	2,165,498	2,165,498	2,056,405	109,093
Supplies	12,000	12,000	17,173	(5,173)
Utilities	48,100	48,100	36,123	11,977
Repairs	556,000	551,586	552,628	(1,042)
Materials	562,000	562,000	377,080	184,920
Right of Way Maintenance	330,000	330,000	328,113	1,887
Miscellaneous	90,500	90,500	82,713	7,787
<b>Total road maintenance expenditures</b>	<u>3,764,098</u>	<u>3,759,684</u>	<u>3,450,235</u>	<u>309,449</u>
<b>Total expenditures</b>	<u>4,717,091</u>	<u>4,712,677</u>	<u>4,420,410</u>	<u>292,267</u>
<b>Excess of revenues over expenditures</b>	(19,071)	(14,657)	418,124	432,781
Fund balance, beginning of year	4,921,612	4,921,612	4,921,612	—
Fund balance, end of year	<u>\$ 4,902,541</u>	<u>4,906,955</u>	<u>5,339,736</u>	<u>432,781</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Parks and Recreation Fund

Year ended December 31, 2003  
(unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 814,960	814,960	824,440	9,480
Intergovernmental -- state revenue sharing	36,500	60,500	38,486	(22,014)
<b>Use of money and property:</b>				
Net increase (decrease) in fair value of investments	—	—	(818)	(818)
Rental, camping fees, and other	13,750	13,750	13,303	(447)
Interest	6,600	6,600	10,351	3,751
Other revenues	5,500	15,500	32,195	16,695
<b>Total revenues</b>	<b>877,310</b>	<b>911,310</b>	<b>917,957</b>	<b>6,647</b>
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries, fringe benefits, and payroll taxes	610,984	610,984	560,616	50,368
Supplies	12,250	12,250	6,467	5,783
Utilities	31,750	31,750	24,785	6,965
Repairs and maintenance	68,250	68,250	64,350	3,900
Insurance	39,805	39,805	39,805	—
Miscellaneous	83,124	83,124	71,574	11,550
Capital outlay	1,500	1,500	1,100	400
<b>Total expenditures</b>	<b>847,663</b>	<b>847,663</b>	<b>768,697</b>	<b>78,966</b>
<b>Excess of revenues over expenditures</b>	<b>29,647</b>	<b>63,647</b>	<b>149,260</b>	<b>85,613</b>
<b>Other financing sources (uses):</b>				
Transfers out	—	—	(10,000)	(10,000)
	—	—	(10,000)	(10,000)
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>29,647</b>	<b>63,647</b>	<b>139,260</b>	<b>75,613</b>
Fund balance, beginning of year	905,876	905,876	905,876	—
Fund balance, end of year	<b>\$ 935,523</b>	<b>969,523</b>	<b>1,045,136</b>	<b>75,613</b>

See accompanying independent auditors' report.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Drainage Fund

Year ended December 31, 2003  
(unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 1,124,660	1,124,660	1,135,086	10,426
Intergovernmental:				
Federal grants	—	115,900	115,900	—
State revenue sharing	52,500	52,500	52,016	(484)
Use of money and property:				
Net increase (decrease) in fair value of investments	—	—	(8,510)	(8,510)
Interest	25,500	25,500	37,449	11,949
Other revenues	500	500	7,705	7,205
<b>Total revenues</b>	<u>1,203,160</u>	<u>1,319,060</u>	<u>1,339,646</u>	<u>20,586</u>
<b>Expenditures – general government – other:</b>				
Salaries, fringe benefits, and payroll taxes	32,220	32,220	34,453	(2,233)
Insurance	37,159	37,159	37,159	—
Right of ways maintenance	125,000	125,000	112,187	12,813
Rentals	50,000	50,000	—	50,000
Miscellaneous	126,605	126,605	125,421	1,184
Capital outlay	10,000	125,900	114,940	10,960
<b>Total expenditures</b>	<u>380,984</u>	<u>496,884</u>	<u>424,160</u>	<u>72,724</u>
<b>Excess of revenues over expenditures</b>	822,176	822,176	915,486	93,310
<b>Other financing sources (uses):</b>				
Transfers out	(798,500)	(798,500)	(798,500)	—
Transfers in	—	142,949	142,949	—
<b>Excess of revenues and other financing     sources over expenditures and other     other financing uses</b>	<u>(798,500)</u>	<u>(655,551)</u>	<u>(655,551)</u>	<u>—</u>
<b>Excess of revenues and other financing     sources over expenditures and other     other financing uses</b>	23,676	166,625	259,935	93,310
Fund balance, beginning of year	2,412,157	2,412,157	2,412,157	—
Fund balance, end of year	<u>\$ 2,435,833</u>	<u>2,578,782</u>	<u>2,672,092</u>	<u>93,310</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual**

**Special Revenue Fund  
Juvenile Court Fund**

Year ended December 31, 2003  
(unaudited)

	Original and final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,912,870	1,934,617	21,747
<b>Intergovernmental:</b>			
Federal grant	178,795	217,654	38,859
Other state funds	50,120	53,046	2,926
State revenue sharing	85,500	90,340	4,840
Electronic monitoring	60,000	60,000	—
	374,415	421,040	46,625
Court costs and fees	105,000	118,969	13,969
<b>Use of money and property:</b>			
Net increase (decrease) in fair value of investments	—	(1,787)	(1,787)
Interest	300	5,871	5,571
Other revenues	21,066	1,200	(19,866)
	2,413,651	2,479,910	66,259
<b>Total revenues</b>			
<b>Expenditures – general government – judicial:</b>			
<b>Court operations:</b>			
Salaries, fringe benefits, and payroll taxes	2,203,533	2,100,690	102,843
Supplies	28,600	36,613	(8,013)
Utilities	19,250	28,548	(9,298)
Repairs	58,500	81,717	(23,217)
Insurance	81,315	81,315	—
Interest	33,750	8,741	25,009
Reimbursement from court	(210,000)	(380,700)	170,700
Miscellaneous	393,596	421,922	(28,326)
Capital outlay	5,400	1,864	3,536
	2,613,944	2,380,710	233,234
<b>Total court operations expenditures</b>			

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual**

**Special Revenue Fund  
Juvenile Court Fund**

**Year ended December 31, 2003  
(unaudited)**

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Building maintenance:</b>			
Salaries, fringe benefits, and payroll taxes	\$ 149,804	144,365	5,439
Utilities	165,000	136,598	28,402
Repairs	66,575	63,081	3,494
Miscellaneous	37,428	32,983	4,445
Reimbursement from detention facilities	(188,700)	(188,700)	—
Capital outlay	800	774	26
	<u>230,907</u>	<u>189,101</u>	<u>41,806</u>
<b>Total building maintenance expenditures</b>			
<b>Total expenditures</b>	<u>2,844,851</u>	<u>2,569,811</u>	<u>275,040</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(431,200)</b>	<b>(89,901)</b>	<b>341,299</b>
<b>Other financing sources (uses):</b>			
Transfers in	<u>400,000</u>	<u>400,000</u>	<u>—</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(31,200)</b>	<b>310,099</b>	<b>341,299</b>
<b>Fund balance, beginning of year</b>	<u>181,988</u>	<u>181,988</u>	<u>—</u>
<b>Fund balance, end of year</b>	<u>\$ 150,788</u>	<u>492,087</u>	<u>341,299</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Health Tax Fund

Year ended December 31, 2003  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 1,966,580	1,966,580	1,982,453	15,873
<b>Intergovernmental:</b>				
State revenue sharing	98,850	98,850	92,771	(6,079)
Other state funds	—	210,000	204,701	(5,299)
Vaccination, impounding, boarding, licensing, and permit fees	91,400	91,400	99,259	7,859
<b>Use of money and property:</b>				
Regional lab rental	145,000	145,000	145,000	—
Interest	9,750	9,750	13,958	4,208
	<u>154,750</u>	<u>154,750</u>	<u>158,958</u>	<u>4,208</u>
Other revenues	12,000	12,000	20,397	8,397
<b>Total revenues</b>	<u>2,323,580</u>	<u>2,533,580</u>	<u>2,558,539</u>	<u>24,959</u>
<b>Expenditures – health and welfare:</b>				
Women’s Community Health Center	—	210,000	207,335	2,665
<b>Regional Lab health unit</b>				
Salaries, fringe benefits, and payroll taxes	47,733	47,733	34,625	13,108
Utilities	77,800	77,800	71,172	6,628
Repairs	16,650	16,650	11,991	4,659
Miscellaneous	9,099	9,099	8,182	917
Insurance	966	966	966	—
Capital outlay	1,800	1,800	897	903
<b>Total Regional Lab health unit expenditures</b>	<u>154,048</u>	<u>154,048</u>	<u>127,833</u>	<u>26,215</u>
<b>Animal services and mosquito control:</b>				
Salaries, fringe benefits, and payroll taxes	1,106,352	1,236,352	1,259,216	(22,864)
Insurance	54,458	54,458	54,458	—
Interest	700	700	250	450
Supplies	26,120	27,620	34,801	(7,181)
Pest Control	100,000	100,000	98,931	1,069
Utilities	52,500	52,500	59,765	(7,265)
Animal care	75,500	73,720	95,017	(21,297)
Repairs	121,245	121,245	132,915	(11,670)
Miscellaneous	141,358	143,138	124,495	18,643
Capital outlay	4,200	2,700	2,303	397
<b>Total animal and mosquito control expenditures</b>	<u>1,682,433</u>	<u>1,812,433</u>	<u>1,862,151</u>	<u>(49,718)</u>

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
Health Tax Fund

Year ended December 31, 2003  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Highland health unit:</b>				
Salaries, fringe benefits, and payroll taxes	\$ 275,271	275,271	267,084	8,187
Repairs	49,600	49,600	52,125	(2,525)
Utilities	98,800	98,800	95,689	3,111
Insurance	35,925	35,925	35,925	—
Miscellaneous	87,506	87,506	80,790	6,716
Capital outlay	1,500	1,500	1,187	313
<b>Total Highland health unit expenditures</b>	<u>548,602</u>	<u>548,602</u>	<u>532,800</u>	<u>15,802</u>
<b>Vivian health unit:</b>				
Salaries, fringe benefits, and payroll taxes	25,436	25,436	26,831	(1,395)
Insurance	485	485	485	—
Repairs	3,500	3,500	3,346	154
Utilities	11,150	11,150	9,324	1,826
Miscellaneous	2,690	2,690	2,647	43
Capital outlay	500	500	280	220
<b>Total Vivian health unit expenditures</b>	<u>43,761</u>	<u>43,761</u>	<u>42,913</u>	<u>848</u>
David Raines health center – repairs	<u>28,000</u>	<u>28,000</u>	<u>28,000</u>	<u>—</u>
<b>Total expenditures</b>	<u>2,456,844</u>	<u>2,796,844</u>	<u>2,801,032</u>	<u>(4,188)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(133,264)</u>	<u>(263,264)</u>	<u>(242,493)</u>	<u>20,771</u>
<b>Other financing sources (uses) – transfers out</b>	<u>—</u>	<u>(86,825)</u>	<u>(86,825)</u>	<u>—</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(133,264)</u>	<u>(350,089)</u>	<u>(329,318)</u>	<u>20,771</u>
Fund balance, beginning of year	<u>1,846,554</u>	<u>1,846,554</u>	<u>1,846,554</u>	<u>—</u>
Fund balance, end of year	\$ <u>1,713,290</u>	<u>1,496,465</u>	<u>1,517,236</u>	<u>20,771</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual**

**Special Revenue Fund  
Law Officers Witness Fund**

**Year ended December 31, 2003  
(unaudited)**

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Criminal case charge	\$ 24,000	20,841	(3,159)
Use of money and property:			
Net increase (decrease) in fair value of investments	—	(1,294)	(1,294)
Interest	7,200	4,478	(2,722)
<b>Total revenues</b>	<b>31,200</b>	<b>24,025</b>	<b>(7,175)</b>
<b>Expenditures:</b>			
Criminal Justice:			
Payments to law officers	12,000	6,000	6,000
Miscellaneous	42,015	42,018	(3)
<b>Total expenditures</b>	<b>54,015</b>	<b>48,018</b>	<b>5,997</b>
<b>Excess (deficiency) of         revenues over (under)         expenditures</b>	<b>(22,815)</b>	<b>(23,993)</b>	<b>(1,178)</b>
Fund balance, beginning of year	261,216	261,216	—
Fund balance, end of year	\$ 238,401	237,223	(1,178)

See accompanying independent auditors' report.



**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual  
 Special Revenue Fund  
 Biomedical Fund  
 Year ended December 31, 2003  
 (unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,613,400	1,628,009	14,609
Intergovernmental revenues -- state revenue sharing	76,150	76,161	11
Use of money and property: Interest	2,000	317	(1,683)
<b>Total revenues</b>	<u>1,691,550</u>	<u>1,704,487</u>	<u>12,937</u>
<b>Expenditures – economic development:</b>			
Salaries, fringe benefits, and payroll taxes	46,240	49,442	(3,202)
Interest	7,200	7,708	(508)
Reimburse Biomedical Research Foundation operating expenses	1,699,950	1,699,947	3
Miscellaneous	10,545	10,423	122
<b>Total expenditures</b>	<u>1,763,935</u>	<u>1,767,520</u>	<u>(3,585)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(72,385)	(63,033)	9,352
<b>Fund balance, beginning of year</b>	<u>383,883</u>	<u>383,883</u>	<u>—</u>
<b>Fund balance, end of year</b>	<u>\$ 311,498</u>	<u>320,850</u>	<u>9,352</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
 Riverboat Fund

Year ended December 31, 2003  
 (unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Gaming	\$ 2,420,000	2,420,000	2,408,506	(11,494)
Use of money and property:				
Net increase (decrease) in fair value of investments	—	—	(350)	(350)
Interest	3,150	3,150	6,706	3,556
Total revenues	<u>2,423,150</u>	<u>2,423,150</u>	<u>2,414,862</u>	<u>(8,288)</u>
<b>Expenditures:</b>				
General government:				
Administration	77,265	77,265	40,203	37,062
Other	172,090	199,590	194,590	5,000
Debt service – principal and interest	445,790	445,790	433,917	11,873
Total expenditures	<u>695,145</u>	<u>722,645</u>	<u>668,710</u>	<u>53,935</u>
Excess of revenues over expenditures	1,728,005	1,700,505	1,746,152	45,647
<b>Other financing sources (uses):</b>				
Refunding certificates issued	—	—	2,060,000	2,060,000
Payment to refunding escrow agent	—	—	(2,048,130)	(2,048,130)
Transfer in	—	49,563	49,563	—
Transfer out	(1,994,905)	(2,159,905)	(2,009,905)	150,000
	<u>(1,994,905)</u>	<u>(2,110,342)</u>	<u>(1,948,472)</u>	<u>161,870</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(266,900)	(409,837)	(202,320)	207,517
Fund balance, beginning of year	447,639	447,639	447,639	—
Fund balance, end of year	<u>\$ 180,739</u>	<u>37,802</u>	<u>245,319</u>	<u>207,517</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual  
 Special Revenue Fund  
 Reserve Trust Fund  
 Year ended December 31, 2003  
 (unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Net increase (decrease) in the fair value of investments \$	—	—	(29,956)	(29,956)
Interest income	114,500	114,500	108,147	(6,353)
Sale of land	—	90,000	90,000	—
Total revenues	<u>114,500</u>	<u>204,500</u>	<u>168,191</u>	<u>(36,309)</u>
Total expenditures – general government	<u>2,940</u>	<u>2,940</u>	<u>2,946</u>	<u>(6)</u>
Excess of revenues over expenditures	111,560	201,560	165,245	(36,315)
Other financing sources – transfers in	<u>500,000</u>	<u>607,114</u>	<u>607,114</u>	<u>—</u>
Excess of revenues and other financing sources over expenditures	611,560	808,674	772,359	(36,315)
Fund balance, beginning of year	<u>5,087,587</u>	<u>5,087,587</u>	<u>5,087,587</u>	<u>—</u>
Fund balance, end of year \$	<u><u>5,699,147</u></u>	<u><u>5,896,261</u></u>	<u><u>5,859,946</u></u>	<u><u>(36,315)</u></u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual  
Special Revenue Fund  
Economic Development Fund  
Year ended December 31, 2003  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Gaming	\$ 91,500	91,500	113,837	22,337
<b>Intergovernmental:</b>				
State Economic Development Grant	—	1,670,969	1,724,613	53,644
<b>Use of money and property</b>				
Parking Rental	1,800	1,800	1,650	(150)
Net increase (decrease) in the fair value of investments	—	—	(1,375)	(1,375)
Interest	4,500	4,500	6,198	1,698
<b>Total revenues</b>	<u>97,800</u>	<u>1,768,769</u>	<u>1,844,923</u>	<u>76,154</u>
<b>Expenditures:</b>				
Economic Development	182,000	317,680	317,680	—
Miscellaneous	2,845	2,845	2,852	(7)
<b>Total expenditures</b>	<u>184,845</u>	<u>320,525</u>	<u>320,532</u>	<u>(7)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(87,045)	1,448,244	1,524,391	76,147
<b>Other financing sources (uses) – transfers out</b>	—	(1,535,289)	(1,588,933)	(53,644)
<b>Deficiency of revenues and other financing sources under expenditures and other other financing uses</b>	(87,045)	(87,045)	(64,542)	22,503
<b>Fund balance, beginning of year</b>	<u>324,833</u>	<u>324,833</u>	<u>324,833</u>	—
<b>Fund balance, end of year</b>	<u>\$ 237,788</u>	<u>237,788</u>	<u>260,291</u>	<u>22,503</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual  
 Special Revenue Fund  
 Criminal Justice Fund  
 Year ended December 31, 2003  
 (unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 1,544,890	1,544,890	1,610,787	65,897
<b>Intergovernmental:</b>				
State revenue sharing	65,000	65,000	73,730	8,730
Interest Income	—	—	475	475
Total revenues	<u>1,609,890</u>	<u>1,609,890</u>	<u>1,684,992</u>	<u>75,102</u>
<b>Expenditures:</b>				
Criminal Justice – other	199,820	199,820	172,771	27,049
Total expenditures	<u>199,820</u>	<u>199,820</u>	<u>172,771</u>	<u>27,049</u>
Excess of revenues over expenditures	1,410,070	1,410,070	1,512,221	48,053
<b>Other financing sources (uses):</b>				
Transfer in	1,250,000	1,400,000	1,250,000	(150,000)
Transfer out	(2,650,000)	(2,800,000)	(2,640,000)	160,000
	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,390,000)</u>	<u>10,000</u>
Excess of revenues and other financing sources over expenditures and other financing uses	10,070	10,070	122,221	112,151
Fund balance, beginning of year	29,867	29,867	29,867	—
Fund balance, end of year	<u>\$ 39,937</u>	<u>39,937</u>	<u>152,088</u>	<u>112,151</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance – Budget and Actual**  
**Debt Service Fund**  
**Year ended December 31, 2003**  
**(unaudited)**

	<u>Original and Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,684,550	1,760,376	75,826
<b>Use of money and property:</b>			
Net increase (decrease) in fair value of investments	—	(3,471)	(3,471)
Interest	36,500	4,030	(32,470)
<b>Total revenues</b>	<u>1,721,050</u>	<u>1,760,935</u>	<u>39,885</u>
<b>Expenditures - Debt Service:</b>			
Principal retirement	1,465,000	1,465,000	—
Interest	615,770	615,770	—
Fees and charges	50,702	52,633	(1,931)
Administration	29,890	29,932	(42)
Miscellaneous	—	459	(459)
<b>Total expenditures</b>	<u>2,161,362</u>	<u>2,163,794</u>	<u>(2,432)</u>
<b>Excess of revenues over expenditures</b>	<u>(440,312)</u>	<u>(402,859)</u>	<u>37,453</u>
Fund balance, beginning of year	<u>2,174,596</u>	<u>2,174,596</u>	—
Fund balance, end of year	<u>\$ 1,734,284</u>	<u>1,771,737</u>	<u>37,453</u>

See accompanying independent auditors' report.



**STATISTICAL  
SECTION**

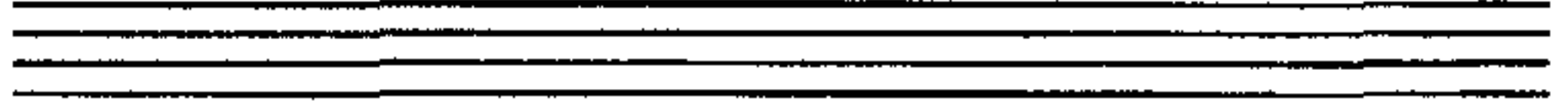


Table 1

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

General Government Expenditures by Function (1)

Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal Year	General Government	Public Safety	Health and Welfare	Highways and Streets	Building Facilities	Drainage	Sanitation	Culture and Recreation	Economic Development	Debt Service	Total
1994	\$ 1,603,048	9,342,127	2,053,025	3,174,610	1,909,906	213,397	1,593,070	4,298,864	1,282,734	3,904,048	29,374,829
1995	1,597,314	8,737,845	2,181,001	3,398,209	2,043,540	147,881	1,090,880	4,143,709	2,018,478	4,279,153	29,638,010
1996	1,723,311	8,427,972	6,759,672	(2) 3,652,047	2,152,666	275,485	1,595,877	4,699,651	1,808,774	4,500,479	35,595,934
1997	1,962,661	9,162,765	7,049,181	3,676,163	2,171,730	260,688	1,337,629	6,974,710	1,438,294	4,600,684	38,634,505
1998	2,099,069	10,371,394	8,507,441	3,916,401	2,074,479	240,640	1,482,642	7,590,568	870,332	4,466,144	41,619,110
1999	2,207,012	11,067,507	8,542,400	3,971,420	2,070,667	238,526	1,505,141	11,530,638	1,878,574	4,819,479	47,831,364
2000	2,273,708	11,681,578	9,698,851	4,279,002	2,266,228	948,516	1,546,294	9,073,397	1,206,205	2,582,812	45,556,591
2001	2,503,560	12,747,415	11,714,336	4,176,409	2,419,002	399,529	1,648,856	7,904,719	2,420,192	2,669,450	48,603,468
2002	2,199,060	13,634,558	12,409,352	4,413,076	2,400,976	298,598	1,744,618	14,976,180	1,949,764	4,646,291	58,672,473
2003	2,283,939	13,788,773	11,740,237	4,420,410	2,661,624	424,160	1,807,916	11,888,889	2,088,052	5,018,372	56,122,372

(1) Includes General Fund, Special Revenue Funds, and Debt Service Fund.

(2) Includes Head Start and Child and Adult Care Food federal grants beginning in 1996.

Unaudited - see accompanying independent auditors' report.

Table 2

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

General Governmental Revenues by Source (1)

Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal Year	Taxes and Special Assessments	Licenses and Permits	Inter governmental	Fees, Charges and Commissions for Services	Fines and Forfeitures	Gaming	Use of		Total
							Money and Property	Other Revenues	
1994	\$ 27,783,678	344,417	3,795,844	79,874	231,618	535,098	693,046	268,018	33,731,593
1995	27,519,725	413,097	2,878,756	106,322	203,100	975,662	1,035,901	499,694	33,632,257
1996	31,018,958	381,828	8,146,618	(2)	208,267	994,519	833,451	335,060	42,020,582
1997	33,484,090	397,361	8,124,162	59,167	187,176	2,176,489	985,813	404,527	45,818,785
1998	33,310,791	396,068	9,693,974	66,291	168,352	2,265,619	1,196,332	371,185	47,468,612
1999	33,774,492	430,613	9,188,782	68,183	153,939	2,541,134	1,173,268	682,202	48,012,613
2000	34,010,192	371,594	11,733,174	67,607	170,299	2,566,023	1,122,284	707,323	50,748,496
2001	35,982,121	442,747	13,139,058	73,045	184,308	2,480,919	1,153,182	503,989	53,959,369
2002	35,311,244	399,597	13,761,034	62,105	206,490	2,483,415	779,522	614,902	53,618,309
2003	37,709,881	533,209	14,131,205	100,826	211,202	2,636,180	618,699	397,169	56,338,371

## Notes:

- (1) Includes General Fund, Special Revenue Funds, and Debt Service Fund.  
(2) Includes Head Start and Child and Adult Care Food federal grants beginning in 1996.

Unaudited -- see accompanying independent auditors' report.

Table 3

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Property Tax Levies and Collections  
Tax years 1994 through 2003

Fiscal year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collected	Ratio of Total Collection to Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1994	\$ 31,473,592	28,635,496	91.0%	195,528	28,831,024	91.6%	2,642,568	8.4%
1995	26,760,402	24,958,411	93.3%	334,166	25,292,577	94.5%	1,467,825	5.5%
1996	30,636,915	27,765,864	90.6%	1,353,145	29,119,009	95.0%	1,517,906	5.0%
1997	32,356,691	29,584,050	91.4%	787,106	30,371,156	93.9%	1,985,535	6.1%
1998	32,516,749	30,358,547	93.4%	1,224,059	31,602,606	97.2%	914,143	2.8%
1999	33,358,712	31,275,081	93.8%	1,058,376	32,333,457	96.9%	1,025,255	3.1%
2000	33,128,458	30,554,081	92.2%	838,886	31,392,967	94.8%	1,735,491	5.2%
2001	34,935,138	32,391,440	92.7%	824,095	33,215,535	95.1%	1,719,603	4.9%
2002	33,571,267	31,487,568	93.8%	878,297	32,365,865	96.4%	1,205,402	3.6%
2003	36,795,524	33,684,858	91.5%	—	33,684,858	91.5%	3,110,666	8.5%

## Notes:

(1) Per original roll adjusted for subsequent Louisiana Tax Commission change orders.

(2) Collections through April 30th of subsequent year.

(3) See note 3 to financial statements for criteria utilized in determining revenue recognition for property taxes.

Unaudited — see accompanying independent auditors' report.

Table 4

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Assessed and Estimated Actual Value of Taxable Property  
Fiscal years ended December 31, 1994 through December 31, 2003

<u>Fiscal year</u>	<u>Assessed value</u>	<u>Estimated actual value</u>	<u>Ratio of assessed value to estimated actual value</u>
1994	\$ 942,377,110	8,170,952,961	11.5%
1995	949,228,840	8,263,438,800	11.5%
1996	988,098,350	8,577,996,466	11.5%
1997	1,032,835,570	8,935,788,933	11.6%
1998	1,053,910,790	9,119,621,300	11.6%
1999	1,077,027,570	9,318,879,200	11.6%
2000	1,131,885,010	9,814,671,700	11.5%
2001	1,148,501,080	9,981,031,476	11.5%
2002	1,151,282,410	10,086,000,233	11.4%
2003	1,190,764,070	10,470,241,933	11.4%

**Note:** Assessed values are established by the Caddo Parish Tax Assessor on January 1st of each year at approximately 10-15% of actual market value, depending upon the property classification. A revaluation of all property is required to be completed no less than every four years. The last such revaluation was completed for the tax roll of 2000. The next revaluation will be completed as of January 1, 2005 for the 2004 tax roll.

Unaudited – see accompanying independent auditors' report.

Table 5

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Property Tax Rates and Tax Levies – Direct and Overlapping Governments (1)**

Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal Year	Tax Rates per \$1,000 Assessed Value						Tax Levies (2)					
	Parishwide (3)			City of Shreveport			Parishwide			City of Shreveport		
	Commission	Schools	Sheriff	Commission	Schools	Sheriff	Commission	Schools	Sheriff	Commission	Schools	Sheriff
1994	\$ 38.72	54.98	14.94	51.34	159.98	14.94	25,711,970	37,720,491	10,249,984	37,825,061	111,507,506	
1995	38.22	54.58	14.94	51.34	159.08	14.94	24,248,317	37,640,523	10,303,214	39,316,657	111,508,711	
1996	41.90	53.31	14.94	51.63	161.78	14.94	30,657,689	38,451,509	10,775,944	40,896,395	120,781,537	
1997	41.87	85.08	14.94	51.63	193.52	14.94	32,379,526	64,868,735	11,390,913	42,905,989	151,545,163	
1998	41.17	84.48	14.94	51.63	192.22	14.94	32,516,749	65,806,519	11,637,659	44,133,525	154,094,452	
1999	41.17	83.98	14.94	51.63	191.72	14.94	33,358,712	62,072,869	11,932,230	44,113,404	151,477,215	
2000	38.95	85.63	14.94	51.30	190.82	14.94	33,128,458	71,757,465	12,519,637	45,926,818	163,332,378	
2001	40.16	86.03	14.94	51.30	192.43	14.94	34,935,138	73,467,609	12,758,410	48,082,314	169,243,471	
2002	40.40	87.27	14.94	51.30	193.91	14.94	33,571,267	74,564,826	12,764,965	48,563,087	169,464,145	
2003	40.40	87.27	14.94	51.30	193.91	14.94	36,795,524	78,038,546	13,359,641	49,501,452	177,695,163	

Notes:

- (1) Includes parishwide overlapping levies and levy of the largest municipality which overlaps approximately 79.6% of the total parish population and approximately 77.7% of the total parish assessment. There are other small municipalities and taxing districts currently levying ad valorem taxes within the parish.
- (2) Per original tax roll as filed by the Caddo Parish Tax Assessor.
- (3) Rates for taxpayers within the City of Shreveport and the Town of Vivian.

Unaudited – see accompanying independent auditors' report.

Table 6

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Special Assessment Collections**

Fiscal years ended December 31, 1994 through December 31, 2003

<b>Fiscal year</b>	<b>Amount of installment assessments due</b>	<b>Total revenue collected</b>	<b>Percentage of revenue to assessments due</b>
1994	\$ 48,935	89,103	182.08%
1995	40,859	32,339	79.15%
1996	31,460	122,518	389.44%
1997	67,511	192,309	284.86%
1998	79,794	116,467	145.96%
1999	77,711	122,905	158.16%
2000	68,174	121,092	177.62%
2001	59,645	94,817	158.97%
2002	54,152	68,423	126.35%
2003	39,128	108,487	277.26%

Unaudited – see accompanying independent auditors' report.



Table 7

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita (2)**

Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal year	Population	Assessed value (1)	Gross bonded debt	Less debt service fund	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
1994	246,435	\$ 942,377,110	30,585,000	8,808,795	21,776,205	2.31%	\$ 88
1995	246,690	949,228,840	29,325,000	8,606,751	20,718,249	2.18%	84
1996	247,301	988,098,350	26,670,000	7,636,833	19,033,167	1.93%	77
1997	244,943	1,032,835,570	23,370,000	6,632,030	16,737,970	1.62%	68
1998	242,471	1,053,910,790	20,620,000	5,220,685	15,399,315	1.46%	64
1999	241,587	1,077,027,570	17,005,000	3,360,843	13,644,157	1.27%	56
2000	252,161	1,131,885,010	15,755,000	3,048,720	12,706,280	1.12%	50
2001	252,574	1,148,501,080	14,430,000	2,593,815	11,836,185	1.03%	47
2002	252,770	1,151,282,410	13,035,000	2,174,596	10,860,404	0.94%	43
2003	253,474	1,190,764,070	11,570,000	1,771,737	9,798,263	0.82%	39

## Notes:

- (1) The Louisiana constitution requires a complete assessment revaluation no less than every four years. Revaluations are reflected in years 1992, 1996, and 2000.
- (2) Does not include certificates of indebtedness.

Unaudited — see accompanying independent auditors' report.

Table 8

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana

Computation of Legal Debt Margin (1)  
 December 31, 2003

	<u>Jails</u>	<u>Juvenile Justice</u>	<u>Health Unit</u>
Assessed value \$1,190,764,070			
Debt limit – 10% of assessed value for any one purpose	\$ 119,076,407	119,076,407	119,076,407
Deduct – amount of debt applicable to debt limit	<u>6,328,800</u>	<u>2,461,200</u>	<u>2,780,000</u>
Legal debt margin	<u>\$ 112,747,607</u>	<u>116,615,207</u>	<u>116,296,407</u>

Note:

- (1) State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose and 35% of the total assessed value for all purposes. A total of approximately \$405,197,425 of additional bonded debt could be approved for issuance pursuant to the 35% limitation.

Unaudited – see accompanying independent auditors' report.

**Table 9**

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Computation of Direct and Overlapping Debt  
December 31, 2003

	<u>Net debt</u>	<u>Percentage of debt applicable to the Parish</u>	<u>Parish's share of debt</u>
Caddo Parish Commission	\$ 9,798,263	100%	9,798,263
Caddo Parish School Board	314,786,527	100%	314,786,527
City of Shreveport	<u>325,833,410</u>	99%	<u>322,575,076</u>
	<u>\$ 650,418,200</u>		<u>647,159,866</u>

Unaudited – see accompanying independent auditors' report.

Table 10

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures  
Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal year	Principal	Interest (3)	Total Debt Service (2)	Total General Expenditures (1)	Debt Service as a Percentage of Total General Expenditures
1994	\$ 1,725,000	2,013,361	3,738,361	29,734,829	12.57%
1995	2,365,000	1,323,514	3,688,514	29,638,010	12.45%
1996	2,655,000	1,721,638	4,376,638	35,595,934	12.30%
1997	3,090,000	1,383,389	4,473,389	38,634,505	11.58%
1998	3,135,000	1,218,727	4,353,727	41,619,110	10.46%
1999	3,615,000	991,690	4,606,690	47,831,364	9.63%
2000	1,540,000	960,153	2,500,153	45,556,591	5.49%
2001	1,625,000	962,881	2,587,881	48,603,468	5.32%
2002	3,510,000	1,136,291	4,646,291	58,672,473	7.92%
2003	3,800,000	1,187,981	4,987,981	56,122,371	8.89%

**Notes:**

- (1) Total General Expenditures includes General Fund, Special Revenue Funds, and Debt Service Fund.  
(2) Includes bonded debt and certificates of indebtedness.  
(3) Includes interest, fiscal charges, and fees.

Unaudited – see accompanying independent auditors' report.

Table 11

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Demographic Statistics

Fiscal years ended December 31, 1994 through December 31, 2003

<u>Fiscal year</u>	<u>Population (1)</u>	<u>Median age</u>	<u>School enrollment (3)</u>	<u>Unemployment rate (4)</u>
1994	246,435	33.4	49,310	6.3%
1995	246,690	33.3	49,139	5.6%
1996	247,301	33.3	48,843	6.3%
1997	244,943	34.3	48,018	6.8%
1998	242,471	34.3	46,832	4.5%
1999	241,587	34.3	46,653	3.8%
2000	252,161	34.5	45,120	5.2%
2001	252,574	35.4	44,943	6.4%
2002	252,770	35	44,722	6.8%
2003	254,216	34.7	(2) 44,532	6.1%

**Notes:**

- (1) Research Division, Louisiana Tech University
- (2) Center for Business Economic Research, Louisiana State University, Shreveport
- (3) Caddo Parish School Board
- (4) Louisiana Department of Labor

Unaudited – see accompanying independent auditors' report.

Table 12

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Commercial Construction, Residential Construction, and Property Value

Fiscal years ended December 31, 1994 through December 31, 2003

Fiscal year	Commercial Construction		Residential Construction (1)		Property Value (2)	
	Number of units	Value	Number of units	Value	Real Estate	Other (3)
1994	64	\$ 28,406,873	233	\$ 33,893,896	5,665,316,900	2,505,636,061
1995	79	33,923,714	249	34,100,257	5,805,739,600	2,457,699,200
1996	79	43,539,539	276	37,707,516	5,972,022,400	2,605,974,066
1997	114	119,502,459	235	37,121,897	6,150,655,400	2,785,133,533
1998	157	114,443,170	258	40,088,629	6,280,648,100	2,838,973,200
1999	168	147,216,441	378	50,678,841	6,416,086,200	2,902,793,000
2000	103	72,305,845	355	56,689,353	6,806,315,100	3,008,356,200
2001	161	57,699,144	374	56,942,287	6,973,071,010	3,007,960,466
2002	87	100,925,424	448	72,277,725	7,232,352,500	2,853,647,733
2003	80	125,055,018	694	107,285,644	7,595,444,400	2,874,797,533

**Notes:**

- (1) Estimated utilizing Metropolitan Planning Commission data  
 (2) Caddo Parish Tax Assessor  
 (3) Includes machinery and equipment, furniture and fixtures, inventories, pipelines, and public utility infrastructure.

Unaudited -- see accompanying independent auditors' report.

Table 13

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

Principal Taxpayers

December 31, 2003

<u>Taxpayer</u>	<u>Industry</u>	<u>Assessed value</u>	<u>Percentage of total assessed value</u>	<u>2003 Tax amount</u>
Southwestern Electric Power Company	Public Utility	\$ 56,941,930	4.78%	\$ 2,300,454
Bell South Corporation	Public Utility	28,607,200	2.40%	1,155,731
General Motors	Manufacturing	19,017,550	1.60%	768,309
Harrah's	Casino	18,942,930	1.59%	765,294
Hibernia	Banking	13,846,300	1.16%	559,391
AmSouth	Banking	12,278,460	1.03%	496,050
Bank One	Banking	11,369,430	0.95%	459,325
Universal Oil Products	Refinery	10,842,360	0.91%	438,031
Boomtown Casino	Casino	10,064,900	0.85%	406,622
Wal-Mart	Retail	8,459,260	0.71%	341,754
Total for ten principal taxpayers		190,370,320	15.98%	7,690,961
Total for remaining taxpayers		1,000,393,750	84.02%	29,104,563
Total for all taxpayers		\$ 1,190,764,070	100.00%	\$ 36,795,524

Note: The assessed value includes \$296,544,450 of homestead exemption.

Unaudited – see accompanying independent auditors' report.



**Table 14**

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**  
**Miscellaneous Statistics**  
**December 31, 2003**

Date of first settlement	1835
Date of parish formation	1838
Area – square miles	852
Form of government	Council-Manager
Date established	1984
Number of employees	415
<b>Square footage of major buildings:</b>	
Caddo Parish Courthouse	205,500
Caddo Parish Commission Building	44,385
Caddo Parish Health Unit	46,056
Fleet Services Garage	21,000
Juvenile Court	57,244
Caddo Correctional Center	311,000
Caddo Animal Control Center	13,700
Library (main branch)	80,000
Government Plaza (Parish portion)	38,462
<b>Roads and bridges:</b>	
Miles of roads	803
Number of bridges maintained	176
<b>Parks and recreation:</b>	
Parks – number of acres	875
Number of playgrounds	11
Number of picnic areas	12
Number of boat launching ramps	7
<b>Public libraries:</b>	
Number of library branches	20
Number of books	670,000
Annual circulation	1,100,000
<b>Sanitation:</b>	
Number of collection compactors	17
Tons of solid waste collected	15,250

Unaudited – see accompanying independent auditors' report.

Table 15

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Compensation Paid to Commissioners  
 December 31, 2003

<b>Commissioner:</b>	<b><u>Compensation</u></b>
Lindora Baker	\$ 1,409
Joyce M. Bowman	17,538
Robert Charles Brown	17,564
Forrest A. Davis	17,538
Danny Joe Dumas	17,538
Kenneth R. Epperson	16,076
Michael D. Long	17,538
Gilford L. Gillen	17,538
Rose Wilson McCulloch	17,538
James H. Morris	17,538
Carl A. Pierson	18,712
Ronald A. Webb, Sr.	17,538
Patrick C. Williams	17,538
	<b><u>\$ 211,603</u></b>

Unaudited -- see accompanying independent auditors' report.



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

**OMB Circular A-133 Report**

**December 31, 2003**

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

**CADDO PARISH COMMISSION**

**Table of Contents**

	<b>Page</b>
<b>Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i></b>	1
<b>Independent Auditors' Report on Compliance With Requirements Applicable to each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards</b>	3
<b>Schedule of Expenditures of Federal Awards and Accompanying Notes</b>	5
<b>Schedule of Findings and Questioned Costs</b>	7



KPMG LLP  
Suite 1900  
333 Texas Street  
Shreveport, LA 71101-3692

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

Members of the Caddo Parish Commission  
Caddo Parish Courthouse  
Shreveport, Louisiana:

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, each nonmajor governmental, internal service and fiduciary fund of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2003, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated May 28, 2004 with an explanatory paragraph discussing the adoption of a new financial reporting model in 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Commission'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 Commission'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 the internal control over financial reporting, which we have reported to management of the Commission in a separate letter dated May 28, 2004.



**This report is intended solely for the information and use of the Commissioners, management, the state of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.**

**KPMG LLP**

**May 28, 2004**



KPMG LLP  
Suite 1900  
333 Texas Street  
Shreveport, LA 71101-3692

**Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards**

To the Members of the Caddo Parish Commission  
Caddo Parish Courthouse  
Shreveport, Louisiana:

**Compliance**

We have audited the compliance of the Caddo Parish Commission (the Commission) 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 its major federal programs for the year ended December 31, 2003. The Commission'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 its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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, *Audits of States, Local Governments, and Non-Profit Organizations*. Those 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 Commission'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 Commission's compliance with those requirements.

In our opinion, the Caddo Parish Commission 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, 2003. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 03-1.





**Internal Control Over Compliance**

The management of the Caddo Parish Commission 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 Commission'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.

**Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, each nonmajor governmental, internal service and fiduciary fund of the Caddo Parish Commission as of and for the year ended December 31, 2003, and have issued our report thereon dated May 28, 2004, which includes an explanatory paragraph discussing the adoption of a new financial reporting model in 2003. Our audit was performed for the purpose of forming an opinion on the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Commissioners, management, the state of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

May 28, 2004

**CADDO PARISH COMMISSION**  
**Shreveport, Louisiana**

**Schedule of Expenditures of Federal Awards**  
**Year ended December 31, 2003**

<u>Grantor title</u>	<u>Federal CFDA number</u>	<u>Grant number</u>	<u>Federal expenditures</u>
<b>U.S. Department of Agriculture</b>			
Pass-through State Department of Food and Nutrition Services – Food Nutrition Grant	10.550	N/A	\$ <u>47,196</u>
Total U.S. Department of Agriculture			<u>47,196</u>
<b>U.S. Department of Housing and Urban Development</b>			
Pass-through Louisiana Community Development Block Grant Division of Administration – Community Development Block Grant	14.219	578741	231,722
Section 8 Housing Assistance Program	14.871	LA 184V003-005	<u>429,074</u>
Total U.S. Department of Housing and Urban Development			<u>660,796</u>
<b>U.S. Department of Justice</b>			
Pass-through Louisiana Commission on Law Enforcement and Administration of Criminal Justice – Title V Delinquency Prevention Program (Truancy Grant)	16.548	W02-1-002	36,295
Pass-through Louisiana Commission on Law Enforcement and Administration of Criminal Justice – Juvenile Accountability Incentive Block Grant	16.523	A98-8-03	<u>184,073</u>
Total U.S. Department of Justice			<u>220,368</u>
<b>U.S. Federal Emergency Management Agency</b>			
Pass-through Louisiana Office of Emergency Preparedness – Hazard Mitigation Grant – Acquisition Project	83.548	HMGP1264-017-003	<u>115,900</u>
Total U.S. Federal Emergency Management Agency			<u>115,900</u>
<b>U.S. Department of Health and Human Services</b>			
Pass-through Louisiana Office of Youth Development Title IV-E of the Social Security Act – Federal Payments for Foster Care and Adoption Assistance	93.658	N/A	218,846
Head Start	93.600	06CH6376/25	<u>8,255,000</u>
Total U.S. Department of Health and Human Services			<u>8,473,846</u>
			<u>\$ 9,518,106</u>

See accompanying notes to schedule of expenditures of federal awards.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
December 31, 2003

(1) **General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Caddo Parish Commission (the Commission) primary government and is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Commission's primary government financial statements.

(2) **Subrecipients**

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

<u>Program title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Head Start	93.600	\$ 8,255,000

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Schedule of Findings and Questioned Costs  
Year ended December 31, 2003

**Section 1 – Summary of Auditor’s Results**

*Primary Government Financial Statements*

Type of report issued: unqualified opinion

Internal control over financial reporting:

- Material weaknesses identified? No
- Reportable conditions in internal control were disclosed by the audit of the primary government financial statements? None reported

Noncompliance material to primary government financial statements noted? No

*Federal Awards*

Internal control over major program:

- Material weaknesses identified? No
- Reportable conditions in internal control over major program? None reported

Type of auditor’s report issued on compliance for major program: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes

Identification of major program:

<u>CFDA number</u>	<u>Name of federal program or cluster</u>
14.871	United States Department of Housing and Urban Development – Section 8 Housing Assistance Program
93.600	United States Department of Health and Human Services – Head Start

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: Yes

**Section 2 – Primary Government Financial Statement Findings**

None

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Schedule of Findings and Questioned Costs  
Year ended December 31, 2003

**Section 3 – Federal Award Findings and Questioned Costs**

**Item:** 03-1

**Grant:** Section 8 Housing Assistance Program

**CFDA Number:** 14.871

**Grant Number:** LA 184V003-005

**Award Year:** 2003

**Specific requirement:** The Caddo Parish Commission's administrative plan must state the method used to determine that the rent to an owner is reasonable in comparison to rent for other comparable unassisted units. The Caddo Parish Commission must maintain records to document the basis for the determination that rent to the owner is a reasonable rent.

**Condition:** The Caddo Parish Commission utilizes a rent reasonableness worksheet whereby the rent is compared to the rent of three comparable units, to ensure it is not greater than the largest rent. During our audit, we noted one instance in which the rent exceeded the amount determined on the rent reasonableness worksheet. It appears errors were made in the preparation of this particular rent reasonableness worksheet and that the rents in fact were less than the rent reasonableness worksheet.

**Context:** Out of a total sample of 30 tenants, four were required to have rent reasonableness checklists performed. Of these four, one instance was noted in which the rent exceeded the amount determined on the rent reasonableness worksheet.

**Questioned Costs:** None

**Effect:** The Caddo Parish Commission is not in compliance with established laws and regulations.

**Recommendation:** The Caddo Parish Commission should establish procedures whereby someone other than the preparer checks the rent reasonableness worksheets for accuracy to ensure that the Commission is in compliance with program requirements.



KPMG LLP  
Suite 1900  
333 Texas Street  
Shreveport, LA 71101-3692

May 28, 2004

**CONFIDENTIAL**

The Members of the Caddo  
Parish Commission

Dear Commissioners:

We have audited the financial statements of the governmental activities of the Caddo Parish Commission (the Commission) and the combining, individual fund, and government-wide financial statements of the Commission as of and for the year ended December 31, 2003, and have issued our report thereon dated May 28, 2004. In planning and performing our audit of the financial statements of the Commission, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. We have not considered the internal control since the date of our report.

During our audit, we noted certain matters involving 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:

**PROPERTY TAX RECEIVABLE**

During our review of property tax receivables, we noted that for the past two years (2001 and 2002), write-offs as a percentage of the total receivable have been 5.14% and 4.84%, respectively, and the allowance as a percentage of the total receivable has been established at 4.25% for 2001, 2002, and 2003. We recommend the Commission evaluate the benefits of its hiring a third party to help with collections for 2003 and consider the need to raise the allowance for doubtful accounts based on these results.

**Management's Response** – The Commission, in conjunction with the Caddo Parish Sheriff's Office, has contracted with an outside collection agency to collect delinquent property taxes. The collection process began in April 2004. The Commission is also experiencing success with the adjudicated property program. The adjudicated property program allows the Commission to sell its tax interest in adjudicated property with the intention of restoring property to the property tax rolls. The decrease in the write-off from 2002 to 2003 is directly attributable to the adjudicated property program. The Commission is confident these collection programs will be successful in reducing the balance in property tax receivables at year-end. The Commission will review its property tax collection rate on a regular basis to determine if an increase is warranted for the year ending December 31, 2004.



KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative.



### SHREVE MEMORIAL LIBRARY

The Shreve Memorial Library (SML) is reported as a Special Revenue Fund within the primary government financial statements of the Commission. As discussed in our prior year letter to you, the accounting for the SML is performed by the City of Shreveport with very limited involvement and review by management of the Commission. Adjustments and reporting issues are only addressed as part of the year-end financial statement preparation. Specifically, there are no controls or process in place to analyze and adjust the property tax deferral. Each year we propose adjustments to properly record the deferral of property taxes. We recommend that the Commission establish controls through monthly reviews of the accounting records that will enable the Commission to address accounting and reporting issues throughout the year.

**Management's Response** – The Commission has established controls in place to review the financial activity of the SML. The Commission receives monthly financial statements for SML and these statements are closely reviewed for inconsistencies or irregularities. The property tax deferral is an accounting entry that can only be recorded at year-end since property taxes are not collected until after the end of the fiscal year. The entry does not require nor can it be reviewed throughout the year. Given that the Commission has no direct accounting function involving the SML it would be difficult for the Commission to determine the entry necessary to record deferred property taxes. However, the Commission will discuss the property tax deferral with SML management and work with SML management to take the necessary steps to ensure the entry to record deferred property taxes is made prior to the closing of the books for the year.

### INVESTMENTS

Investment transactions (the purchase and sale of securities) for the in-house portfolio are initiated by the Director of Finance via an email to the Commission's third party custodial agent, Argent Trust. The e-mails are the sole source of proof that the Director of Finance is the individual that approved the transaction. We noted the e-mails for each transaction are not retained by the Commission. We recommend the Commission retain the corresponding e-mail related to each investment transaction to show proof the Director of Finance approved each transaction.

**Management's Response** – The Finance Department will retain all correspondence to its custodial agent for its investment transactions.

### CAPITAL ASSET RETIREMENTS

During procedures performed over the retirement of capital assets, it was noted that adequate supporting documentation was not retained to support each capital asset retirement. We recommend the Commission implement a policy to retain adequate supporting records for each capital asset it retires.

**Management's Response** – The Commission has implemented a policy to document all capital asset retirements through the preparation of a property accountability form. The property accountability form documents the purchase, transfer, or disposition of an asset item. The Finance Department will also conduct procedures to periodically review a sample of the asset items to determine the status of those items.



The Members of the Caddo  
Parish Commission  
May 28, 2004  
Page 3

\*\*\*\*\*

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

We would like to take this opportunity to thank the personnel of the Commission for their cooperation and assistance during the audit.

This report is intended solely for the information and use of the Members of the Commission, management, the Louisiana Legislative Auditor, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

**KPMG LLP**

## **CADDO PARISH COMMISSION**

### **Summary Schedule of Prior Audit Findings 12/31/03**

#### **Item 02-1**

**Status:** Beginning in June 2003, to ensure the Commission is in compliance with the rent reasonableness requirement, the Commission established a review process whereby its revenue analyst reviews all rent reasonableness worksheets for accuracy and completeness. In addition, the Caddo Parish Administrator only approves those housing applications that meet the rent reasonableness requirement.

#### **Management Letter**

##### **Property Tax Receivable –**

**Status:** The Parish has hired a 3<sup>rd</sup> party collection agency and believes this will enable the Parish to collect on a large part of the unpaid taxes. The Commission will review the allowance again in 2004.

##### **Section 8 –**

**Status:** A policy was implemented to ensure that these reviews are documented.

##### **Information Systems –**

**Status:** A disaster recovery plan was implemented during the year.

##### **Shreve Memorial Library –**

**Status:** The Commission continues to review the financials every month, however, until the Commission is able to solely handle the accounting for the library, the Parish is doing all that is reasonable.

##### **Fleet Service Fund Balance Deficit:**

**Status:** The deficit was eliminated in 2003.

##### **Investments –**

**Status:** The investment account is reviewed and/or reconciled monthly by the Assistant Director of Finance in order to ensure adequate segregation of duties.

##### **GASB 34 Reporting Model –**

**Status:** GASB 34 was implemented in 2003.

## **CADDO PARISH COMMISSION**

### **Corrective Action Plan Year Ended December 31, 2003**

#### **Finding: #03-1**

**Condition:** The Caddo Parish Commission utilizes a rent reasonableness worksheet whereby the rent is compared to the rent of three comparable units, to ensure it is not greater than the largest rent. During our audit, we noted one instance in which the rent exceeded the amount determined on the rent reasonableness worksheet. It appears errors were made in the preparation of this particular rent reasonableness worksheet and that the rent in fact was less than the rent reasonableness worksheet.

**Context:** Out of a total sample of 30 tenants, four were required to have rent reasonableness checklists performed. Of the four, one instance was noted in which the rent exceeded the amount determined on the rent reasonableness worksheet.

**Questioned Costs:** None

**Effect:** The Caddo Parish Commission is not in compliance with established laws and regulations.

**Recommendation:** The Caddo Parish Commission should establish procedures whereby someone other than the preparer checks the rent reasonableness worksheets for accuracy to ensure that the Commission is in compliance with program requirements.

**Contact Person:** Erica R. Bryant, Director of Finance

**Corrective Action Planned:** Beginning in June 2003, to ensure the Commission is in compliance with the rent reasonableness requirement, the Commission established a review process whereby its revenue analyst reviews all rent reasonableness worksheets for accuracy and completeness. In addition, the Caddo Parish Administrator only approves those housing applications that meet the rent reasonableness requirement. The worksheet that was noted not to be in compliance with the rent reasonableness requirement was prepared prior to June 2003. The Commission will continue its review and approval process to ensure compliance with program requirements.

**Completion Date:** January 2004.