

COMPREHENSIVE
ANNUAL FINANCIAL
REPORT



CITY OF SHREVEPORT, LOUISIANA
For the Year Ended December 31, 2007

Finance Department
Elizabeth B. Washington, Director

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

Released Date 7-28-08

About the Cover

The cover features the new Central Fire Station located at 204 North Common Street which was approved by the voters in a bond election in 2004. The new fire station replaces the current fire station which was erected in 1912. The 11,000 square foot facility will house Fire Station Number 1, administrative offices, Emergency Medical Service, and a safety officer.

**CITY OF SHREVEPORT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003**

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CITY OF SHREVEPORT

PO BOX 1009 SHREVEPORT, LA 71103
web site: www.cityshreveport.la.gov

March 31, 2004

Mayor Keith Hightower
Members of the City Council
City of Shreveport, Louisiana

Mayor and Members of the City Council:

In accordance with Section 10.02, paragraph (j), of the City Charter, I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 2003. The financial statements were prepared in conformity with generally accepted accounting principles (GAAP) and 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 City's financial and operating activities during 2003 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Accounting Division of the Finance Department and consists of management's representations concerning the finances of the City. 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 City has established a comprehensive 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 City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City'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. In addition to internal controls established by management and those built into the accounting system, the Office of Internal Audit periodically reviews the adequacy of internal controls. The Internal Auditor and her staff are independent of the Finance Department. As management, we assure that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with Section 4.28 of the City Charter, the City Council is required to provide for an annual independent audit of the accounts and financial transactions of the City by a firm of

independent certified public accountants duly licensed to practice in the State of Louisiana. The accounting firm of KPM&S LLP was selected by the City to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City 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 that the City's financial statements for the fiscal year ended December 31, 2003, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City 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 City's separately issued Single Audit Report.

GAAP requires 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 City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Shreveport

The City of Shreveport was incorporated in 1839. It is located on the west bank of the Red River in Northwestern Louisiana, approximately thirty miles south of Arkansas and fifteen miles east of Texas. Shreveport is the seat of Caddo Parish and the center of a metropolitan area that includes Bossier, Caddo, and Webster Parishes. Although located primarily in Caddo Parish, a small portion of the City extends into Bossier Parish. The current area of the City is approximately 120 square miles.

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

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

These financial statements present the City of Shreveport (the primary government) and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Included as discretely presented component units in the financial data for the City Courts, City Marshal, the Downtown Development Authority, Shreveport Home Mortgage Authority, Metropolitan Planning Commission and the Shreveport Convention Center Rental Authority. They are reported separately within the City's financial statements to emphasize that they are legally separate from the City. Additional information on these legally separate entities can be found in the notes to the financial statements.

Budgetary Control

The annual budget serves as the foundation for the City's financial planning and control. Prior to October 1, the Mayor files with the Clerk of Council a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources. The City Council conducts public hearings and proposes adoption of the various budget ordinances. Prior to December 15, the City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.

Legal budgetary control for operating budgets is exercised at the department/object class with the exception of the Community Development Department where control is exercised at the division/object class. The ordinances provide lump sum appropriation at the object level. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department with the exception of the Community Development Department where funds must be spent within the same division. The City Charter provides that expenditures may not legally exceed appropriations. Formal budgetary integration and reconciliation accounting are employed as management control devices during the year. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Local economy. The continued historic low mortgage interest rates have caused housing starts to continue to increase. Shreveport's housing starts permit valuation of \$167.5 million was 48.4% higher than 2002. The City's new commercial and industrial construction permit valuation was \$225.1 million, a 29.9% increase over 2002. The largest project was the Shreveport Convention Center and parking garage which was issued at a valuation of \$63 million. The City had other projects in excess of \$3 million which were issued permits. They include the water treatment plant, a jail, and a central fire station. Several other commercial projects were in excess of \$1 million.

The casino industry felt the impact of the economy in 2003. Shreveport's revenues decreased in 2003. There were some shifts in the local market. However, overall, the adjusted gross revenues kept pace with 2002. The casino industry continues to be a vital part of the local economy.

Retail sales decreased slightly over 2002 when adjusted for the tax increase approved beginning in 2003. Sales taxes are an essential part of the General Fund revenues. For the most part, retail sales have been stable for the past three years.

Long-term financial planning. Early in 2000, it became apparent that revenues, in particular, sales taxes were not going to meet the projections. To close that gap, there were budget cuts and fee increases. These were done without adversely affecting services or laying off employees.

Until the economy improves, the City cannot expect any real growth in our largest general revenue source which is sales taxes. In the General Fund, sales tax represents 17% of the revenues. There is an imbalance between the growth in revenues and expenditures. Revenues are projected to grow by 1.4% per year, while expenditures are projected to grow about 3.4%. Long-term, in order to fill the gap between revenues and expenditures, the City will need to make some hard choices in reducing expenditures.

The business-type activities also face a challenge in generating additional revenue or reducing expenses. Long-term, the City must determine what are the true needs, what are the priorities, what do citizens want, etc. The forward look has presented some issues. We must now seek solutions.

Cash management policies and practices. The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by statute or other legal reasons. At the end of each business day, collected balances in all City bank accounts are deposited into a SWEEP Account. These funds are invested in U.S. Government and U.S. Agency securities under the terms of an overnight repurchase agreement. In addition, the City invests in other open repurchase agreements and U.S. Treasury bills and notes.

The average yield on investments at December 31, 2000 was 1.62% as compared to .92% for three-month U.S. Treasury bills.

The City's investment policy is to exercise that judgment and care which men of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments are selected as investments, not for speculation, considering the probable safety of the capital, as well as the probable income to be derived. Accordingly, deposits are either insured by federal depository insurance or collateralized. Approximately 48.9% of the investments held by the City are classified in the category of lowest risk. Remaining investments were held by the fiscal agency bank as trustee for pension funds or in accordance with bond indentures. State statutes require that all public funds should be insured or collateralized. The City's policy is not to have uninsured/uncollateralized funds which it controls.

Risk management. The City retains the risk for property, liability, workers compensation, and dental insurance. As part of this comprehensive plan, resources are being accumulated in internal service funds to meet potential losses. In addition, various risk control techniques including an employee safety program, drug free workplace program with mandatory drug screening for new employees, and pre-employment physicals have been implemented to minimize accident-related losses. The City has third-party coverages subject to self-insured retentions which are more fully described in the notes.

Pension and other postemployment benefits. The City administers three defined benefit pension plans: the Firemen's Pension and Relief Fund (FPRF), the Policemen's Pension and Relief Fund (PPRF), and the Employee's Retirement System (ERS). Each year, an independent actuary calculates the amount of the annual contribution the City must make to the pension plan. In 2001, the City funded 100.0% of the FPRF, 100.0% of the PPRF, and 41.9% of the ERS. The current payments funded are FPRF 55.2%, PPRF 46.6%, and ERS 71.4%. The unfunded amounts for FPRF and PPRF are being amortized over 12 years and the ERS is 30 years open.

The City also provides pension benefits for firemen and policemen hired after July 12, 1977 through the Statewide Firefighters Retirement System and the Municipal Police Employees' Retirement System. The City has no obligations in connection with employee benefits offered through this plan beyond its annual required payment to the pension boards.

The City also provides postretirement health and dental care benefits for retirees and their dependents. As of the end of the current fiscal year, there were 1,315 retirees eligible to receive benefits, which are financed on a pay-as-you-go basis. GAAP do not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Additional information on the City's pension arrangements and postemployment benefits can be found in the notes to the financial statements.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shreveport for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2002. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the City and its management. We are proud to have received this award each year for the past twenty-four years (beginning with our Comprehensive Annual Financial Report for the fiscal year ended December 31, 1979).

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

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

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Shreveport, Louisiana for its Popular Annual Financial Report for the fiscal

year ended December 31, 2002. We have received this award for the past eight years. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFDA.

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

Sincerely,



Elizabeth B. Washington
Director of Finance

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Shreveport,
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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



A handwritten signature in black ink, appearing to read "Edward Hanley".

President

A handwritten signature in black ink, appearing to read "Jeffrey P. Green".

Executive Director

CITY OF SHREVEPORT

TABLE OF ORGANIZATION

December 31, 2003



CITY OF SHREVEPORT, LOUISIANA

PRINCIPAL OFFICIALS

Kath Blythe
Mayor

Kenneth R. Arns, Jr.
Chief Administrative Officer

Members of City Council

Calvin B. Lester, Jr.
R. M. Wilcox
Thomas G. Curmody, Jr.
Michael Gibson
Jeffrey A. Hogan
James B. Green
Tharon J. Jackson

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

CITY OF SHREVEPORT, LOUISIANA

FINANCE DEPARTMENT

Department Director

Elizabeth B. Washington

Division Managers

John Pistorius
Dan Thomas
Aime Brown
Tom Mackon
Tom Cody

Accounting
Data Processing
Revenue Collection
Purchasing
Risk Management

Accounting Staff

Louise Brown
G-Ray Evans
Denny Hawks
Evelyn Jones
Linda Long
Bryan Messier
Abigail Monette
Lynn Patey
Larry Phelps
Lashonda Samuels

Dorothy Cole
Teranya Gilliland
Rodie Jacobs
Marie Lafontant
Charles Macklin
Erna Mitchell
Ramon Moore
Diane Pharr
Janet Rofis
Brenda Skills



KPMG LLP
Suite 1000
201 West Street
Shreveport, LA 71201-2000

Independent Auditors' Report

To the Members of the City Council and
Honorable Keith Hightower, Mayor
City of Shreveport, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (the City), as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements as listed in the accompanying Table of Contents. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service, fiduciary, and Metropolitan Planning Commission funds presented as supplementary information in the accompanying continuing and individual 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 City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the component unit financial statements of the City Courts, City Hospital, and Downtown Development Authority, which represent 24% and 67%, respectively, of the assets and revenues of the aggregate discretely presented component units. These financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City Courts, City Hospital, and Downtown Development Authority is based on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Community Development Fund 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



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financial position of each nonmajor governmental, nonmajor enterprise, internal service, fiduciary, and Metropolitan Planning Commission funds of the City, 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 accordance with Government Auditing Standards, we have also issued our report dated March 26, 2004, on our consideration of the City's internal control over financial reporting and on 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, schedules of employee contributions, schedules of funding progress and related notes identified as Required Supplementary Information in the Table of Contents is not a required part of the basic financial statements but is 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 City's basic financial statements. The accompanying financial information in the Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying financial information in the Introductory and Statistical sections has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on it.

KPMG LLP

March 26, 2004

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Management's Discussion and Analysis

The Management Discussion and Analysis (MD&A) offers the readers of the City of Shreveport's financial statements this narrative overview and analysis of the financial activities of the City of Shreveport for the fiscal year ended December 31, 2003. This information presented here should be considered in conjunction with additional information provided in the letter of transmittal which is found on pages 1-6 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at December 31, 2003 by \$760.9 million (net assets). Governmental activities' unrestricted assets are a deficit of \$8.6 million. This is primarily the result of the City financing certain long-term liabilities that would have been paid over future years to take advantage of available lower interest rates.
- The City's total net assets increased \$41.2 million. Net assets of governmental activities increased \$30.7 million and net assets of business-type activities increased \$10.5 million.
- As of December 31, 2003, the City's governmental funds reported combined ending fund balances of \$238.1 million, an increase of \$28.2 million from the prior year. Of this amount, \$7.8 million for the General Fund was unreserved, undesignated, and available for spending.
- The unreserved, undesignated fund balances for the General Fund represented 3.3% of total General Fund expenditures.
- The City's total debt increased \$21 million primarily due to an increase in long-term debt.

Overview of the Financial Statements

The management discussion and analysis serves as an introduction to the City's basic financial statements which are the government-wide financial statements, fund financial statements, and notes to the financial statements. Also included in the report is required supplementary information.

Government-wide financial statements. The government-wide financial statements report information about the overall finances of the City similar to a business enterprise. These statements combine and consolidate short-term, spendable resources with capital assets and long-term obligations.

The statement of net assets presents information on all of the City's assets less liabilities which results in net assets. The statement is designed to display the financial position of the City. Over time, increases or decreases in net assets help determine whether the City's financial position is improving or deteriorating.

The statement of activities provides information which shows how the City's net assets changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. All of the revenues and expenses are reported regardless of the timing of when cash is received or paid.

The *Statement of Activities* distinguishes functions of the City that are financed primarily by taxes, intergovernmental revenues, and charges for services (governmental activities) from functions where user fees and charges to customers help to cover all or most of the cost of services (business-type activities). The City's governmental activities include general government, public safety, public works, culture and recreation, health and welfare, community development, economic development, and economic opportunity. The business-type activities of the City include airports, water and sewer systems, transit, golf, and parking operations.

Not only do the government-wide financial statements include the City itself which is the primary government, but also its component units, Shreveport Home Mortgage Authority, City Courts, City Marshal, Downtown Development Authority, Metropolitan Planning Commission, and the Shreveport Convention Center Hotel Authority. Although these component units are legally separate, their operational or financial relationship with the City makes the City financially accountable. The government-wide financial statements can be found on pages 29-31 of this report.

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 City uses fund accounting to measure and demonstrate fund accountability. The City uses governmental, proprietary, and fiduciary fund financial statements to provide more detailed information about the City's most significant funds rather than the City as a whole.

Governmental funds. Governmental funds are used to report most of the City's basic services. The funds focus on the inflows and outflows of current resources and the balances of spendable resources available at the end of the fiscal year. Governmental fund statements provide a near- or short-term view of the City's operations. A reconciliation is prepared of the governmental funds Balance Sheet to the Statement of Net Assets and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

Fifteen governmental funds are used by the City. There are five major funds which have separately presented information in the governmental fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. The major funds are the General Fund, Community Development, Debt Service, 1995A General Obligation Bonds, and 2005A General Obligation Bonds. The ten nonmajor funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The City adopts an annual appropriated budget for its general fund and certain special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 12-43 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airports, water and sewer, and other operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account

for its health care, retained risk, 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the airports and water and sewer operations, both of which are considered to be major funds of the City.

Concurrently, 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 this report.

The basic proprietary fund financial statements can be found on pages 44-49 of this report.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for others. Activities from fiduciary funds are not included in the government-wide financial statements because the City cannot use these assets for its operations. The accounting for fiduciary funds is much like that used in proprietary funds. The basic fiduciary aggregated fund financial statements can be found on pages 56-57 of this report.

Notes to the 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. The notes to the financial statements can be found on pages 57-102 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 103-105 of this report.

The combining statements for nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 108-112 for governmental funds, pages 114-117 for enterprise funds, and pages 120-123 for internal service funds and pages 126-127 for fiduciary funds.

Government-wide Financial Analysis

Net assets. The following table reflects condensed information on the City's net assets:

	Net Assets (in millions)					
	Governmental Activities		Business-type Activities		Total	
	2001	2002	2001	2002	2001	2002
Current and other assets	\$181.6	\$235.8	\$ 05.1	\$ 53.2	\$ 146.7	\$ 329.0
Capital assets	692.9	583.6	618.2	272.2	1,603.1	963.6
Total assets	874.5	819.4	623.3	325.4	1,359.8	1,292.6
Long-term debt outstanding	411.1	399.2	149.7	177.1	556.8	536.0
Other liabilities	26.3	21.6	17.8	14.0	42.1	35.6
Total liabilities	437.4	420.8	167.5	191.1	588.9	571.6
Net assets						
Invested in capital assets, net of related debt	429.2	401.5	285.7	266.4	714.9	667.9
Restricted	44.5	40.2	1.8	1.9	46.3	42.1
Unrestricted	(4.6)	(3.3)	4.3	13.0	(0.3)	9.2
Total net assets	\$469.1	\$418.4	\$291.8	\$281.3	\$,760.9	\$,718.7

At December 31, 2002, the City as a whole had assets greater than its liabilities by \$560.9 million compared to \$719.7 million at December 31, 2001 due primarily to an increase in capital assets. The majority (90%) of the City's net assets of governmental activities are invested in capital assets (streets, drainage, construction in progress, buildings, equipment, etc.). The capital assets are net of the outstanding principal of the debt associated with their acquisition. These assets are not available for future expenditures since they will not be sold. Restrictions by outside organizations are imposed upon 9.6% of the net assets. Therefore, these assets are unavailable for general expenditures but may be used for the intended purposes. Unrestricted net assets of governmental activities are a deficit of \$4.6 million at the end of the year, an increase from a \$3.3 million deficit in 2001. The deficit does not mean that the City has insufficient resources to pay bills for the next year. However, it does show that on a long-term basis, the City has commitments beyond which it has current resources to fund the obligation. The largest of these commitments, besides the general obligation bonds are certificates of indebtedness which were issued to fund state pension obligations and assets issued for remodeling of the Independence Stadium.

The net assets of the City's business-type activities are \$281.3 million, an increase of \$16.5 million from 2001. The increase is primarily the result of capital contributions, including forgiveness of \$4.5 million debt to the Municipal and Regional Airports from the State. As with the governmental activities, the majority (93.9%) of the net assets are invested in capital assets. The City uses these assets to provide services to the citizens. The unrestricted net assets of the business-type activities are \$4.3 million at December 31, 2002 compared to \$13.0 million in the prior year. There was a corresponding increase in the investment in capital assets, net of related debt.

Changes in net assets. The City's total revenue and expenses for governmental and business-type activities are reflected in the following chart:

Changes in Net Assets
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2002	2003	2002	2003	2002	2003
Revenues:						
Program revenues:						
Charges for services	\$ 18.3	\$ 16.9	\$ 48.9	\$ 47.1	\$ 67.2	\$ 64.0
Operating grants and contributions	13.6	13.3	2.9	3.0	16.5	16.3
Capital grants and contributions	13.3	3.7	15.7	6.9	29.0	12.6
General revenues:						
Property taxes	48.9	47.9	-	-	48.9	47.9
Sales taxes	82.3	76.8	-	-	82.3	76.8
Other taxes	12.8	12.2	-	-	12.6	12.2
Grants and contributions not restricted to specific programs	1.6	1.7	-	-	1.6	1.7
Other	28.8	25.5	1.6	1.6	28.8	27.1
Total revenues	221.7	201.4	68.5	58.6	209.3	200.0
Expenses:						
General government	27.9	26.4	-	-	27.9	26.4
Public safety	77.4	69.8	-	-	77.4	69.8
Public works	38.1	36.8	-	-	38.1	36.8
Culture and recreation	13.3	13.1	-	-	13.3	13.1
Health and welfare	.4	.3	-	-	.4	.3
Community development	3.3	4.2	-	-	3.3	4.2
Economic development	4.8	4.7	-	-	4.8	4.7
Economic opportunity	2.9	3.3	-	-	2.9	3.3
Interest on long-term debt	17.8	19.4	-	-	17.8	19.4
Municipal and regional airports	-	-	10.4	9.3	10.4	9.3
Water and sewerage	-	-	38.8	39.2	38.8	39.2
Seaport area transit	-	-	8.9	8.6	8.9	8.6
Golf	-	-	1.4	1.3	1.4	1.3
Downtown parking	-	-	.4	.4	.4	.4
Total expenses	188.1	178.4	60.3	58.1	248.9	232.5
Increase (Decrease) in net assets before transfers	33.6	23.0	7.4	(.5)	41.2	22.9
Transfers	(2.5)	(2.5)	2.3	2.3	-	-
Increase in net assets	31.1	20.5	9.7	1.8	41.2	22.9
Net assets (January 1, 2002)	\$78.4	\$18.2	\$21.2	\$28.2	\$102.7	\$57.2
Net assets (December 31, 2003)	\$109.5	\$38.7	\$30.9	\$29.4	\$130.9	\$79.7

Revenues for the City's governmental activities for the year ended December 31, 2003 were \$231.7 million compared to \$201.4 million in 2002.

- Program revenues increased \$9.3 million in 2003 compared to 2002 primarily as a result of an increase in operating and capital grants and contributions.
 - Capital grants and contributions were up \$7.8 million due to an increase in the contribution of property through donations and annexations. Major additions were the annexation of the Agum/industrial and residential areas and contribution of Brunswick Place, Hidden Trails, and St. Charles Place residential developments.
- General revenues are, for the most part, comprised of sales and property taxes (77.3%).
 - Property tax revenues represent 28.8% at \$66.9 million compared to \$67.8 million in 2002. Revenue increased over the prior year due to increased property values and collection of delinquent taxes. Effective January 2003, the City hired a collection agency that has been successful in collecting taxes on properties which had been adjudicated.
 - Sales taxes represent 48.5% of revenues at \$112.3 million compared to \$76 million for 2002. While initially it appears sales taxes increased during the year compared to the prior year, that has to be considered in light of the fact there was a .25% rate increase in 2003. Adjusting for the rate increase, sales taxes decreased approximately 1.4%. Retail sales are stable.
 - Other revenues increased \$3.4 million primarily due to a \$4.5 million contractor settlement for the Convention Center. Investment earnings were lower due to current market conditions.

Revenues by Source - Governmental Activities



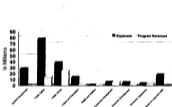
The cost of providing all governmental activities this year was \$188.1 million, an increase of \$8.7 million from the prior year. The key factors for the increase were:

- General government expenses increased by \$1.5 million. This was mainly due to the increase in the employee retirement system pension net asset. Market conditions caused assets to depreciate.

- Public safety expenses increased by \$7.6 million. Most of the increase relates to an increase in salaries. The 2003 sales tax increase of .25% was approved by voters for the purpose of increasing the salaries of fire and police personnel.
- Public works expenses increased by \$1.3 million due to increased depreciation expense. Major additions of projects were capitalized during the year.

The City's five largest programs are public safety, public works, general government, interest on long-term debt and cultural and recreation. The graph below shows the expenses and program revenues generated by governmental activities:

Expenses and Program Revenues - Governmental Activities



Business-type Activities. Charges for services for the City's business-type activities were \$48.9 million for 2003, an increase of \$1.8 million from 2002.

- Municipal and Regional Airports revenues were up \$.5 million. Landing fees increased as well as parking lot revenues.
- Water and Sewerage revenues increased \$1.5 million in 2003. There was a rate increase during 2003 of 10% which was effective July 1, 2003. This accounts for the increase in revenues.

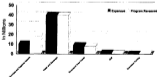
Capital grants and contributions increased \$8.8 million over 2002. The majority of the increase was new buses for the Shreveport Area Transit System and forgiveness of \$4.3 million of debt to the Municipal and Regional Airports from the State.

Revenues by Source - Business-type Activities



The costs of these business-type activities were \$66.9 million for 2003, an increase of \$1.8 million from 2002 primarily due to increased depreciation expenses.

Expenses and Program Revenues - Business-type Activities



Financial Analysis of the City's Funds

Governmental funds. The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year? The City's governmental funds for the year ended December 31, 2003 reflect combined fund balances of \$218,061,037, an increase of \$26,136,161 compared to the prior year. Fifty-four percent of the fund balances are reserved to pay for debt service (\$42,480,000) and to pay for contracts and purchase orders which have been committed to in the prior year(s) \$84,891,593. Management has an actual plan for fifty-three percent of the fund balances \$101,815,112 which are reported as unreserved, designated. This is primarily for capital projects. The remainder of the fund balances are available for spending except amounts reserved for inventories and endowments and assets held for sale.

The General Fund is the City's operating fund which provides most basic services. Its fund balance had an increase of \$1,155,760 from the prior year. Revenues were up for the year, increasing by \$10,251,366. The major revenue sources are property taxes, sales taxes, and charges for services.

- Property taxes increased \$1,809,981 in the General Fund. Property valuations were greater in 2003. The City increased its collection efforts for delinquent taxes on adjudicated properties.
- Retail sales are stable. For the past three years, sales has been flat or no growth in sales tax revenue. During 2003, there was a .29% increase in the sales tax rate.
- Charges for services increased \$1,177,213 in 2003 from \$16,268,248 in 2002. The increase in charges for services was primarily in landfill and engineering fees.
- Total expenditures of the General Fund increased \$1,572,131 from the prior year due primarily to increased pay for Public Safety employees. The increase in the sales tax rate was for the purpose of giving these employees increases in pay.

The Debt Service Fund has a total fund balance of \$42,480,000 which is reserved for payment of principal and interest on debt outstanding. The fund balance for 2003 increased by \$9.2 million during the year. The assessed value of property increased for 2003 while debt is being paid off. Also, debt payment on the Convention Center is being paid for by casino revenues rather than through the debt service millage.

Proprietary funds. Net assets for the Municipal and Regional Airports increased 18 million primarily as a result of capital contributions from the FAA for the noise abatement program and a \$4.5 million forgiveness of debt by the State. Property surrounding the Regional Airport was purchased in connection with the noise abatement program. Water and Sewerage's net assets decreased by 5.2 million. Revenues were up but an increase in expenses and a decrease in investment earnings resulted in a decrease in net assets.

General Fund Budgetary Highlights

During the year, the City Council revised the City's budget several times. After the first quarter, amendments and supplemental appropriations were approved to reflect the actual beginning fund balances estimated during the budget process which must be submitted by October 1 for the next year. Additional changes were made as new information indicated a need. The major differences between the original budget and the final budget were primarily the reduction of \$4.7 million for sales taxes and a \$2.7 million reduction in personnel costs. The decrease in appropriations were spread throughout all funds. During the year, revenues came in more in line with the revised budget. Departments kept their expenditures under control which resulted in a minimum decrease in fund balance.

Overruns in appropriations at the legal level of budgetary controls were experienced by:

- **Office of Mayor**
Contractual services exceeded the budget by \$1,363 due to increased communication costs.
- **Other unclassified**
Materials and supplies exceeded the budget by \$903 due to increased office supply usage.
Contractual services exceeded the budget by \$77,901 due to increased advertising costs and professional services.
Interest and civic appropriations exceeded the budget by \$109,004 due to lower than anticipated operating funds. No amounts were budgeted for interest expenses.
Claims exceeded the budget by \$1,373,813. The budget had been reduced during the year in anticipation of a lower claims experience.
- **Public Safety**
Personnel costs exceeded the budget by \$408,375 due to an increase in pension costs. During the year, a decision was made to pay the increase in contribution rate for the state police pension.
Materials and supplies exceeded the budget by \$8,854 due to increased photo and reproduction expenses.
- **Public Works**
Personnel costs exceeded the budget by \$36,593 due to reduced budget projections during the year.
- **Culture and recreation**
Contractual services exceeded the budget by \$151,809 due to increased utility costs.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets as of December 31, 2005 for its governmental and business-type activities was \$1 billion, net of depreciation as reflected in the following schedule.

Capital Assets
(net of depreciation in millions)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>2002</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Land	\$ 84.7	\$ 78.6	\$ 25.4	\$ 23.8	\$ 110.1	\$ 102.4
Construction in progress	92.8	183.0	63.3	86.3	156.1	269.3
Buildings	189.5	63.7	41.3	40.4	230.8	104.1
Improvement other than buildings	30.8	19.2	20.0	20.8	50.8	40.0
Equipment	31.3	24.5	6.5	4.0	37.8	28.5
Distribution and collection systems	-	-	251.6	325.0	251.6	325.0
Infrastructure	263.8	214.4	-	-	263.8	214.4
Total	\$602.2	\$483.4	\$418.1	\$779.1	\$1,013.0	\$762.7

Major additions to capital assets during the current fiscal year included the following (in millions):

Street Projects for Economic Development predominantly funded with general obligation bonds and Louisiana State Grants	\$ 4.7
Fern Avenue Extension - 71 st and Pierremont paid with general obligation bonds	1.8
Fire equipment replacement paid with general obligation bonds	1.4
Curbs and gutters project funded with Community Development Block Grants	1.9
Riverfront Park, Plaza and Riverwalk predominantly funded with Louisiana State Grants	1.8
Street Overlay Project funded with Community Development Block Grants	1.4
Red River Marina Barge predominantly paid for with riverfront development funds	1.1
Airport PART III property acquisition program paid for with Federal Aviation Authority revenue and State grants	2.6
Improvement for Continental Airlines Facility paid with State grants and Airport revenue	2.1
Purchase of City transit buses paid with Federal Transportation Administration and local general revenues	2.8
Water main distribution system replacement central region paid with revenue bonds and operating revenues	2.0
Geographic Information System network - water distribution system paid for with revenue bonds and operating revenues	2.0
Sanitary sewer overflow control management program paid for with revenue bonds and operating revenues	2.6
Wastewater infrastructure assets life-cycle management program paid for with revenue bonds and operating revenues	2.6
	\$18.8

Current amounts committed call for spending an additional \$67.1 million on the convention center. Resources on hand from bond proceeds will be used to fund this project. The water and sewer system plans to spend an additional \$39.4 million on the Arnie Water and the Lucas Wastewater Treatment Plants. The water and sewer system plans to borrow the funds to complete the projects.

Detailed information on the City's capital assets can be found in Note III E on pages 74-77 of the report.

Long-term debt. At year end, the City had \$548.9 million in bonds and other lending agreements as shown in the following table.

**Outstanding Debt
General Obligation and Revenue Bonds
(in millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2003	2002	2003	2002	2003	2002
General obligation bonds	\$185.8	\$186.2	\$.3	\$.5	\$186.1	\$186.7
Revenue bonds	-	-	152.9	138.9	152.9	138.9
Other lending agreements	<u>89.1</u>	<u>87.2</u>	<u>.3</u>	<u>6.7</u>	<u>89.4</u>	<u>94.9</u>
Total	<u>\$384.9</u>	<u>\$381.4</u>	<u>\$153.4</u>	<u>\$146.1</u>	<u>\$306.8</u>	<u>\$327.5</u>

New debt was added during the fiscal year. In governmental activities, \$17 million of new general obligation debt was issued and \$28 million in refunding bonds were issued. The new debt was issued for Public Works projects and Police and Fire improvements. In business activities, new debt of \$21.3 million was issued and \$72 million in refunding debt was issued. The new debt was issued for improvements to the water and sewer systems.

The City's general obligation bonds were downgraded by Moody's Investors Service to an A3 rating. The City continues to maintain an A+ rating from Standard and Poor's Rating Service.

State statutes limit the amount of government obligation debt a municipality may issue to a maximum of 10% of the assessed valuation for any purpose. The maximum may be exceeded if the aggregate issued for all purposes does not exceed 3% of the total assessed valuation. The City's outstanding general obligation debt is below the state limit. Approximately \$90 million of additional general obligation bonded debt is available for issuance.

Detailed information on the City's long-term debt can be found in Note III H on pages 79-93 of the report.

Economic Factors and Next Year's Budgets and Rates

The economy is an issue which had to be taken into consideration when developing next year's budget. The local economy is stable. Retail sales are projected to grow 1.3% annually. This assumes that the local economy will grow at a moderate rate. Unemployment is expected to gradually decrease in 2004. Employment in services and in the retail/wholesale sectors are growing the fastest, which mirrors the national trend.

In setting the budgets for 2004, the City dealt with a number of issues with City-wide impact. Among the issues was the need to provide equipment to complete jobs and provide for infrastructure needs. The City has millions of dollars invested in its infrastructure (streets, drainage, utility systems, etc.) It was very difficult to balance the need to renew equipment and maintain infrastructure with the other needs of the City.

Fire and police employees are members of the respective State retirement systems. The systems have changed the required contribution rates for employees from 9% of employee pay to 21% for fire and 15.25% for police. The City has refused to pay the fire increases and has joined other cities across the State in a lawsuit against the Fire system which challenges the increase. Similar action may occur later with the police system. For setting the budget, the City's increased contributions of approximately \$5 million per year was not included. If these funds have to be paid, major adjustments may have to be made to next year's budget.

The nationwide problem of health care costs continue to have an impact on City budgets. After a 20% increase in the 2003 budget, no increase was included for 2004. Changes in the benefits will be made to try to avoid the kinds of increases experienced in the past couple of years.

A rate increase of 6.3% for water and sewer charges will be reflected in next year's budget. The increase takes effect on January 1, 2004. Overall, there are no major new programs contemplated in the 2004 budget.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City'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, City of Shreveport, 345 Travis Street, Suite 670, Shreveport, LA 71101.



CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2003

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 75,302,889	\$ 3,008,000	\$ 78,310,889	\$ 4,671,100
Investments	178,946,000	4,880,000	183,826,000	8,248,888
Receivables, net	34,882,779	7,484,000	42,366,779	1,324,700
Due from component unit	75	-	75	-
Due from primary government	-	-	-	82,100
Interest/benefits	1,790,973	(2,756,973)	-	-
Inventory	1,000,188	1,000,000	2,000,188	-
Prepaid items	268,807	120,000	388,807	17,644
Mortgage and other receivables	21,000,000	-	21,000,000	13,000,000
Other assets	4,007,851	2,688,000	6,695,851	480,331
Restricted assets:				
Cash and cash equivalents	-	6,312,877	6,312,877	-
Investments	-	20,788,338	20,788,338	-
Capital assets:				
Land and construction in progress	77,070,004	88,708,077	165,778,081	704,114
Other capital assets, net of depreciation	421,768,974	327,480,847	749,249,821	3,212,800
Total assets	<u>964,500,777</u>	<u>455,340,114</u>	<u>1,419,840,891</u>	<u>21,176,634</u>
LIABILITIES				
Accounts payable	2,711,498	2,214,488	4,925,986	81,488
Accrued liabilities	203,607	2,804,480	3,008,087	10,007
Accrued interest payable	1,582,813	112,140	1,694,953	201,880
Due to component unit	49,001	33,334	82,335	-
Due to other governments	1,722,477	-	1,722,477	30,000
Due to primary government	-	-	-	73
Deferred revenues	12,113,400	803,000	12,916,400	-
Liabilities payable from restricted assets	-	8,541,344	8,541,344	-
Deposits and deferred charges	718,204	149,143	1,267,347	-
Non-current liabilities:				
Due within one year	26,481,014	111,200	26,592,214	1,899,000
Due in more than one year	378,711,079	141,240,080	520,000,000	17,771,820
Total liabilities	<u>408,270,694</u>	<u>312,414,614</u>	<u>720,685,408</u>	<u>20,670,920</u>
NET ASSETS				
Investments capital assets, net of related debt	(28,111,376)	(28,700,991)	(56,812,367)	(2,181,880)
Unexpended for:				
Debt service	48,771,201	1,770,000	50,541,201	2,099,800
Community development	1,000,000	-	1,000,000	-
Other purposes	1,400,771	-	1,400,771	30,880
Unexpended interest	(2,562,330)	4,371,077	(200,253)	(3,671,381)
Total net assets	<u>\$ 480,340,671</u>	<u>\$ 211,868,621</u>	<u>\$ 692,209,292</u>	<u>\$ 11,445,000</u>

The accompanying notes are an integral part of the financial statements.

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2000

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Four-Year Program				
Primary Government				
Governmental activities:				
General government	\$ 27,007,009	\$ -	\$ -	\$ -
Public safety	71,370,880	7,208,044	6,394,650	-
Public works	88,377,107	10,202,000	545,879	10,000,000
Culture and recreation	11,448,000	387,489	70,176	-
Health and welfare	339,700	-	302,100	-
Community development	1,244,000	200,000	4,890,000	-
Economic development	4,770,448	-	700,000	-
Economic opportunity	2,040,000	-	2,817,000	-
Intergovernmental activities	17,811,000	-	-	-
Total governmental activities	188,124,344	18,397,533	14,379,675	10,000,000
Business-type activities:				
Management and Regional Reports	10,664,411	4,633,074	214,700	11,504,045
Water and Sewerage	39,780,804	16,630,180	91,208	1,249,000
Shreveport Area Transit System	8,807,415	1,091,713	2,453,403	1,241,146
Garb	1,619,100	1,270,048	-	-
Deerhaven Parking	400,000	470,000	-	-
Total business-type activities	60,871,730	18,075,015	2,759,311	12,754,191
Total primary government	\$ 248,996,074	\$ 36,472,548	\$ 17,138,986	\$ 22,754,191
Component units:				
Shreveport/Blaine Mortgage Authority	\$ 1,384,300	\$ 1,020,158	\$ 471,491	\$ -
City Courts	2,671,000	526,889	-	-
City School	1,587,000	308,079	-	-
Emergency Development Authority	1,265,700	666,415	50,000	-
Metropolitan Planning Commission	1,115,491	100,000	160,000	-
Total component units	\$ 7,028,491	\$ 2,611,552	\$ 681,491	\$ -
Operating Revenues				
Taxes:				
Property taxes levied for general purposes				
Property taxes levied for debt service				
Sales taxes				
Excise taxes				
Occupational licenses				
Sealing				
Grants and contributions are included in specific programs				
Investment earnings				
Payment from City of Shreveport				
Interfund				
Transfers				
Total general revenues and transfers				
Change in Net Assets				
Net assets - beginning				
Net assets - ending				

The accompanying notes are an integral part of the financial statements.

**Net (Disposed) Revenue and
Change in Net Assets**

Governmental		Business-type		Total		Component	
Primary Government		Primary Government		Primary Government		Primary Government	
Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
\$ (21,091,299)	\$ --	\$ (21,091,299)	\$ --	\$ --	\$ --	\$ --	\$ --
63,741,763	--	63,741,763	--	--	--	--	--
(13,832,992)	--	(13,832,992)	--	--	--	--	--
(13,836,999)	--	(13,836,999)	--	--	--	--	--
97,693	--	97,693	--	--	--	--	--
(376,499)	--	(376,499)	--	--	--	--	--
(6,668,779)	--	(6,668,779)	--	--	--	--	--
(321,533)	--	(321,533)	--	--	--	--	--
(77,811,288)	--	(77,811,288)	--	--	--	--	--
(140,489,364)	--	(140,489,364)	--	--	--	--	--
--	(7,992,321)	(7,992,321)	--	--	--	--	--
--	(31,699)	(31,699)	--	--	--	--	--
--	(1,111,233)	(1,111,233)	--	--	--	--	--
--	(261,248)	(261,248)	--	--	--	--	--
--	(79,882)	(79,882)	--	--	--	--	--
--	6,626,177	6,626,177	--	--	--	--	--
(140,489,364)	6,626,177	(133,863,187)	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	390,491
--	--	--	--	--	--	--	(2,062,177)
--	--	--	--	--	--	--	(1,278,895)
--	--	--	--	--	--	--	(311,368)
--	--	--	--	--	--	--	(261,778)
--	--	--	--	--	--	--	(1,436,311)
26,139,775	--	26,139,775	--	--	--	--	643,288
28,798,773	--	28,798,773	--	--	--	--	--
82,341,897	--	82,341,897	--	--	--	--	--
4,879,791	--	4,879,791	--	--	--	--	--
1,752,899	--	1,752,899	--	--	--	--	--
11,704,696	--	11,704,696	--	--	--	--	--
1,674,238	--	1,674,238	--	--	--	--	--
1,694,389	971,766	2,666,155	111,738	--	--	--	--
--	--	--	--	--	--	--	4,679,898
32,894,993	--	32,894,993	--	--	--	--	49,288
(2,242,669)	1,291,699	(950,970)	--	--	--	--	--
77,149,682	(2,941,271)	74,208,411	1,171,427	--	--	--	5,111,533
30,771,898	10,440,932	41,212,830	--	--	--	--	490,231
434,348,395	(281,327,790)	153,020,605	(1,476,481)	--	--	--	(1,476,481)
\$ 465,020,193	\$ 281,327,790	\$ 746,347,983	\$ 11,147,152	\$ --	\$ --	\$ --	\$ --

CITY OF MONROE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 1980

	General	Community Development	Other Services
ASSETS			
Cash and cash equivalents	1,029,899	86,480	11,796,000
Investments	2,608,348	96,740	21,679,781
Property taxes receivable, net	6,681,094	--	6,024,607
Franchise taxes receivable	1,067,088	--	--
Accounts receivable, net	1,071,804	404,890	--
Due from employees' self	--	--	--
Due from other governments	18,054,434	7,232,840	364,808
Due from other funds	14,404	15,491	--
Inventories, at cost	960,000	--	--
Notes receivable, net	--	11,211,539	--
Assets held for resale	--	11,523	--
Total assets	\$ 33,347,237	\$ 23,409,174	\$ 24,841,616
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	1,049,409	773,128	1,347
Accrued liabilities	333,487	--	--
Due to other governments	1,327,084	595,344	--
Due to other funds	4,045,200	--	--
Due to unexpended self	49,881	--	--
Unclaimed amounts	1,299,264	11,700,560	1,896,011
Deposits and deferred charges	104,877	--	10,418
Notes payable	--	8,684,800	--
Total liabilities	9,711,211	21,053,660	1,907,776
Fund balance:			
Reserved for:			
Debt service	--	--	43,488,000
Encumbrances	2,115,840	1,968,131	--
Assets held for resale	--	15,503	--
Inventories	960,000	--	--
Encumbrances	14,719	--	--
Unreserved, designated for:			
Subsequent year's expenditures	--	--	--
Landfill closure	1,132,098	--	--
Unreserved, undesignated	1,814,600	78,274	--
Unreserved, designated reported in accounts:			
Special revenue funds	--	--	--
Capital project funds	--	--	--
Unreserved, undesignated reported in accounts:			
Special revenue funds	--	--	--
Total fund balance	13,636,026	2,405,514	43,488,000
Total liabilities and fund balance	\$ 23,347,237	\$ 23,409,174	\$ 48,335,616

The accompanying notes are an integral part of the financial statements.

2019 General Obligations Bonds	2019 General Obligations Bonds	Other Governmental Funds	Total Governmental Funds
\$ 36,837,944	\$ 122,779	\$ 11,300,249	\$ 48,260,972
52,146,939	39,975,221	11,139,829	103,262,029
--	--	--	31,981,593
--	--	--	1,267,832
--	364,177	1,129,837	1,494,014
--	--	73	73
--	--	1,051,708	10,872,596
1,000,000	--	15,311,883	16,311,883
--	--	--	162,889
--	--	--	15,312,535
--	--	48,269	48,269
<u>\$ 89,984,883</u>	<u>\$ 39,975,221</u>	<u>\$ 13,092,269</u>	<u>\$ 143,052,422</u>
\$ 111,245	\$ 41,864	\$ 2,819,025	\$ 3,072,134
--	--	--	322,497
--	--	--	1,722,817
--	--	15,882,482	14,500,262
--	--	--	89,001
--	--	69,137	15,249,262
--	--	--	718,241
--	--	--	8,666,922
<u>111,245</u>	<u>41,864</u>	<u>13,092,269</u>	<u>14,586,298</u>
--	--	--	82,880,000
67,127,793	--	13,688,148	80,815,941
--	--	68,208	85,139
--	--	--	193,031
--	--	--	14,179
14,245,241	16,311,500	--	30,556,741
--	--	--	2,112,388
--	--	--	7,000,269
--	--	4,394,164	6,394,164
--	--	18,398,876	18,398,876
--	--	(95,143)	(95,143)
<u>81,373,034</u>	<u>16,311,500</u>	<u>18,398,876</u>	<u>116,083,280</u>
<u>\$ 81,384,279</u>	<u>\$ 16,353,364</u>	<u>\$ 13,092,269</u>	<u>\$ 110,829,912</u>

CITY OF MONROE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1993

Fund balances - total governmental funds		\$ 28,001,877
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	707,007,771	
Less accumulated depreciation	<u>(495,400,877)</u>	211,606,894
Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds.		
Bond premium costs	1,411,553	
Less amortization	<u>(111,478)</u>	1,300,075
The pension assets represent the excess contributions to pension plans and are not considered as financial resources for governmental funds.		
Pension plan assets (not related fund)	877,049	
Employment-related system	<u>(4,288,815)</u>	4,415,764
Some of the City's property taxes will be collected after year-end but are not available now enough to pay for the current periods' expenditures and therefore are deferred in the governmental funds.		
		1,307,600
Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bonds, notes, and lease payable	(292,126,780)	
Unamortized bond discount	5,076,560	
Deferred charge on refunding	1,007,000	
Unamortized bond premium	(1,066,064)	
Accrued interest payable	(1,190,817)	
Mortgage obligation	(271,808)	
Leasehold improvement asset	(2,112,078)	
Compensated absence	<u>(1,884,872)</u>	(294,026,149)
Interest on bonds is an equity management charge the cost of certain activities and is not a liability. The unamortized liabilities of the interest on bonds are reported with governmental activities.		
		<u>73,287,400</u>
Net assets of governmental activities		\$ 28,001,877

The accompanying notes are an integral part of the financial statements.



CITY OF THREEMONT, LOUISIANA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEPARTMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	General	Community Development	Edu- cation
REVENUES			
Taxes			
Property	\$ 20,018,883	0	\$ 20,018,883
Sales	82,483,007	--	--
Franchise	6,258,781	--	--
Licenses and permits	6,268,770	--	--
Intergovernmental	5,200,373	7,910,148	--
Charges for services	17,733,475	201,801	--
Fines and forfeitures	2,029,424	--	--
Granting	--	--	--
Investment earnings	111,000	37,600	200,000
Miscellaneous	1,000,000	1,000,000	1,000,000
Total revenues	<u>146,762,663</u>	<u>9,249,549</u>	<u>21,218,883</u>
EXPENDITURES			
Current			
General government	21,607,000	1,041,640	--
Public safety	95,238,200	--	--
Public works	24,250,760	--	--
Culture and recreation	10,007,700	48,804	--
Health and welfare	--	341,524	--
Community development	--	1,141,400	--
Economic development	--	663,400	--
Research opportunity	--	1,040,000	--
Debt service			
Principal	--	--	26,233,600
Interest and other charges	--	--	15,800,400
Bond issuance costs	--	--	133,160
Advance refunding interest	--	--	23,207
Capital outlay			
Total expenditures	<u>141,103,760</u>	<u>11,284,864</u>	<u>42,430,367</u>
Excess (deficiency) of revenues and funds/expenditures	<u>5,658,903</u>	<u>(2,035,315)</u>	<u>17,028,516</u>
OTHER FINANCING SOURCES USED			
Transfer in	4,410,500	1,407,000	710,000
Transfer out	(13,602,007)	(1,002,000)	--
Funds loaned	--	--	--
Refunding bonds issued	--	--	21,000,000
Proceeds of bonds issued	--	--	331,200
Loan proceeds	--	--	--
Proceeds of refunded bond/notes/agent	--	--	(28,000,000)
Total other financing sources and uses	<u>(13,222,007)</u>	<u>1,407,000</u>	<u>19,741,200</u>
Net change in fund balances	<u>1,000,794</u>	<u>(200,075)</u>	<u>1,000,000</u>
Fund balance beginning	11,839,071	2,608,700	21,207,500
Fund balance ending	<u>\$ 12,839,865</u>	<u>\$ 2,408,625</u>	<u>\$ 22,207,500</u>

The accompanying notes are an integral part of the financial statements.

IPMA General Obligations Bonds	IPMA General Obligations Bonds	Other Governmental Bonds	Total Governmental Bonds
2	1	1	1
--	--	--	21,321,888
--	--	--	21,343,887
--	--	--	4,838,781
--	--	--	4,883,778
--	--	3,348,449	11,884,164
--	--	--	17,788,850
--	--	--	2,839,628
--	--	13,754,095	13,754,095
3,000,000	1,230,000	1,594,840	4,824,840
4,000,000	--	1,414,845	10,889,005
<u>5,500,000</u>	<u>1,230,000</u>	<u>18,762,180</u>	<u>310,400,174</u>
--	--	295,483	27,736,171
--	--	2,098,267	70,207,141
--	--	--	28,792,781
--	--	34,834	10,782,782
--	--	--	392,125
--	--	--	1,141,488
--	--	4,404,636	4,776,448
--	--	--	1,498,163
--	--	--	34,333,600
--	--	--	11,688,451
--	110,344	78,888	704,369
--	--	--	26,387
3,000,110	--	24,081,788	27,129,811
<u>3,000,110</u>	<u>110,344</u>	<u>24,321,876</u>	<u>311,887,122</u>
<u>3,427,148</u>	<u>1,251,228</u>	<u>(21,157,188)</u>	<u>(8,888,847)</u>
288,888	--	8,271,000	34,561,429
--	--	69,124,891	186,771,298
--	11,000,000	--	37,000,000
--	--	115,627	28,711,000
--	324,764	--	1,004,881
--	--	182,889	181,248
--	--	--	(24,888,887)
<u>288,888</u>	<u>11,324,764</u>	<u>(18,568,182)</u>	<u>(5,281,134)</u>
3,427,148	11,324,991	(21,487,074)	26,278,241
79,144,926	--	88,795,078	211,824,876
<u>81,757,074</u>	<u>11,324,991</u>	<u>68,308,004</u>	<u>246,911,017</u>

CITY OF SHREVEPORT, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2002

Net change in fund balances - total governmental funds	\$	26,264,041
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 these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	77,061,730	
Depreciation expense	<u>(50,800,673)</u>	26,261,057
Depletion of capital assets (depreciation of assets) in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.		
		12,000,000
Revenues reported in the Statement of Activities which are not reported in governmental funds because they do not provide current financial resources. This adjustment is to recognize the net change in nondebtlike revenues.		
(Property taxes)		(477,001)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt constitutes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:		
Bonds issued	(60,000,000)	
Lease proceeds	(782,749)	
Premiums on bonds issued	(7,095,890)	
Issuance costs	704,849	
Principal payments	(8,000,000)	
Payments to refunded bondholders agreed	<u>28,110,000</u>	(7,249,000)
The change in other long-term nondebtlike liabilities are reported in the Statement of Activities but do not affect current financial resources of governmental funds. The change are as follows:		
Employee retirement system net asset	(5,190,000)	
Pension/insurance and other fund net asset	(20,000)	
Fireman's pension and other fund non-obligation	<u>10,000</u>	(5,210,000)
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.		
Interest accreted on capital appreciation debt	(2,000,000)	
Amortization of debtless change on refunding	(41,000)	
Amortization of bond premiums	28,000	
(Increase in accrued interest)	170,000	
Amortization of issuance costs	(84,100)	
Increase in compensated absences	(5,000)	
Increase in landfill postclosure cost	(260,000)	
Decrease in savings	<u>1,000,000</u>	(1,064,000)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.		
		1,000,000
Change in net assets of governmental activities	\$	<u>26,264,041</u>

The accompanying notes are an integral part of the financial statements.

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURE, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amount		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Data	Positive
				(Negative)
REVENUE				
Taxes	\$ 111,241,000	\$ 108,241,000	\$ 105,174,641	\$ 472,600
Licenses and Permits	7,180,000	7,449,500	4,961,778	2,487,722
Impassmentals	2,889,000	3,324,000	3,132,329	1,991,671
Charges for services	17,444,300	17,397,700	17,133,471	1,264,229
Fees and forfeitures	2,797,000	2,934,000	3,239,434	(77,166)
Investment earnings	200,000	-	111,750	(11,196)
Miscellaneous	437,000	1,075,000	1,004,344	(33,796)
Total revenue	<u>142,728,300</u>	<u>140,824,600</u>	<u>142,694,317</u>	<u>53,767</u>
EXPENDITURES				
General government				
Office of mayor				
Salaries, wages and employee benefits	2,050,288	1,997,689	1,990,695	4,994
Materials and supplies	81,111	37,314	36,944	369
Contractual services	393,041	141,783	187,340	(1,307)
Other charges	16,508	1,500	5,711	2,796
Improvements and equipment	6,790	5,000	6,890	(1,790)
Total office of mayor	<u>2,507,638</u>	<u>2,182,686</u>	<u>2,227,580</u>	<u>9,704</u>
City council				
Salaries, wages and employee benefits	89,608	871,500	856,420	43,178
Materials and supplies	15,580	13,840	10,685	4,857
Contractual services	333,671	228,144	369,528	(7,844)
Improvements and equipment	18,850	21,888	13,021	7,867
Total city council	<u>1,457,711</u>	<u>1,135,372</u>	<u>1,255,654</u>	<u>46,157</u>
Police				
Salaries, wages and employee benefits	4,022,760	3,764,595	3,780,186	11,439
Materials and supplies	371,500	284,500	348,507	16,288
Contractual services	1,420,238	1,418,240	1,427,227	(1,613)
Other charges	714	294	-	714
Improvements and equipment	138,490	363,447	334,498	(28,947)
Total Police	<u>5,963,702</u>	<u>5,831,081</u>	<u>5,552,418</u>	<u>311,611</u>
Other - unclassified				
Salaries, wages and employee benefits	2,890,211	2,941,211	2,871,281	58,930
Materials and supplies	1,000	1,000	1,561	(561)
Contractual services	344,424	378,828	434,739	(77,911)
Improvements and equipment	-	600,000	500,000	-
Interest and other appropriations	2,080,180	2,090,280	2,155,794	(185,514)
Expenses to equipment sale	4,876,441	4,177,300	3,898,481	779,219
Other	1,000,000	1,480,000	1,871,555	(1,271,600)
Total other - unclassified	<u>11,388,466</u>	<u>12,520,219</u>	<u>14,635,419</u>	<u>(1,247,000)</u>
Total general government	<u>23,747,445</u>	<u>24,738,666</u>	<u>25,875,702</u>	<u>(1,131,211)</u>

(continued)

CITY OF MONROE, LOUISIANA
(GENERAL FUND)
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON FUNDARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final	Budgetary Base	
Public Safety:				
Police				
Salaries, wages and employee benefits	33,948,681	32,698,792	32,312,817	(495,975)
Material and supplies	959,840	958,840	947,758	(11,082)
Contractual services	1,648,498	1,679,239	1,371,698	(307,541)
Other charges	87,000	87,000	77,304	(9,696)
Improvements and equipment	2,158,863	1,808,863	1,898,180	89,317
Total police	<u>38,892,782</u>	<u>37,382,694</u>	<u>37,598,756</u>	<u>(1,784,938)</u>
Fire				
Salaries, wages and employee benefits	28,288,317	28,288,318	28,968,892	680,574
Material and supplies	988,000	1,058,101	1,009,113	(48,987)
Contractual services	1,402,337	1,483,340	1,488,032	4,692
Other charges	5,000	4,800	3,983	(1,017)
Improvements and equipment	905,082	806,094	773,871	(32,223)
Total fire	<u>32,588,736</u>	<u>32,539,653</u>	<u>32,993,786</u>	<u>455,149</u>
Total public safety	<u>71,481,518</u>	<u>69,922,347</u>	<u>70,592,542</u>	<u>(2,669,171)</u>
Public Works				
Salaries, wages and employee benefits	11,392,041	11,431,041	11,463,532	32,491
Material and supplies	1,555,480	1,698,480	1,644,873	(53,607)
Contractual services	11,128,968	12,033,884	12,988,038	954,154
Other charges	880	880	464	(416)
Improvements and equipment	4,140,141	4,338,141	4,272,493	(66,648)
Total public works	<u>28,217,510</u>	<u>29,800,546</u>	<u>29,768,936</u>	<u>(33,610)</u>
Culture and recreation				
Salaries, wages and employee benefits	7,443,971	6,937,378	6,898,273	(39,099)
Material and supplies	893,328	893,328	894,206	878
Contractual services	2,009,474	2,812,475	2,968,284	(151,800)
Other charges	248,448	273,366	278,602	5,236
Improvements and equipment	345,111	333,332	333,864	532
Total culture and recreation	<u>11,039,332</u>	<u>11,250,880</u>	<u>11,373,599</u>	<u>122,717</u>
Total expenditures	<u>142,717,381</u>	<u>142,348,174</u>	<u>142,817,317</u>	<u>469,143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,278</u>	<u>1,345,025</u>	<u>1,171,658</u>	<u>(1,673)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,478,800	4,438,000	4,438,000	-
Transfers out	(3,000,000)	(3,000,000)	(3,000,000)	-
Total other financing sources and uses	<u>(1,521,200)</u>	<u>1,438,000</u>	<u>1,438,000</u>	<u>1,438,000</u>

(continued)

(continued)

CITY OF BREVARD, FLORIDA
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2000

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Net change in fund balance	\$ (433,181)	\$ (440,074)	\$ (6,893)	\$ (6,893)
Fund balance beginning	\$ 11,874,071	\$ 11,874,071	\$ 11,874,071	\$ —
Fund balance ending	\$ 11,440,890	\$ 11,433,997	\$ 11,433,997	\$ (76,893)

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA
COMMUNITY DEVELOPMENT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Base	Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 11,417,000	\$ 10,689,000	\$ 7,950,100	\$ (7,738,900)
Charges for services	175,000	175,000	250,500	80,500
Miscellaneous	1,150,000	2,050,000	1,120,800	(7,429,200)
Total revenues	<u>12,742,000</u>	<u>12,914,000</u>	<u>9,321,400</u>	<u>(3,592,600)</u>
EXPENDITURES				
Administration:				
Salaries, wages and employee benefits	565,200	565,200	661,200	1,000
Materials and supplies	15,000	15,000	11,000	270
Contractual services	81,200	81,200	70,400	10,800
Other charges	70,000	70,000	68,120	1,880
Improvements and equipment	2,000	2,000	1,100	900
Total administration	<u>733,400</u>	<u>733,400</u>	<u>712,020</u>	<u>17,380</u>
Community development projects:				
Grants	881,807	881,807	757,000	124,807
Total community development projects	<u>881,807</u>	<u>881,807</u>	<u>757,000</u>	<u>124,807</u>
Housing and business development:				
Salaries, wages and employee benefits	--	10,000	20,400	(11,400)
Materials and supplies	17,000	17,000	700	16,300
Contractual services	11,200	11,200	6,700	4,500
Other charges	11,200,000	11,200,000	4,388,000	6,812,000
Improvements and equipment	200,000	200,000	250,000	(50,000)
Total housing and business development	<u>11,217,200</u>	<u>11,227,200</u>	<u>4,665,200</u>	<u>6,561,000</u>
Housing and business development administration:				
Salaries, wages and employee benefits	400,000	484,700	464,100	16,600
Materials and supplies	11,000	11,000	14,000	470
Contractual services	286,700	274,700	270,000	1,700
Other charges	120,400	150,600	127,000	23,600
Improvements and equipment	200	200	200	--
Total housing and business development administration	<u>808,300</u>	<u>921,200</u>	<u>875,300</u>	<u>46,000</u>
Workforce development:				
Salaries, wages and employee benefits	1,104,700	2,201,000	1,244,400	1,000,600
Materials and supplies	60,000	101,000	10,700	50,300
Contractual services	1,200,700	2,740,400	1,588,200	1,152,200
Other charges	100,000	100,000	100,000	--
Improvements and equipment	74,000	100,700	8,000	107,700
Total workforce development	<u>2,549,400</u>	<u>5,143,100</u>	<u>2,951,300</u>	<u>2,191,300</u>
				(continued)

CITY OF MONROE, LOUISIANA
COMMITTEE DEVELOPMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Base	Positive
				(Negative)
Welfare development administration:				
Salaries, wages and employee benefits	211,100	208,700	221,678	(229,378)
Materials and supplies	10,500	38,000	1,541	26,500
Contractual services	11,000	21,000	1,993	20,007
Other charges	15,000	19,000	16,364	3,636
Expenditures and equipment	4,000	13,000	-	13,000
Total welfare development administration	<u>251,600</u>	<u>299,700</u>	<u>248,576</u>	<u>(51,124)</u>
Code enforcement:				
Salaries, wages and employee benefits	600,675	790,675	779,007	11,668
Materials and supplies	88,811	118,811	118,798	(999)
Contractual services	1,100,404	995,404	876,808	224,600
Other charges	400,619	400,619	370,860	29,759
Expenditures and equipment	16,500	186,500	178,656	7,844
Total code enforcement	<u>2,406,619</u>	<u>2,492,019</u>	<u>2,265,039</u>	<u>(85,399)</u>
Total Expenditures	<u>18,802,811</u>	<u>21,278,000</u>	<u>19,148,151</u>	<u>(2,129,849)</u>
Deficiency of revenues under expenditures	<u>(4,466,811)</u>	<u>(5,846,000)</u>	<u>(5,887,849)</u>	<u>1,971,189</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,097,000	1,097,000	1,443,096	(346,096)
Transfers out	<u>(320,000)</u>	<u>(320,000)</u>	<u>(1,151,000)</u>	<u>(831,000)</u>
Total other financing resources and uses	<u>1,377,000</u>	<u>1,077,000</u>	<u>2,292,096</u>	<u>(877,116)</u>
Net change in fund balance	<u>(4,144,811)</u>	<u>(4,801,000)</u>	<u>(4,147,149)</u>	<u>6,665,311</u>
Fund balance—beginning	<u>1,641,708</u>	<u>1,641,708</u>	<u>1,641,708</u>	<u>-</u>
Fund balance—ending	<u>\$ (2,493,103)</u>	<u>\$ (2,493,000)</u>	<u>\$ 494,559</u>	<u>\$ 2,464,311</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BIRMINGHAM, ALABAMA
 STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 (001000011, 2001)

	Municipal and Regional Agencies	Business-type Activities			Total	Governmental Activities				
		Water Sewerage	Other Enterprise Funds			Interest	Debt	Grants	Funds	
ASSETS										
Current Assets:										
Cash and cash equivalents	2,453,199	-	160,821	-	2,614,020	-	-	-	2,614,020	
Receivables	4,049,288	-	419,971	-	4,469,259	-	-	-	4,469,259	
Inventory	713,939	1,375,006	182,211	-	2,271,156	-	-	-	2,271,156	
Due from other funds	113,529	-	112,243	-	225,772	-	-	-	225,772	
Due from other governments	1,714,942	-	102,009	-	1,816,951	-	-	-	1,816,951	
Prepaid items	1,004	1,411,208	103,012	-	2,818,224	-	-	-	2,818,224	
Cash and cash equivalents restricted	-	1,141,695	-	-	1,141,695	-	-	-	1,141,695	
Receivables restricted	-	2,411,402	-	-	2,411,402	-	-	-	2,411,402	
Total current assets	9,933,997	5,247,906	2,776,292	-	17,958,195	-	-	-	17,958,195	
Investment Assets										
Equities:										
Cash and cash equivalents	298,340	2,094,798	-	-	2,393,138	-	-	-	2,393,138	
Receivables	2,562,298	11,021,719	-	-	13,584,017	-	-	-	13,584,017	
Nonmarketable bonds - non	848,158	2,294,270	-	-	3,142,428	-	-	-	3,142,428	
Capital assets:										
Land	15,471,849	1,029,275	1,466,888	-	17,967,912	-	-	-	17,967,912	
Construction in progress	1,280,018	60,800,217	295,028	-	62,775,263	-	-	-	62,775,263	
Building	14,192,414	-	4,100,048	-	18,292,462	-	-	-	18,292,462	
Improvements other than building	11,207,098	-	298,668	-	11,505,766	-	-	-	11,505,766	
Equipment	4,652,963	1,061,193	14,000,911	-	19,715,067	-	-	-	19,715,067	
Debt	-	271,000,143	-	-	271,000,143	-	-	-	271,000,143	
Total investment assets	31,818,328	311,609,863	15,852,889	-	376,281,080	-	-	-	376,281,080	
Total net assets	14,752,325	5,559,769	2,932,181	-	23,244,275	-	-	-	23,244,275	
Liabilities										
Accounts payable	12,100,251	10,115,164	1,400,718	-	23,616,133	-	-	-	23,616,133	
Total liabilities	12,100,251	10,115,164	1,400,718	-	23,616,133	-	-	-	23,616,133	

LIABILITIES

	Business-type Activities			Total	Discontinued Activities
	Managed and Regulated Activities	Other Insurance Products	Other Insurance Products		
Current Liabilities:					
Accounts payable	500,229	4,027,000	279,283	5,146,483	576,229
Accrued liabilities	145,885	1,013,146	653,019	2,812,050	-
Accrued interest payable	-	313,541	-	313,541	-
Due to management	-	-	33,124	33,124	-
Due to other funds	16,726	1,136,241	-	2,122,087	1,208,686
Deferred income	14,346	31,000	25,195	103,659	-
Customer deposits	113,326	383,711	-	549,245	-
Contingent liabilities	22,481	78,271	182,877	283,251	13,644
Charges and prepayments	-	-	-	-	1,079,475
Income payable	-	48,711	-	48,711	-
General obligation bonds payable, net	-	13,186	-	13,186	-
Liabilities payable from previous years	-	6,421,225	-	6,421,225	-
Deferred investment income payable, net	-	11,825	-	11,825	-
Accrued interest payable	1,112,022	1,724,726	1,724,726	3,561,474	-
Total current liabilities					
Contingent Liabilities					
Contingent claims	124,710	249,120	92,411	466,241	71,714
Letter payable	-	11,464	-	11,464	-
Current obligation bonds payable, net	-	191,887	-	191,887	-
Insurance bonds and notes payable, net	21,663,262	128,714,623	-	144,009,912	-
Total contingent liabilities	21,787,972	370,244,724	92,411	392,065,107	71,714
Total liabilities	24,929,649	129,491,026	1,144,227	135,564,902	14,113,124
NET ASSETS					
Retained or unpaid assets, net of related funds	24,853,226	2,021,916,669	14,846,720	2,130,996,615	456,786
Retained for other services	1,775,194	-	-	1,775,194	-
Insurance	1,493,480	14,566,000	1,113,405	17,172,885	10,663,941
Total assets	28,121,900	2,036,482,669	16,960,125	2,136,564,694	15,130,721

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPERTY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2003

	Business-type Activities Enterprise Funds			Governmental Activities General Service Funds	
	Municipal and Regional Airports	Water and Sewerage	Other Enterprise Funds		Total
OPERATING REVENUES					
Charges for services	\$ 4,618,856	\$ 57,376,541	\$ 1,800,268	\$ 67,795,665	\$ 12,431,040
Subsidies	14,220	892,119	41,690	947,929	1,783,577
Total operating revenues	<u>4,633,076</u>	<u>58,268,660</u>	<u>1,841,958</u>	<u>68,743,592</u>	<u>14,214,617</u>
OPERATING EXPENSES					
Personnel services	4,361,976	9,371,631	6,695,248	20,428,855	1,672,291
Contractual services and other expenses	843,700	5,487,084	3,155,433	13,486,317	1,794,861
Utilities	779,531	3,484,617	798,781	4,062,929	49,404
Repairs and maintenance	771,685	1,471,302	71,871	1,822,258	768,879
Materials and supplies	248,144	1,195,843	1,734,024	3,178,011	860,101
Claims	—	—	—	—	21,426,771
Depreciation	1,787,368	9,071,897	894,832	12,754,097	10,231
Total operating expenses	<u>9,979,768</u>	<u>31,123,364</u>	<u>12,728,126</u>	<u>53,831,458</u>	<u>30,214,861</u>
Operating income (loss)	<u>(5,346,692)</u>	<u>2,714,781</u>	<u>(1,886,168)</u>	<u>(4,518,079)</u>	<u>1,199,756</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	110,498	842,818	9,162	962,478	204,882
Interest expense	(3,259,561)	(4,281,493)	(97)	(7,541,151)	(1,791)
Intergovernmental	216,750	90,258	2,500,488	2,807,496	—
Passenger facility charges	1,172,165	—	—	1,172,165	—
Food (contract) costs	(269,880)	(215,699)	—	(485,579)	—
Net increase (or fair value) of investments	5,220	5,488	—	10,708	—
Loss on disposal of fixed assets	(70,022)	(207,000)	(722)	(277,744)	(4,222)
Total nonoperating revenues (expenses)	<u>286,668</u>	<u>(2,115,696)</u>	<u>1,501,763</u>	<u>(327,265)</u>	<u>191,663</u>
Income (loss) before contributions and transfers	<u>(5,060,024)</u>	<u>599,085</u>	<u>(3,384,405)</u>	<u>(7,745,344)</u>	<u>1,391,419</u>
Capital contributions	10,091,281	1,219,091	1,248,126	12,558,508	100
Transfers in	155,529	—	1,798,149	1,953,678	—
Transfers out	—	(790,000)	—	(790,000)	—
Change in net assets	<u>5,181,785</u>	<u>1,028,176</u>	<u>1,161,870</u>	<u>7,371,831</u>	<u>1,591,419</u>
Total net assets beginning	10,687,700	288,800,482	11,428,791	289,127,973	11,921,465
Total net assets ending	<u>\$ 15,869,485</u>	<u>\$ 289,828,658</u>	<u>\$ 12,590,661</u>	<u>\$ 298,308,802</u>	<u>\$ 13,512,884</u>

The accompanying notes are an integral part of the financial statements.



CITY OF GENESEOT, ILLINOIS
STATEMENT OF CASH FLOWS
PROPERTY TAXES
FOR THE YEAR ENDED DECEMBER 31, 2003

	Business-type Activities Enterprise Funds			Total	Governmental Activities General Service Funds
	Municipal and Regional Agency	Water and Sewerage	Other Enterprise Funds		
Cash flows from operating activities:					
Receipts from operations	\$ 4,784,435	\$ 18,774,290	\$ 3,742,004	\$ 27,299,729	\$ 1,000,000
Payments to suppliers	(1,497,843)	(2,144,790)	(3,400,000)	(7,042,633)	(1,000,000)
Payments to employees	(4,137,874)	(3,141,044)	(6,888,040)	(14,166,958)	(1,000,000)
Grants	--	--	--	--	(2,097,000)
Other receipts	14,220	842,114	18,114	864,448	--
Other payments	(21,000)	(2,693,000)	(20,000)	(2,734,000)	--
Net cash provided by (used in) operating activities	494,842	14,838,614	(2,688,026)	14,655,430	3,902,000
Cash flows from noncapital financing activities:					
Intergovernmental	--	81,214	--	81,214	--
Liability from federal grant	(74,771)	--	1,716,617	1,641,846	--
Transfers in	--	--	1,716,146	1,716,146	--
Transfers out	--	(200,000)	--	(200,000)	--
Interest paid on securities	--	--	(87)	(87)	(274)
Outflow	--	49	--	49	--
Net cash provided by (used in) noncapital financing activities	(74,771)	81,214	1,732,686	1,739,129	(274)
Cash flows from capital and related financing activities:					
Proceeds from issuance of debt	--	1,600,000	--	1,600,000	--
Acquisition and construction of capital assets	(1,649,487)	(2,774,288)	(2,176,162)	(6,599,937)	(244)
Principal paid on debt	(7,80,000)	(2,195,000)	--	(2,975,000)	(2,000)
Interest paid on debt	(1,289,044)	(1,144,339)	--	(2,433,383)	(1,800)
Capitalized interest debt payment	--	(94,000)	--	(94,000)	--
Capital grant	1,481,071	--	1,102,706	2,583,777	--
Capital contribution (included in other)	(179,000)	--	475,104	296,104	--
Payment of debt issuance costs	--	(82,487)	--	(82,487)	--
Refund of bond issuance costs	--	25,807	--	25,807	--
Reverses liability charges	1,131,461	--	--	1,131,461	--
Net cash used in capital and related financing activities	(1,141,059)	(2,864,098)	(178,457)	(4,183,614)	(2,044)
Cash flows from investing activities:					
Purchase of investments	(2,189,271)	(2,148,208)	(914,971)	(5,252,450)	(1,071,100)
Proceeds from sale and maturity of investments	1,177,261	1,106,000	--	2,283,261	--
Interest on investments	(12,479)	81,189	4,118	72,828	20,000
Net cash used in investing activities	(1,024,489)	(1,061,019)	(870,853)	(2,956,361)	(1,051,100)
Net decrease (increase) and cash equivalents	(1,269,717)	(16,761,529)	(479,286)	(18,510,532)	(1,149,600)
Cash and cash equivalents, beginning of year	8,064,284	22,741,876	1,877,119	32,683,279	8,249,877
Cash and cash equivalents, end of year	\$ 6,794,567	\$ 6,980,347	\$ 1,397,833	\$ 15,172,747	\$ 7,100,277

(continued)

CITY OF MONROE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Business-type Activities Enterprise Funds			Total	Governmental Activities General Fund
	Municipal and Regional Stipends	Water and Sewerage	Other Enterprise Funds		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 1,433,000	\$ 1,250,792	\$ 2,880,682	\$ 2,658,872	\$ 1,531,722
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	(1,507,048)	1,077,487	(94,641)	(2,744,267)	61,240
Current/Deferred Income					
Debitables	(29,178)	(71,197)	(21,189)	(121,564)	(1,571,690)
Due from other funds	"	"	(34,128)	(34,128)	288,964
Receivables	(500)	(250,860)	4,716	(246,644)	(2,086)
Payables	"	"	(11,189)	(11,189)	(29,124)
Income/Expense	71,860	(81,861)	11,621	286,472	(6,884)
Assets/Liabilities					
Due to other funds	(273)	(14,400)	11,607	(17,466)	1,262,971
Deferred revenues	(2,175)	11,000	11,600	(1,574)	"
Customers' deposits	442	(77,171)	"	(76,729)	"
Compensated absences	24,624	(1,677)	11,600	(16,701)	(1,622)
Total adjustments	(1,433,000)	(1,250,792)	(282,921)	(1,966,713)	(2,658,872)
Net cash provided by (used in) operating activities:	\$ 0	\$ 0	\$ 0	\$ 692,159	\$ 872,850

Plus: cash financing, capital and borrowing activities:

The Municipal and Regional Stipends funds certificate in the full value of investments of \$13,200.

The Municipal and Regional Stipends disposed of capital assets. The undispositional cost of the equipment was recorded as a loss of \$1,000.

The Municipal and Regional Stipends funds received loan - Capital Contributions for Improvements of Airport debt by the State of Louisiana in the amount of \$4,000,000.

The Department of Water and Sewerage funds net increase in the full value of investments of \$5,414.

The Department of Water and Sewerage received/issued demand Water and Sewer capital assets of \$1,114,000.

The Department of Water and Sewerage disposed of capital assets. The undispositional cost of the equipment was recorded as a loss of \$271,000.

The Department of Water and Sewerage had/total income costs of \$1,041,974 which were deducted from the proceeds of various "A", "B", and "C" Bonding (Water and Sewer Revenue bonds to pay bond insurance premiums and other insurance cost and will be recognized over the various debt repayment periods.

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA
 STATEMENT OF FINANCIAL NET ASSETS
 FUNDAL FUND
 DECEMBER 31, 1989

ASSETS	Employee Retirement Funds
Cash and cash equivalents	\$ 100,714
Receivables	
Interest receivable	444,434
Accounts receivable	25,347
Due from other funds	140,521
Prepaid items	441,750
Investments, at fair value:	
U.S. government securities	30,434,838
Mutual funds	9,194,260
Domestic corporate bonds	48,372,434
Domestic common stock	96,156,170
Total investments	<u>185,158,262</u>
Other assets:	
Cash surrender value of life insurance policies	7,893,117
Total assets	<u>240,538,638</u>
LIABILITIES	
Accounts payable	1,740
Due to other funds	1,348,875
Employees' deposits held in escrow	1,294,588
Total liabilities	<u>2,945,203</u>
NET ASSETS	
Fund in trust for pension benefits	\$ <u>237,593,435</u>

The accompanying notes are an integral part of the financial statements.

CITY OF SHREVEPORT, LOUISIANA
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Employee Retirement Funds</u>
ADDITIONS	
Contributions:	
Employee	\$ 1,808,003
Plan members	<u>1,322,897</u>
Total contributions	<u>3,130,900</u>
Investment earnings:	
Net appreciation in the value of investments	29,047,389
Interest	3,854,786
Dividends	<u>1,899,126</u>
Total investment earnings	<u>34,801,301</u>
Less investment expenses	<u>871,771</u>
Performance income	26,129,530
Miscellaneous	<u>471,420</u>
Total additions	<u>35,479,280</u>
DEDUCTIONS	
Pensions	13,310,288
Refund of member contributions	1,800,271
Administrative expenses	179,549
Life insurance	<u>296,807</u>
Total deductions	<u>15,606,915</u>
Change in net assets	19,872,365
Net assets - beginning	<u>179,813,510</u>
Net assets - ending	<u>\$ 199,685,875</u>

The accompanying notes are an integral part of the financial statements.

CITY OF MEMPHIS, TENNESSEE
STATEMENT OF NET ASSETS
COMPREHENSIVE BASIS
DECEMBER 31, 2002

	Municipal Bond Mortgage Accounts	City County	City Market	General Development Accounts	Interpreting Planning Commission	Total
ASSETS						
Cash and cash equivalents	\$ 1,290,000	\$ 2,461,000	\$ 1,555,000	\$ 100,000	\$ --	\$ 5,406,000
Investments	1,500,000	--	--	--	--	1,500,000
Receivables, net	25,000	50,000	--	55,000	--	130,000
Due from other governments	--	--	--	--	60,000	60,000
Due from primary government	--	--	--	60,000	--	60,000
Prepays	--	--	--	75,000	--	75,000
Storage and other receivables	1,100,000	--	--	--	--	1,100,000
Other assets	60,000	--	--	--	--	60,000
Capital assets:						
Land and construction in progress	--	--	--	--	50,000	50,000
Other capital assets, net of depreciation	--	400,000	775,000	1,400,000	875,000	3,450,000
Total assets	<u>\$ 3,865,000</u>	<u>\$ 3,061,000</u>	<u>\$ 2,330,000</u>	<u>\$ 2,505,000</u>	<u>\$ 100,000</u>	<u>\$ 12,261,000</u>
LIABILITIES						
Accounts payable	--	6,000	12,000	75,000	600	93,000
Accrued liabilities	--	--	--	75,000	--	75,000
Accrued interest payable	20,000	--	--	--	--	20,000
Due to other governments	--	--	--	--	20,000	20,000
Due to primary government	--	--	--	--	10	10
Deferred liabilities:						
Due within one year	1,775,000	--	--	100,000	--	1,875,000
Due in more than one year	7,400,000	--	--	750,000	--	8,150,000
Total liabilities	<u>\$ 9,175,000</u>	<u>\$ 6,000</u>	<u>\$ 120</u>	<u>\$ 925,000</u>	<u>\$ 610</u>	<u>\$ 10,026,000</u>
NET ASSETS						
Invested in capital assets, net of related debt	--	400,000	763,000	60,000	50,000	1,673,000
Restricted:						
Debt service	1,775,000	--	--	--	--	1,775,000
Other purposes	--	--	--	20,000	--	20,000
Unrestricted	1,090,000	1,661,000	1,567,000	1,425,000	1,490,000	5,673,000
Total net assets	<u>\$ 2,865,000</u>	<u>\$ 2,061,000</u>	<u>\$ 1,330,000</u>	<u>\$ 1,000,000</u>	<u>\$ 500,000</u>	<u>\$ 6,756,000</u>

The accompanying notes are an integral part of the financial statements.



CITY OF MONROE, LOUISIANA
STATEMENT OF ACTIVITIES
COMPONENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Development Home Mortgage Authority			
Mortgage operations	\$ 1,104,154	\$ 1,021,118	\$ 871,071
City Courts			
Judicial	1,021,200	104,000	-
City Marshal			
Judicial	1,007,000	100,000	-
Development Development Authority			
Economic development	171,077	11,023	50,000
Strategic projects	111,754	101,000	-
Parking program	424,474	420,000	-
International Impacts Ltd	7,000	-	-
Total Development Development Authority	<u>1,249,311</u>	<u>632,023</u>	<u>50,000</u>
Metropolitan Planning Commission			
Planning and zoning	1,111,491	111,000	160,000
	\$ 1,778,041	\$ 1,265,139	\$ 882,071

Special Revenues

Property taxes levied for general purposes

Investment earnings

Payments from City of Monroes

Miscellaneous

Total general revenues

Change in Net Assets

Net assets - beginning

Net assets - ending

The accompanying notes are an integral part of the financial statements.



**CITY OF SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003**

I. Summary of Significant Accounting Policies

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

A. The Financial Reporting Entity

The City of Shreveport (the "City") was incorporated in 1838, under the provisions of Louisiana R.S. 23:1. In May of 1878, the present City Charter was adopted which established a mayor-council form of government. The City provides a full range of municipal services as authorized by the charter. These include police and fire protection, emergency medical services, public works (streets and waste collection), public improvements, water and sewer services, parks and recreation, planning and zoning, public transportation, social, cultural and general administrative services.

The basic criterion for determining whether another governmental organization should be included as a primary governmental unit's reporting entity for basic 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/detriment relationship. In addition, an organization which is financially dependent on the primary government should be included in its reporting entity.

The financial statements present the City of Shreveport (the primary government) and its component units. The operations of the Shreveport Municipal and Regional Airports and the Shreveport Area Transit System are included as a part of the primary government. The discrete component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. There are no blended component units in the City.

Discretely Presented Component Units

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

City Courts

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

control of the courts. The City Courts serve the citizens of the City of Shreveport plus Ward Four of Caddo Parish.

City Marshal

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

Downtown Development Authority

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

Metropolitan Planning Commission

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

Shreveport Home Mortgage Authority

The Shreveport Home Mortgage Authority is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to undertake various programs to assist in the financing of housing for persons of low to moderate income in the City of Shreveport. There are five trustees that are appointed by the City Council for terms of five years. For the term of the trust instrument, the City has no power to transact business for the trustees nor to control or direct the actions of the trustees. The City is entitled only to the benefits of the trust, and at the termination of the trust it shall receive the residual assets of the trust. The City cannot access the organization's

lands as well, although there is some ability to access them at the discretion of the Authority. The City is financially accountable since it appoints all of the governing body and there is a potential for Sherwood Home Mortgage Authority to provide specific financial benefits to the City. The Sherwood Home Mortgage Authority serves the citizenry of the City of Sherwood.

Sherwood Convention Center Hotel Authority

The Sherwood Convention Center Hotel Authority is a public trust, created by state statute, with the City of Sherwood as beneficiary. The Authority is authorized to oversee the development and operation of the Sherwood Convention Center Hotel for the purpose of furthering economic development. There are five appointed trustees. The trustees are the Mayor, Chief Administrative Officer, City Council President, City Council Vice-President, and a citizen chosen at the discretion of the Mayor and approved by the City Council. The term of the Trustees shall be for as long as they hold the office enumerated, and the term of the citizen shall run concurrently with the mayor's term. For the terms of the trust indenture, the City has no power to demand business for the trustees nor to control or direct the actions of the trustees. The City cannot access the Authority's resources but is the beneficiary of the residual assets of the termination of the trust. The City may provide financial support in the form of interest financing or guarantee of the Authority's debt. The board is not substantively the same as the City. The Authority serves the citizenry of the City of Sherwood. The trust was created in 2002 but has had no reportable transaction through the year ended December 31, 2005.

The Metropolitan Planning Commission does not issue separate financial statements. The government-wide financial statements are presented within the basic financial statements. The fund financial statements are included as supplementary information within the section entitled Discretely Presented Component Unit. Complete financial statements of the other individual component units may be obtained from their respective administrative offices.

Administrative Offices

City Courts 1244 Texas Avenue Sherwood, Louisiana 71101	Sherwood Home Mortgage Authority 1400 Younes Drive Sherwood, Louisiana 71100
City Marshal 1244 Texas Avenue Sherwood, Louisiana 71101	Downtown Development Authority 408 Edwards Street Sherwood, Louisiana 71100

Related Organization

Sherwood Housing Authority

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

Jointly Governed Organizations

Cable-Service, Sales and Use Tax Commission

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

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the auxiliary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function of governmental activities and different business-type activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 imposed by the provider 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 property taxes, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. For revenues other than property taxes, the City considers them to be available if they are collected within 90 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 are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, and income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items except landfill fees are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Community Development Fund is responsible for programs to increase housing opportunities, assist in the creation of employment, develop business expansion and regulate codes enforcement.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The 1990A General Obligation Bond Fund accounts for proceeds of bonds issued for construction of a new convention center and multicultural museum.

The 2000A General Obligation Bond Fund accounts for proceeds of bonds issued for the purpose of constructing, acquiring and improving works of neighborhood public improvement, recreation facilities, and police and fire facilities.

The City reports the following major proprietary funds:

The Water and Sewerage Fund accounts for the activities involved in operating the sewerage treatment plant, sewerage pumping stations and collection systems, and the water distribution system.

The Municipal and Regional Airports Fund accounts for the activities involved in operating the city's two airports.

Additionally, the City reports the following fund types:

Internal Service Funds account for health care, risk management, and fleet management services provided to other departments on a cost reimbursement basis.

The Fiduciary Funds account for the activities of the Fireman's Pension and Relief Fund, the Policemen's Pension and Relief Fund and the Employee's Retirement System, which accumulates resources for pension benefit payments to qualified employees.

Private-sector standards of accounting and financial reporting (issued prior to December 1, 1989), generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewerage function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. The City does not use an indirect cost allocation system. However, the General Fund charges certain funds an administrative overhead charge based on a cost allocation plan. This is classified like a reimbursement and reduces the revenue and expense in the General Fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

II. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

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

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

Direct obligations of the U.S. government, including such instruments as treasury bills, treasury notes and treasury bonds.

Money market mutual funds registered with the Securities and Exchange Commission.

Fully-collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana (classified as deposits for this Institute).

Repurchase agreements in government securities made with the primary dealers that report and are regulated by the Federal Reserve Bank of New York.

Louisiana Asset Management Pool which is authorized under Louisiana Revised Statute 33:1331.

The City is prohibited from investing in derivatives.

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

Corporate bonds - no lower than tax rated.

Investment contracts and pooled accounts maintained by trust companies, banks and investment managers.

Stocks traded on a national stock exchange.

Short-term money market securities.

Investment policies require that securities underlying repurchase agreements must have a minimum net asset market value of securities over the principal amount of the investment. Securities must have a maturity of less than 3 years.

2. Receivables and Payables

All outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

3. Inventories and Prepaid Items

Inventories are valued at cost using the first in, first out (FIFO) method. Inventory in the General Fund consists of materials and supplies held for consumption. Reported inventories in the General Fund are equally offset by a reservation of fund balances with indicators that although inventories are a component of assets, they do not constitute "available spendable resources". Inventories in the Enterprise and Internal Service Funds consist of pipes, meters, fittings and valves, repair materials, spare parts and items held for sale at the Municipal Golf Course. Inventories are accounted for using the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain proceeds of the unapportioned fund revenue bonds, as well as certain reserves set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The bond construction funds are used to report those proceeds of revenue bond issuances that are restricted for use in construction. The bond and interest sinking funds are used to segregate monies accumulated for debt service payments over the next twelve months. The debt service reserve funds are used to report monies set aside to make up potential future deficiencies in the revenue bond current debt service account.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The total interest expense incurred by Water and Sewerage was \$1,818,903. Of this amount \$1,677,609 was included as the cost of capital assets in construction in progress.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	10-50
Improvements other than buildings	10-50
Infrastructure	20-75
Distribution and collection systems	10-50
Equipment	1-5

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

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

For classified employees, a maximum of 168 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years. For non-classified employees, the maximum is 120 hours. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. Accumulated sick leave is forfeited at the time an employee terminates employment. However, accumulated sick leave is treated as creditable service at retirement if the employee has accumulated at least 175 hours.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, 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, discounts, issuance costs, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or deferred amount on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent instances management plans that are subject to change.

The following list describes the reservations and designations encountered in the governmental fund financial statements:

Reserved for Encumbrances

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

Reserved for Inventories

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

Reserved for Debt Service

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

Reserved for Encumbrances

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

Designated for Subsequent Year's Expenditures

The unreserved portion of fund balances designated for subsequent years' expenditures is the amount that has been set aside for future year's budgets.

Designated for Landfill Closure

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

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Prior to October 1, the Mayor files with the Clerk of Council a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources. The City Council conducts public hearings and proposes adoption of the various budget ordinances. Prior to December 15, the City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.

Legal budgetary control for operating budgets is exercised at the department/object class with the exception of the Community Development Department where control is exercised at the division/object class. The ordinances provide lump sum appropriations at the object level. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department with the exception of the Community Development Department where funds must be spent within the same division. Budgetary transfers across department lines or between classes of lump sum appropriations must be approved by the City Council. During the year, the City Council approves several amendments to the budget. The City Charter provides that expenditures may not legally exceed appropriations. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year for the General, certain Special Revenue Funds (Community Development and Recreation Development), Capital Projects and Proprietary Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. The capital project funds adopt project length budgets. The budgets for governmental funds are adopted on a basis substantially consistent with generally accepted accounting principles with the following exceptions: (1) encumbrances (e.g. purchase orders, contracts) are treated as budgeted expenditures in the year of the commitment to purchase and (2) capital leases are not budgeted as expenditures at the inception of the lease.

All appropriations which are not expended or encumbered lapse at year end. Encumbrances outstanding at year end are reported as reservations of fund balances and are carried forward.

Revisions were made to the following governmental funds original budgets as follows:

	Original Budget including Curr. Forecasts	Revisions	Final Revised Budget
General Fund	\$149,961,640	\$4,012,587	\$145,949,174
Community Development	26,182,432	1,402,508	25,184,860

Adjustments necessary to reconcile the excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses:

	General	Community Development
Net change in fund balance (Budget Basis)	\$ 928,084	\$1,577,120
Adjustments:		
Encumbrances	2,112,843	1,985,151
Net change in fund balance (GAAP Basis)	\$ 1,198,751	\$ 596,977

B. Excess of Expenditures over Appropriations

During 2005, based on the legally adopted level of control for budgetary purposes, the following funds had excess expenditures over appropriations:

General Fund		
Office of Mayor		
Contractual services		\$ 1,161
Other unclassified		
Materials and supplies		793
Contractual services		73,691
Interest and civic appropriations		109,014
Claims		1,377,626
Police		
Salaries, wages and employer benefits		408,071
Materials and supplies		8,184
Public works		
Salaries, wages and employer benefits		50,000
Culture and recreation		
Contractual services		151,808

Community Development

Housing and business development

Salaries, wages and employee benefits 13,453

Housing and business development administration

Salaries, wages and employee benefits 6,447

Codes enforcement

Materials and supplies 383

C. Deficit Fund Balance

Within the nonmajor capital project funds, under the heading of Miscellaneous General Obligation Bond Funds, there was one fund with a deficit fund balance. The 1993 General Obligation Bond Fund had a deficit of \$1,443,384. Budgeted revenues have not been fully funded to offset budgeted expenditures to date.

III. Detailed Notes on All Funds

A. Deposits and Investments

All deposits of the City are held by one financial institution. At year-end, the carrying amount of the City's deposits was \$17,999,143 and the bank balances were \$13,333,233. The difference is due to deposits in transit. Of the cash balance, \$13,138,231 was categorized as being insured by federal depository insurance or collateralized with securities held by the City's agent in the City's name.

Money market funds in the amount of \$28,587,560 were invested by the City's trustee and was held by the trustee agent in the trustee's name.

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

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

	Category			Reported Amount/ Fair Value
	1	2	3	
Repurchase agreements	\$ 24,024,781	\$ -	\$ -	\$ 24,024,781
U.S. Government securities	181,334,577	-	41,234,154	202,573,731
Cash and stocks	-	-	96,136,715	96,136,715
Corporate bonds	-	-	43,572,424	43,572,424
	<u>\$115,389,358</u>	<u>\$ -</u>	<u>\$181,947,323</u>	<u>397,357,081</u>
Mutual funds				9,199,265
Louisiana Asset Management Pool (LAMF)				1,208,779
Money market funds				<u>21,583,668</u>
Total investments				440,335,779
Total deposits				<u>17,899,442</u>
Cash, cash equivalents and investments including restricted assets				<u>\$458,235,221</u>

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

Pension Trust	\$194,712,851	80.5%
2061 General Obligation Bond Capital Project	15,883,285	8.5
Municipal and Regional Airports	<u>1,769,882</u>	<u>1.1</u>
	<u>\$212,365,018</u>	<u>100.0%</u>

The Pension Trust fund investments are held by the City's fiscal agent bank as trustee. The pension trust funds are managed by fixed income and equity managers. The Department of Water and Sewerage and Municipal and Regional Airports' investments are the result of bond indentures which outline the requirements of accounts which hold funds for the benefit of bondholders. The Capital Projects' investments are held by a bank as trustee.

Investments in mutual funds and 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 non-profit 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 12b-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 maintained 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.

Discretely Presented Component Units - Deposits

	City Cresce	City Marshall	Shreveport Home Mortgage Authority
Deposits - Carrying Amount	\$2,681,892	\$1,525,892	\$2,290,000
Deposits - Bank Balances			
Insured by Federal Depository Insurance	436,895	436,118	-
Collateralized with securities held by pledging financial institution's trust department in the City-Crest's/City-Marshall's name	1,294,212	1,710,264	-
Uncollateralized	<u>190,785</u>	<u>-</u>	<u>2,290,000</u>
Total Deposits-Bank Balances	\$2,921,130	\$2,146,381	\$2,290,000

Discretely Presented Component Units - Investments

Shreveport Home Mortgage Authority had the following Category 2 investments:

	Reported Amount/ Fair Value
1994 Issue (Single Family)- Bank One, Mutual Investment Agreements	\$ 62,684
1993 Issue (Single Family - Refunding) - Bayerische Landesbank Investment Agreements	692,644
2001 Issue (Single Family)- SL Asset Funding Company Investment Agreements	<u>1,500,000</u>
	<u>\$2,255,328</u>

B. Property Taxes

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Bossier Parish and Calde Parishes Tax Assessors and approved by the State of Louisiana Tax Commission.

Property Tax Calendar

Assessment date	January 1, 2003
Levy date	Not later than June 1, 2003
Tax bills mailed	On or about November 15, 2003
Total taxes are due	December 31, 2003
Penalties and interest are added	January 1, 2004
Limit date	January 1, 2004
Tax sale - 2003 delinquent property	July 1, 2004

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy. The City's property tax collection records show that 95.7% of the property taxes due were collected within 60 days after the due date. Assessed values are established by the Bossier Parish and Calde Parishes Tax Assessors each year on a uniform basis at the following ratios to fair market value.

10% Land
10% Residential Improvements
15% Industrial Improvements

15% Machinery
15% Commercial Improvements
25% Public Service properties,
including land

A revaluation of all property is required to be completed no less than every 4 years. A revaluation was completed for the tax roll of January 1, 2009.

C. Receivables

Receivables at all year end for the City's subdivided major funds and accounts, interest receivable, and financing bonds to the aggregate, including the applicable allowance for uncollectible amounts, are outlined below:

	Original	Community Development	2005A Debt Service	2005A General Fund	2005A Capital Programs Bonds	Water and Sewerage	Municipal and Regional Agency	Inventory and Other	Total
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 644,448	\$ 644,448
Taxes	4,846,778	-	7,486,344	-	-	-	-	-	12,333,122
Accounts	1,681,234	2,489,331	-	344,311	4,861,693	815,113	2,987,367	-	12,981,114
Intergovernmental	10,271,000	7,242,040	344,318	-	-	-	1,754,589	3,555,393	21,167,340
Notes receivable	-	25,193,217	-	-	-	-	-	-	25,193,217
Other receivables	8,559,747	34,773,369	7,811,768	264,827	4,885,693	1,849,333	5,047,718	-	73,978,675
Less: Allowance for uncollectibles	875,211	11,647,933	862,261	-	551,261	-	-	-	13,936,666
Net total receivables	\$ 13,666,314	\$ 23,228,693	\$ 6,952,815	\$ 344,311	\$ 6,277,116	\$ -	\$ 2,492,681	\$ 3,547,718	\$ 56,978,642

The total of notes receivable is not expected to be collected within one year. Approximately 1.11% of \$644,448 will be collected in the next fiscal period and for interest on these notes in accordance with the payment schedule.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and accrued revenue reported in the governmental funds were as follows:

Delinquent property taxes receivable (General Fund)	\$ 1,257,684
Delinquent property taxes receivable (Debt Service Fund)	1,858,051
Other deferrals including program notes receivable	<u>12,103,618</u>
Total deferred revenue for governmental funds	<u>\$15,241,353</u>

B. Federal and State Financial Assistance

Federal and State governmental units represent an important source of supplementary funding to finance housing, employment and construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, Capital Projects and Enterprise Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purposes for which the funds may be used and are audited annually under the Single Audit as mandated by Ohio Circular A-123.

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

Fund

General Fund	\$ 5,260,546
Special Revenue Funds	
Community Development	7,616,148
Police Grants	1,613,243
Environmental Grants	702,860
Capital Projects Funds	
Miscellaneous General Obligation Bond Funds	903,031
Enterprise Funds:	
Metropolitan and Regional Airports	5,808,721
Shirlington Area Transit System	5,463,890
Water and Sewerage	<u>51,238</u>
Totals	<u>\$22,620,800</u>

Supplementary salary payments are made by the State to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution from the State. The State paid supplemental salaries to the following groups of employees: Fire Department \$1,889,053, Police Department \$3,731,013 and City Marshal (a component unit) \$155,418.

E. Capital Assets

Capital asset activity for the year ended December 31, 2003 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 78,644,683	\$ 4,091,833	\$ -	\$ 84,735,000
Construction in progress	182,969,622	27,194,811	(311,421,638)	98,692,804
Total capital assets, not being depreciated	261,614,305	31,286,644	(311,421,638)	179,379,311
Capital assets, being depreciated:				
Buildings	96,099,648	48,314,633	(796,179)	142,607,507
Improvements other than buildings	33,886,679	12,836,413	(174,129)	46,541,863
Equipment	63,277,961	3,769,136	(18,648,383)	48,346,874
Infrastructure	117,984,618	58,874,218	-	176,858,836
Total capital assets being depreciated	311,248,906	123,794,399	(19,728,691)	415,195,014
Less accumulated depreciation for:				
Buildings	(38,811,882)	(2,397,102)	766,373	(40,342,760)
Improvements other than buildings	(13,897,122)	(1,238,824)	715,223	(14,959,843)
Equipment	(38,751,548)	(6,836,124)	16,633,961	(28,953,711)
Infrastructure	(1,128,622,189)	(12,824,622)	-	(1,141,446,811)
Total accumulated depreciation	(1,319,082,741)	(22,336,752)	17,415,557	(1,323,993,936)
Total capital assets, being depreciated, net	272,171,440	101,457,647	(17,415,557)	415,195,014
Governmental activities capital assets, net	\$451,545,755	\$132,744,291	\$117,336,250	\$681,514,296

Internal service funds predominantly serve the governmental funds. Accordingly, their capital assets are included as part of the above totals for governmental activities.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Municipal and Regional Airports				
Capital assets, not being depreciated:				
Land	\$ 17,840,564	\$ 2,170,083	\$ -	\$ 20,010,647
Construction in progress	1,040,778	4,608,743	(1,389,182)	6,260,339
Total capital assets, not being depreciated	18,881,342	7,778,826	(1,389,182)	26,270,986
Capital assets, being depreciated:				
Buildings	50,232,698	1,189,650	-	51,422,348
Improvements other than buildings	31,222,328	699,888	(3,127)	31,917,989
Equipment	9,897,831	122,150	(258,122)	9,761,859
Total capital assets being depreciated	91,352,857	1,911,688	(261,249)	92,993,296
Less accumulated depreciation for:				
Buildings	(20,583,792)	\$ 1,168,740)	-	(19,415,052)
Improvements other than buildings	(21,859,775)	\$ 1,402,883)	1,848	(20,458,740)
Equipment	(6,222,871)	(126,833)	188,268	(6,061,436)
Total accumulated depreciation	(28,666,438)	(2,792,586)	190,326	(31,168,698)
Total capital assets, being depreciated, net	62,686,419	1,119,102	(61,915)	63,784,506
Municipal and Regional Airports capital assets, net	81,567,761	8,897,928	(63,830)	90,401,859
Water and Sewerage:				
Capital assets, not being depreciated:				
Land	1,891,277	-	-	1,891,277
Construction in progress	62,533,750	53,220,278	(21,298,616)	94,454,912
Total capital assets, not being depreciated	64,425,027	53,220,278	(21,298,616)	96,346,689
Capital assets, being depreciated:				
Equipment	42,614,414	221,834	(1,793,075)	43,043,173
Distribution and collection systems	241,693,138	26,838,833	(1,828,040)	266,703,921
Total capital assets being depreciated	284,307,552	27,060,667	(2,621,115)	288,747,104
Less accumulated depreciation for:				
Equipment	(1,696,606)	(794,413)	1,615,944	(1,875,075)
Distribution and collection systems	(226,182,312)	(8,252,714)	842,822	(234,392,204)
Total accumulated depreciation	(227,878,918)	(9,047,127)	1,468,766	(235,457,279)
Total capital assets, being depreciated, net	62,428,634	18,013,540	(1,152,170)	79,290,004
Water and sewerage capital assets, net	146,776,395	26,911,468	(1,785,985)	171,901,878

	Beginning Balance	Increases	Decreases	Ending Balance
Other business-type activity programs				
Capital assets, not being depreciated:				
Land	1,940,408	-	-	1,940,408
Construction in progress	287,681	4,758,411	4,870,240	265,652
Total capital assets, not being depreciated	2,228,089	4,758,411	4,870,240	2,094,444
Capital assets, being depreciated:				
Buildings	8,480,923	70,117	-	8,551,040
Improvements other than buildings	348,665	7	-	348,672
Equipment	11,201,875	4,030,270	1,778,059	13,454,086
Total capital assets/being depreciated	19,931,463	4,099,480	1,778,059	22,252,884
Less accumulated depreciation for:				
Buildings	(1,528,734)	(286,000)	-	(1,814,734)
Improvements other than buildings	(149,161)	(21,476)	-	(170,637)
Equipment	(4,525,638)	(771,260)	777,811	(4,519,087)
Total accumulated depreciation	(6,203,533)	(1,078,736)	777,811	(6,504,458)
Total capital assets, being depreciated, net	13,727,930	3,020,744	(1,000,248)	15,748,426
Other nondepreciable capital assets, net	11,781,717	2,234,962	5,275,263	19,291,426
Business-type activities capital assets, net	\$25,509,647	\$27,489,362	\$4,224,415	\$32,774,852

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

Governmental activities:	
General government	\$ 724,778
Public safety	4,713,805
Public works, including depreciation of general infrastructure assets	12,027,731
Community development	293,963
Culture and recreation	3,197,596
Capital assets held by the City's interest service funds are charged to the various functions based on their usage of the assets	62,240
Total depreciation expense-governmental activities	\$20,938,113
Business-type activities:	
Municipal and Regional Airports	\$ 2,767,348
Water and Sewerage	6,837,847
Marineport Area Transit System	930,868
Golf	64,783
Total depreciation expense-business type activities	\$10,600,846

Construction commitments

The government has active major construction projects as of December 31, 2003. The projects include the Convention Complex, various public works projects, Airport additions, and improvements to Water and Sewerage facilities. At year end, the government's commitments with contractors are as follows:

Project	Remaining Commitment	Financing Sources
Wastewater Treatment Plant Expansion	\$10,900,361	Water and Sewerage Operating and Revenue Bonds
AMESS Water Treatment Plant, Phase I		
A II Filter Improvements	5,551,710	Water and Sewer Revenue Bonds
Two Part 150 Property Acquisitions	2,741,888	FAA Grants and LADOT Grants
Thruway "C" and "A" North Lights	549,590	FAA Grants and LADOT Grants
Condensate Water Parallel Thruway #317	6,385,777	FAA Grants and LADOT Grants
New City Jail	3,824,151	General Obligations Bonds
Fire Station Number 13 Relocation	836,688	General Obligations Bonds
Lafayette Drive Extension and Widening	3,531,810	General Obligations Bonds
Riverfront Convention Complex	67,852,362	General Obligations Bonds and American Tower Proceeds
New Central Fire Station	782,337	General Obligations Bonds
Concrete Street Panel Replacement	733,819	General Obligations Bonds
Shack Industrial Park Roadway	1,130,216	General Obligations Bonds
Total	\$127,190,468	

Discretely presented component unit

Activity for the Metropolitan Planning Commission for the year ended December 31, 2003 was as follows:

	Beginning Balance	Increases	Ending Decreases	Balance
Capital assets, not being depreciated:				
Land	\$ 266,514	\$ -	\$ -	\$ 266,514
Capital assets, being depreciated:				
Improvements other than buildings	999,204	-	-	999,204
Equipment	207,233	-	(26,858)	180,375
Total, capital assets/being depreciated	1,206,437	-	(26,858)	1,179,579
Less accumulated depreciation for:				
Improvements other than buildings	(711,580)	(40,662)	-	(752,242)
Equipment	(134,638)	(15,879)	26,858	(123,659)
Total accumulated depreciation	(846,218)	(56,541)	26,858	(875,901)
Total capital assets, being depreciated, net	360,219	(62,403)	-	297,816
MPC capital assets, net	\$1,626,756	\$62,917	\$ -	\$1,689,673

All depreciation was charged to planning and zoning.

F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2003 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Community Development	General Fund	\$ 15,451
General Fund	Municipal and Regional Airport	18,000
	Nonmajor governmental funds	1
1995A General Obligation Bonds	Nonmajor governmental funds	1,000,000
Nonmajor governmental funds	Fleet services	215,153
	General Fund	189,478
	Nonmajor governmental funds	9,605,843
	Fiduciary funds	3,240,075
	Water and Sewer	2,186,967
	Employee Health Care Fund	2,083,307
Municipal and Regional Airport	General Fund	173,519
Nonmajor enterprise funds	General Fund	512,540
Internal service funds	General Fund	3,043,389
	Water and Sewerage	109,260
	Municipal and Regional Airport	30,318
Fiduciary funds	General Fund	180,311
Total		\$18,652,931

These 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.

Interfund transfers:

	Transfer out				Total
	General Fund	Community Development	Nonmajor Governmental Fund	Water and Sewer	
General Fund	\$ -	\$ -	\$ 3,460,580	\$900,000	\$4,400,580
Community Development	2,463,086	-	-	-	2,463,086
Debt Service	9,218,632	-	8,181,660	-	17,600,292
1995A General Obligation Bonds	-	-	200,000	-	200,000
Nonmajor governmental	49,460	1,112,599	8,188,900	-	9,351,059
Municipal and Regional Airport	173,519	-	-	-	173,519
Nonmajor enterprise	3,218,180	-	-	-	3,218,180
Total transfers	\$15,612,887	\$1,112,599	\$20,231,140	\$900,000	\$38,857,626

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.

G. Capital Leases

In December 2002 and December 2003, the City entered into lease agreements for financing the acquisition of equipment. The lease agreements qualified as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through the capital leases follow:

	<u>Governmental</u> <u>Activities</u>	<u>Water and</u> <u>Wastewater</u>
Equipment	\$5,151,074	\$794,642
Less: Accumulated depreciation	<u>2,528,809</u>	<u>(124,642)</u>
Total	<u>\$2,622,265</u>	<u>\$669,999</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2003 were as follows:

<u>Ending December 31,</u>	<u>Governmental</u> <u>Activities</u>	<u>Water and</u> <u>Wastewater</u>
2004	\$1,390,183	\$ 59,628
2005	1,390,183	59,628
2006	1,390,183	59,628
2007	<u>1,390,183</u>	<u>59,629</u>
Total minimum lease payments	5,460,732	238,513
Less: amount representing interest	<u>(2,838,527)</u>	<u>(1,28,510)</u>
Present value of minimum lease payments	<u>\$2,622,205</u>	<u>\$109,999</u>

H. Long-term Debt

Changes in long-term liabilities:

Long-term liability activity for the year ended December 31, 2003 was as follows:
(in thousands of dollars)

	Beginning Balance	Addition	Reductions	Ending Balance	Over/Under -Over/Year
Governmental activities:					
General obligation bonds	\$270,942	\$60,812	(\$47,409)	\$310,211	\$17,961
Less unamortized discount	(1,709)	-	2,117	(3,706)	290
Less deferred amounts on refunding	-	(1,419)	41	(1,388)	(139)
Plus deferred premiums	-	1,076	(20)	1,056	87
Total bonds payable	269,233	59,463	(\$47,388)	300,895	17,848
Certificate of indebtedness	43,223	-	(4,440)	38,783	1,876
Insultment purchase agreement	1,877	-	(1,889)	217	217
Capital lease	4,384	-	(1,221)	4,899	1,171
Notes	17,061	183	(130)	16,934	831
Advances	1,884	-	(1,884)	-	-
Net pension obligation	242	-	(30)	212	-
Leasible purchase rate	1,873	241	-	2,114	-
Claims and judgments	10,712	11,434	(\$2,362)	11,977	11,977
Compensated absence	1,822	87	(438)	1,896	100
Governmental activity (Less: Community Development)	380,918	88,577	(\$76,184)	402,743	32,689
Community Development notes	5,208	-	(754)	4,454	(70)
Total long-term liabilities	\$292,188	\$88,577	(\$76,938)	\$303,287	\$16,482

	Beginning Balance	Addition	Reductions	Ending Balance	Over/Under -Over/Year
Business-type activities:					
Municipal and Regional Airports:					
Revenue bonds	\$ 24,173	\$ -	(\$ 518)	\$ 23,655	\$ -
Notes	4,588	-	(4,588)	-	-
Compensated absence	122	87	(20)	189	11
Municipal and Regional Airports - long-term liabilities	28,883	87	(5,026)	23,944	11
Water and Sewerage:					
General obligation bonds	58	-	(176)	118	177
Unamortized discount - General obligation bonds	(49)	31	-	(18)	(1)
Revenue bonds	121,184	91,349	(79,148)	132,385	8,600
Unamortized discount - Revenue bonds	(4,848)	-	335	(4,513)	-
Less deferred amounts on refunding	(1,775)	(4,904)	75	(6,604)	(802)
Plus deferred premiums	173	1,851	(1,872)	152	188
Total bonds payable	111,291	87,765	(78,455)	119,597	8,681
Capital lease	100	-	(40)	118	41
Compensated absence	52	87	(30)	109	76
Water and Sewerage - long-term liabilities	111,893	87,852	(78,525)	119,725	8,749
Other business-type activity programs:					
Compensated absence	208	182	(182)	208	182
Business-type activity long-term liabilities	\$148,911	\$88,034	(\$81,287)	\$155,658	\$6,941

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above table for governmental activities. The claims and judgments liability will be liquidated through the City's Employees Health Care Fund and the Retained Risk Fund. These funds will finance the payment of these claims by charging other funds based on the obligation of the claims. The General Fund normally bears approximately 87% of these costs. At year end \$48,536 of internal service funds compensated absences are included in the above amounts. For the governmental activities, the balance of compensated absences are generally liquidated by the General Fund. Net pension obligations and landfill post-closure care will also be liquidated by the General Fund.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in substantial compliance with all significant limitations and restrictions except for the Airport debt coverage covenant discussed in Note ED.

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 25% of the total assessed valuation. A total of approximately \$49,944,348 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$994,029,488 pursuant to the 25% limitation. Included in the total assessed valuation of property within the City is \$6,777,840 of assessed valuation which has been adjudicated to Credit Parties. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 2003.

	Debt limit - 10% of assessed value for <u>897,029,292.00</u>	Deduct - Amount of debt applicable to debt limit	Legal Debt Margin
Street Improvements	\$96,493,948	\$81,265,121	\$14,771,170
Police and Fire	96,493,948	30,345,378	61,348,570
Water and Sewer Improvements	96,493,948	64,168	96,429,780
Parks and Recreation	96,493,948	18,241,028	78,252,920
Public Buildings	96,493,948	78,591,387	17,902,561
Drainage	96,493,948	53,892,514	42,601,434
Sanitation and Incinerator	96,493,948	82,258	96,411,690
Industrial Bond	96,493,948	9,464	96,484,484
Airports	96,493,948	49,618	96,443,330
Sportsman	96,493,948	895,088	93,887,860
Riverfront Park	96,493,948	4,323,928	92,170,020

The annual requirements to amortize all debt outstanding as of December 31, 2003, including interest requirements are as follows:

	Maturities (Dollars in millions)					
	Total	2004	2005	2006	2007	2008
PRINCIPAL REQUIREMENTS:						
GENERAL OBLIGATION DEBT:						
General Obligation Bonds Applicable to:						
All Purpose other than Water and Sewerage:						
1985A Refunding Issue - 5.00-9.375%	\$0,091	\$1,448	\$1,443	-	\$ -	\$ -
Less: Unamortized Discount	(211)	(28)	(20)	-	-	-
	<u>6,548</u>	<u>1,421</u>	<u>1,118</u>	<u>-</u>	<u>-</u>	<u>-</u>
1987A Refunding Issue - 5.00-8.50%	21,865 (1)	-	4,843	4,840	1,130	1,130
Less: Unamortized Discount	(2,819)	-	(374)	(723)	(689)	(887)
	<u>19,046</u>	<u>-</u>	<u>4,471</u>	<u>4,117</u>	<u>2,311</u>	<u>2,311</u>
1995 Refunding Issue - 3.90-4.20%	10,085	1,183	1,358	1,335	1,415	1,510
1996 Issue - 5.25-8.00%	1,965	613	655	685	-	-
1997 Issue - 4.75-8.00%	26,230	978	1,025	1,085	1,158	1,230
1998 Issue - 4.35-8.00%	21,035	558	588	1,035	1,095	1,160
1998 Refunding Issue - 3.63-4.87%	9,185	948	1,008	1,048	1,095	1,135
1999 Issue - 4.75-5.00%	24,820	1,455	1,538	1,618	1,695	1,780
1999A Issue - 5.00-8.125%	78,530	3,145	3,315	3,518	3,718	3,920
1999 Refunding Issue - 4.00-5.00%	18,343	888	898	908	875	1,008
2001A Issue - 3.45-5.50%	38,930	1,128	1,175	1,238	1,298	1,358
2003A Refunding Issue - 2.375-3.00%	13,245	1,858	1,825	1,988	2,045	1,965
Less: Deferred Amount on Refunding	(502)	(258)	(258)	(28)	(28)	(28)
Plus: Unamortized Premium	186	19	19	19	19	19
	<u>18,929</u>	<u>1,620</u>	<u>1,587</u>	<u>1,980</u>	<u>2,037</u>	<u>1,957</u>
2003B Issue - 2.00-3.25%	18,315	193	170	118	840	840
Less: Deferred Amount on Refunding	(824)	(70)	(70)	(70)	(70)	(70)
Plus: Unamortized Premium	259	46	46	46	46	46
	<u>17,750</u>	<u>169</u>	<u>90</u>	<u>95</u>	<u>816</u>	<u>816</u>
2003C Issue - 3.00-5.00%	37,608	1,185	1,240	1,295	1,350	1,410
Plus: Unamortized Premium	322	32	32	32	32	32
	<u>37,930</u>	<u>1,217</u>	<u>1,272</u>	<u>1,327</u>	<u>1,382</u>	<u>1,442</u>
Water and Sewerage						
1985A Refunding Issue - 5.00-9.375%	354	177	177	-	-	-
Less: Unamortized Discount	(118)	(11)	(17)	-	-	-
	<u>236</u>	<u>166</u>	<u>160</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Obligation Bonds	206,116	18,000	22,841	39,940	18,168	19,600
General Obligation Notes						
1998A Certificate of Indebtedness - 4.65-5.125%	30,278	-	-	760	3,445	1,620
1998B Certificate of Indebtedness - 5.75-6.875%	8,418	1,870	3,093	2,499	-	-
1999 Certificate of Indebtedness - 4.75-7.80%	108	180	-	-	-	-
Insured purchase agreement - 4.4%	517	577	-	-	-	-
1999 City Hall Project Note - 4.75-7.00%	6,268	645	680	715	758	800
Property Acquisition - 4.77%	238	57	57	62	67	-
2000 Independence Stadium - Variable	24,710	140	141	150	155	160
2000A Independence Stadium - Variable	4,940	80	80	80	80	80
Capital Lease - 5.25%	172	86	83	85	88	-
Street Loans/Purchase - 0.68%	4,247	1,083	1,125	1,167	1,218	-
Convention Center Bond Note - Variable	191	4	4	4	4	4
Capital Lease - Water and Sewerage - 5.25%	210	48	51	54	57	-
Total General Obligation Debt	387,611	21,297	28,076	25,478	24,991	24,224

2009- 2010	2014- 2018	2009- 2013	2014- 2018	2009- 2013
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
6,458	--	--	--	--
<u>17,210</u>	--	--	--	--
4,118	--	--	--	--
3,288	--	--	--	--
--	--	--	--	--
7,265	7,515	--	--	--
6,845	5,000	--	--	--
3,875	--	--	--	--
89,865	11,100	3,285	--	--
21,095	38,345	7,180	--	--
3,885	--	--	--	--
7,560	8,650	7,180	--	--
7,470	--	--	--	--
(215)	--	--	--	--
91	--	--	--	--
<u>7,369</u>	--	--	--	--
4,865	3,215	--	--	--
(249)	(157)	--	--	--
281	99	--	--	--
<u>4,905</u>	<u>3,477</u>	--	--	--
8,055	10,815	12,458	--	--
161	--	--	--	--
<u>8,217</u>	<u>10,815</u>	<u>12,458</u>	--	--
--	--	--	--	--
--	--	--	--	--
<u>81,886</u>	<u>81,712</u>	<u>79,328</u>	--	--
17,880	4,665	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
3,663	--	--	--	--
--	--	--	--	--
1,380	3,845	5,575	9,180	4,810
280	618	1,118	3,425	999
--	--	--	--	--
--	--	--	--	--
47	47	47	20	--
--	--	--	--	--
<u>115,138</u>	<u>97,619</u>	<u>76,332</u>	<u>78,972</u>	<u>5,979</u>

Millennium
(Amounts in dollars)

	Total	2004	2005	2006	2007	2008
Municipal and Regional Airports						
1997A Issue - 5.375%	7,190	--	--	--	--	--
1997B PPC Issue - 4.20-5.375%	16,175 (1)	--	500	515	580	610
Total Revenue Bonds - Airports	<u>23,365</u>	<u>--</u>	<u>500</u>	<u>515</u>	<u>580</u>	<u>610</u>
Water and Sewerage						
1993B Issue - 4.25-5.00%	6,648	500	500	563	600	635
1994A Issue - 5.11-9.80%	1,303	1,303	--	--	--	--
1997A Refunding Issue - 4.00-5.00%	5,355	750	905	950	945	635
Less: Deferred Amount on Refunding	(230)	(180)	(140)	(100)	(100)	(100)
	5,125	570	765	850	845	535
2000A Issue - 5.00-5.00%	9,290	588	555	565	580	500
2001A Issue - 3.85%	6,765	345	355	365	375	285
2002B Issue - 3.95%	4,414	345	255	285	275	285
2007C Issue - 3.95%	348	348	--	--	--	--
2007A Issue - 3.95%	6,887	--	--	--	--	--
2007B Issue - 3.95%	1,569	--	495	500	530	38
2007A Issue - 3.95%	347	--	347	--	--	--
2007B Issue - 3.95%	38	--	38	--	--	--
2007A Refunding Issue - 4.00-4.65%	20,815	4,000	--	--	170	1,260
Less: Unamortized Discount	(4,300)	--	--	--	(21)	(684)
Less: Deferred Amount on Refunding	(811)	(316)	(316)	(316)	(305)	(305)
Plus: Unamortized Road/Rail Call Premium	154	18	18	25	18	18
	<u>15,758</u>	<u>3,692</u>	<u>(579)</u>	<u>(571)</u>	<u>47</u>	<u>1,889</u>
2007A Refunding Issue - 4.00-5.00%	40,715	--	4,888	4,328	1,790	4,881
Less: Deferred Amount on Refunding	(2,696)	(245)	(245)	(245)	(245)	(245)
Plus: Unamortized Road/Rail Call Premium	1,536	330	330	330	290	290
	<u>40,555</u>	<u>(15)</u>	<u>6,973</u>	<u>6,713</u>	<u>1,775</u>	<u>4,926</u>
2007B Refunding Issue - 2.00-5.00%	18,730	225	1,605	1,640	1,680	1,721
Less: Deferred Amount on Refunding	(1,472)	(334)	(334)	(334)	(334)	(334)
Plus: Unamortized Original Issuance Premium	680	67	67	67	67	67
	<u>17,938</u>	<u>158</u>	<u>1,338</u>	<u>1,373</u>	<u>1,413</u>	<u>1,454</u>
2007C Refunding Issue - 4.00%	12,485	1,080	925	960	1,080	1,040
Less: Deferred Amount on Refunding	(759)	(7)	(7)	(7)	(7)	(7)
Plus: Unamortized Road/Rail Call Premium	516	47	47	47	47	47
	<u>12,242</u>	<u>1,020</u>	<u>915</u>	<u>960</u>	<u>1,080</u>	<u>1,033</u>
Total Revenue Bonds - Water and Sewerage	<u>129,204</u>	<u>8,434</u>	<u>11,534</u>	<u>11,568</u>	<u>11,240</u>	<u>11,458</u>
Total Principal	<u>599,877</u>	<u>32,823</u>	<u>40,333</u>	<u>37,597</u>	<u>36,811</u>	<u>36,344</u>
INTEREST REQUIREMENTS:						
General Obligation Debt						
Revenue Bonds and Notes	149,268	16,748	16,523	15,318	13,908	13,106
Water and Sewerage	41,740	3,190	4,847	4,441	4,087	3,540
Municipal and Regional Airports	18,711 (2)	--	1,225	1,313	1,185	1,158
Total Interest Requirements	<u>209,729</u>	<u>21,940</u>	<u>22,595</u>	<u>21,076</u>	<u>19,180</u>	<u>17,804</u>
Total Future Debt Requirements	<u>809,606</u>	<u>54,763</u>	<u>62,928</u>	<u>58,673</u>	<u>55,991</u>	<u>54,148</u>

(1) The principal and interest for the 1997A General Obligation Bond Issue which were due January 1, 2004 were paid as of December 31, 2003; therefore, there were no requirements for 2004.

(2) The principal and interest for the 1997B PPC Revenue Bonds due January 1, 2004 were paid as of December 31, 2003; therefore, there were no requirements for 2004.

2009- 2011	2014- 2018	2009- 2012	2014- 2020	2009- 2011
--	--	--	2,280	--
1,518	4,490	5,810	180	--
<u>1,518</u>	<u>4,490</u>	<u>5,810</u>	<u>2,460</u>	<u>--</u>
1,810	--	--	--	--
--	--	--	--	--
1,810	383	--	--	--
(1,449)	(27)	--	--	--
<u>1,661</u>	<u>356</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,715	2,340	1,181	718	--
1,620	1,965	1,563	--	--
1,620	1,470	--	--	--
--	--	--	--	--
--	5,600	188	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
14,205	--	--	--	--
(3,895)	--	--	--	--
(211)	--	--	--	--
29	--	--	--	--
<u>10,128</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
14,160	3,200	--	--	--
(1,294)	(245)	--	--	--
1,147	218	--	--	--
<u>14,283</u>	<u>3,274</u>	<u>--</u>	<u>--</u>	<u>--</u>
9,680	2,105	--	--	--
(683)	(134)	--	--	--
188	82	--	--	--
<u>9,325</u>	<u>2,053</u>	<u>--</u>	<u>--</u>	<u>--</u>
5,863	1,315	--	--	--
(27)	(7)	--	--	--
734	47	--	--	--
<u>6,663</u>	<u>1,355</u>	<u>--</u>	<u>--</u>	<u>--</u>
58,344	18,210	5,118	780	--
<u>68,973</u>	<u>105,272</u>	<u>47,510</u>	<u>18,270</u>	<u>1,000</u>
47,181	20,716	4,318	987	138
15,729	1,279	949	43	--
5,501	4,718	1,806	1,163	--
<u>68,201</u>	<u>26,655</u>	<u>6,983</u>	<u>2,293</u>	<u>138</u>
<u>\$217,227</u>	<u>\$148,865</u>	<u>\$51,813</u>	<u>\$21,348</u>	<u>\$8,008</u>

The Derivative Home Mortgage Authority has debt that is significant in proportion to the total debt of all component units. The annual requirements to amortize all debt outstanding as of December 31, 2003, including interest requirements are as follows:

	Maturities (Thousands of dollars)									
	2004	2005	2006	2007	2008	2009- 2010	2011	2014- 2015	2016- 2020	2021- 2025
Fixed Interest	\$ 775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 775	\$ -	\$ -
1994 Single Family	5,999	2,478	1,459	-	-	-	-	-	-	-
1998 Refinancing	-	-	-	-	-	-	-	-	-	-
1999 Mobile Family	-	-	-	-	-	-	-	-	-	4,448
1999 Single Family	-	-	-	-	-	-	-	-	-	4,885
2001 Single Family	-	-	-	7,500	-	-	-	-	-	-
Total principal on bonds Less:	26,715	2,478	1,459	-	-	-	-	775	-	8,445
Unamortized discount	1,981	615	393	-	-	-	-	591	-	-
Net principal	18,012	1,863	1,066	-	-	-	-	581	-	8,445
Total Interest	31,782	816	619	612	91	516	2,621	2,621	2,621	1,799
Total Future Debt Requirements	\$1,954	\$1,695	\$1,416	\$612	\$921	\$524	\$2,621	\$2,621	\$1,621	\$10,218

General Obligation Bonds

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

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

On December 1, 1983, the City issued \$124,761,423 in General Obligation Refunding Bonds, Series 1983 of which \$6,660,000 were recorded on the financial statements of the Department of Water and Sewerage Fund. The proceeds, along with other monies from the City, were used to refund all prior outstanding general obligation bonds except for one series of the 1982 bonds which were issued to finance an industrial plant which was leased to a private entity. The refunded bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 2003 on the bonds refunded was \$6,645,000.

On July 27, 1985, the City issued \$17,263,140 in General Obligation Refunding Bonds, Series 1985 to advance refund \$17,198,000 of outstanding 1986 Series A Bonds. The City advance refunded the 1986 Series A Bonds to reorganize its debt structure in anticipation of future bond issues. The 1986 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 2003 on the bonds refunded was \$2,150,000.

In December 2000, the City issued \$17,000,000 in General Obligation Bonds, Series 2000A. Included in the proceeds was a revolving premium of \$36,364. The bonds were issued for the purchase of constructing, acquiring, and improving works of neighborhood public improvement of the City including roads, sewers, drainage, parks, and recreation facilities and public facilities including facilities for the Police Department and Fire Department and other public purposes, and acquiring the necessary land, equipment, and furnishings. This is the second and final issue of \$70,000,000 which was authorized in an ordinance held July 21, 2001. The bonds have maturity dates from 2004 through 2023 with principal payments from \$1,165,000 to \$2,718,000 and interest rates from 3.80% to 5.00%.

In January 2003, the City issued \$17,528,000 in General Obligation Refunding Bonds, Series 2003A to advance refund \$4,462,000 of General Obligation Refunding Bonds, Series 1990 and \$11,995,000 of General Obligation Bonds, Series 1993B and to pay for the costs of issuance. Included in the proceeds was a revolving premium of \$294,843. The 2003A Refunding Bonds have maturity dates from 2003 through 2015 with principal payments from \$235,000 to \$2,845,000 and interest rates from 2.537% to 5.00%. Existing sinking funds of \$23,167 along with \$17,306,116 of proceeds from the bonds were placed in an irrevocable trust for future debt service payments of the refunded bonds. These bonds were called for redemption in 2000 and have been entered from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$152,063. This amount is being added against the new debt and amortized over the life of the new debt which is the same as the refunded debt. The refunding was undertaken to reduce the future debt service payments by \$662,551 and resulted in an economic gain of \$648,049.

In November 2003, the City issued \$14,103,000 in General Obligation Refunding Bonds, Series 2003B to advance refund a portion of the outstanding General Obligation Bonds, Series 1996 and to pay for the

costs of issuance. Included in the proceeds was a refunding premium of \$968,284. The amount refunded was \$9,815,000 with maturities from 2007 through 2014. The refunding bonds have maturity dates from 2004 through 2015 with principal payments from \$110,000 to \$1,245,000 and interest rates from 3.00% to 5.00%. Of the refunding bonds issued, \$10,598,371 has been recorded in the debt service fund and \$118,629 was recorded in the original 1996 General Obligation Bond Fund due to excess funds generated by changes in interest rates. Proceeds from the bonds of \$10,700,231 were placed in an irrevocable trust for future debt service payments of the refunded bonds. These bonds will be called for redemption in 2009 and are considered delinquent and have been removed from the governmental activities column of the Statement of Net Assets. The redemption price exceeded the net carrying amount of the old debt by \$807,151. This amount is being applied against the new debt and amortized over the life of the new debt which is the same as the refunded debt. The refunding was undertaken to reduce the future debt service payments by \$269,851 and resulted in an economic gain of \$412,110. The principal outstanding at December 31, 2003 on the bonds refunded was \$9,815,000.

General Obligation Note

In July 2003, the State of Louisiana passed an act to refund \$1,508,000 in payments due to the State from the City in order to further economic development of the Shreveport Regional Airport.

In December 2002, the City entered into a Loan Agreement for \$2,580,000 with the Louisiana Local Government Environmental Facilities and Community Development Authority. The loan was made to fund a portion of the cost of the Convention Center Hotel. The loan is made through advances as expenditures are incurred. The final maturity is March 2021. Interest is payable only on funds advanced against the loan. Interest is computed weekly based on the Bond Market Association index and is payable monthly along with an amortized amount of principal outstanding. The total advances in 2003 and to-date total \$181,849 with principal payments of \$1,800. Debt service is provided through 2020 based on the outstanding principal at a rate of 2.67% which was the rate at year-end.

In March 2000, the City entered into a Loan Agreement for \$25,000,000 with the Louisiana Local Government Environmental Facilities and Community Development Authority. The Authority issued \$25,000,000 of its Revenue Bonds (City of Shreveport/Independence Stadium Project Series 2000) for the purpose of constructing, renovating, and equipping improvements to Independence Stadium, including equipment, furnishings, fixtures, and facilities incidental or necessary and paying the costs of issuance of the bonds. Principal payments range from \$120,000 to \$1,565,000 with maturity dates from 2002 through 2008. The bonds were initially issued in the weekly rate mode which shall be the lowest rate that would, in the opinion of the remarketing agent, result in the market value of the bonds being 100% of the principal amount on the interest determination date. Any bond may be converted to a different interest mode and different bonds may be in different interest rate modes at the same time. Through the loan agreement, the City agrees to make these payments from any lawfully available funds and to budget these amounts annually. The debt schedule for annual requirements assumes an interest rate of 1.33% which was the rate in effect at December 31, 2003 as determined by the remarketing agent. In October 2003, the City entered into an Interest Rate Swap Transaction with JP Morgan Chase Bank. The bank converted the bonds to a fixed rate made with the same maturities through September 1, 2008. The City will continue to pay variable rate interest based on the Bond Market Association (BMAA) Municipal Swap Index plus .30 percent. If the bonds are not remarketed at the end of the term rate period, the swap rate shall be 1.00% and remarketed. There are no external events to change this transaction, and the City will pay a lower interest rate and will not require a standby purchase agreement or a remarketing agreement.

In December 2000, the City entered into a Loan Agreement for \$1,000,000 with the Louisiana Local Government Environmental Facilities and Community Development Authority. The Authority issued \$1,000,000 of its Revenue Bonds (City of Shreveport/Independence Stadium Project Series 2000a) for the purpose of constructing, renovating, and equipping improvements to Independence Stadium, including equipment, furnishings, fixtures, and facilities incidental or necessary and paying the costs of issuance of the bonds. Principal payments range from \$25,000 to \$515,000 with maturity dates from 2002 through

2009. The bonds were initially issued in the weekly rate mode which shall be the lowest rate that would, in the opinion of the remarketing agent, result in the market value of the bonds being 100% of the principal amount on the interest determination date. Any bond may be converted to a different interest mode and different bonds may be in different interest rate modes at the same time. Through the loan agreement, the City agrees to make these payments from any lawfully available funds and to budget these amounts annually. The debt schedule for annual requirements assumes an interest rate of 1.35% which was the rate in effect at December 31, 2003 as determined by the remarketing agent. In October 2005, the City entered into an Interest Rate Swap Transaction with JP Morgan Chase Bank. The bank converted the bonds to a term rate made with the same maturities through September 1, 2008. The City will continue to pay variable rate interest based on the Bond Market Association (BMA) Municipal Swap Index plus .20 percent. If the bonds are not remarketed at the end of the term rate period, the term rate shall be 5.00% and noncallable. There are no external events to change this transaction, and the City will pay a lower interest rate and will not require a standby purchase agreement or a remarketing agreement.

Community Development Notes

The City has four Section 108 Housing and Urban Development (HUD) guaranteed loans created for the purpose of assisting in local development. The notes are secured by a note receivable from the developer with a first lien mortgage and a pledge of the City's current and future CDING funds. The note receivables and notes payable are recorded in the Community Development Fund due to the flow of funds between the developer, the City, and HUD. The developer makes payments to the City and the City survents the note to HUD. An allowance for doubtful accounts has been provided for two of the notes that were in the original amounts of \$1,000,000 and \$2,200,000. An amount of \$3,000,000 and \$1,145,000, respectively, has been recorded as due from HUD at December 31, 2003 in relation to these notes as well as \$134,881 for interest paid but not drawn down at this date.

The debt service requirements to maturity for these loans are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>
2004	\$ 799,000	\$ 527,391
2005	810,000	483,836
2006	820,000	437,960
2007	829,000	389,669
2008	540,000	305,134
2009-2017	2,820,000	1,179,312
2014-2018	1,624,000	314,677
2009	120,000	10,343
Total	\$1,664,000	\$3,663,144

Municipal and Regional Airports Revenue Bonds

The resolutions applicable to the Municipal and Regional Airports Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Municipal and Regional Airport fund. Net assets of the Municipal and Regional Airport fund have been restricted in accordance with the provisions of the respective bond indentures in the amount of \$3,779,000 at December 31, 2003, which represents the restricted assets included in the debt service funds at that date with no current liabilities payable from these restricted assets.

The City has covenanted in the General Bond Resolution that it will at all times fix, prescribe and collect rates, fees and other charges for the services and facilities furnished by the Airport System sufficient to yield net revenues during each fiscal year equal to at least 125% of debt service for each fiscal year and to yield revenues during each fiscal year equal to at least 100% of the aggregate amounts required to be deposited during the first year in each account created by the General Bond Resolution.

Restricted assets on the balance sheet of the Municipal and Regional Airport Fund primarily represent accounts which are required to be maintained pursuant to covenants relating to bonded indebtedness. A summary of restricted assets at December 31, 2003 follows:

<u>Fund</u>	
Debt Service Reserve Funds	\$1,770,058
Other Miscellaneous Reserve Funds	797,215
Bond and Interest Sinking Funds	<u>45,460</u>
Total restricted assets	<u>\$2,612,733</u>

Department of Water and Sewerage Revenue Bonds

During September 1995, the City issued \$11,000,000 in Water and Sewer Revenue Bonds 1995 Series B in advance refund \$23,715,000 of the 1984 Series A Bonds. The 1984 Series A Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at December 31, 2003 on the bonds refunded was \$1,515,058.

In May 2000, the City authorized the issuance of \$16,000,000 of Water and Sewer Revenue Bonds, Series 2000A. These bonds are the first to be issued as part of a total of \$70,000,000 approved in 2001. This brings the total issued to \$24,000,000. The bonds were issued through a Loan and Pledge Agreement with the Louisiana Department of Environmental Quality for the purpose of construction, improvement, rehabilitation, and expansion of the sewer plant and system (the "System") and paying the costs of insurance. Principal payments range from \$540,000 to \$1,127,000 with an interest rate of 3.45% and an administrative fee of 0.5% for a total of 3.95% and maturity dates from 2006 through 2025.

In August 2000, the City authorized the issuance of \$6,000,000 of Water and Sewer Revenue Bonds, Series 2000B. The bonds were issued through a Loan and Pledge Agreement with the Louisiana Department of Environmental Quality for the purpose of construction, improvement, rehabilitation, and expansion of the sewer plant and system (the "System") and paying the costs of insurance. Principal payments are \$300,000 per year with an interest rate of 3.45% and an administrative fee of 0.5% for a total of 3.95% and maturity dates from 2002 through 2024.

The Louisiana Department of Environmental Quality, as the initial purchaser of the bonds will pay the purchase price of the bonds in installments as needed to pay the project costs, and interest shall be payable only on the amount purchased from the date of purchase. At December 31, 2003, the bonds authorized that have not been fully purchased and the amount purchased to date are the 2001B \$7,000,000 (\$4,000,000), 2001C \$1,540,000 (\$328,899), 2002A \$15,000,000 (\$18,100,577), 2002B \$15,000,000 (\$2,040,515), 2003A \$16,000,000 (\$307,120) and the 2003B \$6,000,000 (\$50,000). The amounts due down date in 2003 were 2001B (\$2,051,500), 2001C (\$150,516), 2002A (\$4,677,450), 2002B (\$1,951,604), 2003A (\$347,120), and 2003B (\$50,000).

In March 2005, the City issued \$40,715,000 in Water and Sewer Revenue Bonds, 2005 Refunding Series A to advance refund the 1995 Refunding Series A Bonds and to pay for the costs of insurance. The refunding bonds have maturity dates of 2007 to 2014 with principal payments of \$2,500,000 to \$6,330,000 and interest rates of 4.00% to 5.00%. Existing sinking funds of \$608,981 along with the net proceeds from the bonds of \$42,777,182 (after payments and deductions of \$653,987 for underwriters discount and insurance costs and additions of \$2,000,000 for refunding premiums) were placed in an irrevocable trust for future debt service payments of the refunded bonds. These bonds were called for redemption in 2003 and have been removed from the water and sewer financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$2,875,442. This amount is being carried against the new debt and amortized over the life of the new debt which is the same as the refunded debt. The refunding was undertaken to reduce future debt service payments by \$2,677,344 and resulted in an economic gain of \$2,198,098.

In June 2003, the City issued \$18,808,000 in Water and Sewer Revenue Bonds, 2003 Refunding Series B to advance refund a portion of the City's Water and Sewer Bonds, Series 1994A and to pay for the costs of issuance. The amount refunded was \$17,725,000 with maturities from 2005 through 2014. The refunding bonds have maturity dates of 2003 through 2004 with principal payments from \$38,000 to \$2,165,000 and interest rates of 3.00% to 5.00%. The net proceeds of \$18,108,800 (after payments and deductions of \$495,491 for underwriters discount and issuance costs and additions of \$714,194 for original issue premiums) were placed in an irrevocable trust for future debt service payments of the refunded bonds. These bonds will be called for redemption in 2004 and are considered to be refunded and have been removed from the water and sewer financial statements. The reacquisition price exceeded the carrying amount of the old debt by \$1,347,687. This amount is being netted against the new debt and amortized over the life of the new debt which is the same as the refunded debt. The refunding was undertaken to reduce future debt service payments of \$883,851 and resulted in an economic gain of \$752,681. The principal outstanding at December 31, 2003 on the bonds refunded was \$17,725,000.

In December 2003, the City issued \$12,485,000 in Water and Sewer Revenue Bonds, 2003 Refunding Series C to currently refund a portion of the outstanding Water and Sewer Revenue Bonds, Series 2002A and Series 2002B and to pay for the costs of issuance. The amounts refunded were \$12,214,000 of the Series 2002A with maturity dates from 2004 through 2014 and \$472,000 of the Series 2002B with a maturity date of 2004. The refunding bonds have maturity dates of 2004 through 2004 with principal payments from \$525,000 to \$1,348,000 and an interest rate of 4.00%. The net proceeds of \$12,706,879 (after payments and deductions of \$296,985 for underwriters discount and issuance costs and additions of \$234,744 for modifying provisions) were used to pay the refunded bonds. These bonds have been removed from the water and sewer financial statements. The reacquisition price exceeded the carrying amount of the old debt by \$81,962. This amount is being netted against the new debt and amortized over the life of the new debt which is the same as the refunded debt. The refunding was undertaken to reduce future debt service payments by \$234,742 and resulted in an economic gain of \$189,046. The principal outstanding at December 31, 2003 on the refunded bonds was \$12,204,000 on the Series 2002A and \$472,000 on the Series 2002B.

The Series 2000A, Series 2000B, and 2003 Refunding Series A, B, and C Bonds together with the Prior Lien Bonds are secured by and payable solely from the income and revenues to be derived from the operation of the System subject to the prior payment of the reasonable and necessary expenses of operation and maintenance of the System.

The resolutions applicable to the Department of Water and Sewerage Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Department of Water and Sewerage.

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

Restricted assets on the balance sheet of the Department of Water and Sewerage primarily represent amounts which are required to be maintained pursuant to covenants relating to bonded (infrastructure construction, debt service, and bond principal and interest sinking funds). A summary of restricted assets by bond issue at December 31, 2000 follows:

Fund	
1990A and B Bonds Construction Funds	\$ 118,990
1991A Bond Construction Fund	1,815,072
1990B Bond Construction Fund	159,706
Debt Service Reserve Funds	7,235,000
Bond and Interest Sinking Funds	1,315,344
1994A Bond Construction Fund	2,872,979
2000A Bond Construction Fund	4,215,442
2000A Bond Construction Fund	6,831,500
2000B Bond Construction Fund	39,711
2000C Bond Construction Fund	253,821
2002A and B Bonds Construction Funds	918
Miscellaneous Bond Construction Fund	<u>100,000</u>
Total restricted assets	<u>\$18,128,673</u>

Shoreport Home Mortgage Authority Bonds

On March 14, 1993, the Authority issued \$4,833,000 in bonds, the 1993 issue (Multi-Family Refunding), to advance refund the \$4,360,000 1983-B issue bearing interest at 6.4% and pay part of the issuance costs of the new bonds. The 1983-B Bonds are considered defeased and have been removed from the Authority's financial statements. At December 31, 2000, the principal outstanding on the refunded bonds was \$4,348,080.

The 1979 issue bonds are considered defeased and have been removed from the Authority's financial statements. At December 31, 2000, \$27,500,000 of bonds in the 1979 issue are still outstanding.

On August 26, 2000, the Authority issued \$7,340,000 in Single Family Mortgage Revenue Bonds. The bonds are variable rate at LIBOR plus .808% (1.179% at December 31, 2000) and are due February 1, 2007.

IV. Other Information

A. Retirement Commitments - Defined Benefit Pension Plans and Defined Contribution Plan

The City of Shoreport administers three defined benefit pension plans: the Firemen's Pension and Relief Fund (FPRF), the Policemen's Pension and Relief Fund (PPRF) and the Employees' Retirement System (ERS). These plans do not issue stand-alone financial reports and are not included in the report of a public employee retirement system or another entity and are therefore included as combining statements under the section entitled "Combining and Individual Fund Statements and Schedules".

Summary of Significant Accounting Policies

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

Method Used in Value Investments - Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. The cash surrender value of life insurance policies is recorded as an other asset for the FPRF and PPRF. The policies are valued at their cash value as of the date of the financial statements. The policies provide assets to fund benefits of the plan.

Concentration of Investments

The FPRF, PPRF and ERS had no investments in any one organization representing 1% or more of the fund balance reserved for employees' pension benefits except for obligations of the federal government. There are no investments in loans to or loans with parties related to the pension plans.

Plan Descriptions and Contribution Information

Membership of each plan consisted of the following at December 31, 2001:

	<u>FPRF</u>	<u>PPRF</u>	<u>ERS</u>
Retirees and beneficiaries receiving benefits	269	149	783
Terminated plan members entitled to but not yet receiving benefits	-	-	18
Active plan members:			
Vested	48	14	618
Nonvested	—	—	827
Total	<u>317</u>	<u>163</u>	<u>2,236</u>
Number of participating employees	1	1	1

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

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

Fireman's Pension and Relief Fund

Plan Description - The FPRF is a single-employer defined benefit pension plan that temporarily covers firefighters who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plan but not the State plan.

Until January 1, 1983, the Fireman's Pension and Relief Fund provided the primary retirement benefits for two groups of employees. Firefighters hired before July 12, 1977 were covered under an "Old Plan." Firefighters hired on or after July 12, 1977 were covered by a "New Plan". Under the Old Plan, a

firefighter was eligible to retire at any age with 20 years of service. Benefits are payable monthly for life equal to 30% of the fireman's monthly salary, plus 3.13% for each year of service between 20 and 25 years, plus 1.26% for each year of service between 25 and 30 years. Under the New Plan, a firefighter is eligible to retire at age 50 with 20 years of service or age 55 with 12 years of service. Benefits are 3.13% of three-year average pay times years of service up to 10, plus 2% of each year of service over 10. The benefit cannot exceed 85% of final salary. The City guarantees that it will pay the benefits under the Old and New Plans until the member is eligible for a benefit from the Statewide Firefighters Retirement System. It also guarantees to pay the excess benefits of these plans over the Statewide Firefighters Retirement System.

Disability benefits are payable under the Old Plan on the basis of: (1) temporary total disability in the line of duty, (2) total disability in the line of duty, (3) occupational disability in the line of duty, or (4) total disability not in the line of duty. Disability benefits payable are (1) 66 2/3% of the monthly salary, payable for no more than one year; (2) 66 2/3% of the salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled is payable for the duration of the disability or until the member reaches eligibility for retirement on service basis, except the benefit will end as of the time when the member would have completed 10 years of service; (3) 90% of salary of active members holding the position corresponding to that held by the disabled, not to exceed 66 2/3% of first class fireman's salary, payable for duration of disability or until eligible for service retirement; and (4) 25% of salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled, plus an additional 2% of such salary for each year of service over 3 years, but not to exceed 50% of a first class fireman's salary payable for the duration of the disability. Under the New Plan, the disability benefit is (1) 60% of the fireman's monthly salary or (2) 75% of the accrued benefit. The City guarantees it will pay any excess of the benefits of this plan over the Statewide Firefighters Retirement System.

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

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

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

Only the employer makes contributions on a pay-as-you-go basis. The employer contribution obligations are established and may be amended by State statute. Contributions are made from the General Fund. The City's contribution rate is currently 14.1% of annual covered payroll.

Annual Pension Cost and Net Pension Obligation - The City's annual pension cost and net pension obligation to FFRF for the current year were as follows:

Annual required contribution	\$577,210
Interest on net pension obligation	21,819
Adjustment to annual required contribution	(32,781)
Annual pension cost	\$566,248
Contributions made	\$72,200
Decrease in net pension obligation	(19,562)
Net pension obligation beginning of year	162,620
Net pension obligation end of year	\$211,468

The net pension obligation is \$211,468 at December 31, 2003, and it is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2003 actuarial valuation using the projected unit credit actuarial cost method.

Three-Year Trend Information

Fiscal Year Ending:	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
12/31/00	\$714,467	115.8%	\$244,702
12/31/01	680,319	100.3	342,438
12/31/03	648,648	100.2	211,468

Policemen's Pension and Relief Fund

Plan Description - The PPRF is a single-employer defined benefit pension plan that temporarily covers policemen who retire after January 1, 1968 and meet the eligibility requirements of the local retirement plan but not the state plan.

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

Disability benefits are payable on the basis of: (i) temporary total disability in the line of duty; (ii) total and permanent disability in the line of duty; and (iii) occupational disability that is total and permanent and occurred in the line of duty which renders the member unable to function in his police duties. Benefits payable are: (i) 60-2/3% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Payments will be made for no more than one year or benefits will continue until member becomes eligible for service retirement; or (ii) 50% of monthly salary of active member holding a position corresponding to that

which had been held by a disabled member at the time he became disabled. Benefits will continue until member becomes eligible for service retirement. The City guarantees that it will pay any excess of the benefits of this plan over the MPERS.

A death benefit is payable to a surviving spouse equal to 50% of a beginning policeman's salary. The City guarantees that it will pay this benefit for each policeman holding a guarantee-of-benefits only after serving the time requirement for normal retirement. Benefits are established and may be amended by State statute.

The guaranteed benefits are paid to a closed group of policemen. A significant part of the guaranteed benefits are the temporary benefits payable until age 55.

Only the employer makes contributions. The employer contribution obligations are established and may be amended by State statute. The funding approach is to amortize all benefits over 25 years. However, the contribution cannot be less than the reported benefit payments for the year. Contributions are made from the General Fund. The City's contribution rate is currently 181.7% of covered payroll.

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

Annual required contribution	\$304,310
Increase in net pension asset	(82,033)
Adjustment to annual required contribution	122,000
Annual pension cost	\$344,277
Contributions made	356,326
Decrease in net pension asset	(10,049)
Net pension asset beginning of year	\$17,519
Net pension asset end of year	\$27,470

The net pension asset is \$27,470 as December 31, 2003, and it is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2003 actuarial valuation using the projected unit credit actuarial cost method.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contracted	Net Pension Asset
12/31/01	\$923,851	96.5%	\$936,845
12/31/02	790,817	96.8	\$17,519
12/31/03	\$44,345	99.3	\$27,470

Employees' Retirement System (ERS)

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

Non-City employees employed by the following organizations may become members in the system: Caddo Parish Library, Caddo-Shreveport Sales and Use Tax Commission, Caddo-Bozart Civil Defense Agency, Metropolitan Planning Commission, and other non-City employees recommended by the Board of Trustees and approved by the City Council. Appointed officials of the City and the Mayor have the option to join by filing an application within 90 days after taking office. However, by joining the retirement system, they may not participate in the deferred compensation program for appointed employees.

Prior to October 1, 1998, to be eligible for regular retirement benefits, members must have 30 years of service regardless of age or be age 55 with 18 years of service, and if hired before January 1, 1978 be 35 years of age with 20 years of service. If hired on or after January 1, 1978 members must be 55 years of age with 25 years of service or age 60 with 20 years of service. As of October 1, 1998, eligibility for regular retirement has been extended to any member who has 20 years of service at age 55. The difference before and after a hire of January 1, 1978 has been eliminated. Members become vested in the system after ten years of creditable service. Benefit provisions are established and may be amended by City ordinance.

Benefits available to members hired before January 1, 1998, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 7% of average compensation (nine years of creditable service). Beginning January 1, 1995, the retirement allowance was increased to 7.137% of average compensation (nine years of creditable service for 1998 and future years of service). An early retirement provision has been implemented for any member who has at least ten years of service and is within ten years of a member's normal retirement age. The benefit is reduced. The plan allows members who have met eligibility requirements to defer receipt of benefits until termination. As December 31, 2003, there is \$1,304,984 being held for members in the Deferred Retirement Option Plan.

Prior to October 1, 1998, plan members were required by City ordinance to contribute 9% of compensation to the Plan. The City or other employers were required by the same ordinance to contribute 9.15% of compensation. As of October 1, 1998, member contributions were reduced to 7% of compensation while the City and other employers continued with a 9.137% total rate which is allocated between the Plan and the ERS Employer Contribution Plan which is a savings plan for members. Under this new employer allocation, 5.1% is contributed to the retirement plan and up to 4.037% is contributed to the savings plan based on a matching of member 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 9.137% change. Contribution amounts from plan members, the City and other employers may be amended by City ordinance. Effective October 1, 2003, the City's contributions to the savings plan were temporarily suspended in order to provide additional funding for the retirement plan. This increases the contribution to the retirement plan back to the full 9.13%. Contributions are made from the fund that the employee is paid from or from the organizations noted above. The contribution rate is currently 8.6% of annual covered payroll.

Effective October 1, 1998, the board of trustees authorized an automatic cost-of-living increase each year provided it meets sound actuarial policies and shall be effective January 1. The increase shall not be in excess of the average increase in the consumer price index as of June 30 of the preceding year. The recipients must have been receiving benefits for a minimum of 365 days to be eligible for the cost-of-living increase.

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

Annual required contribution	\$ 8,768,315
Interest on net pension asset	(814,189)
Adjustment to annual required contribution	321,218
Annual pension cost	8,275,344
Contributions made	3,676,999
Decrease in net pension asset	(4,598,345)
Net pension asset beginning of year	8,372,796
Net pension asset end of year	\$ 3,774,451

The net pension asset is \$4,380,819 at December 31, 2003 and is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2003 actuarial valuation using the entry age normal actuarial cost method.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Asset
12/31/01	12,354,218	94.0%	\$11,623,938
12/31/02	4,626,951	55.8	5,577,756
12/31/03	8,271,440	81.1	4,380,819

Employers' Retirement System - Employer Contribution Plan

The ERS Employer Contribution Plan is a defined contribution plan that covers the same group of employees as described under the ERS plan and is administered by the City. A maximum amount of 4.00% of compensation is contributed to the plan based on a matching of member contributions. The match is 50% of contributions up to 4% of compensation and 25% of contributions exceeding 4% up to and including 6%. This is a total maximum of 2.5%. In addition, all members receive 1.50% of compensation with no matching requirements. These percentages can vary from year-to-year based on actuarial evaluations. This plan is established by City ordinance and may be amended. Effective October 1, 2003, the City's match of up to 2.5% and the non-matching contributions of 1.50% were temporarily suspended in order to provide additional funding for the retirement plan. Plan members are not required to contribute. Employer contributions are made from the fund the employee is paid from or from the organization described under the ERS plan. In 2003, the employing entities made no contributions.

Statewide Firefighters' Retirement System (SFRS)

Plan Description

The City of Shreveport contributes to the Statewide Firefighters' Retirement System Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Firefighters' Retirement System. SFRS covers firefighters employed by any municipality, parish, or fire protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2251 through 2259 effective January 1, 1990. Benefits are contributory and may be amended by State statute. The SFRS 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, Firefighters' Retirement System, 2651 Silverdale Drive, Suite 210, Baton Rouge, Louisiana 70808-4106 or by calling 384-9523-0000.

Firefighters

The Firefighters Retirement System of Louisiana notified the City in the first quarter of 2003 that the employer contribution rate would change effective July 1, 2003 from 9% to 15.15%. On June 26, 2003 the Firefighters Retirement System informed the City that House Bill 153 had passed and when signed would result in the employer contribution rate being lowered from 23.27% to approximately 21% effective July 1, 2003.

The City joined several other cities in a lawsuit in an attempt to have the State and possibly the firefighters share in the increased costs, and to lock into the operation of the fund and other matters. On July 13, 2003 the State court issued a temporary order stating that the Firefighters Retirement System cannot demand employer contributions in excess of 9% until the suit is settled. On November 20, 2003 the State court ruled that the Firefighters Retirement System is permanently enjoined from collecting an amount in excess of the 9% employer rate from any employer whose employees are members of the Firefighters Retirement System. The State of Louisiana and the Firefighters Retirement System have appealed to the State Supreme Court and the outcome is pending. A tentative court date has been set for April 13, 2004. The City continued to contribute 9% to the Firefighters Retirement System throughout 2003.

Plan members are required to contribute 8% of their annual compensation and as described above the City is required to contribute 9% of annual compensation, including overtime but including State supplemental pay. The contribution requirements of plan members and the City are established and may be amended by the SFRS Board of Trustees. The City's contributions to SFRS for the years ending December 31, 2000, 2002, and 2003 were \$2,183,091, \$1,884,744, and \$1,793,189, respectively, equal to the required contributions for each year. The plans pension liability was determined in accordance with GASB Statement Number 27 and equated zero before and after the transition.

Municipal Police Employees Retirement System (MPERS)

Plan Description

The City of Shreveport contributes to the Municipal Police Employees Retirement System Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Municipal Police Employees' Retirement System. MPERS covers any full-time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$175 per month including state supplemental pay, or an elected Chief of Police whose salary is at least \$180 per month, and any employee of this system may participate in the MPERS. Benefits are established and may be amended by State statute. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 3401 United Plaza West, Room 303, Baton Rouge, Louisiana 70806 or by calling 1-800-443-4348.

Funding Policy

Plan members are required to contribute 7.15% of their annual compensation and the City is required to contribute 10.27% of annual compensation, including overtime but including State supplemental pay. Prior to July 1, 2003 the City's contribution rate was 9%. The contribution requirements of plan members and the City are established and may be amended by State statute. The City's contributions to MPERS for the years ending December 31, 2000, 2002, and 2003 were \$2,718,099, \$1,655,856, and \$1,610,654, respectively, equal to the required contributions for each year. The plans pension liability was determined in accordance with GASB Statement Number 27 and equated zero before and after the transition.

B. Transit System

The Shoreport Area Transit System (Transit System) is managed and operated for the City by a management company pursuant to an agreement which expires October 1, 2004. Based on terms of the agreement, management fees included in operating expenses were \$188,797. The City is required to reimburse the management company for the excess of expenses over revenues derived from the operation of the Transit System. Pursuant to an agreement between the City of Shoreport and the City of Boster City, Boster City will pay the Transit System for the excess of expenses incurred over revenues derived from operations of transit services in Boster City. The City reimbursed the Transit System \$1,898,180. Boster City reimbursed the Transit System \$321,864.

C. Post-Employment Health Care Benefits

In addition to providing pension benefits, the City provides medical and dental care coverage for any retiree who receives a monthly retirement check from one of the City's retirement plans. Retirees may also continue to cover their dependents after their retirement. Currently, there are 1,315 retirees who are eligible to receive benefits. The City's contribution is equal to 50% of the cost of the base plan. Provisions of the plan and obligations to contribute are established in the City Charter.

The post-employment medical and dental care benefits are accounted for in the City's Health Care Internal Service Fund along with medical and dental benefits for active employees. The benefits are recognized as expenses when claims are incurred. At year-end, an estimate is made for liabilities but not reported claims. The actual cost of the post-employment benefits is based directly on the amount of claims actually incurred. The costs are funded on a pay-as-you-go basis. For 2003, the total costs to the City for the retirees' medical premium and dental benefits were \$2,614,969.

D. Contingencies

Litigation

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

Grant Disallowances

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

E. Landfill Closure and Post-Closure Care Cost

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

The City expects to close the landfill in the year 2023 which is an estimated remaining life of 12 years. The \$2,133,598 reported at December 31, 2003 represents the cumulative costs reported based on 87% of the capacity of the landfill having been used to date. This amount has been accrued in the government-wide financial statements within the governmental activities and has been reported as a designation of fund balances in the General Fund. The estimated total current cost of post-closure care remaining to be recognized is \$7,808,021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is the permit holder for the landfill, and Louisiana Solid Waste Rules and Regulations require all permit holders to demonstrate financial responsibility by one of a group of financial tests contained within the regulations. The City has demonstrated its financial responsibility by the fact that the tangible net worth of the City is at least \$10 million, the net worth is at least six times the estimate of the closure and post-closure costs, and at least 99% of the assets are located in the United States.

F. Risk Management

The City is exposed to various risks of loss related to theft, theft of, damage to and destruction of assets, fires and explosions and natural disasters. All self-insurance programs are accounted for within Internal Service Funds. The City has included insured but not reported claims in determining its claims liability in both self-insurance programs.

The Retained Risk Fund is used to account for self-insurance activities involving property damage, workers' compensation and general liability claims. The City is retaining the risk for its automobile and general liability exposures, except for exposures related to Fire Department vehicles. Liability policies are maintained with third-party insurance carriers for the City's fire vehicles, the drivers, and attendants. The Municipal and Regional Airports are insured with a third-party carrier with liability limits to \$200 million combined single limit. The liability for workers' compensation was insured with a third-party insurance carrier with statutory limits in excess of the City's self-insured retention. The City retains \$500,000 of liability per occurrence for Louisiana Workers' Compensation benefits, and for U.S. Longshoremen and Harbor Workers Act, Jones Act, and other Maritime Act benefits per occurrence on its excess workers' compensation policy. Property insurance was maintained with a third-party carrier subject to a \$50,000 per occurrence of loss deductible. Property coverage was also maintained with third-party carriers on heavy equipment and boilers and machinery.

There were no reductions in insurance coverage from coverage in the prior year. No property damage claims has exceeded the City's insurance coverage during the past three fiscal years.

Payments to the Retained Risk Fund are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the program. Payments in excess of actual expenses are recorded as transfers. At December 31, 2003, the total net assets of \$10,875,548 were designated for future catastrophic losses.

Claims liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of pay-outs and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage and subrogation. No other allocated or unallocated claim adjustment expenses are included. The claims liability of \$7,318,744 reported in the fund at December 31, 2003 is based on the requirements of Governmental Accounting Standards Board Statement No. 18, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount in fiscal years 2002 and 2003 were:

Retained Risk Fund

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-end</u>
2002	\$2,282,276	\$9,271,456	\$2,183,276	\$9,770,456
2003	6,713,339	6,633,160	5,807,215	7,539,284

The City also maintains a self-insurance program to cover medical and dental care claims of City employees, retirees, and dependents. This program is accounted for in the Employees Health Care Fund, an Internal Service Fund. Prior to September 1, 2002, the program covered dental care only. As of September 1, 2002, the City elected to self-insure employees and retirees' medical care also. The addition of medical care is reflected in the claims liabilities shown below.

Changes in the fund's claims liability amount in fiscal years 2002 and 2003 were:

Employees Health Care Fund

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-end</u>
2002	\$ 466,293	\$ 1,477,325	\$ 1,043,829	\$4,901,189
2003	4,081,399	16,791,215	16,333,669	4,538,945

C. Subsequent Events

In February 2004, the City issued \$16,000,000 of Water and Sewer Revenue Bonds, Series 2004A. The bonds were issued through a Loan and Pledge Agreement with the Louisiana Department of Environmental Quality. This is the fourth and final issue of a total of \$70,000,000 approved in 2001.

CITY OF SHREVEPORT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2009
(UNAUDITED)

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

	FY09	FY08	FY07
Valuation date	12/31/09	12/31/08	12/31/07
Actuarial cost method	Projected unit credit	Projected unit credit	Entry age normal cost
Amortization method	Level dollar	Level dollar	Level dollar
Remaining amortization period	12 years closed	12 years closed	20 years open
Asset valuation method	Market value	Market value	Market value
Actuarial assumptions: Investment rate of return ^a	9%	9%	8.5%
Projected salary increases ^b	5%	5%	3% + age-related merit and seniority increases
^a Includes inflation at	3.5%	3.5%	3.5%
Cost-of-living adjustments	-	-	1.8% (all but vested terminations)

CITY OF SHREVEPORT, LOUISIANA
 RECEIVED SUPPLEMENTARY INFORMATION
 SCHEDULES OF EMPLOYER CONTRIBUTIONS
 FISCAL YEARS ENDED DECEMBER 31, 1998 THROUGH DECEMBER 31, 2000
 (REQUIREMENTS)

Year Ended December 31,	Employee Contributions			
	1997	1998		
	Annual Required Contributions	Percentage Contributed	Annual Required Contributions	Percentage Contributed
1998	\$411,046	80.2%	\$511,008	100.0%
1999	692,652	100.0	773,234	100.0
2000	419,221	100.0	883,047	100.0
2001	716,793	100.0	896,071	100.0
2002	693,698	95.9	723,293	100.0
2003	877,320	100.0	894,354	100.0
			\$2,066,312	100.0%
			687,400	45.1
			2,373,618	91.9
			2,259,214	94.1
			4,533,271	50.9
			8,796,033	41.9



Nonmajor Governmental Funds Special Revenue Funds

Special revenue funds are used for specific revenues that are legally restricted to expenditures for particular purposes.

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

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

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

Downtown Entertainment Economic Development Fund - This fund is used to account for incremental sales tax revenues collected from the development area to promote development of the area and associated projects.

Redevelopment Fund - This fund is used to acquire and land bank vacant adjudicated property for future redevelopment projects and to acquire other property for current redevelopment projects in redevelopment areas.

Environmental Grants Fund - This fund accounts for grants received for households assessment, cleanup loan fund, job training, and economic development.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Miscellaneous General Obligation Bond Funds - These funds are used to account for bonds issued for the purpose of contracting and/or improving streets, public safety, drainage systems, waste disposal, parks, an industrial park, and a Sportsman maintenance facility.

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

1999 General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of contracting and/or improving public safety, parks and recreation, streets, the Riverfront, and drainage systems.

2001A General Obligations Bond Fund - This fund is used to account for bonds issued for the purpose of contracting and/or improving public safety, parks and recreation, streets, and drainage systems.

1074 CORPORATION, LIMITED
 CONSOLIDATED BALANCE SHEET
 FEDERAL GOVERNMENTAL EMPLOYEES
 DECEMBER 31, 1988

Special Revenue Funds

Division

Environment

Resource

Development

Subdivision

Environment

Division

Resource

Development

Subdivision

Environment

Division

Resource

Development

Subdivision

Environment

Division

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Environment

	Environment	Resource	Development	Subdivision	Environment	Resource	Development	Subdivision	Environment	Resource	Development	Subdivision	Total
ASSETS													
Cash and cash equivalents	\$ 484,488	\$ 1,000,000	\$ --	\$ --	\$ 70,000	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,484,488
Investments	571,000	1,700,000	--	--	71,000	--	--	--	--	--	--	--	2,342,000
Accounts receivable, net	--	1,714,000	1,100	--	--	--	--	--	--	--	--	--	3,425,100
Prepaid expenses and other assets	--	--	--	--	--	--	--	--	--	--	--	--	--
Due from other divisions	--	--	100,000	--	--	--	--	--	97,000	--	--	--	197,000
Due from other funds	--	--	--	--	--	--	--	20,000	--	--	--	--	20,000
State and federal grants	--	--	--	--	--	--	--	10,000	--	--	--	--	10,000
Total assets	\$ 1,055,488	\$ 3,414,000	\$ 101,100	\$ --	\$ 141,000	\$ --	\$ --	\$ 30,000	\$ 97,000	\$ --	\$ --	\$ --	\$ 4,607,488
LIABILITIES AND FUND BALANCES													
Liabilities													
Accounts payable	\$ 11,000	\$ 14,000	\$ 70,000	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,000	\$ --	\$ --	\$ --	\$ 95,000
Due to other funds	--	4,500,000	120,000	--	--	--	--	--	90,000	--	--	--	5,110,000
Deferred income	--	--	--	--	--	--	--	--	--	--	--	--	--
Total liabilities	\$ 11,000	\$ 4,514,000	\$ 190,000	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 91,000	\$ --	\$ --	\$ --	\$ 5,215,000
Fund Balances													
Assigned to:													
Environment	\$ 11,000	\$ 14,000	\$ 70,000	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,000	\$ --	\$ --	\$ --	\$ 95,000
Resource	--	--	--	--	--	--	--	90,000	--	--	--	--	90,000
Development	--	--	--	--	--	--	--	--	--	--	--	--	--
Subdivision	--	--	--	--	--	--	--	--	--	--	--	--	--
Unassigned	1,033,488	1,033,710	131,100	141,000	--	--	--	20,000	96,000	--	--	--	2,355,488
Total fund balances	\$ 1,044,488	\$ 1,047,710	\$ 301,100	\$ 141,000	\$ --	\$ --	\$ --	\$ 40,000	\$ 97,000	\$ --	\$ --	\$ --	\$ 2,540,488
Total liabilities and fund balances	\$ 1,055,488	\$ 3,414,000	\$ 491,100	\$ --	\$ 141,000	\$ --	\$ --	\$ 40,000	\$ 98,000	\$ --	\$ --	\$ --	\$ 4,607,488

The accompanying notes are an integral part of the financial statements.

Capital/Debt Fund

Account	Account	2004	2003		Total	Total
General	Capital	General	General			Reserve
Obligations	Projects	Obligations	Obligations			Commercial
and Fees	and	and Fees	and Fees			Fund
\$ 3,751,770	\$ --	\$ 1,184,827	\$ 840,244	\$ 14,194,010	\$ 17,766,849	\$ 10,710,000
4,376,430	1,170,070	4,774,000	15,800,000	20,770,000	26,720,829	12,880,000
21,000	--	--	20,000	100,000	141,000	120,000
--	--	75	--	--	75	--
--	--	--	--	--	1,000,000	1,000,000
--	2,000,000	1,000,000	--	10,000,000	13,000,000	10,000,000
--	--	--	--	--	10,000	10,000
<u>\$ 8,149,200</u>	<u>\$ 3,170,070</u>	<u>\$ 7,058,827</u>	<u>\$ 15,820,244</u>	<u>\$ 34,264,010</u>	<u>\$ 72,608,678</u>	<u>\$ 23,720,000</u>
\$ 10,000	\$ 20,000	\$ 40,000	\$ 1,000,000	\$ 200,000	\$ 2,000,000	\$ 1,000,000
1,000,000	1,000,000	--	1,000,000	1,000,000	4,000,000	4,000,000
10,000	--	10,000	--	10,000	10,000	10,000
<u>\$ 1,010,000</u>	<u>\$ 2,020,000</u>	<u>\$ 50,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,010,000</u>	<u>\$ 8,020,000</u>	<u>\$ 5,010,000</u>
500,000	500,000	500,000	1,750,000	1,500,000	3,250,000	3,000,000
--	--	--	--	--	--	--
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000	6,000,000
<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,750,000</u>	<u>\$ 2,500,000</u>	<u>\$ 9,250,000</u>	<u>\$ 9,000,000</u>
<u>\$ 1,110,200</u>	<u>\$ 5,190,070</u>	<u>\$ 9,058,827</u>	<u>\$ 19,570,244</u>	<u>\$ 36,774,010</u>	<u>\$ 81,628,678</u>	<u>\$ 37,730,000</u>

CITY OF BIRMINGHAM, LOUISIANA
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2004

	Special Revenue Funds							
	Education	Street Improvement	Water Costs	Business Development		Subsidies	Refinement Grants	Total
				Development	Development			
REVENUES								
Intergovernmental	\$ --	\$ --	\$ 103,200	\$ --	\$ --	\$ --	\$ 103,200	
Grants	--	11,794,200	--	--	--	--	11,794,200	
License/certificates	14,977	184,870	1,207	12,875	61	--	124,970	
Miscellaneous	793,700	853,844	18,761	149,200	1,000	--	1,796,505	
Total revenues	<u>802,677</u>	<u>12,842,914</u>	<u>123,168</u>	<u>162,075</u>	<u>1,061</u>	<u>70,000</u>	<u>13,932,835</u>	
EXPENDITURES								
Grant	--	--	--	--	--	--	--	
General government	--	--	--	--	--	--	--	
Public safety	24,400	--	1,061,804	--	--	--	1,086,204	
Culture and recreation	24,400	--	--	--	--	--	48,800	
Economic development	--	1,000,000	--	--	1,100	70,000	1,701,100	
Capital outlay	--	--	--	--	--	--	--	
Refinement grants	--	--	--	--	--	--	--	
Total expenditures	<u>49,200</u>	<u>1,000,000</u>	<u>1,061,804</u>	<u>--</u>	<u>1,100</u>	<u>70,000</u>	<u>2,572,104</u>	
Change (increase) of resources and fund balance available	<u>(32,523)</u>	<u>2,842,914</u>	<u>17,364</u>	<u>162,075</u>	<u>1,060</u>	<u>--</u>	<u>3,174,736</u>	
OTHER FINANCING SOURCES (USES)								
Treasury in	--	--	49,000	--	--	--	49,000	
Treasury out	--	(10,000,000)	--	(100,000)	--	--	(10,100,000)	
Outstanding bonds issued	--	--	--	--	--	--	--	
Grant proceeds	--	--	--	--	--	--	--	
Take/other financing sources net of net change in fund balance	<u>--</u>	<u>(10,000,000)</u>	<u>49,000</u>	<u>(100,000)</u>	<u>--</u>	<u>--</u>	<u>(10,051,000)</u>	
Net change in fund balance	<u>(32,523)</u>	<u>(7,157,086)</u>	<u>17,364</u>	<u>162,075</u>	<u>1,060</u>	<u>--</u>	<u>(7,000,000)</u>	
fund balance beginning	<u>1,000,000</u>	<u>8,000,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>--</u>	<u>9,130,000</u>	
fund balance ending	<u>\$ 967,477</u>	<u>\$ 8,842,914</u>	<u>\$ 27,364</u>	<u>\$ 172,075</u>	<u>\$ 11,060</u>	<u>\$ --</u>	<u>\$ 9,130,000</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, LOUISIANA
RECREATION DEVELOPMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variances With</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u>	<u>Fund Budget</u>
			<u>Base</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Investment earnings	\$ 250,000	\$ 250,000	\$ 164,578	\$ (85,422)
Fees	14,750,000	14,750,000	13,714,894	(935,106)
Miscellaneous	855,000	855,000	872,564	(17,564)
Total revenues	<u>15,855,000</u>	<u>15,855,000</u>	<u>14,751,976</u>	<u>(1,103,024)</u>
EXPENDITURES				
Current				
Economic development				
Salaries, wages and employee benefits	238,000	238,000	234,544	3,456
Materials and supplies	1,533	1,533	1,634	(1,001)
Contracted services	891,233	891,233	894,967	(3,734)
Other charges	3,484,576	3,484,576	3,584,241	(99,665)
Total expenditures	<u>4,815,342</u>	<u>4,815,342</u>	<u>4,715,386</u>	<u>99,956</u>
Transfers of resources over expenditures	<u>11,139,658</u>	<u>11,139,658</u>	<u>11,134,477</u>	<u>(5,181)</u>
OTHER FINANCING/USES				
Transfers out	<u>(11,629,600)</u>	<u>(11,629,600)</u>	<u>(11,629,600)</u>	<u>0.00</u>
Total other financing uses	<u>(11,629,600)</u>	<u>(11,629,600)</u>	<u>(11,629,600)</u>	<u>0.00</u>
Net change in fund balance	<u>(1,813,642)</u>	<u>(1,489,942)</u>	<u>(1,512,700)</u>	<u>(322,758)</u>
Fund balance beginning	<u>7,614,500</u>	<u>6,124,558</u>	<u>4,611,858</u>	<u>0.00</u>
Fund balance ending	<u>\$ 5,800,858</u>	<u>\$ 4,634,616</u>	<u>\$ 3,100,158</u>	<u>\$ (1,534,458)</u>
Net change in fund balance (Budget base)			<u>\$ (1,512,700)</u>	
Adjustments:				
Encumbrances			<u>13,000</u>	
Net change in fund balance (GAAP base)			<u>\$ (1,499,700)</u>	

The accompanying notes are an integral part of the financial statements.

Nonmajor Enterprise Funds

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

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

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

Downtown Parking Fund - This fund is used to account for parking revenues to promote improved parking facilities in the downtown area.

CITY OF BERKELEY, CALIFORNIA
STATEMENT OF NET ASSETS
NONLAPSE ENTERPRISE FUNDS
DECEMBER 31, 1992

	Mortgage Area Transit System	Golf	Deerhorn Pooling	Total Nonmajor Enterprises Funds
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 231,800	\$ 44,254	\$ 288,900	\$ 564,954
Investments	45,403	15,508	493,548	654,459
Receivables, net	338,498	304	-	338,802
Due from other funds	502,540	-	-	502,540
Due from other governments	300,388	-	-	300,388
Inventory	268,817	11,803	-	280,620
Prepaid items	155,028	-	-	155,028
Total current assets	1,843,274	171,369	782,448	2,797,091
Noncurrent Assets				
Capital Assets				
Land	1,748,408	-	-	1,748,408
Contributions in process	288,008	-	-	288,008
Buildings	8,280,000	758,848	-	9,038,848
Improvements other than buildings	-	188,888	-	188,888
Equipment	14,281,716	380,175	-	14,661,891
Less accumulated depreciation	(7,544,444)	(382,844)	-	(7,927,288)
Total noncurrent assets	16,775,678	844,787	-	17,620,465
Total assets	18,618,952	1,016,156	782,448	20,419,556
LIABILITIES				
Current Liabilities				
Accounts payable	348,877	16,506	-	365,383
Accrued liabilities	391,863	11,638	-	403,501
Due to component unit	-	-	81,004	81,004
Deferred revenue	-	21,188	-	21,188
Component advances	178,608	11,134	-	189,742
Total current liabilities	1,019,348	67,466	81,004	1,167,818
Noncurrent Liabilities				
Component advances	-	41,811	-	41,811
Total noncurrent liabilities	-	41,811	-	41,811
Total liabilities	1,019,348	109,277	81,004	1,209,629
NET ASSETS				
Inherited as capital assets, net of related debt	14,197,807	642,794	-	14,840,601
Unrestricted	449,271	373,859	788,514	1,611,844
Total Net assets	\$ 14,647,078	\$ 1,016,653	\$ 788,514	\$ 16,452,245

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA
COMBINED STATEMENT OF REVENUE, EXPENSE,
AND CHANGE IN FUND NET ASSETS
NORMAL FUND ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Monroe Area Transit System</u>	<u>GOV</u>	<u>Downs Parking</u>	<u>Total Monroe Enterprise Funds</u>
OPERATING REVENUE				
Charges for services	\$ 1,469,840	\$ 1,179,311	\$ 676,898	\$ 3,326,049
Miscellaneous	28,222	22,222	-	50,444
Total operating revenues	<u>1,498,062</u>	<u>1,201,533</u>	<u>676,898</u>	<u>3,376,493</u>
OPERATING EXPENSES				
Personnel services	5,078,828	820,919	-	5,900,747
Contracted services and other expenses	1,506,869	248,444	400,000	2,155,313
Utilities	112,000	86,296	-	198,296
Repairs and maintenance	2,187	8,688	-	11,875
Materials and supplies	1,146,000	189,754	-	1,335,754
Depreciation	490,000	44,781	-	534,781
Total operating expenses	<u>8,407,000</u>	<u>1,488,802</u>	<u>400,000</u>	<u>10,295,802</u>
Operating income (loss)	<u>\$(6,908,938)</u>	<u>\$(287,269)</u>	<u>276,898</u>	<u>\$(6,919,309)</u>
NONOPERATING REVENUE (EXPENSE)				
Investment earnings	-	-	9,114	9,114
Interest expense	-	(87)	-	(87)
Intergovernmental	1,153,464	-	-	1,153,464
Net increase in the value of investments	-	24	-	24
Loss on disposal of capital assets	(712)	-	-	(712)
Total nonoperating revenues (expenses)	<u>1,152,752</u>	<u>137</u>	<u>9,114</u>	<u>1,361,903</u>
Income (loss) before contributions and transfers	<u>\$(5,756,186)</u>	<u>\$(121,231)</u>	<u>286,012</u>	<u>\$(5,591,405)</u>
Capital contributions	5,291,145	0	-	5,291,145
Transfers in	5,564,380	171,400	-	5,735,780
Change in net assets	<u>1,099,339</u>	<u>54,169</u>	<u>286,012</u>	<u>1,939,520</u>
Total net assets-beginning	<u>12,712,071</u>	<u>288,230</u>	<u>494,544</u>	<u>13,494,845</u>
Total net assets-ending	<u>\$ 13,811,410</u>	<u>\$ 342,399</u>	<u>\$ 780,556</u>	<u>\$ 14,934,365</u>

The accompanying notes are an integral part of the financial statements.

CITY OF SHERBROOK, QUEBEC
 COMBINED STATEMENT OF CASH FLOWS
 MUNICIPAL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2005

	Management Area Transit System	Cash	Borrowings Parking	Total Noncapital Enterprise Funds
Cash flows from operating activities:				
Receipts from operations	\$ 1,855,987	\$ 1,213,428	\$ 678,998	\$ 3,192,181
Payments to suppliers	(2,783,149)	(411,952)	(399,293)	(3,594,394)
Payments to employees	(8,008,686)	(813,423)	-	(8,822,109)
Other receipts	38,153	-	-	38,153
Other payments	-	(85,089)	-	(85,089)
Net cash provided by (and in) operating activities	\$ (8,878,245)	\$ (108,936)	\$ 279,705	\$ (8,698,540)
Cash flows from noncapital financing activities:				
Subsidy from federal govt.	2,218,037	171,468	-	2,389,505
Transfers in	3,566,746	-	-	3,566,746
Interest paid on operations	-	(82)	-	(82)
Net cash provided by noncapital financing activities	\$ 5,784,783	\$ 171,386	\$ -	\$ 5,956,169
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(2,008,545)	-	-	(2,008,545)
Capital grants	1,121,779	-	-	1,121,779
Capital contributed by (consumed by) others	629,654	-	-	629,654
Net cash used in capital and related financing activities	\$ (1,257,112)	\$ -	\$ -	\$ (1,257,112)
Cash flows from investing activities:				
Purchases of investments	(45,425)	(71,999)	(493,548)	(610,972)
Interest	-	-	9,318	9,318
Net cash used in investing activities	\$ (45,425)	\$ (71,999)	\$ (484,230)	\$ (599,654)
Net increase in cash and cash equivalents	\$ (3,838,987)	\$ (209,549)	\$ (214,525)	\$ (4,263,061)
Cash and cash equivalents - beginning of year	\$ 452,128	\$ 87,844	\$ 497,321	\$ 1,037,293
Cash and cash equivalents - end of year	\$ 213,141	\$ (121,705)	\$ 282,796	\$ 214,232

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:

	Sharepoint Area Transit System	Golf	Downstream Parking	Total Nonmajor Enterprise Funds
Operating income (loss)	\$ 6,619,075	\$ (23,188)	\$ 275,882	\$ 6,871,669
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	608,869	64,783	-	673,652
(Increase)/Decrease in assets:				
Receivables	(73,667)	508	-	(73,159)
Due from other funds	(84,288)	-	-	(84,288)
Inventories	1,285	3,463	-	4,748
Prepaid items	(60,939)	-	-	(60,939)
(Increase)/Decrease in liabilities:				
Accounts payable	31,259	(6,685)	113	24,687
Accrued liabilities	8,104	2,953	-	11,057
Deferred revenue	-	12,423	-	12,423
Compensated absences	31,593	4,158	-	35,751
Total adjustments	609,019	65,629	113	674,761
Net cash provided by (used in) operating activities	\$ 7,228,094	\$ (158,659)	\$ 277,995	\$ 7,347,430

Non-cash investing, capital and financing activities:

Sharepoint Area Transit had a loss on disposal of capital assets in the amount of \$503.

The Golf Fund had a net increase in the fair value of investments of \$14.

The Golf Fund had received capital assets of \$113.

The accompanying notes are an integral part of the financial statements.



Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, and to other government, on a cost reimbursement basis.

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

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

Fleet Services Fund - This fund is used to account for maintenance of the City's fleet with the exception of Fire, Sports, and Airport.

**CITY OF NEWHEMPSTON, VERMONT
COMBINED STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2003**

	Employee Health Care	Retired Risk	Pest Services	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1,179,269	\$ 2,475,109	\$ --	\$ 3,654,378
Investments	--	8,075,112	--	8,075,112
Receivables, net	1,504,628	--	--	1,504,628
Due from other funds	--	3,362,959	--	3,362,959
Inventory	--	--	391,283	391,283
Prepaid items	--	148,807	--	148,807
Total current assets	<u>3,683,897</u>	<u>16,062,077</u>	<u>391,283</u>	<u>20,137,457</u>
Noncurrent Assets:				
Capital Assets:				
Land	--	--	62,000	62,000
Buildings	--	--	917,888	917,888
Equipment	--	15,066	776,112	991,178
Less accumulated depreciation	--	(11,708)	(577,852)	(689,560)
Total noncurrent assets	<u>--</u>	<u>3,358</u>	<u>1,268,148</u>	<u>1,271,506</u>
Total assets	<u>3,683,897</u>	<u>16,065,435</u>	<u>1,659,431</u>	<u>21,408,763</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	14	179,640	56,873	176,527
Due to other funds	2,080,967	--	221,219	2,302,186
Compensated absences	--	2,917	11,932	14,849
Claims and judgments	4,498,732	1,119,766	--	5,618,498
Total current liabilities	<u>6,583,713</u>	<u>1,122,323</u>	<u>269,024</u>	<u>7,975,060</u>
Noncurrent Liabilities:				
Compensated absences	--	11,246	61,499	72,745
Total noncurrent liabilities	<u>--</u>	<u>11,246</u>	<u>61,499</u>	<u>72,745</u>
Total liabilities	<u>6,583,713</u>	<u>1,133,569</u>	<u>330,523</u>	<u>7,047,805</u>
NET ASSETS:				
Invested in capital assets, net of related debt	--	3,358	617,348	620,706
(unreserved) (pluses)	2,140,671	16,672,682	(1,027,892)	17,785,461
Total net assets	<u>\$ 2,140,671</u>	<u>\$ 16,676,040</u>	<u>\$ 589,456</u>	<u>\$ 17,406,167</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HENRIEVILLE, VERMONT
 COMBINED STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND-NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Employee Health Care	Rental Risk	Fleet Services	Total Internal Service Funds
OPERATING REVENUES				
Charges to customers	\$ 18,128,960	\$ 8,898,879	\$ 5,198,484	\$ 32,226,323
Miscellaneous	19,119	1,901,471	75,986	2,096,576
Total operating revenues	<u>18,148,079</u>	<u>10,800,351</u>	<u>5,274,470</u>	<u>34,222,900</u>
OPERATING EXPENSES				
Personal services	59,973	708,280	1,190,999	1,959,252
Contracted services and other expenses	1,979,649	1,206,787	159,629	3,346,065
Utilities	"	"	45,600	45,600
Repairs and maintenance	"	"	768,879	768,879
Materials and supplies	9,838	6,743	973,988	989,569
Claims	14,779,210	4,689,688	"	19,468,898
Depreciation	"	108	44,090	44,198
Total operating expenses	<u>16,838,710</u>	<u>8,599,506</u>	<u>3,868,626</u>	<u>29,306,842</u>
Operating income (loss)	<u>1,309,369</u>	<u>2,200,845</u>	<u>1,405,844</u>	<u>4,916,058</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	5,685	191,987	"	201,672
Interest expense	"	"	(3,791)	(3,791)
Gain on disposal of capital assets	"	(7,115)	811	(6,519)
Total nonoperating revenues (expenses)	<u>5,685</u>	<u>184,872</u>	<u>4,020</u>	<u>194,577</u>
Income (loss)	<u>\$11,339</u>	<u>2,385,717</u>	<u>1,410,864</u>	<u>4,936,920</u>
Capital contributions	"	881	1	882
Change in net assets	<u>\$11,339</u>	<u>2,386,601</u>	<u>1,410,865</u>	<u>4,938,805</u>
Fund-net assets-beginning	2,894,671	8,773,839	269,098	11,937,608
Total net assets-ending	<u>\$ 2,906,010</u>	<u>\$ 11,160,440</u>	<u>\$ 729,963</u>	<u>\$ 14,796,413</u>

The accompanying notes are an integral part of the financial statements.

CITY OF SHREVEPORT, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Employee Health Care	Retained Risk	Riot Payment	Total Internal Service Funds
Cash flows from operating activities:				
Receipts from operations	\$ 16,786,269	\$ 14,290,613	\$ 4,276,660	\$ 35,353,542
Payments to suppliers	(2,061,411)	(1,148,184)	(1,428,626)	(4,638,221)
Payments to employees	(8,533)	(228,480)	(1,268,114)	(2,535,027)
Claims	(14,276,161)	(5,895,150)	-	(20,171,311)
	<u>484,244</u>	<u>3,007,181</u>	<u>42,286</u>	<u>3,493,691</u>
Net cash provided by operating activities				
Cash flows from noncapital financing activities:				
Interest paid on operations	-	-	(5,714)	(5,714)
	<u>-</u>	<u>-</u>	<u>(5,714)</u>	<u>(5,714)</u>
Net cash used in noncapital financing activities				
Cash flows from capital and related financing activities:				
Principal paid on debt	-	-	(2,488)	(2,488)
Interest paid on debt	-	-	(4,485)	(4,485)
Acquisition and construction of capital assets	-	(3,782)	(3,451)	(7,233)
Net cash used in capital and related financing activities	<u>-</u>	<u>(3,782)</u>	<u>(10,424)</u>	<u>(14,206)</u>
Cash flows from investing activities:				
Purchase of investments	(1,827)	(3,171,143)	-	(3,172,970)
Interest on investments	15,827	18,281	-	34,108
	<u>14,000</u>	<u>(3,152,862)</u>	<u>-</u>	<u>(3,138,862)</u>
Net cash provided by (used in) investing activities				
Net increase(decrease) in cash and cash equivalents	467,311	(6,041,721)	-	(5,574,410)
Cash and cash equivalents - beginning of year	6,711,878	11,547,119	-	18,259,077
Cash and cash equivalents - end of year	<u>\$ 3,129,287</u>	<u>\$ 5,505,398</u>	<u>\$ -</u>	<u>\$ 8,634,685</u>

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:

	Employee Health Care	Retained Earnings	Fleet Services	Total Internal Services Funds
Operating income (loss)	\$ (951,153)	\$ 1,311,205	\$ (114,611)	\$ 1,105,439
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	134	63,081	63,215
(Increase)/Decrease in assets:				
Receivables	(1,287,666)	-	-	(1,287,666)
Due from other funds	-	288,044	-	288,044
Inventory	-	-	52,066	52,066
Prepaid taxes	-	(74,854)	-	(74,854)
Increase/(Decrease) in liabilities:				
Accounts payable	(17,966)	187,200	(25,121)	49,107
Accounts receivable	437,148	813,465	-	1,250,613
Due to other funds	1,860,503	-	181,244	2,041,747
Compounded advances	-	(283)	(6,253)	(6,536)
Total adjustments	1,145,137	1,213,618	156,811	2,485,566
Net cash provided by operating activities	\$ 484,014	\$ 3,897,088	\$ 41,209	\$ 4,422,311

Non-cash investing, capital, and financial activities:

Retained Earnings had donated capital assets of \$551.

Retained Earnings had a loss on disposal of capital assets of \$13,118.

Fleet Services had donated capital assets of \$15.

Fleet Services had a loss on disposal of capital assets of \$612.

The accompanying notes are an integral part of the financial statements.



**Fiduciary Funds
Pension Trust Funds**

Firemen's Pension and Relief Fund - This fund is used to account for a single-employer defined benefit pension plan that temporarily covers firefighters who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plan but not the state plan.

Policemen's Pension and Relief Fund - This fund is used to account for a single-employer defined benefit pension plan that temporarily covers policemen who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plan but not the state plan.

Employees' Retirement System - This fund is used to account for a cost-sharing multiple-employer defined benefit pension plan that covers all full-time classified employees of the City and other board recommended organizations other than policemen and firemen. Appointed officials also have the option to join the plan.

CITY OF HEBNERPORT, LOUISIANA
(COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS)
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	Fireman's Pension and Savings	Policeman's Pension and Savings	Employee's Retirement System	Total Employee Retirement Funds
ADDITIONS				
Contributions				
Employer	\$ 877,250	\$ 809,004	\$ 3,625,499	\$ 5,311,753
Plan members	-	-	3,650,807	3,650,807
	<u>877,250</u>	<u>809,004</u>	<u>7,276,306</u>	<u>8,962,560</u>
Investment earnings				
Net appreciation in fair value of investments	641,324	591,114	19,195,037	20,427,475
Interest	7,171	11,295	3,440,151	3,458,517
Dividends	126,273	76,016	1,487,834	1,689,123
	<u>774,768</u>	<u>678,425</u>	<u>24,123,022</u>	<u>26,069,315</u>
Less investment expense	<u>(13,000)</u>	<u>(13,011)</u>	<u>(63,861)</u>	<u>(89,872)</u>
Net investment income	761,768	665,414	24,059,161	25,486,133
Miscellaneous	<u>300,000</u>	<u>-</u>	<u>(17,426)</u>	<u>282,574</u>
Total additions	1,941,017	1,474,418	31,344,998	33,811,433
DEDUCTIONS				
Pensions	1,433,418	731,429	10,447,791	12,612,638
Refund of member contributions	-	-	1,031,371	(1,031,371)
Administrative expenses	17,048	17,824	188,121	223,093
Life insurance	<u>(11,129)</u>	<u>(19,991)</u>	<u>-</u>	<u>(31,120)</u>
Total deductions	1,459,465	830,244	11,677,283	13,967,112
Change in net assets	481,552	644,174	19,667,715	20,843,321
Net assets - beginning	<u>7,554,011</u>	<u>7,340,369</u>	<u>150,413,793</u>	<u>175,308,173</u>
Net assets - ending	\$ 8,035,563	\$ 7,984,543	\$ 170,081,508	\$ 196,151,494

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA
COMBINED STATEMENT OF FINANCIAL NET ASSETS
PERIODIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

	Pension's Provision and Rolloff	Pension's Provision and Rolloff	Employee Retirement System	Total Employee Retirement Plans
ASSETS				
Cash and cash equivalents	\$ --	\$ 302,750	\$ --	\$ 302,750
Receivables:				
Interest receivable	12,260	7,434	101,609	121,303
Accounts receivable	--	28,265	5,071	33,337
Due from other funds	73,100	87,000	--	160,100
Prepaid items	328,277	285,240	--	613,517
Investments, at fair value:				
U.S. government securities	--	20	28,424,828	28,424,828
Municipal bonds	5,218,155	5,285,119	--	10,503,274
Domestic corporate bonds	--	--	60,732,634	60,732,634
Domestic common stock	--	--	78,126,733	78,126,733
Total investments	<u>5,218,155</u>	<u>5,285,119</u>	<u>138,554,195</u>	<u>143,868,043</u>
Other assets:				
Cash surrender value of life insurance policies	8,188,040	1,731,307	--	9,919,347
Total assets	<u>\$ 12,777,834</u>	<u>\$ 7,684,136</u>	<u>\$ 178,731,628</u>	<u>\$ 197,193,638</u>
LIABILITIES				
Accounts payable	--	--	1,940	1,940
Due to other funds	443,028	--	4,780,867	5,223,895
Employee deposits held in escrow	--	--	1,784,688	1,784,688
Total liabilities	<u>443,028</u>	<u>--</u>	<u>6,567,495</u>	<u>8,490,523</u>
NET ASSETS				
Net assets for the pension benefits	<u>\$ 12,334,806</u>	<u>\$ 7,684,136</u>	<u>\$ 172,164,133</u>	<u>\$ 188,703,115</u>

The accompanying notes are an integral part of the financial statements.



Discretely Presented Component Unit

This special revenue fund accounts for receipts and disbursements which occur in conjunction with coordinating City planning, preparing and enforcing zoning laws, and keeping City annexation policies current.

CITY OF SHREVEPORT, LOUISIANA
 METROPOLITAN PLANNING COMMISSION
 BALANCE SHEET
 DECEMBER 31, 2000

ASSETS

Cash and cash equivalents	\$	40
Due from other governments		40,000
Total assets	\$	<u>40,040</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$	402
Due to primary governments		73
Due to other governments		19,153
Total liabilities		<u>19,628</u>

Fund balance:

Reserved for encumbrances		10,019
Unreserved, undesignated		<u>(15,019)</u>
Total fund balance		<u>10,000</u>

Amounts reported for the Metropolitan Planning Commission in the Statement of Net Assets for component units are different because:

Capital assets reported in governmental activities are not financial assets and, therefore, are not reported in governmental funds.

Net assets	\$	<u>982,100</u>
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The accompanying notes are an integral part of the financial statements.

**CITY OF SHREVEPORT, LOUISIANA
METROPOLITAN PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2003**

REVENUES	
Intergovernmental	\$ 140,000
Miscellaneous	112,263
Total revenues	<u>252,263</u>
EXPENDITURES	
General government	<u>1,072,143</u>
Total expenditures	<u>1,072,143</u>
Deficiency of revenues under expenditures	(800,240)
OTHER FINANCING SOURCES	
Payment from City of Shreveport	<u>800,240</u>
Net change in fund balance	--
Fund balance - beginning	<u>--</u>
Fund balance - ending	--
<i>Amounts reported for the Metropolitan Planning Commission in the Statement of Activities for component units are different because:</i>	
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 and reported as depreciation expense.	
Depreciation expense	<u>452,500</u>
Change in net assets	<u>\$ 452,500</u>

The accompanying notes are an integral part of the financial statements.



Statistical Section

This section, which is composed of accounting and non-accounting data, is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the City. Many of these tables present data from outside the accounting records; therefore, the Statistical Section data has not been subjected to independent audit.

CITY OF SHREVEPORT, LOUISIANA
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
 FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year (ended)	General Government	Public Safety	Public Works	Health and Welfare	Cultural and Recreation
1994	\$27,258,947	\$48,624,328	\$21,239,599	\$483,518	\$9,238,424
1995	30,888,942	51,540,000	25,888,343	359,754	10,929,829
1996	28,545,711	55,835,608	23,579,878	409,927	10,472,189
1997	26,236,171	59,067,314	25,819,138	191,990	9,242,621
1998	29,394,186	57,472,320	24,683,340	380,998	9,968,262
1999	29,831,409	62,699,178	24,868,883	411,809	10,782,474
2000	31,168,384 (2)	63,899,305	23,880,411 (3)	424,884	10,606,593
2001	26,846,343	65,779,840	23,133,205	493,430	11,479,437
2002	24,873,123	68,731,189	28,580,912	483,639	11,358,628
2003	27,464,094	72,137,187	23,992,785	309,733	10,788,702

(1) Includes general, special revenues, and debt service funds.

(2) Beginning in 2000, general government expenditures for component units are reported as payments to component units and included within total expenditures rather than transfers.

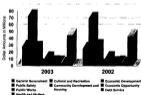
(3) Beginning in 2000, Highways and Streets and Sanitation were combined for reporting as Public Works.

(4) Beginning in 2000, these expenditures are recorded as transfers to the appropriate capital project funds when the expenditures are incurred.

Unaudited - see accompanying independent auditor's report.

Community Development and Housing	Economic Development	Economic Opportunity	Capital Outlay	Debt Service	Total
\$6,297,506	\$1,345,040	\$3,619,323	\$9,030,156	\$20,143,759	\$300,877,386
3,998,989	2,267,197	3,266,333	2,285,908	11,150,300	311,646,311
2,256,944	1,488,150	3,331,617	3,149,432	30,403,683	148,432,456
3,285,455	1,348,971	3,269,645	303,402	15,752,678	134,893,610
4,483,779	3,831,618	3,361,299	361,897	81,487,884	219,433,822
3,549,549	4,635,895	3,273,472	3,987,644	29,892,134	173,682,029
3,680,323	3,738,894	2,220,321	-- (4)	29,513,016	168,953,148
8,883,271	3,528,798	2,719,289	--	43,115,034	188,057,327
3,851,432	4,781,913	3,483,756	--	42,932,202	338,358,694
3,141,498	4,770,448	2,948,163	--	44,640,297	304,237,138

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION



CITY OF BOSTON REPORT TO THE COMMONWEALTH
 GENERAL GOVERNMENTAL SERVICESABLE BUDGETS 21
 2004, Year-End Report on the 2003-2004 BUDGET

fiscal Year ended	Total	General and Funds	Major category	Changes in Revenue	Fine and Fees	Special Assessments	Investment and Reserve	Operating	Maintenance	Total
1994	\$14,488,000	\$4,521,240	\$9,286,871	\$1,547,175	\$1,871,506	\$7,112	\$2,182,228	\$2,715,778	\$1,971,448	\$4,687,226
1995	\$16,611,704	5,796,664	14,688,268	17,664,318	5,541,529	15,779	2,860,714	6,446,462	1,816,720	\$8,263,182
1996	\$16,979,268	4,899,122	15,823,794	19,252,641	5,141,088	11,929	2,975,114	6,487,660	2,281,265	\$8,768,925
1997	\$17,241,714	6,676,295	15,644,262	18,283,845	3,499,978	-	3,295,000	7,666,118	1,844,628	\$9,510,746
1998	\$16,679,275	6,794,711	16,483,728	16,258,214	2,871,271	-	1,746,629	6,795,348	1,861,297	\$8,656,645
1999	\$21,411,771	4,481,666	21,268,762	12,257,285	3,543,126	-	1,686,278	7,900,171	2,241,224	\$10,141,395
2000	\$18,091,243	6,177,660	17,681,678	14,321,716 (2)	2,888,118	-	2,888,000 (2)	7,269,269	4,675,481 (2)	\$11,944,750
2001	\$17,797,660	6,292,020	16,891,916	11,288,964	3,281,261	-	2,492,488	6,487,442	3,111,869	\$9,599,311
2002	\$19,079,148	7,564,678	17,113,028	14,487,820	2,330,660	-	1,261,879	11,875,461	4,256,644	\$16,132,105
2003	\$18,886,689	8,908,179	17,053,122	17,264,575	3,879,614	-	411,281	11,741,688	6,426,717	\$18,168,405

(1) Includes general special services and job service funds

(2) Beginning in 2000, investment earnings are reported as a separate account. Previously, they were combined with property accounts which have been reclassified to charges for services or subscriptions.

Unaudited - see accompanying independent auditor's report.

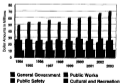
**CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND EXPENDITURES BY FUNCTION
FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2000**

Fiscal Year Ended	General Government	Public Safety	Public Works	Cultural and Recreation	Total
1994	\$26,530,875	\$48,516,848	\$25,128,599	\$9,893,323	\$110,069,645
1995	27,339,896	51,197,365	25,988,243	9,816,406	114,341,910
1996	24,604,975	51,172,987	25,179,678	10,966,908	111,924,548
1997	23,758,250	24,351,689	23,889,138	9,381,979	111,379,056
1998	28,986,927	53,652,769	24,682,792	8,721,348	115,043,836
1999	27,156,380	60,396,574	24,808,343	10,621,296	122,982,593
2000	29,114,391 (1)	29,396,808	27,895,413 (2)	18,470,289	104,877,901
2001	28,463,584	61,812,340	27,133,205	11,026,051	128,435,180
2002	22,714,668	67,096,188	28,980,522	11,242,691	129,733,469
2003	25,407,662	70,238,128	25,982,785	16,502,764	138,131,340

- (1) Beginning in 2000, general government expenditures for component units are reported as payments to component units and included within total expenditures rather than transfers.
 (2) Beginning in 2000, Highways and Streets and Sanitation were combined for reporting as Public Works.

Unaudited - see accompanying independent auditor's report.

GENERAL FUND EXPENDITURES BY FUNCTION



CITY OF SHREVEPORT, LOUISIANA
 GENERAL FUND REVENUES BY SOURCE
 FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year Ended	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fees and Profits	Investment Earnings	Miscellaneous	Total
1994	\$80,389,899	\$3,621,196	\$1,387,812	\$16,879,177	\$3,387,106	\$1,423,668	\$1,175,900	\$113,088,548
1995	81,815,635	3,784,261	6,026,629	17,584,428	3,341,329	1,467,989	688,765	115,621,967
1996	81,889,172	3,848,122	1,109,802	19,232,621	3,189,008	1,478,087	981,257	122,161,549
1997	86,805,860	4,946,271	6,527,169	15,318,258	3,471,269	1,598,644	548,228	118,281,866
1998	81,475,667	3,184,046	7,189,281	14,318,256	3,387,218	1,117,821	981,263	123,489,255
1999	84,800,813	3,126,826	6,906,424	15,322,283	3,381,863	1,731,981	789,213	127,069,445
2000	100,315,128	6,527,882	7,416,668	16,178,884 (1)	3,888,819	91,287 (1)	3,749,879 (1)	134,889,666
2001	105,145,144	6,589,622	8,665,319	15,286,721	3,351,665	191,886	644,228	139,706,995
2002	101,428,029	3,804,625	6,242,483	16,208,248	2,213,668	26,246	688,658	134,531,667
2003	109,513,641	6,865,779	6,809,773	17,421,401	2,819,424	111,206	1,086,244	144,768,879

(1) Beginning in 2001, investment earnings are reported in a separate account. Previously they were combined with property revenues which are now classified as charges for services or miscellaneous.

Unaudited - see accompanying independent auditor's report.

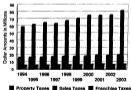
CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND TAX REVENUES BY SOURCE
FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year Ended	Property Taxes	Sales Taxes	Franchise Taxes	Total
1994	\$16,851,269	\$29,879,258	\$1,844,819	\$48,575,346
1995	16,450,366	31,219,417	1,214,812	48,884,595
1996	16,684,762	31,813,983	1,460,427	49,959,172
1997	17,220,847	31,815,812	1,460,214	50,496,873
1998	17,328,743	31,718,296	1,468,618	50,515,657
1999	17,822,684	31,113,334	1,354,873	50,290,891
2000	18,195,008	31,548,583	1,178,678	50,922,269
2001	18,373,336	31,481,624	1,088,254	50,943,214
2002	19,395,668	31,971,686	1,210,683	52,578,037
2003	20,313,803	32,343,087 (1)	1,318,781	53,975,671

(1) In 2003 there was a .25% sales tax rate increase.

Unaudited-see accompanying independent auditor's report.

GENERAL FUND TAX REVENUES BY SOURCE



CITY OF SHEFFERTON, LOUISIANA
PROPERTY TAX LISTS AND COLLECTIONS
FISCAL YEARS ENDED DECEMBER 31, 1984 THROUGH DECEMBER 31, 2004

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collected	Ratio of Total Collections to Tax Levy
1984	\$22,023,081	\$20,981,185	95.2%	\$1,041,896	\$22,023,081	99.4
1985	19,116,607	20,498,872	92.4	1,600,340	22,099,212	99.1
1986	40,660,340	39,058,781	96.1	867,813	40,008,594	97.9
1987	42,808,980	40,362,770	94.3	1,533,280	41,896,050	97.9
1988	44,113,325	41,287,397	93.6	1,548,735	42,836,132	97.1
1989	44,113,404	41,473,342	94.0	1,740,062	43,213,404	98.0
2000	40,955,818	42,254,894	93.4	1,698,137	43,953,031	96.2
2001	48,082,316	45,259,872	94.3	2,792,121	48,051,993	100.1
2002	48,543,887	44,098,872	91.0	1,672,882	45,771,754	94.1
2003	48,281,682	46,181,795	95.7	2,478,684	48,660,479	98.7

(1) Current collections through February 17, 2004. Taxes collected after 60 days from the year-end are recorded in the prior year's delinquent tax returns. Collections for 2003 will continue until February, 2004 when 2004 taxes are billed.

Unaudited - see accompanying independent auditor's report.

**CITY OF SHREVEPORT, LOUISIANA
 ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
 FISCAL YEARS ENDED (DECEMBER 31, 1994 THROUGH) (DECEMBER 31, 2004)**

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio Assessed Value to Estimated Actual Value</u>
1994	736,649,760	6,193,377,388	11.9
1995	763,219,700	6,409,617,133	11.9
1996	792,361,740	6,659,115,987	11.9
1997	833,135,880	6,943,578,699	12.0
1998	854,889,130	7,176,689,840	12.0
1999	855,852,380	7,143,897,833	12.0
2000	898,938,880	7,527,581,313	11.9
2001	907,231,970	7,688,214,500	11.9
2002	946,647,780	8,137,315,000	11.8
2003	964,939,480 (1)	8,253,848,100	11.9

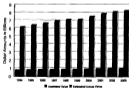
Note:

Assessed values are established by the Caddo Parish Tax Assessor on January 1 of each year at approximately 18-22% of assumed market value. A revaluation of all property is required to be completed no less than every 4 years. The last revaluation was completed for the roll of January 1, 2000. The next revaluation will be completed as of January 1, 2004 for the 2004 tax roll.

- (1) Included in the total assessed value of property within the City is \$6,717,048 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying independent auditor's report.

ASSESSED & ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY



CITY OF SHREVEPORT, LOUISIANA
SUMMARY OF AD VALOREM TAX MILLAGE RATES
(TAX RATE PER \$1,000 ASSESSED VALUE)
FISCAL YEARS ENDING DECEMBER 31, 1994 THROUGH DECEMBER 31, 2000

	2000	2000	2001	2000	2000	2000	2000	2000	2000	2000
Debt Service (1)	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54	\$10.54
General Allotment (2)	12.11	12.11	12.11	12.11	12.11	12.11	12.11	12.11	12.11	12.11
Police Three-Platoon System (3)	1.75	1.75	1.75	1.75	1.76	1.76	1.76	1.76	1.81	1.81
Police and Fire Uniforms & Equipment (3)	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.37	1.37
Salary & Wage Schedule (3)	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.37	1.37
Street Improvements (3)	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.37	1.37
Employee Benefits (3)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.07	1.07
Parks & Recreational Facilities (3)	.50	.50	.50	.50	1.00	1.00	1.00	1.00	1.00	1.00
Total	\$11.38	\$11.38	\$11.38	\$11.38	\$11.63	\$11.63	\$11.63	\$11.63	\$11.94	\$11.94

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

(2) City Council is authorized by Louisiana Constitution to levy, after public hearing by a two-thirds affirmative vote, a millage rate of up to, but not in excess of:
 (a) 12.11 mills for General Allotment
 (b) 1.81 mills for Police Three-Platoon System

(3) Special millage approved by referendum and must be reappraised by referendum every 3 years.
 (Last submitted and approved on April 5, 2000).

Unaudited - see accompanying independent auditor's report.

CITY OF SELENSPORT, LOUISIANA
 PROPERTY TAX RATES AND TAX LEVELS - DIRECT AND OVERLAPPING CONTRIBUTIONS
 FISCAL YEARS ENDING DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year	Tax Rate				Tax Levies			
	In Dollars Per \$1000 of Assessed Value				City	School	Parish	Total
	City	School	Parish	Total				
1994	\$1.34	\$4.99	\$31.21	\$343.04	\$17,303,498	\$23,711,279	\$100,232,502	
1995	51.34	54.58	31.21	344.14	37,640,349	54,176,334	109,948,354	
1996	51.53	51.51	41.99	345.04	48,932,142	38,481,508	100,162,077	
1997	51.53	61.08	41.87	378.58	42,995,985	64,868,174	119,275,776	
1998	51.53	64.48	41.17	377.28	44,133,232	65,896,319	145,415,364	
1999	51.53	63.99	41.17	376.79	44,113,494	67,872,869	149,018,131	
2000	51.56	64.53	39.93	376.02	48,956,818	71,747,465	159,449,071	
2001	51.56	66.53	40.16	378.25	48,082,134	76,482,608	163,086,769	
2002	51.56	67.27	40.40	379.23	48,583,087	78,564,826	169,244,276	
2003	51.56	67.27	40.40	379.23	48,583,087	78,618,146	169,795,519	

Note: Property was revised for January 1, 2003.

Unaudited - see accompanying independent auditor's report.

CITY OF SHREVEPORT, LOUISIANA
 PRINCIPAL TAXPAYERS
 DECEMBER 31, 2003

Name	Assessed Value	Tax Amount	Percentage of Assessed Value to Total Assessment
1. Southwestern Electric Power Company	\$18,963,880	\$1,388,809	4.0%
2. BellSouth	12,981,400	1,226,851	3.5
3. Kmart's	18,941,900	971,772	2.8
4. Hillman National Bank	12,846,280	718,262	2.1
5. AMSouth Bank	12,178,480	628,882	1.8
6. Bank One	11,368,416	583,252	1.7
7. Wal-Mart	8,618,298	411,954	1.2
8. Calumet Lubricants	6,314,158	346,498	1.0
9. Comapoint Energy Anika	5,346,290	278,278	.8
10. Pennaco-Quaker States	4,816,148	249,518	.7
Total amount for ten principal taxpayers	144,296,799	7,882,426	19.0
Total for remaining taxpayers	626,641,680	42,689,827	81.0
Total amount for all taxpayers	\$770,938,479	\$50,572,253	100.0%

Unaudited - see accompanying independent auditor's report.

CITY OF SHREVEPORT, LOUISIANA
 SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
 FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2005

Fiscal Year	Amount of Installment Assessments Due	Total Revenue Collected	Percentage of Revenue To Assessments Due
1994	\$41,088	\$75,657	184.3%
1995	28,034	38,364	137.0
1996	28,009	33,834	121.1
1997	2,880	19,758	700.6
1998	2,667	7,178	269.0
1999	2,533	11,867	468.5
2000	2,150	14,811	688.9
2001	2,267	31,968	1,410.5
2002	6,238	9,266	148.4
2003	7,732	1,583	46.2

Unaudited - see accompanying independent auditor's report.

CITY OF BOSTON, MASSACHUSETTS
COMPTROLLER GENERAL REPORT
DECEMBER 11, 2007

Assessed value (\$M) (2007)	State and Local Appropriations	State and Local Appropriations	Funds and Revenues	Funds and Revenues	Debt	Investment and Liquidity	Interest Paid	Reserve	Reserve	Reserve
State fund - 20% of assessed value for city use	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048	\$9,493,048
City fund - amount of debt applicable to debt limit	78,283,021	78,283,021	44,148	78,283,021	34,135,174	44,148	44,148	44,148	44,148	44,148
Legal debt ceiling	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071	\$84,776,071

Notes:

- 1. Debt limit is the total assessed value of property within the City of \$1,177,000,000 of assessed value which has been allocated to Public Funds.
- 2. 20% State reserve represents 20% of the assessed value for bonded debt for any purpose. However, the 20% maximum would be exceeded if the aggregate amount for all purposes does not exceed 100% of the total assessed value. Amount of \$48,944,001 of additional bonded debt is available for reserves pursuant to the 2004 Statute.

Unaudited - see accompanying independent auditor's report.

CITY OF BERKELEYPORT, LOUISIANA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year	Population	Assessed Value	Direct Bonded Debt(1)	1994 Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Debt Per Capita
1994	281,345	\$736,649,860	\$147,982,060	\$12,099,477	\$160,081,537	21.7%	\$579
1995	195,815	765,234,730	158,594,642	15,175,651	173,770,293	22.8	752
1996	201,178	792,861,740	164,115,366	26,788,205	190,903,571	24.1	714
1997	200,368	832,331,880	175,120,999	22,618,714	197,739,713	23.7	737
1998	200,210	834,888,230	142,896,519	22,842,397	165,738,916	20.4	1,048
1999	201,800	835,852,380	168,296,858	27,418,681	195,715,539	23.4	1,105
2000	208,145	898,828,580	238,834,831	28,977,407	267,812,238	29.9	1,188
2001	201,819	877,231,870	278,641,582	32,942,438	311,584,020	35.5	1,217
2002	204,000	946,647,780	264,873,234	37,297,993	302,171,227	31.9	1,131
2003	202,896 (1)	964,809,680 (1)	287,761,223	41,480,883	329,242,106	34.1	1,214

Note:

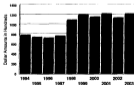
(1) Source: Treasurer of the State of Louisiana.

(2) Includes all general obligation bonds payable from assessed property taxes in their original principal amount outstanding. Included in this amount is \$64,148 payable by the Water and Sewerage Fund.

(3) Included in the total assessed value of property within the City is \$5,727,840 of assessed value which has been adjudicated to Caddo Parish.

Unaudited - see accompanying independent auditor's report.

NET DEBT PER CAPITA

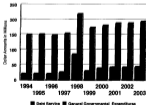


CITY OF SHREVEPORT, LOUISIANA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL GOVERNMENT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
FISCAL YEARS ENDING DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year	Principal	Interest and Other Costs	Total Debt Service	Total General Governmental Expenditures	Debt Service as a Percentage of General Expenditures
1994	\$9,818,128	\$11,117,431	\$20,935,559	\$150,877,786	13.8%
1995	9,783,852	11,356,459	21,140,311	151,686,311	14.0
1996	9,670,176	10,756,235	20,426,411	148,492,435	13.7
1997	11,467,264	14,340,894	25,808,158	154,493,639	16.7
1998	14,135,856	21,312,028	35,447,884	218,463,902	16.2
1999	12,361,307	17,596,887	29,958,194	173,492,429	17.2
2000	22,581,367	16,833,849	39,415,216	188,952,148	20.8
2001	26,980,110	16,715,323	43,695,434	188,657,527	23.1
2002	26,180,990	16,811,281	42,992,271	185,716,684	23.2
2003	28,233,638	16,266,967	44,500,605	194,217,158	22.9

Unaudited - see accompanying independent auditor's report.

DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES



CITY OF SHERBORNE, ONTARIO
 COMPUTATION OF DEBT AND OVERLAPPING DEBT
 GENERAL AND SPECIAL PURPOSE AND MONTHS
 DISCLOSED 31, 2003

	Current Debt	Provision(s)	Amount Available Debt Service Fund	Net Debt	Percentage of Debt Applicable to the City(s)	City's Share of Debt
Direct Debt						
City of Sherborne						
General Obligation Bonds	\$27,752,212	\$4,148	\$41,062,860	\$245,218,074	100%	\$245,218,074
General Obligation Notes	80,812,216	-	-	80,412,336	6%	80,412,336
Total Direct Debt	<u>\$108,564,428</u>	<u>\$4,148</u>	<u>\$41,062,860</u>	<u>\$325,630,410</u>		<u>\$325,630,410</u>
Overlapping Debt						
Calton Park Commission	11,570,000	-	1,661,244	9,908,756	7%	1,661,244
Calton Park School Board	26,897,000	4,813,868	27,287,963	318,788,427	75.3	247,644,608
Total Overlapping Debt	<u>\$38,467,000</u>	<u>\$4,813,868</u>	<u>\$28,949,207</u>	<u>\$348,697,183</u>		<u>\$495,289,292</u>
Total Direct and Overlapping Debt	<u>\$147,031,428</u>	<u>\$8,962,016</u>	<u>\$70,012,067</u>	<u>\$674,327,593</u>		<u>\$820,919,702</u>

Note:

- (1) Balances represent general obligation bonds and notes issued for proprietary fund purposes which are payable from those funds.
 (2) Based on 2003 assumed rebates.

Unaudited - see accompanying independent auditor's report.

CITY OF SHERBOURNE, LOUISIANA
 REVENUE BOND COVERAGE
 WATER AND SEWER BONDS
 FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

Fiscal Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenues Available for Debt Service	Debt Service Requirements		Times Coverage
				Principal	Interest	
1994	\$19,875,054	\$19,176,317	\$698,737	\$4,786,666	\$10,879,153	1.38
1995	41,254,378	31,434,907	9,819,471	4,789,861	30,871,440	1.94
1996	44,443,324	33,818,488	10,624,836	4,721,290	30,791,157	2.18
1997	43,449,008	33,958,429	9,490,579	4,871,643	31,246,359	1.43
1998	41,248,548	32,443,312	8,805,236	4,782,789	31,282,334	1.86
1999	40,483,054	31,423,812	9,059,242	4,664,641	31,148,395	1.49
2000	41,884,028	31,864,086	10,019,942	4,664,667	31,616,297	2.69
2001	37,894,399	28,419,899	9,474,500	4,638,766	30,918,720	1.76
2002	34,362,646	27,868,641	6,494,005	5,287,979	31,543,619	1.45
2003	39,258,168	27,645,477	11,612,691	4,080,864	31,957,367	1.94

Notes:

(1) Includes operating revenues and interest income and net change in the fair value of investments and intergovernmental revenues.

(2) Includes depreciation and amortization expense and other noncash net.

Unaudited - see accompanying independent auditor's report.

CITY OF SHREVEPORT, LOUISIANA
 REVENUE BOND COVERAGE
 MUNICIPAL AND REGIONAL AIRPORTS
 FISCAL YEARS ENDED DECEMBER 31, 1998 THROUGH DECEMBER 31, 2000

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service Requirements		Times Coverage
				Principal	Interest	
1998	\$7,250,646	\$6,111,613	\$1,139,033	-	\$614,866	1.89
1999	6,274,888	4,319,948	1,954,940	-	787,308	2.48
2000	6,987,234	5,145,977	1,841,257	-	684,766	2.69
2001	6,800,000	5,245,007	1,554,993	-	927,384	1.71
2002	6,756,147	4,818,094	1,938,053	-	987,283	1.94
2003	7,100,564	6,365,997	734,567	-	286,897	2.57 (3)

Notes:

- (1) Includes operating revenues, interest income, investment income, net fair value adjustments of investments, transfers in and includes passenger facility charges and terminal PFC debt up to the extent of the charges.
- (2) Before depreciation and amortization expense but including transfers out.
- (3) Beginning in 2001, the debt service coverage computation was changed to include passenger facility charges and terminal PFC debt up to the amount of the charges. Years prior to 2001 were recalculated to reflect this change.

Unaudited - see accompanying independent auditor's report

CITY OF SHREVEPORT, LOUISIANA
DEMOGRAPHIC STATISTICS
FISCAL YEARS ENDED DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003

<u>Fiscal Year</u>	<u>Population</u>	<u>Median Age</u>	<u>School Enrollment(1)</u>	<u>Unemployment Rate(2)</u>
1994	204,463	33.4	49,310	6.7%
1995	199,813	33.3	49,139	5.6
1996	204,379	33.3	49,843	6.3
1997	201,968	34.3	49,018	5.8
1998	201,325	34.3	46,832	4.7
1999	201,800	34.3	46,611	3.8
2000	200,345	34.3	45,129	4.9
2001	201,819	33.4	46,940	7.1
2002	201,100	33.8	44,322	6.6
2003	202,986 (1)	34.7 (2)	44,332	6.1

Sources:

- (1) - *Treasurer of the State of Louisiana*
- (2) - *Center for Business Economic Research, Louisiana State University - Shreveport*
- (3) - *Catholic Parish School Board*
- (4) - *Louisiana Department of Labor*

Unaudited - see accompanying independent auditor's report.

CITY OF SHREVEPORT, LOUISIANA
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
FISCAL YEARS ENDED (DECEMBER 31, 1994 THROUGH DECEMBER 31, 2003)

Fiscal Year	Commercial Construction(1)		Residential Construction(1)		Commercial	Residential
	Number of Units	Value	Number of Units	Value	Property Value(1)	
1994	64	\$21,496,873	213	\$33,893,898	\$1,480,207,888	\$1,793,969,786
1995	79	31,823,714	249	34,000,257	1,500,817,633	1,899,799,580
1996	79	41,539,519	216	31,787,516	1,624,132,887	1,654,983,188
1997	114	119,582,439	215	37,121,897	1,888,666,190	1,694,912,508
1998	137	114,681,179	208	89,089,629	1,998,958,249	1,145,442,600
1999	168	143,236,441	208	58,678,841	1,963,171,833	1,176,643,008
2000	185	72,385,845	355	56,689,383	4,124,484,713	1,405,815,600
2001	161	57,689,144	374	56,942,287	4,431,493,330	1,496,721,800
2002	87	108,928,424	448	72,377,723	4,808,348,330	1,533,169,680
2003	80	115,653,028	694	107,285,684	4,619,948,820	1,629,086,180

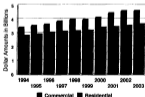
Bank deposits are not disclosed. Several banks in the City are part of statewide banking operations, and they are not able to include the deposits within the City of Shreveport.

Sources:

- (1) Permit and Inspection's Annual Reports
- (2) Estimated appraised value from the City of Shreveport Revenue Division's Tax Summary

Unaudited - see accompanying independent auditor's report.

PROPERTY VALUE



CITY OF SHREVEPORT, LOUISIANA
MISCELLANEOUS STATISTICS
DECEMBER 31, 1969

Date of settlement	1835
Date of incorporation	1839
Form of government	Mayor-Council
Date established	1778
Area-square miles	128
Last miles of paved streets	1,504
Police protection:	Municipal
Number of policemen & officers	568
Fire protection:	Municipal
Number of firemen & officers	338
Employees:	
Classified, appointed, elected, and exempt (exclusive of fire and police)	1,878
Recreation:	
Parks - Number of acres	1,783
Number of playgrounds	45
Number of tennis areas	47
Number of municipal golf courses	3
Number of street lights	30,315
Water storage tanks:	
Number of storage tanks	11
Total capacity of water storage tanks	15,740,000 gallons
Municipal water plant:	
Number of towers	65,800
Daily average consumption	40,000,000 gallons
Miles of water mains	1,264
Sewer:	
Number of towers	63,880
Daily average inflow flow	18,000,000 gallons
Miles of sewer mains	1,036
Miles of drainage ditches:	
Paved	408
Non-paved	510

Unaudited - see accompanying independent auditor's report.

CITY OF SHREVEPORT, LOUISIANA
Shreveport, Louisiana

Compensation Paid to Council Members

December 31, 2005

<u>Council Member</u>	<u>Compensation</u>
Calvin B. Lester, Jr., District A	\$ 14,900.08
Richard M. Wolford, District B	15,697.35
Thomas G. Connolly, Jr., District C	14,730.08
Michael Gibson, District D	14,580.08
Jeffrey A. Hogan, District E	14,900.08
James E. Green, District F	15,472.81
Therese J. Jackson, District G	<u>14,900.08</u>
	<u>\$103,980.56</u>

Unaudited - see accompanying independent auditor's report.



CITY OF SHREVEPORT, LOUISIANA

OMB Circular A-133 Reports

December 31, 2003

(With Independent Auditors' Reports Thereon)

CITY OF BERKEEPORT, LOUISIANA

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KPMG LLP
Suite 1800
833 Swan Street
Shreveport, LA 71201-3923

**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**

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

We have audited the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (City) as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 26, 2004. 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 City'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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 63.1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in 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 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 City in a separate letter dated March 26, 2004.



This report is intended solely for the information and use of the Mayor and City Council members, staff subcommittee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

KPMG LLP

March 30, 2004

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City'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 OIG Circular A-133.

We noted certain matters involving internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs on items 00-2 and 00-3.

A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with the 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. Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 00-3 to be a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2003, and have issued our report thereon dated March 26, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OIG 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 whole.

This report is intended solely for the information and use of the Mayor and City Council members, audit subcommittee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

KPMG LLP

March 26, 2004

CITY OF MONROE, LOUISIANA

Schedule of Expenditures of Federal Awards

Year ended December 31, 2005

COMMENTS	Federal CFDA number	Grant number	Federal expenditures
Federal Transit Administration - Department of Transportation			
Direct Programs:			
Federal Transit-Capital Investment Grants:			
Spokane-00-Capital Improvements	20.500	LA-99-0194(LA-99-209)	\$ 9,714
Spokane-Maintenance Facility	20.500	LA-99-0207	107,678
Spokane-00-Capital Improvements	20.500	LA-99-0218 & 2218	706,112
Spokane-00-Capital Improvements	20.500	LA-02-0089	202,822
Spokane-01-Capital Improvements	20.500	LA-99-0237 & 2207	722,084
Spokane-02-Capital Improvements	20.500	LA-99-0248 & 2209	1,048,179
Spokane-02-Capital Improvements	20.500	LA-02-0090	243,264
Spokane-04-Capital Improvements	20.500	LA-99-0250 & 2251	<u>1,400,140</u>
Total Federal Transit Administration - Department of Transportation			<u>3,930,677</u>
U.S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grant/Entitlement Grant:			
Community Development Block Grant	14.210	MC-03-0009	1,174,177
Emergency Shelter	14.211	MC-03-0008	548,380
Section 108 Loan-Guarantee	14.248	3-99-040-01-0007, 3-99-040-02-0007A	<u>20,782,008</u>
			22,504,565
HOME Investment in Affordable Housing	14.220	MC-03-0006	1,208,599
State Emergency Shelter	14.211	98-02	<u>120,000</u>
Total U.S. Department of Housing and Urban Development			<u>24,833,669</u>
U.S. Department of Labor			
Passed through Louisiana Department of Social Services - Office of Family Support - Louisiana J.E.T. Program			
	17.240	15554 M	284,710
Passed through Louisiana Department of Labor:			
Workforce Investment Act - Adult	17.228	NA	21,138
Workforce Investment Act - Youth	17.229	NA	1,093,176
Workforce Investment Act - Dislocated Workers	17.240	NA	<u>726,144</u>
Total U.S. Department of Labor			<u>2,004,168</u>
Environmental Protection Agency			
Direct Programs:			
Brownfield Assessment Grant	66.810	NA	186,007
Brownfield Job Training Grant	66.810	NA	90,800
Brownfield Economic Development Initiative	66.810	NA	174,070
Brownfield Cleanup Grant	66.810	NA	<u>46,925</u>

CITY OF SHREVEPORT, LOUISIANA
Schedule of Expenditures of Federal Awards
Year ended December 31, 2003

Goal/Title	Federal CFDA number	Grant number	Federal Signature
Environmental Protection Agency (continued)			
EPA Clean Air	66.601	504	\$ 201,463
Clean Lake/Waterbody Erosion Control	66.601	504	1,377
Clean Plan Grant	66.601	504	713
Vulnerability Assessments and Security Improvements	66.676	05-RP99001	80,530
Total Environmental Protection Agency			204,083
Federal Aviation Administration - Department of Transportation:			
Civil Programs:			
Airport Improvement Programs:			
Local Acquisition Security Program - Bag	20.106	1-02-0048-04	343,000
FAR Part 130/1301	20.106	1-02-0048-05,01,02,04,15,16, 24&25	1,201,480
Access Control System Upgrade - Bagler	20.106	1-02-0048-08	11,600
Regional Airport Master Plan Supplement	20.106	1-02-0048-01	4,712
Domestic Master Plan Supplement	20.106	1-02-0047-01	71,300
Rehabilitation of Taxiway A, E and F - Regional	20.106	1-02-0048-00(3)	67,100
Brakeage Improvement Safety Area	20.106	1-02-0048-02	269,200
Concrete West Parallel Taxiway -RTI Regional	20.106	1-02-0048-02	483,000
Security Upgrade - Regional Airport	20.106	1-02-0048-01	8,000
Taxiway C and A North Light - Regional	20.106	1-02-0048-20&20	60,100
Rebridge Taxiway B and Repair Area - The Bremer Acquisition	20.106	1-02-0048-01	24,800
Total Federal Aviation Administration - Department of Transportation			1,668,800
U.S. Department of Justice:			
Effect Programs:			
Edward Byrne Memorial Drug and Alcohol Law			
Reformation Assistance/Secretary			
Grant Program:			
Wood and Good Training	16.580	504	120,200
Wood and Good Training - (Quasiborough)	16.580	504	151,566
Wood and Good Special Emphasis	16.580	504	108,111
Wood and Good Public Housing	16.580	504	86,820
Total			466,707
Byrne Formula Grant:			
Reduction of Crack/Drug Abuse	16.579	99-0149-07-0025	17,150
Civil Programs:			
Public Safety Partnership and Community Policing Grant:			
Asset Purchase	16.00000000	504	508,813
Asset Purchase - (Quasiborough)	16.00000000	504	41,820
Drug Abuse Resistance Education	16.00000000	504	88,150
A.F.T.S. 2002	16.00000000	504	152,448
A.F.T.S. 2003	16.00000000	504	171,777

CITY OF SHREVEPORT, LOUISIANA
Schedule of Expenditures of Federal Awards
Year ended December 31, 2003

FUNCTION	Federal CFDA number	Grant number	Federal expenditures
U.S. Department of Justice (continuously)			
Combined Operations Grant	16.99.011(8.07-01)	98.01-9.07-011	25,140
Racial and Ethn. Grant	16.99999999	NA	26,980
Safe and Sober Grant	16.99999999	NA	6,180
Organized Crime Drug Enforcement	16.99999999	NA	10,188
Domestic Violence Assistance Grant	15.289	NA	3,204
High Intensity Drug Trafficking	16.99999999	NA	44,124
Uniform Crime Reporting Grant	16.99999999	NA	21,206
Weapons of Mass Destruction	16.99999999	NA	190,689
Total U.S. Department of Justice			3,344,850
Federal Emergency Management Agency			
Disaster Programs			
Disaster Mitigation	21.204	2269-0175-0	80,171
Total Federal Emergency Management Agency			80,171
U.S. Department of Environmental Quality			
Passed through State of Louisiana Department of Environmental Quality - Clean State Program/Water System Program	66.418	NA	21,239,144
U.S. Department of Transportation			
Disaster Programs			
Laboratory Drive Economic Wellbeing	20.285	FAP No. M-8807 (002)	177,047
Passed through Louisiana Highway Safety Commission - Intermodal Demonstration Project	20.608	NA	66,784
Total U.S. Department of Transportation			243,831
Total Federal Financial Assistance			\$ 3,488,736

See accompanying notes to schedule of expenditures of federal awards.

CITY OF SHREVEPORT, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards

December 31, 2000

(1) **General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Shreveport, Louisiana (the City) 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, *Audit 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 basic financial statements.

(2) **Subrecipients**

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

<u>Program title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Community Development Block Grant	14.218	\$ 325,118
HOME Investment in Affordable Housing	14.238	404,910
Workforce Investment Act	17.250	158,172

CITY OF SHREVEPORT, LOUISIANA

Schedule of Findings and Questioned Costs

Year ended December 31, 2009

Section I – Summary of Auditor's Results

Financial Statements

Type of report issued on the basic financial statements: unqualified opinion

Internal control over financial reporting:

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

Noncompliance which is material to the basic financial statements? No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? No
- Reportable conditions in internal control over major programs? No

Type of auditor's report issued on compliance for major programs: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? No

Notification of major programs:

CFDA number	Name of federal program or cluster
14.218	Community Development Block Grant
14.248	Section 508 Loan Guarantee Program
14.209	HOME Investment in Affordable Housing
20.100	Federal Aviation Administration
66.408	Department of Environmental Quality – Clean Water Act

Dollar threshold used to distinguish between Type A and Type B programs: \$152,500

Auditor qualified as a low-risk auditor under section 309 of OMB Circular A-133? No

CITY OF SHREVEPORT, LOUISIANA
Schedule of Findings and Questioned Costs
Year ended December 31, 2003

Section 2 – Financial Statement Findings Reported in Accordance with Government Auditing Standards

Item 81-1

Specific Requirement: R.S. 34:114 requires municipal retirement systems funded in whole or part out of public funds shall furnish to the legislative auditor, annually, actuarial valuations. Such valuations shall be submitted to the legislative auditor between the first and one hundred twentieth day following the close of the fiscal year of the retirement system.

Condition: The City of Shreveport has three retirement systems funded in whole or part out of public funds. The City of Shreveport did not file the related actuarial valuations with the legislative auditor's office prior to the one hundred twentieth day following the close of the fiscal year of the retirement system.

Context: The City of Shreveport was not in compliance with the state statute during fiscal 2003.

Questioned Costs: None.

Effect: The City of Shreveport is not in compliance with the state statute during fiscal 2003.

Cause: The timing of receipt of the actuarial valuations was after the 120-day period.

Recommendation: The City of Shreveport should take steps to ensure actuarial valuations for the retirement systems are received and submitted to the legislative auditor between the first and one hundred twentieth day following the close of the fiscal year of the retirement systems.

Section 3 – Federal Award Findings and Questioned Costs

Item 81-2

Grant: Federal Aviation Administration

CFDA Number: 20.108

Grant Number: 1-22-0048-11

Criteria or specific requirement: Equipment and Real Property Management

Condition: The percentage of federal participation and the condition of the equipment were not included in the property records for the runway overpass.

Questioned Costs: None.

Context: See condition above.

Effect: This results in a lack of information to ensure reimbursement to the FAA for the federal share of total proceeds when subject equipment is sold and to ensure proper valuation of equipment for reporting, depreciation, replacement, and disposal.

CITY OF SHREVEPORT, LOUISIANA
Schedule of Findings and Questioned Costs
Year ended December 31, 2003

Issue: Appropriate procedures are not in place to ensure that the federal participation and equipment condition are documented in the property records.

Recommendation: Create appropriate fields in the fixed asset system to record federal participation and the equipment's condition at the time of acquisition. Implement procedures to record information and complete reimbursement as equipment and real estate are sold.

Item 03-3

Issue: Federal Aviation Administration

CFDA Number: 20.186

Grant Number: 3-23-8048-19,21,22,23,24,28&29

Criteria or specific requirement: Real Property Acquisition and Relocation

Condition: The City does not have procedures in place to monitor the acquisition and relocation assistance performed by its contracted consultant, W.D. Shock, for compliance with federal requirements.

Questioned Costs: None.

Cause: See condition above.

Effect: Real property acquisitions may be made and noncompliance with federal regulations would be witnessed.

Issue: Appropriate procedures are not in place to ensure that acquisitions and relocations made by the contractor on behalf of the City are in compliance with federal regulations.

Recommendation: Implement procedures to document review of the consultant to ensure compliance with federal regulations.

City of Shreveport, Louisiana
OMB Circular A-133 Report
Corrective Action Plan
Year Ended December 31, 2003

Item 02-1

- A) Name of Contact Responsible - Pension Manager
- B) Corrective Action Planned - Actuarial reports will be filed within 120 days of the fiscal year ending December 31 with the legislative auditor.
- C) Completion Date - Effective for the year ending December 31, 2004.

Item 02-2

- A) Name of Contact Responsible - Fixed Asset Accountant
- B) Corrective Action Planned - Fields will be implemented in the fixed asset system to note federal participation and equipment condition. Federal property dispositions will be flagged for reimbursements if applicable.
- C) Completion Date - September 30, 2004

Item 02-3

- A) Name of Contact Responsible - Manager of Administrative Services
- B) Corrective Action Planned - We will ensure that the actual appraisals and review appraisals are reviewed by Shreveport Airport Authority staff for reasonableness and that periodic reviews are made of files maintained at the W. D. Schack office for compliance.
- C) Completion Date - June 30, 2004

CITY OF SHREVEPORT, LOUISIANA

Status of Prior-Year Single Audit Findings

Year ended December 31, 2003

Item: 02-01

- A) Name of Contact Responsible - Purchasing Agent
- B) Corrective Action Planned - The Purchasing Agent has advised all department heads that an improvement to a public works project, including the cost of hauling dirt, in excess of \$100,000 must be publicly bid.
- C) Completion Date - May 20, 2003
- D) All contracts, including those with multiple awards, are being issued in accordance with applicable Public Bid Law requirements.

Item: 02-02

- A) Name of Contact Responsible - Pension Manager
- B) Corrective Action Planned - Actuarial reports will be filed within 120 days of the fiscal year December 31, with the legislative auditor.
- C) Completion Date - May 20, 2003
- D) Reports were filed as soon as received on April 30, 2004. This was the 121st day of the year.

Item: 02-03

- A) Name of Contact Responsible - Economic Development Specialist
- B) Corrective Action Planned - Procedures have been established requiring monitor to monitor each project annually as part of the review process. All reports submitted will be checked for accuracy and applicable verifications.
- C) Completion Date - May 06, 2003
- D) A monitoring visit was done and recertifications have been completed. However, there is no HUD requirement that this process be completed.

Item: 02-04

- A) Name of Contact Responsible - Bureau Chief
- B) Corrective Action Planned - Reconciliations are to be performed through a coordinated effort with the Accounting Division. Each grant administrator will meet twice a month with the Bureau Chief to review the reconciliations.
- C) Completion Date - May 06, 2003 and retroactive to the beginning of 2001.
- D) Reconciliations were performed during 2003 and this information was reviewed by the Accounting Division. Beginning with January 2004, formal reconciliations are prepared and signed by Community Development and Finance.



KPMG LLP
Suite 1800
200 Swan Street
Shreveport, LA 71201-0001

March 26, 2004

CONFIDENTIAL

Mr. Thayne Jackson, Chairman
Audit Subcommittee and Members of the City Council
City of Shreveport, Louisiana

Ladies and Gentlemen:

We have audited the financial statements of the City of Shreveport, Louisiana (the City) for the year ended December 31, 2003, and have issued our report thereon dated March 26, 2004. In planning and performing our audit of the financial statements of the City, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit, we noted certain matters involving internal control 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:

FEDERAL REIMBURSABLE GRANTS

As has been communicated in prior management letters, we noted instances in which revenues of federal cost-reimbursement type grants did not match the expenditures recorded for the same grants. The cause of these differences is not readily determinable, but could be the result of expenditures being coded to the incorrect grant index code or the result of not timely reporting grant reimbursements.

We, again, recommend that a reconciliation process be put in place between the reimbursement requests and the total expenditures per the general ledger documenting any differences. Each grant administrator should be responsible for periodically performing this review to ensure that the amounts reported on the reimbursement requests reflect the amounts which are being reflected in that particular grant's expenditure index codes. Based on these facts, consideration should be given to centralize grant accounting in the Accounting Division.

Management's Response – A formal reconciliation is now prepared on a monthly basis and is signed by Community Development and Finance. This became effective with the month of January 2004.



CONFIDENTIAL - MANAGEMENT LETTER

INTERNAL CONTROL DOCUMENTATION

In today's environment, documentation as evidence of internal control procedures is becoming an increasingly important aspect of the control process. During our work, we noted instances where stated review procedures were not documented to evidence the review. Specifically:

- We were not able to verify that the bank reconciliation process was being reviewed by someone other than the preparer. Per discussion with Accounting Department personnel, such a review is often performed, but the reviewer does not document such review.
- We were not able to verify that the reconciliation of the COSWEB in the general ledger was being reviewed by someone other than the preparer. Per discussion with Accounting Department personnel, such a review is often performed, but the reviewer does not document such review.

We recommend that bank reconciliations be reviewed by someone at least one level above the preparer and that the reviewer initial the reconciliation to indicate that such a review has been performed. We also recommend that reconciliations be reviewed by someone at least one level above the preparer and that the reviewer initial the reconciliation to indicate that such a review has been performed.

Management's Response – Bank reconciliations – We agree that reviews of some reconciliations were not documented by a signature. All future reconciliations will be reviewed by someone at a higher level and documented that such a review has taken place.

Management's Response – COSWEB reconciliations – The Water and Sewer fixed accountant will indicate that a review has been performed by signing the reconciliation.

PAYROLL

We noted that an employee in the Data Processing department is the Payroll Application Administrator, has unrestricted privileges to the payroll master account and has access to the personnel action forms when changes are made to payroll data. Also, a daily report of the payroll changes performed is generated by Data Processing but it is not thoroughly reviewed or maintained, and the report produced does not display the name of the user who made the changes. In addition, the list of users selected for testing included one employee who has retired but still has access to update the payroll data. As a result of the above issues, the opportunity exists for unauthorized changes to be made to payroll data not be detected.

We recommend the City configure the master account such that the master account user cannot change his/her own information. The daily change report should be thoroughly reviewed so that any unauthorized change activity can be identified, and the report should highlight changes made to fields having monetary values and the name of the user who made the change. We also recommend that the user access list for the payroll be regularly audited to ensure that only authorized and active personnel have access to the system.

Mr. Thorne Jackson, Chairman
Audit Subcommittee and Members of the City Council
March 26, 2004
Page 5

Management's Response – The Master Account security will be changed to eliminate the ability of the Payroll Application Administrator to change his/her payroll information. The daily change report will be reviewed and maintained on the Report Web. A new report will be forwarded to the Payroll Security Administrator identifying users and will display monetary amounts related to pay. Also, the list of transferred or terminated employees will be sent to the Payroll Security Administrator in order to ensure that only authorized and active personnel have access to the system.

GENERAL INFORMATION TECHNOLOGY CONTROLS

From a sample of five changes performed by Data Processing, one of the change request forms (WFL-0015) did not have the requesting department head's signature. It was also noted that the requestor and approver for the change were the same person.

We recommend the requesting department approve all changes and that the change approver be independent of the requestor.

We also recommend that the department head of the requesting department and the Systems Project Manager sign all change request forms, and segregation of duties should be implemented to prevent an employee from requesting and approving the same change.

Management's Response – We agree that the change request form (WFL-0011) was not properly signed in the request or approval fields. Future request forms will be reviewed for proper documentation.

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 policies or procedures that may exist. We also, however, to use our knowledge of the company's organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This report is intended solely for the information and use of the Mayor and City Council members, audit subcommittee, management, the State of Louisiana Legislative Auditor, 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.

Very truly yours,

KPMG LLP



SHREVEPORT REGIONAL AIRPORT
Passenger Facility Charge Program
Year ended December 31, 2003
(With Independent Auditors' Reports Thereon)

SHREVEPORT REGIONAL AIRPORT

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KPMG LLP
Suite 1800
545 Texas Street
Shreveport, LA 71201-2002

**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**

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (City) as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 26, 2004. 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 City'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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 03-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in 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 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 City in a separate letter dated March 26, 2004.



This report is intended solely for the information and use of the Mayor and City Council members, audit subcommittees, management, the State of Louisiana Legislative Auditor, 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

March 26, 2004



KPMG LLP
Suite 1900
300 Texas Street
Shreveport, LA 71201 (504)

**Independent Auditor's Report on Compliance With Requirements Applicable to the
Passenger Facility Charge Program and Internal Control Over Compliance and
Schedule of Passenger Facility Charge Revenues and Disbursements**

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

Compliance

We have audited the compliance of the City of Shreveport, Louisiana (City) with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies (the Guide)*, issued by the Federal Aviation Administration, for its passenger facility charge program for the year ended December 31, 2001. Compliance with the requirements of laws and regulations applicable to its passenger facility charge program is the responsibility of the City's management. Our responsibility is to express an opinion on the City'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 the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its passenger facility charge program for the year ended December 31, 2001. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with the Guide and which is described in the accompanying schedule of findings and questioned costs on item 00-2.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws and regulations applicable to the passenger facility charge program. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on the passenger facility charge 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 the Guide.



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A MEMBER FIRM OF THE KPMG NETWORK

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 and regulations that would be material in relation to the passenger facility charge 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 Passenger Facility Charge Revenues and Disbursements

We have audited the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2003, and have issued our report thereon dated March 26, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of passenger facility charge revenues and disbursements is presented for purposes of additional analysis as specified in the Guide 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 Mayor and City Council members, audit subcommittees, management, the State of Louisiana Legislative Audit, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 26, 2004

SEBENPONT REGIONAL AIRPORT

Schedule of Passenger Facility Charges Revenues and Disbursements

Year ended December 31, 2003

	Committee FBI Program Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Committee 2003 Program Total
		January - March	April - June	July - September	October - December	
Revenue						
Collection	8,098,024	206,118	207,113	205,388	211,618	8,098,024
Interest	5,233,251	131	3,493	3,495	3,492	5,233,251
Total revenue	13,331,275	206,249	210,606	208,883	215,110	13,331,275
Disbursements						
Application fee	4,026,700	--	--	--	--	4,026,700
Terminal construction	2,073,241	--	429,214	--	648,024	2,548,239
State service payments	1,025,011	--	476,514	--	548,526	1,025,011
Total disbursements	7,124,952	--	905,728	--	1,196,550	9,227,230
Net PFC revenue	6,206,323	206,249	304,878	208,883	15,914	6,206,323
PFC account balance	254,424	121,184	181,571	152,583	45,481	254,424

See accompanying notes to schedule of passenger facility charge revenues and disbursements.

SHREVEPORT REGIONAL AIRPORT

Notes to Schedule of Passenger Facility Charge Revenue and Disbursements

December 31, 2003

(1) **General**

The accompanying schedule of passenger facility charge revenues and disbursements is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

(2) **Passenger Facility Charge Matching Funds**

Effective February 1, 1994, the Airport began assessing passenger facility charges (PFC) of \$3.00 per passenger enplanement. A second PFC application was approved on February 8, 1996 to approve the use of PFC revenue for debt service and financing costs of PFC approved projects. Also, the total approved net PFC revenue to be collected was reduced. In accordance with the Record of Decision between the Airport and the Federal Aviation Administration, the Airport has used PFC revenues to fund debt service and financing costs of the Airport's terminal renovation project. The renovated terminal is leased to air carriers based on the amount of occupied square footage and a prescribed rate schedule.

SEEREEPORT REGIONAL AIRPORT

Schedule of Passenger Facility Charge Program Findings and Questioned Costs

Year ended December 31, 2000

Section I – Summary of Auditor’s Results

Financial Statements

Type of report issued on the basic financial statements: unqualified opinion

Internal control over financial reporting:

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

Noncompliance which is material to the basic financial statements? No

Passenger Facility Charges

Type of report issued on the passenger facility charge program: unqualified opinion

Internal control over the passenger facility charge program:

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

Type of auditor’s report issued on compliance for the passenger facility charge program: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration? Yes

Quarterly revenue and disbursements reconcile with submitted quarterly reports? Yes

Passenger facility charge program revenues and interest in the general ledger agreed to amounts reported on FAA Form 5100-1277? Yes

The Public Agency maintains a separate financial accounting record for each application? Yes

Funds disbursed were for passenger facility charge program eligible items as identified in the FAA decision to pay only for the allowable costs of the projects? Yes

Monthly carrier receipts reconciled with quarterly carrier reports? Yes

Passenger facility charge program revenues were maintained in a separate interest-bearing capital account or commingled only with other interest-bearing airport capital funds? Yes

Serving carriers notified of passenger facility charge program actions/changes approved by the FAA? Yes

Quarterly reports transmitted (or available via website) to existing carriers? Yes

SHREVEPORT REGIONAL AIRPORT

Schedule of Passenger Facility Charge Program Findings and Questioned Costs

Year ended December 31, 2003

The Public Agency is in compliance with Assurances 3, 4, 5, and 87 Y2g

Project administration is carried out in accordance with Assurance 107 Y2g

For those public agencies with access revenues, a plan for the use of this revenue has been submitted to the FAA for review and concurrence? N/A

Section 2 – Financial Statement Findings Reported in Accordance With Government Auditing Standards

Item: 01-1

Specific Requirement: S.S. 24-314 requires municipal retirement system funded in whole or part out of public funds shall furnish to the legislative auditor, annually, actuarial valuations. Such valuations shall be submitted to the legislative auditor between the first and one hundred twentieth day following the close of the fiscal year of the retirement system.

Condition: The City of Shreveport has three retirement systems funded in whole or part out of public funds. The City of Shreveport did not file the related actuarial valuations with the legislative auditor's office prior to the one hundred twentieth day following the close of the fiscal year of the retirement system.

Context: The City of Shreveport was not in compliance with the state statute during fiscal 2003.

Questioned Costs: None.

Effect: The City of Shreveport is not in compliance with the state statute during fiscal 2003.

Cause: The timing of receipt of the actuarial valuations was after the 120-day period.

Recommendation: The City of Shreveport should take steps to ensure actuarial valuations for the retirement systems are received and submitted to the legislative auditor between the first and one hundred twentieth day following the close of the fiscal year of the retirement systems.

Section 3 – Passenger Facility Charge Findings and Questioned Costs

Item: 03-2

Criteria or specific requirement: Quarterly reports are to be submitted to the carriers by the end of the month following the end of each quarter.

Condition: For the second and third quarters of 2003, the quarterly reports were submitted to the carriers four and five days, respectively, after the end of the following month. For the first quarter, copies of invoice letters were not received during the date submitted.

Questioned cost: None

Context: See condition above.

SHREVEPORT REGIONAL AIRPORT

Schedule of Passenger Facility Charge Program Findings and Questioned Costs

Year ended December 31, 2003

Findings: The Authority was not in compliance with the reporting requirements of the PFC program.

Causes: Procedures were not in place to ensure timely reporting.

Recommendation: Implement procedures to ensure quarterly reports are submitted by the end of the following month and that all appropriate documentation is retained.

**Shreveport Regional Airport
Passenger Facility Charge (PFC) Program
Corrective Action Plan
Year Ended December 31, 2003**

Item 83-1

- A) Name of Contact Responsible - Pension Manager
- B) Corrective Action Planned - Actuarial reports will be filed within 120 days of the fiscal year ending December 31 with the legislative auditor.
- C) Completion Date - Effective for the year ending December 31, 2004.

Item 83-2

- A) Name of Contact Responsible - Management Assistant
- B) Corrective Action Planned - The management assistant will ensure that the PFC quarterly report is forwarded to the carrier on or before the 25th of the month subsequent to the end of the quarter.
- C) Completion Date - The policy will be effective for the June 2004 quarterly report which is due to the carrier by July 31, 2004.