



SHREVEPORT  
*Louisiana*

# Annual Comprehensive Financial Report

AS OF AND FOR THE YEAR  
ENDED DECEMBER 31

# 2021



# **Annual Comprehensive Financial Report**

**As of and for the year ended December 31, 2021**

Finance Department

Kasey Brown, Interim Chief Financial Officer

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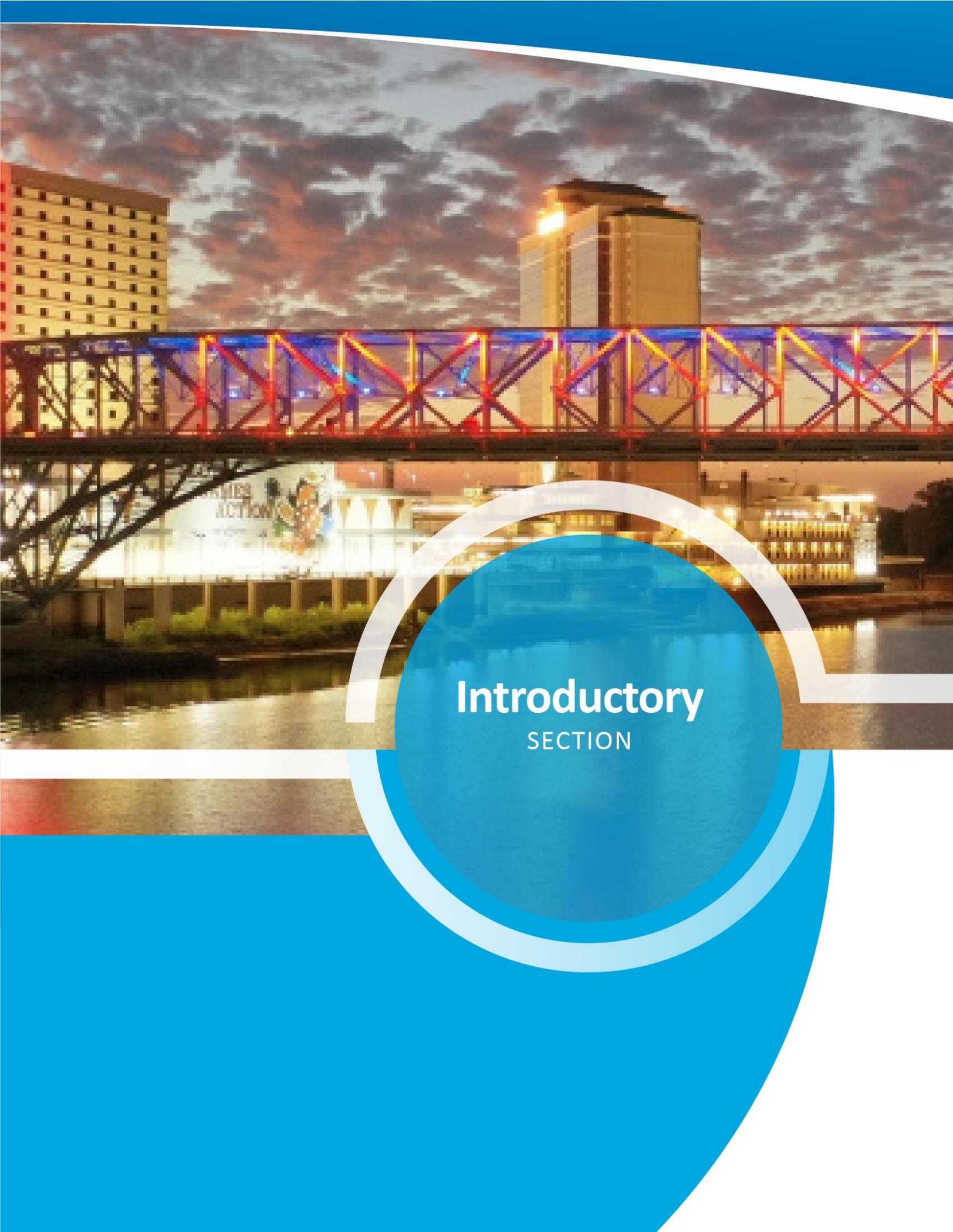
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# Introductory

SECTION



## CITY OF SHREVEPORT

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Website: [www.shreveportla.gov](http://www.shreveportla.gov)

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August 2, 2022

Mayor Adrian Perkins  
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, and pursuant to Louisiana State Statutes I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 2021. The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (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 2021 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 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. Since 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 staff are independent of the Finance Department. As management, we assert 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 Carr, Riggs & Ingram, LLC, was selected by the City Council 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 year ended December 31, 2021, 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 unmodified opinion that the City's financial statements for the year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the 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 require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The 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 Northwest Louisiana, approximately thirty (30) miles south of Arkansas and fifteen (15) 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 123 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 is the financial data for the Shreveport Home Mortgage Authority, City Courts, City Marshal, Downtown Development Authority, Metropolitan Planning Commission, and Shreve Memorial Library. 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. The City Council is required to adopt the final budgets no later than December 15 each year. Budgets are adopted at the fund, department and object level. The exception is the Community Development Department where the budget is at the fund, department, division and object level. Budgetary transfers across department lines or between classes of lump sum appropriations require the approval of the City Council.

In developing and evaluating the accounting system of the City, the Finance Department considers the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City government is responsible for ensuring that adequate internal controls are in effect. All internal control evaluations occur within the framework described. The Finance Department believes that the internal controls of the City adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

**Local Economy**

Sales taxes make up the largest part of local revenues. While collections of sales taxes have increased gradually over the years, the impact of Federal stimulus checks received in 2021 stimulated the local government in a positive way increasing sales taxes year over year by 17%. Although the pandemic continues to make citizens and officials cautious, sales taxes are looking strong for 2022. Expectations are that sales tax revenues for 2022 will be equal or greater than 2021 revenues based on Sales tax revenues being up 11% through the end of May 2022. The five-year trend for sales tax has been as follows:

2017	\$118,856,148
2018	\$123,869,548
2019	\$124,235,262
2020	\$128,120,834
2021	\$149,913,898

Casino revenues continue to decline as competition within the region increases. The Casino's have rebounded significantly from the pandemic increasing 33% year over year. Although revenues decreased slightly at the end of 2021 due to a no smoking ban place by the City Council on August 1, 2021, revenues have been steady in 2022. It is probable that the casino revenue will be equal or less than revenue received in 2021 based on the trend. The five-year history of gaming revenues is as follows:

2017	\$8,916,942
2018	\$8,792,004
2019	\$8,312,300
2020	\$5,200,939
2021	\$7,780,770

The City continues to improve and upgrade the water and sewer systems throughout the City. An additional \$9.9 million has been appropriated from the Streets Special Revenue Fund to continue overlaying and repairing streets throughout the city.

**Long-term Financial Planning**

A consent decree with the United States Environmental Protection Agency (EPA) and the Louisiana Department of Environmental Quality (DEQ) became effective in May 2014. The consent decree reached between the City and EPA/DOJ requires the City to make various wastewater utility system improvements in order to reduce sanitary sewer overflows and meet wastewater discharge permit requirements. Work must be completed throughout the City in five phases over a period of 2014 to 2026.

To fund the sewer improvement program, the City Council approved rate increases over a 10-year period from 2013 through 2022. The first of those increases went into effect on October 1, 2013. A 2% increase in sewer rates went into effect on January 1, 2021 and a previously approved 2% increase is slated to occur on January 1, 2022. Projects in the Phase 1 and 2 areas of the City have been completed. The City is coordinating with the regulatory agencies about future phases of the program and associated funding requirements. The result of these discussions will be used as the basis for updating the City's long-term financial plan for its wastewater and water utilities.

**Relevant Financial Policies**

Increases in Water and Sewer rates are expected to fund the additional debt required to complete the project required by the consent decree. The revenue uncertainty created by the pandemic, however, will challenge the acquisition of additional funding or debt issuance.

**Awards and Acknowledgements**

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, 2020. This was the twelfth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. Also, this year we will submit for the Popular Annual Financial Reporting award, which demonstrates a readily accessible and easily understandable financial report to the general public and other interested parties.

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 preparation of this report possible. I also acknowledge the thorough and professional help in completing the audit from our independent auditors, Carr, Riggs & Ingram, LLC. Thanks to the Mayor and City Council for your support of excellence in financial reporting and fiscal integrity.

Sincerely,



Kasey Brown  
Interim Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Shreveport  
Louisiana**

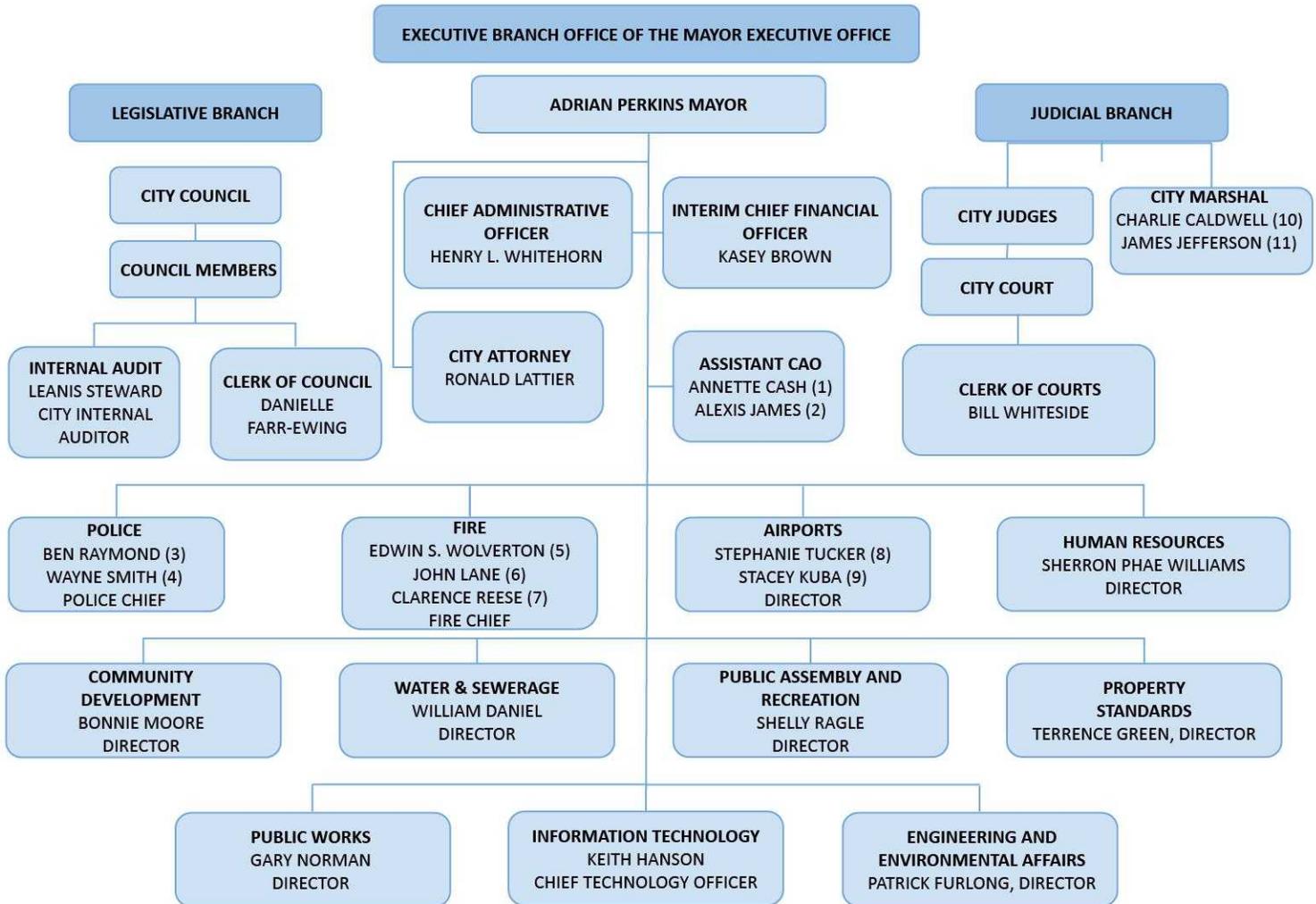
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

**CITY OF SHREVEPORT, LOUISIANA  
ORGANIZATION CHART**



**Legend for the Organization Chart**

1. Annette Cash returned to the Water & Sewerage Department effective June 1, 2022
2. Alexis James was appointed Assistant CAO effective June 1, 2022
3. Ben Raymond was reassigned from Police Chief effective November 16, 2021
4. Wayne Smith was appointed Police Chief effective February 2, 2022
5. Edwin Wolverton retired as Fire Chief effective December 31, 2021
6. John Lane was appointed substitute Fire Chief effective October 25, 2021
7. Clarence Reese, Jr. was appointed Fire Chief effective April 11, 2022
8. Stephanie Tucker resigned as Director of Airports effective January 31, 2022
9. Stacy Kuba, Deputy Director of Airport, is the current lead Airport contact
10. Charlie Caldwell was removed from the City Marshal staff effective June 17, 2022
11. James Jefferson was named Interim City Marshal effective June 20, 2022

**CITY OF SHREVEPORT, LOUISIANA  
PRINCIPAL OFFICIALS**

Adrian Perkins  
Mayor

Henry L. Whitehorn  
Chief Administrative Officer

Members of City Council

Tabatha Taylor	District A
LeVette Fuller	District B
John Nickelson	District C
Grayson Boucher	District D
James Flurry (1)	District E
James Green	District F
Jerry Bowman, Jr	District G
Alan Jackson (2)	District E

1. James Flurry retired effective November 10, 2021
2. Alan Jackson was appointed by Governor John Edwards effective December 28, 2021

**CITY OF SHREVEPORT, LOUISIANA  
FINANCE DEPARTMENT**

Interim Chief Financial Officer

Kasey Brown

Department Deputy Director

Arlene Adger

Division Managers

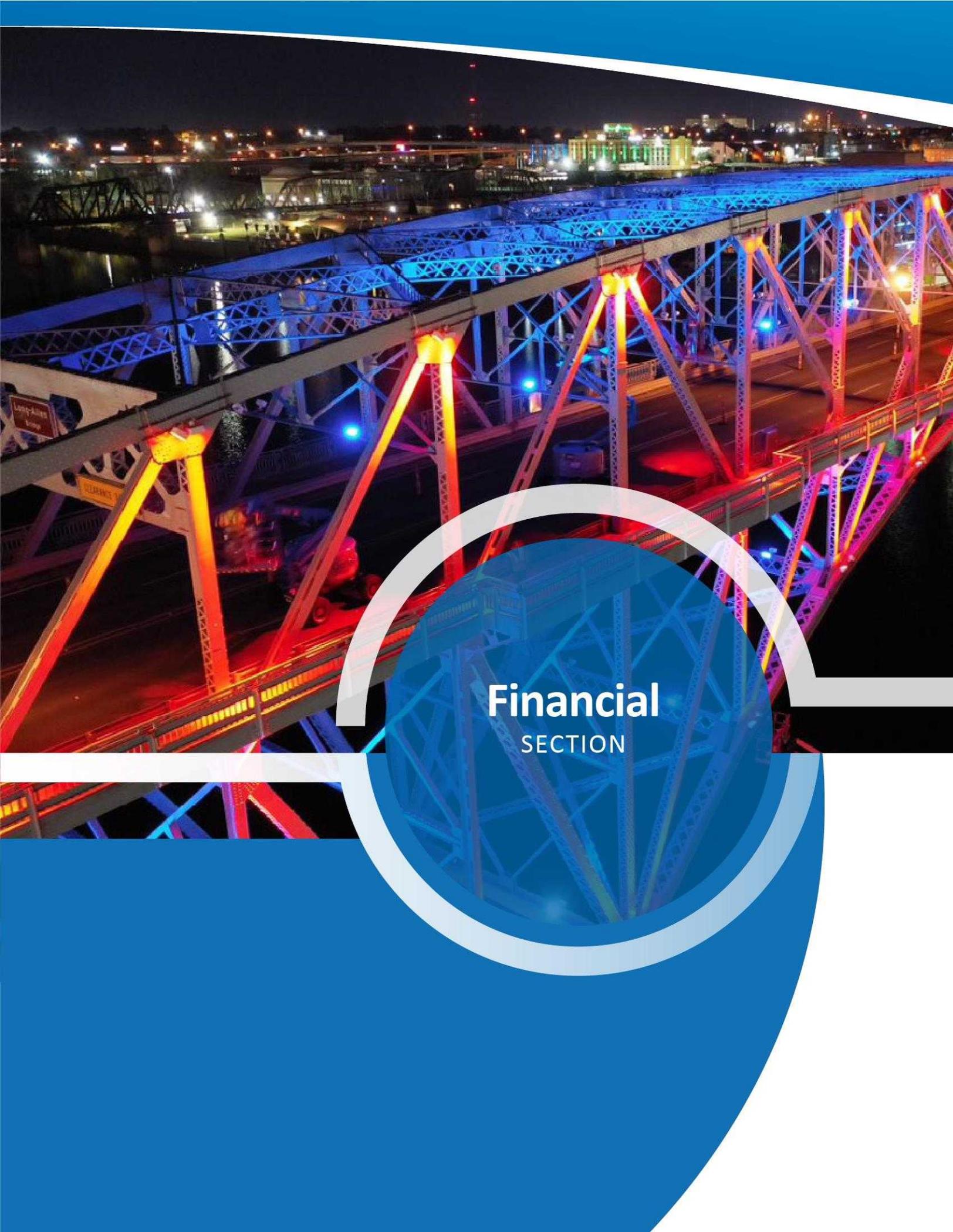
S. Ben Hebert (1)	Accounting
Robert Terry	Revenue Collections
Renee Anderson	Purchasing

Accounting Staff

Rosalyn Atkins	Shiwanda Brown
Drucilla Carter	Dorothy Cole
Barbara Dunn	Ella Francis
Kimberly Horns	Doris LaCour
Marie LaFontant	Linda Long (2)
Tobi Maiden	Kelsey Metoyer (3)
Diane Pharr	LaShonda Samuels
Linda Smith	Sharon Tillman (4)
Jessica Carper (5)	Sara Riser (6)
Sharla Wilkerson (7)	

1. S. Ben Hebert ceased serving as Controller effective December 31, 2021
2. Linda Long was removed from the accounting staff effective February 22, 2022
3. Kelsey Metoyer transferred to another division of Finance effective October 1, 2021
4. Sharon Tillman resigned effective September 30, 2021
5. Jessica Carper was hired to the accounting staff effective March 1, 2022
6. Sara Riser was hired to the accounting staff effective February 16, 2022
7. Sharla Wilkerson was transferred to the accounting staff effective November 16, 2021

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**Financial**  
SECTION



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Shreveport, LA 71105

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CRicpa.com

## INDEPENDENT AUDITORS' REPORT

Members of the City Council and  
Honorable Adrian Perkins, Mayor  
City of Shreveport, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinions*

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the 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, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Downtown Development Authority, City of Shreveport City Court, and Charlie Caldwell, Jr. City Marshal, which represent 14 percent of the assets, 40 percent of the net position, and 20 percent of the revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for Downtown Development Authority, City of Shreveport City Court, and Charlie Caldwell, Jr. City Marshal, are based solely on the report of the other auditors.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios, the Schedule of Changes in Net Pension Liability, the Schedule of Pension Contributions, the Schedule of Employer's Proportionate Share of Net Pension Liability – State, the Schedule of Employer Contributions – State, listed as Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for nonmajor funds, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, the Justice System Funding Schedule – Receiving Entity As Required by Act 87 of the 2020 Regular Legislative Session, Combining and Individual Fund Statements and Schedules for nonmajor funds, the combining and individual component unit financial statements, and Statistical Section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors.

In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for nonmajor funds, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, the Justice System Funding Schedule – Receiving Entity As Required by Act 87 of the 2020 Regular Legislative Session, Combining and Individual Fund Statements and Schedules for nonmajor funds, the combining and individual component unit financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated August 2, 2022, 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

*Cam. Riggs, CPA*  
Ingram, L.L.C.

Shreveport, Louisiana  
August 2, 2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's 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 year ended December 31, 2021.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2021 by \$177 million (net position). Unrestricted net position is a deficit of \$1.0 billion.
- The City's total net position increased \$22 million. Net position of governmental activities increased \$18 million and net position of business-type activities increased \$4 million.
- As of December 31, 2021, the City's governmental funds reported combined fund balances of \$176 million, an increase of \$36 million from the prior year.
- The unassigned fund balances for the General Fund represented 27% of total General Fund expenditures.
- The City's total liabilities decreased \$75 million.

### Overview of the Financial Statements

The management's 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. Included in the report also 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 position presents information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. The statement is designed to display the financial position of the City. Over time, increases or decreases in net position 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 position 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 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 sewerage systems, convention center, hotel, transit, golf, solid waste 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 Court, City Marshal, Downtown Development Authority, Metropolitan Planning Commission, and Shreve Memorial Library. Although these component units are legally separate, their operational or financial relationship with the City makes the City financially accountable.

**Fund financial statements.** A fund is a grouping of self-balancing 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 ensure and demonstrate fiscal 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 financial resources and the balances of spendable resources available at the end of the 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 Position and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

Sixteen governmental funds are used by the City. There are four 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, Debt Service, the 2014 General Obligation Bond Fund, and the Community Development Fund. The twelve nonmajor funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

**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 sewerage, convention center, hotel, 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 and retained risk. 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, water and sewerage, convention center, and hotel operations which are considered to be major funds of the City.

Conversely, 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.

**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.

**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.

**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 and postemployment benefits to its employees.

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 and postemployment benefits.

### Government-wide Financial Analysis

**Net Position.** The following table reflects condensed information on the City's net position:

	Net Position (in millions)								
	Governmental Activities		Business-type Activities		Total		Change		
	2021	2020	2021	2020	2021	2020	Governmental Activities	Business Type Activities	Total
Current and other assets	\$ 208.15	\$ 148.53	\$ 288.17	\$ 313.66	\$ 496.32	\$ 462.19	\$ 59.62	\$ (25.49)	\$ 34.13
Capital assets	570.51	576.50	1,226.23	1,215.04	1,796.74	1,791.54	(5.99)	11.19	5.20
Total assets	778.66	725.03	1,514.40	1,528.70	2,293.06	2,253.73	53.63	(14.30)	39.33
Deferred outflows of resources	107.30	162.85	13.42	19.42	120.72	182.27	(55.55)	(6.00)	(61.55)
Current liabilities	37.41	13.93	19.60	17.54	57.01	31.47	23.48	2.06	25.54
Long-term liabilities	1,076.39	1,174.53	946.66	972.16	2,023.05	2,146.69	(98.14)	(25.50)	(123.64)
Total liabilities	1,113.80	1,188.46	966.26	989.70	2,080.06	2,178.16	(74.66)	(23.44)	(98.10)
Deferred inflows of resources	147.79	93.52	9.14	9.89	156.93	103.41	54.27	(0.75)	53.52
Net position									
Net investment in capital assets	433.13	435.10	622.71	635.64	1,055.84	1,070.74	(1.97)	(12.93)	(14.90)
Restricted	123.19	109.30	-	3.96	123.19	113.26	13.89	(3.96)	9.93
Unrestricted (Deficit)	(931.95)	(938.50)	(70.29)	(91.06)	(1,002.24)	(1,029.56)	6.55	20.77	27.32
Total net position	\$ (375.63)	\$ (394.10)	\$ 552.42	\$ 548.54	\$ 176.79	\$ 154.44	\$ 18.47	\$ 3.88	\$ 22.35

## MANAGEMENT'S DISCUSSION AND ANALYSIS

At December 31, 2021, the City, as a whole, had assets and deferred outflows greater than its liabilities by \$177 million compared to \$154 million at December 31, 2020. The majority of the City's net position of governmental activities is 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 spending since they will not be sold. Restrictions are imposed upon \$123 million of the governmental activities net position. These assets are unavailable for general expenses but must be used for the intended purposes. Unrestricted net position of governmental activities is a deficit of \$932 million at the end of the year, a decrease in the deficit from a \$939 million deficit in the prior year. 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 its obligations. The largest of these commitments, besides the general obligation bonds, are certificates of indebtedness which were issued to fund state pension obligations, notes issued for remodeling of the Independence Stadium and the recognition of net pension liability, and other postemployment benefit obligations.

The net position of the City's business-type activities is \$552 million, a increase of \$4 million from 2020. As with the governmental activities, the majority of the net position is invested in capital assets. The City uses these assets to provide services to the citizens. The unrestricted net position of the business-type activities is a deficit of \$70 million at December 31, 2021 compared to a deficit of \$91 million in the prior year.

**Changes in net position.** The City's total revenues and expenses for governmental and business-type activities are reflected in the following table:

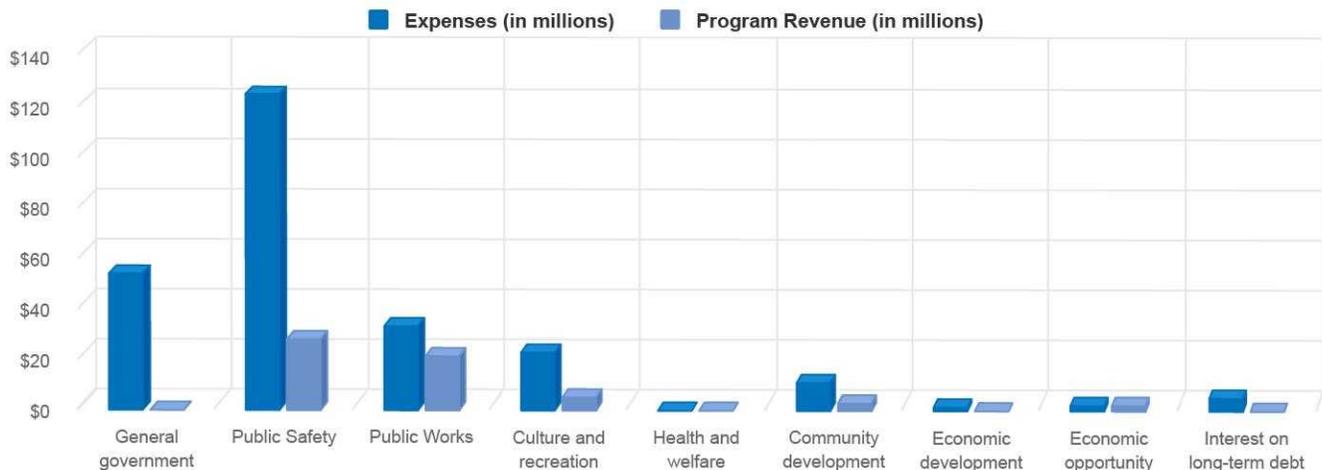
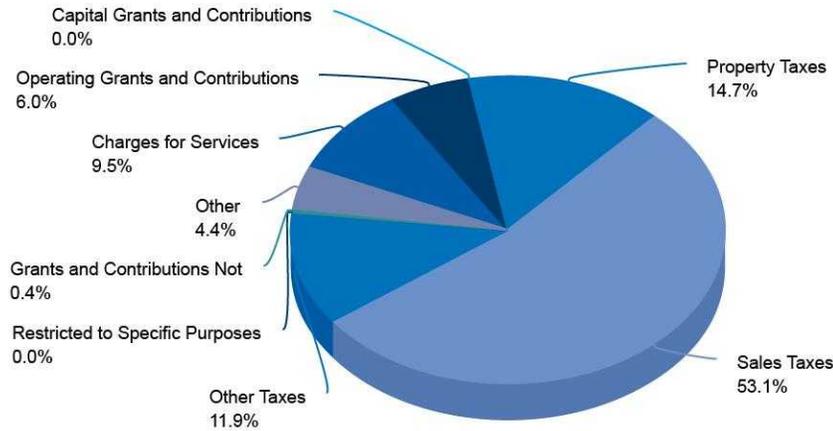
	Governmental Activities		Business-type Activities		Total		Change	
	2021	2020	2021	2020	2021	2020	Governmental	Business
<b>Revenues:</b>								
Program Revenues:								
Charges for Services	\$ 26.68	\$ 33.67	\$ 138.86	\$ 126.02	\$ 165.54	\$ 159.69	\$ (6.99)	\$ 12.84
Operating Grants and Contributions	17.04	27.31	1.39	2.31	18.43	29.62	(10.27)	(0.92)
Capital Grants and Contributions	-	-	14.56	19.11	14.56	19.11	-	(4.55)
Property Taxes	41.39	42.50	-	-	41.39	42.50	(1.11)	-
Sales Taxes	149.91	128.12	-	-	149.91	128.12	21.79	-
Other Taxes	33.56	27.07	-	-	33.56	27.07	6.50	-
Grants and Contributions Not Restricted to Specific Programs	1.22	1.09	-	-	1.22	1.09	0.13	-
Other Revenues	12.51	3.20	3.43	4.51	15.94	7.71	9.31	(1.08)
Total Revenues	<u>282.31</u>	<u>262.96</u>	<u>158.24</u>	<u>151.95</u>	<u>440.55</u>	<u>414.91</u>	<u>19.36</u>	<u>6.29</u>
<b>Expenses</b>								
General Government	54.15	69.90	-	-	54.15	69.90	(15.75)	-
Public Safety	125.17	123.95	-	-	125.17	123.95	1.22	-
Public Works	33.62	39.99	-	-	33.62	39.99	(6.37)	-
Culture and Recreation	23.10	23.70	-	-	23.10	23.70	(0.60)	-
Health and Welfare	0.30	0.26	-	-	0.30	0.26	0.04	-
Community Development	11.20	11.09	-	-	11.20	11.09	0.11	-
Economic Development	1.32	1.71	-	-	1.32	1.71	(0.39)	-
Economic Opportunity	2.16	1.50	-	-	2.16	1.50	0.66	-
Interest on Long-term Debt	5.14	5.69	-	-	5.14	5.69	(0.55)	-
Municipal and Regional Airports	-	-	16.39	18.14	16.39	18.14	-	(1.75)
Water and Sewerage	-	-	94.60	102.32	94.60	102.32	-	(7.72)
Convention Center	-	-	5.31	4.71	5.31	4.71	-	0.60
Convention Center Hotel	-	-	12.26	9.95	12.26	9.95	-	2.31
Shreveport Area Transit	-	-	16.20	15.54	16.20	15.54	-	0.66
Golf	-	-	0.75	1.50	0.75	1.50	-	(0.75)
Downtown Parking	-	-	0.36	0.40	0.36	0.40	-	(0.04)
Solid Waste	-	-	16.16	21.28	16.16	21.28	-	(5.12)
Total Expenses	<u>256.16</u>	<u>277.79</u>	<u>162.03</u>	<u>173.84</u>	<u>418.19</u>	<u>451.63</u>	<u>(21.63)</u>	<u>(11.81)</u>
<b>Increase (Decrease) in Net Position Before Transfers</b>	<u>26.15</u>	<u>(14.83)</u>	<u>(3.79)</u>	<u>(21.89)</u>	<u>22.36</u>	<u>(36.72)</u>	<u>40.99</u>	<u>18.10</u>
<b>Transfers</b>	<u>(7.68)</u>	<u>(6.96)</u>	<u>7.68</u>	<u>5.84</u>	<u>-</u>	<u>(1.12)</u>	<u>(0.72)</u>	<u>1.84</u>
<b>Change in net position</b>	<u>18.47</u>	<u>(21.79)</u>	<u>3.89</u>	<u>(16.05)</u>	<u>22.36</u>	<u>(37.84)</u>	<u>40.27</u>	<u>19.94</u>
<b>Net Position-Beginning</b>	<u>(394.10)</u>	<u>(372.29)</u>	<u>548.54</u>	<u>564.59</u>	<u>154.44</u>	<u>192.30</u>	<u>(21.81)</u>	<u>(16.05)</u>
<b>Net Position-Ending</b>	<u>\$ (375.62)</u>	<u>\$ (394.10)</u>	<u>\$ 552.42</u>	<u>\$ 548.54</u>	<u>\$ 176.80</u>	<u>\$ 154.44</u>	<u>\$ 18.48</u>	<u>\$ 3.88</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Governmental Activities.** Revenues for the City's governmental activities for the year ended December 31, 2021 were \$282 million compared to \$263 million in the prior year.

- Total program revenues increased \$19.4 million in 2021 compared to 2020 as a result of decreases in charges for services, increases in operating grants and contributions, and decreases in taxes.
- General revenues are, for the most part, comprised of sales and property taxes (68%).
  - Sales taxes represent 48.153% of total governmental revenues at \$150 million compared to \$128 million for 2020.
  - Property tax revenues represent 16% at \$41 million.

### Revenues by Source - Governmental Activities



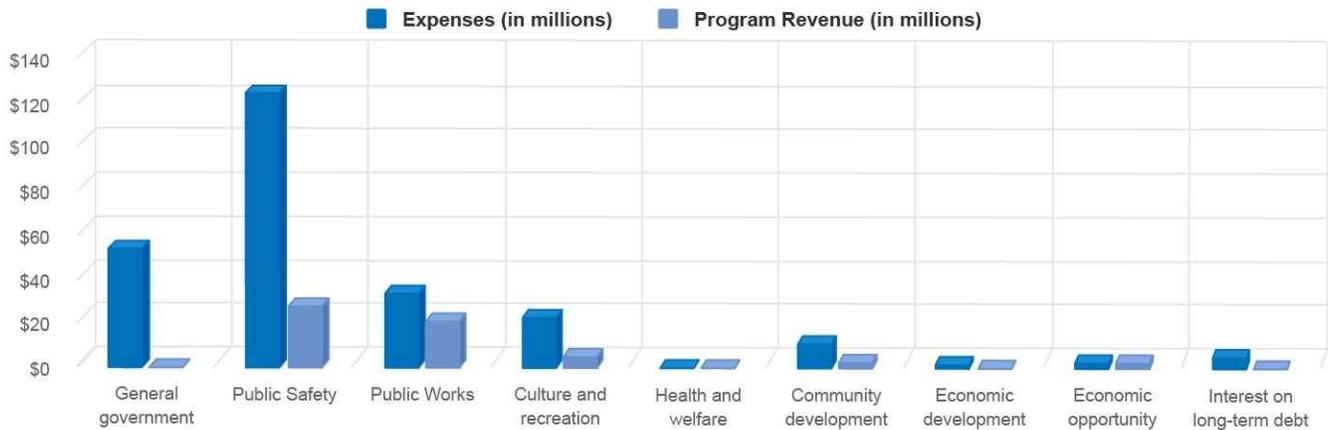
The cost of providing all governmental activities this year was \$256 million, decreased \$22 million from the prior year. The key factors for the decrease were:

- General Government expenditures decreased by \$15.75 million. Although there was some return to normalcy the workforce did not return as quickly, which resulted in a lot of vacancies in 2021.
- Public works expenditures decreased by \$6.37 million since 2020 primarily due to the workforce not returning as quickly and decreased cost of purchasing heavy equipment due to supply shortage.

### MANAGEMENT’S DISCUSSION AND ANALYSIS

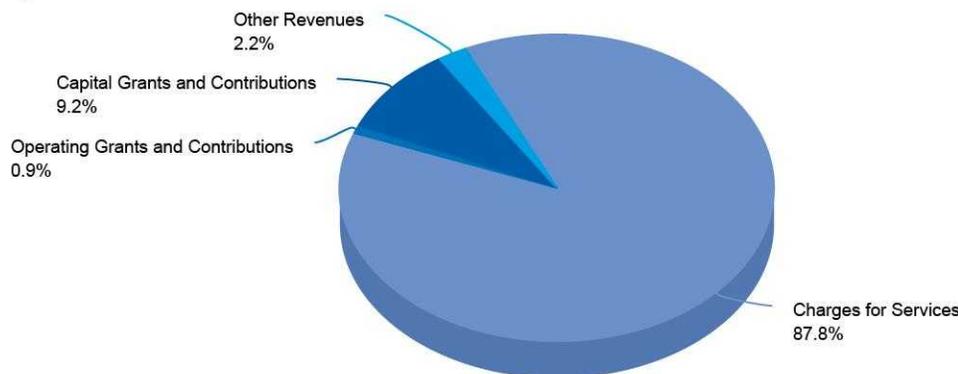
The City’s five largest governmental activities are public safety, public works, general government, community development and cultural and recreation. The graph below shows the expenses and program revenues generated by governmental activities:

#### Expenses and Program Revenues - Governmental Activities

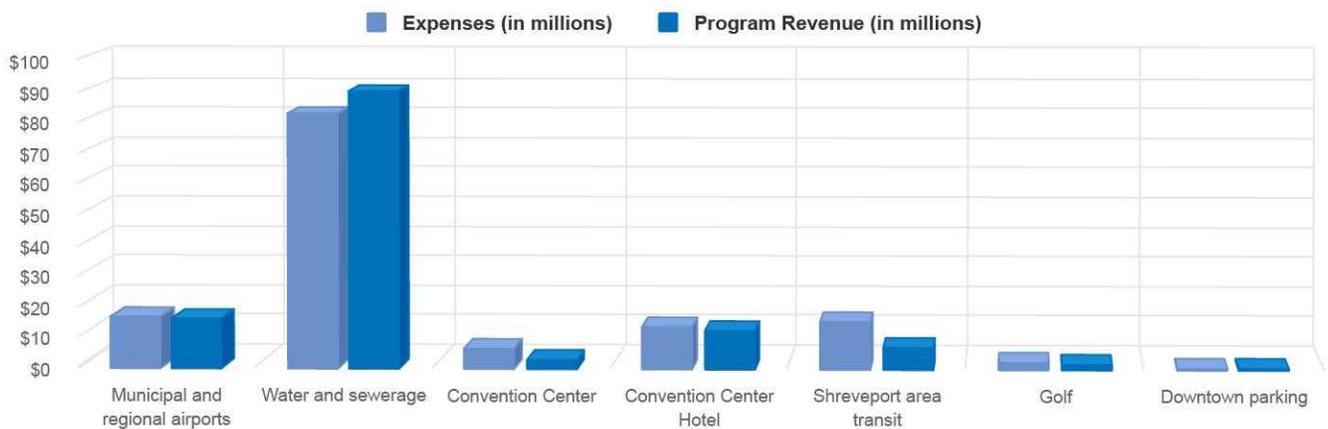


**Business-type Activities.** Charges for services for the City’s business-type activities were \$139 million for 2021, a increase of \$12.84 million from 2020.

#### Revenues by Source - Governmental Activities



#### Expenses and Program Revenues - Business-type Activities



The costs of these business-type activities was \$162.03 million for 2021, a decrease of \$11.81 million from 2020.

- Decrease due to less construction activity in water and sewer in 2021 due to fewer emergency repairs.
- Other funds had small increases and decreases.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**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, 2021 reflect combined fund balances of \$176 million, an increase of \$36 million compared to the prior year. The increase in fund balance was mostly associated with increases in sales tax collections, CARES funding and related decreases in costs also tied to the Covid -19 pandemic. There was 27% or \$68 million restricted primarily for debt service and capital projects. Balances assigned to the future years are \$18 million and \$53 million is unassigned and available for spending.

The General Fund is the City's operating fund which provides most basic services. Its fund balance had an increase \$32.9 million from the prior year. The major revenue sources are property taxes, sales taxes, and charges for services.

- Sales tax collections increased \$21.8 million from 2020 due to an increase in spending from stimulus packages received.
- Charges for services and intergovernmental revenue decreased \$2.1 million from 2020.
- Intergovernmental revenue decreased \$17.7 million from 2020 primarily because of CARES funding not repeated in 2021. The ARPA funding received in 2021 is predominately deferred until expenditures are incurred.

The Debt Service Fund has a total fund balance of \$48 million, which is restricted for payment of principal and interest on debt outstanding. The fund balance for 2021 remained essentially consistent from 2020.

**Proprietary funds.** The proprietary funds had an increase in net position of \$3.9 million. The Municipal and Regional Airport received capital contributions. Water and Sewerage's net position increased \$4.7 million. The Solid Waste Fund was created in 2019 and ended the year with a net position (deficit) of \$6.8 million.

**Capital Assets and Debt Administration**

**Capital assets.** The City's investment in capital assets as of December 31, 2021, for its governmental and business-type activities was \$1.8 billion, net of depreciation, as reflected in the following schedule.

**Capital Assets  
(net of depreciation in millions)**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 112.20	\$ 111.39	\$ 51.79	\$ 51.79	\$ 163.99	\$ 163.18
Construction in progress	6.62	14.39	273.55	246.29	280.17	260.68
Buildings	110.77	114.76	130.65	135.50	241.42	250.26
Improvement other than buildings	45.68	43.69	57.69	62.45	103.37	106.14
Equipment	18.48	15.07	18.91	22.05	37.39	37.12
Distribution and collection systems	-	-	693.64	696.95	693.64	696.95
Infrastructure	276.77	277.19	-	-	276.77	277.19
<b>Total</b>	<b>\$ 570.52</b>	<b>\$ 576.49</b>	<b>\$ 1,226.23</b>	<b>\$ 1,215.03</b>	<b>\$ 1,796.75</b>	<b>\$ 1,791.52</b>

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

Asset	Amount
Jetbridge Program	\$ 1.4
Runway 5/23 Extension/Shift-DTN	1.1
600-700 Blocks Browning St. Drainage	1.0
Ockley Ditch Improvements	2.6
Master Drainage Plan Update	1.0
Public Infrastructure Project-900 Travis	1.0
Texas Street Bridge	1.0
Traffic Signal System Improvement	6.0
Linwood Avenue Reconstruction Phase II	1.7
	<b>\$ 16.8</b>

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**Construction commitments**

The government has no active major construction project as of December 31, 2021 (see list below):

Project Number	Project Description	Remaining Commitment	Financing Sources
None			

For further information, refer to Note E in the notes to the financial statements.

**Long-term debt.** At year end, the City had \$996.6 million in bonds and other lending agreements, including \$273 thousand in Section 108 Housing and Urban Development guaranteed loans as shown in the following table.

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 133.47	\$ 142.60	\$ -	\$ -	\$ 133.47	\$ 142.60
Revenue bonds	5.58	-	826.94	848.96	832.52	848.96
Other lending agreements	25.91	19.80	4.70	0.77	30.61	20.57
<b>Total</b>	<b>\$ 164.96</b>	<b>\$ 162.40</b>	<b>\$ 831.64</b>	<b>\$ 849.73</b>	<b>\$ 996.60</b>	<b>\$ 1,012.13</b>

State statutes limit the amount of government obligation debt a municipality may issue at 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 35% of the total assessed valuation. The City’s outstanding general obligation debt is below the state limit. Approximately \$434 million of additional general obligation bonded debt is available for issuance.

For further information, refer to Note H in the notes to the financial statements.

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

Although the pandemic is still existent, there was some return to normalcy. As the economy reopened, revenues have recovered robustly. Sales taxes for 2021 were significantly greater than 2020 being up 17% year over year. Sales tax collections for 2022 through July are up 11% over the same period in 2021; and expected to remain up through the balance of the year. Gaming revenues, which were non-existent for several months during the pandemic shut-down have rebounded strongly for 2021 increasing by over 50% and through July 2022 revenues are on track to equal 2021 gaming revenues. Hotel occupancy taxes improved but will probably not fully recover until sometime in 2023. The City’s budget for 2022 was virtually equal to the 2021 budget. Despite the fluctuations in revenues, the City has maintained its services to citizens at expected levels in all basic service sectors. As the City finalizes its budget for 2023, revenues are expected to remain constrained and some costs will be reduced to allow the City to operate within its means.

**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 Interim Chief Financial Officer, City of Shreveport, 505 Travis Street, Suite 670, Shreveport, Louisiana 71101.

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**Basic Financial  
Statements**

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**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2021**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 130,360,047	\$ 41,350,284	\$ 171,710,331	\$ 18,501,076
Investments	1,413,488	3,200,000	4,613,488	1,129,164
Interest receivable	23,933	-	23,933	-
Receivables, net	25,804,137	15,156,380	40,960,517	15,917,649
Due from other governments	22,379,816	4,201,665	26,581,481	-
Due from primary government	-	-	-	234,217
Internal balances	16,870,339	(16,870,339)	-	-
Inventories	1,769,265	3,606,556	5,375,821	-
Prepaid items	946,065	352,192	1,298,257	69,496
Notes receivable	4,242,829	-	4,242,829	-
Other assets	196,066	-	196,066	122,516
Restricted assets:				
Cash and cash equivalents	-	232,237,037	232,237,037	-
Investments	4,144,434	2,159,842	6,304,276	-
Prepaid items	-	2,781,173	2,781,173	-
Capital assets:				
Land and construction in progress	118,815,151	325,347,923	444,163,074	7,184,294
Other capital assets, net of depreciation	451,697,794	900,886,526	1,352,584,320	28,640,173
Total assets	<u>778,663,364</u>	<u>1,514,409,239</u>	<u>2,293,072,603</u>	<u>71,798,585</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	1,836,418	5,792,500	7,628,918	-
Deferred outflows for pensions	28,694,914	1,081,577	29,776,491	520,960
Deferred outflows for OPEB	76,764,637	6,542,850	83,307,487	2,516,480
Total deferred outflows of resources	<u>107,295,969</u>	<u>13,416,927</u>	<u>120,712,896</u>	<u>3,037,440</u>
<b>LIABILITIES</b>				
Accounts payable	3,950,127	11,250,820	15,200,947	246,979
Accrued liabilities	1,130,563	3,781,907	4,912,470	233,972
Accrued interest payable	2,405,527	3,460,331	5,865,858	-
Due to other governments	498,919	-	498,919	265,561
Due to component unit	-	-	-	-
Unearned revenue	26,987,805	303,831	27,291,636	-
Deposits and other	2,434,522	798,599	3,233,121	-
Non-current liabilities:				
Due within one year	74,688,190	32,786,896	107,475,086	707,050
Due in more than one year	150,590,538	808,060,133	958,650,671	1,180,736
Net pension liability	256,890,274	55,167,966	312,058,240	26,572,637
Total OPEB liability	594,219,085	50,646,835	644,865,920	19,479,552
Total liabilities	<u>1,113,795,550</u>	<u>966,257,318</u>	<u>2,080,052,868</u>	<u>48,686,487</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows on bond refunding	1,315,386	-	1,315,386	744,987
Deferred inflows for pensions	79,455,156	3,432,396	82,887,552	1,653,275
Deferred inflows for OPEB	67,017,292	5,712,058	72,729,350	2,196,945
Total deferred inflows of resources	<u>147,787,834</u>	<u>9,144,454</u>	<u>156,932,288</u>	<u>4,595,207</u>
<b>NET POSITION</b>				
Net investment in capital assets	433,131,458	622,710,657	1,055,842,115	35,577,081
Restricted for:				
Capital projects	46,229,664	-	46,229,664	-
Debt service	48,025,556	-	48,025,556	128,702
Community development	-	-	-	-
Streets	2,817,281	-	2,817,281	-
Enrichment	1,160,173	-	1,160,173	-
Downtown entertainment economic development	-	-	-	-
Environmental grants	1,143,557	-	1,143,557	-
Other purposes	23,819,105	-	23,819,105	338,408
Unrestricted (deficit)	(931,950,845)	(70,286,263)	(1,002,237,108)	(14,489,860)
Total net position (deficit)	<u>\$ (375,624,051)</u>	<u>\$ 552,424,394</u>	<u>\$ 176,800,343</u>	<u>\$ 21,554,331</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, 2021**

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 54,147,350	\$ -	\$ -	\$ -
Public safety	125,173,071	9,111,179	1,767,100	-
Public works	33,623,919	16,047,305	694,000	-
Culture and recreation	23,100,094	1,525,871	2,200,897	-
Health and welfare	301,523	-	-	-
Community development	11,201,722	-	9,417,843	-
Economic development	1,322,448	-	2,192,082	-
Economic opportunity	2,159,289	-	765,485	-
Interest on long-term debt	5,137,295	-	-	-
Total governmental activities	<u>256,166,711</u>	<u>26,684,355</u>	<u>17,037,407</u>	<u>-</u>
Business-type activities:				
Municipal and Regional Airports	16,386,539	11,254,560	-	7,248,862
Water and Sewerage	94,602,650	98,984,400	-	811,207
Convention Center	5,305,561	1,649,784	-	-
Convention Center Hotel	12,264,638	11,413,112	-	-
Shreveport Area Transit System	16,203,385	979,842	1,391,048	6,496,550
Golf	747,215	2,297,713	-	-
Downtown Parking	363,352	385,455	-	-
Solid Waste	16,159,257	11,895,837	-	-
Total business-type activities	<u>162,032,597</u>	<u>138,860,703</u>	<u>1,391,048</u>	<u>14,556,619</u>
Total primary government	<u>\$ 418,199,308</u>	<u>\$ 165,545,058</u>	<u>\$ 18,428,455</u>	<u>\$ 14,556,619</u>
<b>Component units:</b>				
Shreveport Home Mortgage Authority	\$ 68,261	\$ -	\$ -	\$ -
City Court	566,440	388,619	-	-
City Marshal	3,202,759	750,215	2,379,868	-
Downtown Development Authority	1,262,967	648,130	-	-
Metropolitan Planning Commission	1,545,506	-	280,000	-
Shreve Memorial Library	19,273,782	258,523	619,065	-
Total component units	<u>\$ 25,919,715</u>	<u>\$ 2,045,487</u>	<u>\$ 3,278,933</u>	<u>\$ -</u>

**General Revenues:**

Taxes:

Property taxes levied for general purposes

Property taxes levied for debt service

Sales taxes

Franchise taxes

Occupational licenses

Gaming

Grants and contributions not restricted to specific programs

Investment earnings

Payment from City of Shreveport

Miscellaneous

Transfers

Total general revenues and transfers

Change in Net Position

Net position (deficit) - beginning

Prior period adjustment

Net position (deficit) - beginning, restated

Net position (deficit) - ending

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

(continued)

Net (Expenses)		Revenue and Changes in Net Position		
		Primary Government		
Governmental Activities	Business-type Activities	Total	Component Units	
\$ (54,147,350)	\$ -	\$ (54,147,350)	\$ -	-
(114,294,792)	-	(114,294,792)	-	-
(16,882,614)	-	(16,882,614)	-	-
(19,373,326)	-	(19,373,326)	-	-
(301,523)	-	(301,523)	-	-
(1,783,879)	-	(1,783,879)	-	-
869,634	-	869,634	-	-
(1,393,804)	-	(1,393,804)	-	-
(5,137,295)	-	(5,137,295)	-	-
<u>(212,444,949)</u>	<u>-</u>	<u>(212,444,949)</u>	<u>-</u>	<u>-</u>
-	2,116,883	2,116,883	-	-
-	5,192,957	5,192,957	-	-
-	(3,655,777)	(3,655,777)	-	-
-	(851,526)	(851,526)	-	-
-	(7,335,945)	(7,335,945)	-	-
-	1,550,498	1,550,498	-	-
-	22,103	22,103	-	-
-	<u>(4,263,420)</u>	<u>(4,263,420)</u>	-	-
-	<u>(7,224,227)</u>	<u>(7,224,227)</u>	-	-
<u>\$ (212,444,949)</u>	<u>\$ (7,224,227)</u>	<u>\$ (219,669,176)</u>	<u>\$ -</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ (68,261)	-
-	-	-	(177,821)	-
-	-	-	(72,676)	-
-	-	-	(614,837)	-
-	-	-	(1,265,506)	-
-	-	-	(18,396,194)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,595,295)</u>	<u>-</u>
\$ 27,410,852	\$ -	\$ 27,410,852	\$ 17,401,487	-
13,981,533	-	13,981,533	-	-
149,913,898	-	149,913,898	-	-
18,783,200	-	18,783,200	-	-
6,999,837	-	6,999,837	-	-
7,780,770	-	7,780,770	-	-
1,216,423	-	1,216,423	-	-
(8,912)	(210,637)	(219,549)	60,290	-
-	-	-	843,639	-
12,518,729	3,645,226	16,163,955	1,061,119	-
(7,676,542)	7,676,542	-	-	-
<u>230,919,788</u>	<u>11,111,131</u>	<u>242,030,919</u>	<u>19,366,535</u>	-
18,474,839	3,886,904	22,361,743	(1,228,760)	-
(394,098,890)	548,537,490	154,438,600	22,805,142	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,051)</u>	<u>-</u>
<u>\$ (394,098,890)</u>	<u>\$ 548,537,490</u>	<u>\$ 154,438,600</u>	<u>\$ 22,783,091</u>	<u>-</u>
<u>\$ (375,624,051)</u>	<u>\$ 552,424,394</u>	<u>\$ 176,800,343</u>	<u>\$ 21,554,331</u>	<u>-</u>

(concluded)

**CITY OF SHREVEPORT, LOUISIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2021**

	General	Debt Service	2014 General Obligation Bonds	Community Development	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 71,378,016	\$ 9,293,287	\$ 10,937,276	\$ 200	\$ 30,805,013	\$ 122,413,792
Investments	-	420,156	-	-	-	420,156
Property taxes receivable, net	5,152,768	2,761,297	-	-	-	7,914,065
Franchise taxes receivable	2,353,279	-	-	-	-	2,353,279
Accounts receivable, net	511,357	-	-	191,651	2,663,664	3,366,672
Due from other governments	18,364,223	-	-	2,628,061	1,387,532	22,379,816
Due from other funds	112,008	35,949,039	10,016,964	-	807,357	46,885,368
Inventories	1,769,265	-	-	-	-	1,769,265
Notes receivable, net	-	-	-	4,242,829	-	4,242,829
Assets held for resale	-	-	-	-	196,066	196,066
Restricted assets	4,144,434	-	-	-	-	4,144,434
<b>Total assets</b>	<b>\$ 103,785,350</b>	<b>\$ 48,423,779</b>	<b>\$ 20,954,240</b>	<b>\$ 7,062,741</b>	<b>\$ 35,859,632</b>	<b>\$ 216,085,742</b>
<b>LIABILITIES</b>						
Liabilities:						
Accounts payable	\$ 1,242,833	\$ -	\$ 39,252	\$ 1,418,096	\$ 957,971	\$ 3,658,152
Accrued liabilities	1,126,663	3,900	-	-	-	1,130,563
Due to other governments	498,919	-	-	-	666,155	1,165,074
Due to other funds	-	-	654,925	3,223,239	38,170	3,916,334
Unearned revenue	22,654,234	-	-	4,295,400	-	26,949,634
Deposits and other	1,565,935	-	-	-	-	1,565,935
Notes payable	-	-	-	273,000	-	273,000
Items held in escrow	856,771	-	-	11,816	-	868,587
<b>Total liabilities</b>	<b>\$ 27,945,355</b>	<b>\$ 3,900</b>	<b>\$ 694,177</b>	<b>\$ 9,221,551</b>	<b>\$ 1,662,296</b>	<b>\$ 39,527,279</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue-property taxes	220,471	394,323	-	-	-	614,794
<b>Total deferred inflows of resources</b>	<b>220,471</b>	<b>394,323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>614,794</b>
<b>FUND BALANCES</b>						
Nonspendable:						
Inventories	1,769,265	-	-	-	-	1,769,265
Endowments	13,171	-	-	-	-	13,171
Restricted for:						
Debt service	-	48,025,556	-	-	-	48,025,556
Community development	-	-	-	-	-	-
Streets	-	-	-	-	-	-
Capital projects	-	-	20,260,063	-	-	20,260,063
Other purposes	-	-	-	-	34,237,061	34,237,061
Assigned to:						
Purchases on order - materials and supplies	18,368,928	-	-	-	-	18,368,928
Unassigned	55,468,160	-	-	(2,158,810)	(39,725)	53,269,625
<b>Total fund balance</b>	<b>75,619,524</b>	<b>48,025,556</b>	<b>20,260,063</b>	<b>(2,158,810)</b>	<b>34,197,336</b>	<b>175,943,669</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 103,785,350</b>	<b>\$ 48,423,779</b>	<b>\$ 20,954,240</b>	<b>\$ 7,062,741</b>	<b>\$ 35,859,632</b>	<b>\$ 216,085,742</b>

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

**CITY OF SHREVEPORT, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

Fund balances - total governmental funds		\$ 175,943,669
Amounts reported for governmental activities in the statement of net position 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	1,116,109,843	
Less accumulated depreciation	<u>(545,596,900)</u>	570,512,943
Some of the City's property taxes will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the governmental funds.		
		614,792
Receivables that are not financial resources and therefore are not reported in the governmental funds		
		783,245
Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds, notes, and loans payable	(146,732,184)	
Unamortized bond discount	95,737	
Deferred outflow charge on refunding	1,836,418	
Deferred inflow charge on refunding	(1,315,386)	
Unamortized bond premium	(15,534,510)	
Accrued interest payable	(2,405,527)	
Compensated absences	<u>(9,120,508)</u>	(173,175,960)
Net pension liability and deferred inflows and outflows for pensions		(307,650,516)
Total OPEB liability and deferred inflows for OPEB		(584,471,740)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.		
		<u>(58,180,484)</u>
Net position of governmental activities.		<u>\$ (375,624,051)</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Debt Service	2014 General Obligation Bonds	Community Development	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes:						
Property	\$ 28,438,523	\$ 13,981,533	\$ -	\$ -	\$ -	\$ 42,420,056
Sales	149,913,898	-	-	-	-	149,913,898
Franchise	10,674,140	-	-	-	8,109,060	18,783,200
Licenses and permits	9,826,980	-	-	-	-	9,826,980
Intergovernmental	9,166,006	1,388,238	-	11,377,831	2,187,708	24,119,783
Charges for services	21,606,175	-	-	-	-	21,606,175
Fines and forfeitures	1,095,072	-	-	-	-	1,095,072
Gaming	-	-	-	-	7,780,770	7,780,770
Investment earnings	(9,407)	(16,006)	4,706	1,666	(4,828)	(23,869)
Miscellaneous	2,533,192	27,188	30,000	997,579	3,624,153	7,212,112
Total revenues	<u>233,244,579</u>	<u>15,380,953</u>	<u>34,706</u>	<u>12,377,076</u>	<u>21,696,863</u>	<u>282,734,177</u>
<b>EXPENDITURES</b>						
Current:						
General government	43,689,744	-	-	-	228,253	43,917,997
Public safety	123,989,665	-	-	-	2,441,036	126,430,701
Public works	22,623,224	-	-	-	-	22,623,224
Culture and recreation	17,752,519	-	-	21,385	69,627	17,843,531
Health and welfare	-	-	-	295,263	-	295,263
Community development	-	-	-	11,086,002	-	11,086,002
Economic development	-	-	-	117,821	-	117,821
Economic opportunity	-	-	-	2,159,289	1,204,629	3,363,918
Debt service:						
Principal	-	10,336,571	-	-	-	10,336,571
Interest and other charges	-	6,990,294	-	-	-	6,990,294
Bond issuance costs	-	167,840	-	-	-	167,840
Capital outlay	-	-	-	-	8,004,619	8,004,619
Total expenditures	<u>208,055,152</u>	<u>17,494,705</u>	<u>-</u>	<u>13,679,760</u>	<u>11,948,164</u>	<u>251,177,781</u>
Excess (deficiency) of revenues over (under) expenditures	25,189,427	(2,113,752)	34,706	(1,302,684)	9,748,699	31,556,396
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	9,915,100	704,284	140,000	373,800	14,854,193	25,987,377
Transfers out	(14,682,627)	-	-	-	(18,981,291)	(33,663,918)
Bonds issued	12,452,000	-	-	-	-	12,452,000
Discounts on bonds issued	-	(95,737)	-	-	-	(95,737)
Total other financing sources and (uses)	<u>7,684,473</u>	<u>608,547</u>	<u>140,000</u>	<u>373,800</u>	<u>(4,127,098)</u>	<u>4,679,722</u>
Net change in fund balances	32,873,900	(1,505,205)	174,706	(928,884)	5,621,601	36,236,118
Fund balances-beginning	42,745,624	49,530,761	20,085,357	(1,229,926)	28,575,735	139,707,551
Fund balances-ending	<u>\$ 75,619,524</u>	<u>\$ 48,025,556</u>	<u>\$ 20,260,063</u>	<u>\$ (2,158,810)</u>	<u>\$ 34,197,336</u>	<u>\$ 175,943,669</u>

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

**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, 2021**

Net change in fund balances - total funds		\$ 36,236,118
<p>Amounts reported for governmental activities in the Statement of Activities are different because: Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	15,837,485	
Disposals	(186,625)	
Depreciation expense	<u>(21,639,955)</u>	(5,989,095)
<p>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 unavailable revenues.</p>		
Property taxes		(1,027,671)
Fines		783,245
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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:</p>		
Principal payments		10,336,571
<p>The changes in other long-term assets and liabilities are reported in the Statement of Activities but do not affect current financial resources of governmental funds. The changes are as follows:</p>		
Net pension liability and deferred inflows and outflows for pensions	18,087,058	
Total OPEB liability and deferred inflows for OPEB	<u>(22,329,467)</u>	(4,242,409)
<p>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. These expenses consist of:</p>		
Amortization of deferred outflow charge on refunding	(191,645)	
Amortization of deferred inflow charge on refunding	213,306	
Amortization of certificate of indebtedness discount	(4,278)	
Amortization of certificate of indebtedness premium	218,518	
Amortization of bond premiums	1,628,000	
Decrease in accrued interest	144,226	
Increase in other bond items	(12,343,553)	
Decrease in compensated absences	<u>(1,866,747)</u>	(12,202,173)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.</p>		
		<u>(5,419,747)</u>
Change in net position of governmental activities.		<u>\$ 18,474,839</u>

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

**CITY OF SHREVEPORT, LOUISIANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2021**

	Business-type Activities Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		
<b>ASSETS</b>							
Current Assets:							
Cash and cash equivalents	\$ 7,852,963	\$ 26,973,271	\$ 685,463	\$ -	\$ 5,838,585	\$ 41,350,282	\$ 7,946,254
Investments	-	-	-	-	3,200,001	3,200,001	993,332
Receivables, net	756,166	10,722,472	988,131	282,666	2,406,945	15,156,380	10,994,516
Interest Receivable	-	-	-	-	-	-	23,933
Due from other funds	-	-	-	-	15,279	15,279	-
Due from other governments	3,790,973	-	-	-	410,692	4,201,665	-
Inventories	58,449	2,372,165	65,467	62,198	1,048,277	3,606,556	-
Prepaid items	-	-	32,901	90,079	229,212	352,192	946,065
Total current assets	<u>12,458,551</u>	<u>40,067,908</u>	<u>1,771,962</u>	<u>434,943</u>	<u>13,148,991</u>	<u>67,882,355</u>	<u>20,904,100</u>
Noncurrent Assets:							
Restricted:							
Cash and cash equivalents	5,164,538	226,112,635	-	959,864	-	232,237,037	-
Investments	-	2,159,842	-	-	-	2,159,842	-
Prepaid items	135,393	2,645,780	-	-	-	2,781,173	-
Total restricted assets	<u>5,299,931</u>	<u>230,918,257</u>	<u>-</u>	<u>959,864</u>	<u>-</u>	<u>237,178,052</u>	<u>-</u>
Capital Assets:							
Land	37,627,729	996,201	6,147,743	-	7,021,393	51,793,066	-
Buildings	75,214,685	-	88,822,704	46,534,825	14,416,374	224,988,588	-
Improvements other than buildings	143,749,457	-	3,553,819	1,121,869	2,023,897	150,449,042	-
Equipment	8,567,544	21,716,780	8,168,114	9,605,050	32,041,896	80,099,384	-
Distribution and collection systems	-	1,046,665,829	-	-	-	1,046,665,829	-
Construction in progress	10,204,445	262,599,212	-	-	751,200	273,554,857	-
Less accumulated depreciation	<u>(142,325,483)</u>	<u>(370,656,991)</u>	<u>(39,013,064)</u>	<u>(20,892,762)</u>	<u>(28,428,016)</u>	<u>(601,316,316)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	<u>133,038,377</u>	<u>961,321,031</u>	<u>67,679,316</u>	<u>36,368,982</u>	<u>27,826,744</u>	<u>1,226,234,450</u>	<u>-</u>
Total noncurrent assets	<u>138,338,308</u>	<u>1,192,239,288</u>	<u>67,679,316</u>	<u>37,328,846</u>	<u>27,826,744</u>	<u>1,463,412,502</u>	<u>-</u>
Total assets	<u>150,796,859</u>	<u>1,232,307,196</u>	<u>69,451,278</u>	<u>37,763,789</u>	<u>40,975,735</u>	<u>1,531,294,857</u>	<u>20,904,100</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred amount on refunding	2,569,349	1,825,181	-	1,397,970	-	5,792,500	-
Deferred outflow OPEB	1,078,492	5,272,626	-	-	191,732	6,542,850	-
Deferred pension	202,749	851,999	-	-	26,829	1,081,577	-
Total deferred outflows of resources	<u>\$ 3,850,590</u>	<u>\$ 7,949,806</u>	<u>\$ -</u>	<u>\$ 1,397,970</u>	<u>\$ 218,561</u>	<u>\$ 13,416,927</u>	<u>\$ -</u>

(continued)

**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts payable	\$ 822,254	\$ 7,647,014	\$ 772,205	\$ 369,875	\$ 1,639,472	\$ 11,250,820	\$ 291,972
Accrued liabilities	870,887	2,128,042	178,259	411,953	267,766	3,856,907	-
Accrued interest payable	523,861	2,592,339	-	344,131	-	3,460,331	-
Due to other funds	-	-	-	10,016,964	6,868,654	16,885,618	25,078,350
Unearned revenue	101,626	-	-	-	202,205	303,831	-
Customer deposits	164,865	355,489	209,116	69,129	-	798,599	-
Compensated absences	152,504	496,458	-	-	-	648,962	20,817
Claims and judgments	-	-	-	-	404,766	404,766	53,694,496
Leases payable	-	285,362	-	-	595,009	880,371	-
Revenue bonds and notes payable, net	<u>1,950,000</u>	<u>24,266,945</u>	<u>-</u>	<u>1,963,400</u>	<u>-</u>	<u>28,180,345</u>	<u>-</u>
Total current liabilities	<u>4,585,997</u>	<u>37,771,649</u>	<u>1,159,580</u>	<u>13,175,452</u>	<u>9,977,872</u>	<u>66,670,550</u>	<u>79,085,635</u>
Noncurrent Liabilities:							
Leases payable	-	1,214,638	-	-	2,604,991	3,819,629	-
Landfill closure	-	-	-	-	8,075,499	8,075,499	-
Total OPEB liability	8,348,379	40,814,299	-	-	1,484,157	50,646,835	-
Net pension liability	10,341,592	43,457,916	-	-	1,368,458	55,167,966	-
Derivative instrument liability	-	-	-	-	-	-	-
Revenue bonds and notes payable, net	<u>21,394,525</u>	<u>746,752,580</u>	<u>-</u>	<u>30,615,353</u>	<u>-</u>	<u>798,762,458</u>	<u>-</u>
Total noncurrent liabilities	<u>40,084,496</u>	<u>832,239,433</u>	<u>-</u>	<u>30,615,353</u>	<u>13,533,105</u>	<u>916,472,387</u>	<u>-</u>
Total liabilities	<u>44,670,493</u>	<u>870,011,082</u>	<u>1,159,580</u>	<u>43,790,805</u>	<u>23,510,977</u>	<u>983,142,937</u>	<u>79,085,635</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred OPEB	941,548	4,603,125	-	-	167,385	5,712,058	-
Deferred pensions	643,425	2,703,829	-	-	85,142	3,432,396	-
Total deferred inflows of resources	<u>1,584,973</u>	<u>7,306,954</u>	<u>-</u>	<u>-</u>	<u>252,527</u>	<u>9,144,454</u>	<u>-</u>
<b>NET POSITION (DEFICIT)</b>							
Net investment in capital assets	112,398,594	409,617,804	67,679,316	5,188,199	27,826,744	622,710,657	-
Restricted for debt service	3,960,404	-	-	(5,748,373)	-	(1,787,969)	-
Unrestricted (deficit)	<u>(7,967,015)</u>	<u>(46,678,838)</u>	<u>612,382</u>	<u>(4,068,872)</u>	<u>(10,395,952)</u>	<u>(68,498,295)</u>	<u>(58,181,535)</u>
Total net position (deficit)	<u>\$ 108,391,983</u>	<u>\$ 362,938,966</u>	<u>\$ 68,291,698</u>	<u>\$ (4,629,046)</u>	<u>\$ 17,430,792</u>	<u>\$ 552,424,393</u>	<u>\$ (58,181,535)</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		
<b>OPERATING REVENUES</b>							
Charges for services	\$ 11,254,560	\$ 98,984,400	\$ 1,649,784	\$ 11,413,112	\$ 15,558,847	\$ 138,860,703	\$ 52,983,940
Miscellaneous	300,326	1,361,402	21,247	62,502	961,778	2,707,255	3,457,340
Total operating revenues	<u>11,554,886</u>	<u>100,345,802</u>	<u>1,671,031</u>	<u>11,475,614</u>	<u>16,520,625</u>	<u>141,567,958</u>	<u>56,441,280</u>
<b>OPERATING EXPENSES</b>							
Personal services	2,785,360	14,184,004	959,461	-	13,724,935	31,653,760	472,435
Contractual services and other expenses	2,186,850	15,187,272	1,169,323	7,634,400	12,791,522	38,969,367	6,769,593
Utilities	1,213,154	5,611,055	763,418	717,285	420,678	8,725,590	-
Repairs and maintenance	364,043	3,154,043	301,036	671,757	(15,279)	4,475,600	-
Materials and supplies	308,671	8,349,498	76,875	-	3,155,934	11,890,978	14,913
Claims	-	-	-	-	-	-	54,620,104
Depreciation	8,326,977	19,567,668	2,035,448	1,796,302	3,395,247	35,121,642	-
Total operating expenses	<u>15,185,055</u>	<u>66,053,540</u>	<u>5,305,561</u>	<u>10,819,744</u>	<u>33,473,037</u>	<u>130,836,937</u>	<u>61,877,045</u>
Operating income (loss)	<u>(3,630,169)</u>	<u>34,292,262</u>	<u>(3,634,530)</u>	<u>655,870</u>	<u>(16,952,412)</u>	<u>10,731,021</u>	<u>(5,435,765)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Investment earnings (loss)	(1,666)	(214,394)	(159)	-	5,583	(210,636)	14,966
Interest expense	(1,201,485)	(28,549,110)	-	(1,444,894)	(172)	(31,195,661)	-
Intergovernmental	-	-	-	-	1,391,048	1,391,048	-
Passenger facility charges	964,741	-	-	-	-	964,741	-
Bond issuance costs	-	-	-	-	-	-	-
Gain / (Loss) on disposal of capital assets	-	(1,227)	-	(2,188)	(23,356)	(26,771)	-
Net nonoperating revenues (expenses)	<u>(238,410)</u>	<u>(28,764,731)</u>	<u>(159)</u>	<u>(1,447,082)</u>	<u>1,373,103</u>	<u>(29,077,279)</u>	<u>14,966</u>
Income (loss) before contributions and transfers	<u>(3,868,579)</u>	<u>5,527,531</u>	<u>(3,634,689)</u>	<u>(791,212)</u>	<u>(15,579,309)</u>	<u>(18,346,258)</u>	<u>(5,420,799)</u>
Capital contributions	7,248,862	811,207	-	-	6,496,550	14,556,619	-
Transfers in	43,600	45,600	2,530,000	-	6,692,341	9,311,541	-
Transfers out	-	(1,635,000)	-	-	-	(1,635,000)	-
Change in net position	<u>3,423,883</u>	<u>4,749,338</u>	<u>(1,104,689)</u>	<u>(791,212)</u>	<u>(2,390,418)</u>	<u>3,886,902</u>	<u>(5,420,799)</u>
Total net position (deficit)-beginning of year	<u>104,968,100</u>	<u>358,189,628</u>	<u>69,396,387</u>	<u>(3,837,834)</u>	<u>19,821,210</u>	<u>548,537,491</u>	<u>(52,760,736)</u>
Total net position (deficit)-ending	<u>\$ 108,391,983</u>	<u>\$ 362,938,966</u>	<u>\$ 68,291,698</u>	<u>\$ (4,629,046)</u>	<u>\$ 17,430,792</u>	<u>\$ 552,424,393</u>	<u>\$ (58,181,535)</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities					Total	Governmental Activities Internal Service Funds
	Enterprise Funds						
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		
<b>Cash flows from operating activities:</b>							
Receipts from customers	\$ 8,791,414	\$ 102,137,797	\$ 893,186	\$ 11,297,851	\$ 15,051,900	\$ 138,172,148	\$ 48,264,134
Payments to suppliers	(4,485,649)	(31,487,993)	(2,020,799)	(7,862,914)	(13,354,365)	(59,211,720)	(3,117,626)
Payments to employees	(4,092,150)	(14,272,616)	(960,178)	-	(14,999,790)	(34,324,734)	(475,693)
Claims	-	-	-	-	-	-	(48,981,573)
Other receipts	300,326	1,361,402	21,247	62,502	961,778	2,707,255	-
Net cash provided by (used in) operating activities	<u>513,941</u>	<u>57,738,590</u>	<u>(2,066,544)</u>	<u>3,497,439</u>	<u>(12,340,477)</u>	<u>47,342,949</u>	<u>(4,310,758)</u>
<b>Cash flows from noncapital financing activities:</b>							
Transfers out	-	(1,635,000)	-	-	-	(1,635,000)	-
Intergovernmental	-	-	-	-	1,391,048	1,391,048	-
Transfers in	43,600	45,600	2,050,000	-	6,692,341	8,831,541	-
Interest expense on operations	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>43,600</u>	<u>(1,589,400)</u>	<u>2,050,000</u>	<u>-</u>	<u>8,083,389</u>	<u>8,587,589</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>							
Acquisition and construction of capital assets	(3,691,151)	(42,428,609)	-	(43,240)	(621,321)	(46,784,321)	-
Proceeds from disposal of capital assets	-	-	-	-	451,118	451,118	-
Principal paid on debt	(1,790,000)	(16,318,400)	-	(1,609,602)	-	(19,718,002)	-
Interest paid on debt	(1,087,660)	(31,239,853)	-	(1,354,233)	-	(33,681,746)	-
Proceeds from bond issuance	-	1,500,000	-	-	3,200,000	4,700,000	-
Capital grants	7,248,862	811,207	480,000	-	6,496,550	15,036,619	-
Passenger facility charges	964,741	-	-	-	-	964,741	-
Net cash provided by (used in) capital and related financing activities	<u>1,644,792</u>	<u>(87,675,655)</u>	<u>480,000</u>	<u>(3,007,075)</u>	<u>9,526,347</u>	<u>(79,031,591)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>							
Purchase of investments	-	-	-	-	-	-	(993,332)
Proceeds from sale and maturity of investments	-	-	-	-	-	-	997,568
Interest on investments	(1,667)	(214,394)	(160)	-	5,411	(210,810)	14,992
Net cash provided by (used in) investing activities	<u>(1,667)</u>	<u>(214,394)</u>	<u>(160)</u>	<u>-</u>	<u>5,411</u>	<u>(210,810)</u>	<u>19,228</u>
Net increase (decrease) in cash and cash equivalents	<u>2,200,666</u>	<u>(31,740,859)</u>	<u>463,296</u>	<u>490,364</u>	<u>5,274,670</u>	<u>(23,311,863)</u>	<u>(4,291,530)</u>
Cash and cash equivalents, beginning of year	<u>10,816,835</u>	<u>286,986,607</u>	<u>222,167</u>	<u>469,500</u>	<u>3,763,916</u>	<u>302,259,025</u>	<u>12,237,784</u>
Cash and cash equivalents, end of year	<u>\$ 13,017,501</u>	<u>\$ 255,245,748</u>	<u>\$ 685,463</u>	<u>\$ 959,864</u>	<u>\$ 9,038,586</u>	<u>\$ 278,947,162</u>	<u>\$ 7,946,254</u>

(continued)

**CITY OF SHREVEPORT, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

A reconciliation of the cash and cash equivalents per this statement to the Statement of Net Position follows:

	Business-type Activities Enterprise Funds					Total	
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 7,852,963	\$ 26,973,271	\$ 685,463	\$ -	\$ 5,838,585	\$ 41,350,282	
Investments	-	-	-	-	3,200,001	3,200,001	
<b>Noncurrent Assets:</b>							
Restricted: Cash and cash equivalents	5,164,538	226,112,635	-	959,864	-	232,237,037	
Restricted: Investments	-	2,159,842	-	-	-	2,159,842	
	<u>\$ 13,017,501</u>	<u>\$ 255,245,748</u>	<u>\$ 685,463</u>	<u>\$ 959,864</u>	<u>\$ 9,038,586</u>	<u>\$ 278,947,162</u>	
	Business-type Activities Enterprise Funds						Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>							
Operating income (loss)	\$ (3,630,169)	\$ 34,292,262	\$ (3,634,530)	\$ 655,870	\$ (16,952,412)	\$ 10,731,021	\$ (5,435,765)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	8,326,977	19,567,668	2,035,448	1,796,302	3,395,247	35,121,642	-
(Gain) Loss on disposal of assets	-	1,227					
(Increase) Decrease in assets:							
Receivables	(2,419,823)	3,212,259	(767,608)	(167,358)	(506,946)	(649,476)	(8,074,908)
Inventories	2,628	(76,046)	(20,815)	(28,352)	(136,107)	(258,692)	-
Deferred outflows for pensions and OPEB	1,093,374	4,047,251	-		315,048	5,455,673	-
Prepaid items	7,521	138,165	(222)	(1,254)	(88,418)	55,792	426,589
Increase (Decrease) in liabilities:							
Accounts payable	268,320	4,157,525	195,946	144,282	755,427	5,521,500	193,373
Accrued liabilities	(691,401)	(3,405,769)	114,229	291,427	89,498	(3,602,016)	-
Total OPEB liability	(1,387,396)	(1,544,861)	-	-	(907,086)	(3,839,343)	-
Net pension liability	(758,171)	(2,182,398)	-	-	(533,632)	(3,474,201)	-
Landfill closure	-	-	-	-	154,808	154,808	-
Deferred inflows for pensions	(223,600)	(861,227)	-	-	(63,434)	(1,148,261)	-
Deferred inflows for OPEB	(6,780)	477,065	-	-	(65,538)	404,747	-
Due to other funds	-	-	-	754,425	2,223,282	2,977,707	3,046,509
Unearned revenue	(46,148)	-	-	-	(1)	(46,149)	-
Customers' deposits	2,825	(58,862)	11,008	52,097	-	7,068	-
Claims and judgments	-	-	-	-	-	-	5,536,701
Compensated absences	(24,216)	(24,442)	-	-	(20,213)	(68,871)	(3,257)
Total adjustments	<u>4,144,110</u>	<u>23,447,555</u>	<u>1,567,986</u>	<u>2,841,569</u>	<u>4,611,935</u>	<u>36,611,928</u>	<u>1,125,007</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 513,941</u>	<u>\$ 57,738,590</u>	<u>\$ (2,066,544)</u>	<u>\$ 3,497,439</u>	<u>\$ (12,340,477)</u>	<u>\$ 47,342,949</u>	<u>\$ (4,310,758)</u>

(concluded)

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

**CITY OF SHREVEPORT, LOUISIANA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2021**

	<u>Employee Retirement Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 10,948,033
Receivables:	
Interest and dividends receivable	68,535
Accounts receivable	-
Prepaid items	-
Investments, at fair value	223,229,112
Other assets:	
Cash surrender value of life insurance policies	<u>1,037,540</u>
Total assets	<u>235,283,220</u>
<b>LIABILITIES</b>	
Due to other funds	392,358
Accrued liabilities	88,004
Employees' deposits held in escrow	<u>1,016,095</u>
Total liabilities	<u>1,496,457</u>
<b>Net position restricted for pensions</b>	<u>\$ 233,786,763</u>

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

**CITY OF SHREVEPORT, LOUISIANA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Employee Retirement Funds</u>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 12,919,339
Plan members	<u>5,298,931</u>
Total contributions	<u>18,218,270</u>
Investment earnings:	
Net appreciation in fair value of investments	27,464,570
Interest	30,055
Dividends	<u>507,504</u>
Total investment earnings	<u>28,002,129</u>
Less investment expense	<u>1,187,753</u>
Net investment income	<u>26,814,376</u>
Life insurance proceeds	1,539,233
Miscellaneous	<u>1,210</u>
Total additions	<u>46,573,089</u>
<b>DEDUCTIONS</b>	
Benefits	34,176,207
Refund of member contribution	1,762,936
Administrative expenses	135,578
Life insurance premiums	<u>1,406,897</u>
Total deductions	<u>37,481,618</u>
Change in net position	9,091,471
Net position restricted for pensions	
Beginning of year	<u>224,695,292</u>
End of year	<u>\$ 233,786,763</u>

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

The cover features a photograph of a large steel truss bridge at night, illuminated with warm lights. In the background, a multi-story building with a distinctive rounded top is also lit up. The scene is reflected in the water below. The image is framed by a large white circle with a blue border, set against a blue background with white geometric shapes.

**Notes to  
Financial  
Statements**

## NOTES TO THE FINANCIAL STATEMENTS

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**NOTES TO THE FINANCIAL STATEMENTS****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 1839, under the provisions of Louisiana R.S. 33:1. In May of 1978, the present City Charter was adopted, which established a mayor-council form of government. The City provides a full range of municipal services as authorized by the charter. These include police and fire protection, emergency medical services, public works (streets and waste collection), public improvements, water and sewer services, parks and recreation, planning and zoning, public transportation, social, cultural, and general administrative services.

The basic criterion for determining whether another governmental organization should be included in a primary governmental unit's reporting entity for 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/burden relationship. In addition, an organization which is fiscally dependent on the primary government and there is a financial benefit/burden relationship 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' column 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 Court**

The City Court has jurisdiction over all violations of City ordinances and state misdemeanor cases. The Court was created by special legislative act. Their jurisdiction includes the incorporated area of the City of Shreveport plus the fourth ward of Caddo Parish. City judges are elected and cannot be removed by City officials. The City Court is fiscally dependent on the City of Shreveport and there is a financial benefit/burden relationship. The City has the ability to modify or approve its budget which comes from the General Fund. There are certain funds collected by the City Court, pursuant to state statute, which are under the control of the court. The City Court serves the citizenry of the City of Shreveport plus Ward Four of Caddo Parish. Its administrative office is located at 1244 Texas Avenue, Shreveport, Louisiana 71101.

**City Marshal**

The City Marshal is the executive officer of the City Court. The Marshal has the power of a sheriff in the execution of the court's orders and mandates in making requests and preserving the peace. The City Marshal is an elected official. The City Marshal is fiscally dependent on the City of Shreveport and there is a financial benefit/burden relationship. The City has the ability to modify or approve the budget which comes from the General Fund. Certain funds are collected such as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the citizenry of the City of Shreveport plus Ward Four of Caddo Parish. Its administrative office is located at 1244 Texas Avenue, Shreveport, Louisiana 71101.

**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. Its administrative office is located at 416 Cotton Street, Shreveport, Louisiana 71101.

## NOTES TO THE FINANCIAL STATEMENTS

### I. Summary of Significant Accounting Policies (continued)

#### 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 fiscally dependent on the City and there is a financial benefit/burden relationship due to the General Fund subsidy of the majority of their operating budget. The Metropolitan Planning Commission serves the citizenry of the City of Shreveport. Its administrative office is located at 505 Travis Street, Suite 440, Shreveport, Louisiana 71101.

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.

#### 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. Per the terms of the trust indenture, the City has no power to transact business for the trustees nor to control or direct the actions of the trustees. The City is entitled solely to the benefits of the trust, and at the termination of the trust it shall receive the residual assets of the trust. The City cannot access the organization's funds at will, although there is some ability to access them at the discretion of the Authority. The City is financially accountable since it appoints all of the governing body and there is a potential for the Shreveport Home Mortgage Authority to provide specific financial benefits to the City. The Shreveport Home Mortgage Authority serves the citizenry of the City of Shreveport. Its administrative office is located at 1215 Hawn Avenue, Shreveport, Louisiana 71107.

#### Shreve Memorial Library

The Shreve Memorial Library (the "Library"), a parish-wide system, was established in compliance with the provisions of Louisiana Revised Statute 25:211 and created by an agreement between the City and Caddo Parish Commission (the "Commission" or "Parish") and established as a joint city-parish public library. Under the City of Shreveport's City Charter Section 8.05, the Library is under control of a Board of Trustees, which shall have all of the powers and duties conferred on boards of control of joint city-parish public libraries by the laws of the state. The Library is fiscally dependent on both the City and the Parish; however, the City appoints the majority of the Board members and indirectly controls the financial operations of the Library. The City provides the accounting, payroll, purchasing, cash management, and some legal services (contract review) to support the Library's infrastructure and operations creating a financial benefit/burden relationship. Its administrative office is located at 885 Bert Kouns Industrial Loop, Shreveport, Louisiana 71118.

#### Related Organization

##### Shreveport Housing Authority

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

#### Jointly Governed Organization

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

The Caddo-Shreveport Sales and Use Tax 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.

**NOTES TO THE FINANCIAL STATEMENTS****I. Summary of Significant Accounting Policies (continued)****B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund 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. Fiduciary funds and fiduciary component units have not been included in the government-wide financial statements.

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 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 interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current 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 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 2014 General Obligation Bonds Fund accounts for proceeds of bonds issued for the purpose of constructing, acquiring and improving the water and sewer system, parks and recreation, police, fire, finance and streets and drainage.

The Community Development Fund accounts for the City's activities and grants in its community development programs and initiatives.

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.

## NOTES TO THE FINANCIAL STATEMENTS

### I. Summary of Significant Accounting Policies (continued)

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

The Convention Center Fund accounts for the conventions, conferences, and rentals of the convention center.

The Convention Center Hotel Fund accounts for the activities involved in the operations of the hotel, which is separately operated and adjacent to the convention center.

Additionally, the City reports the following fund types:

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

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

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 eliminated 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, it is the City's policy for the government-wide and proprietary fund financial statements to use restricted – net position first, followed by unrestricted – net position.

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements along with reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from estimates.

### D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

#### 1. Cash, Cash Equivalents and Investments

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

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

The City has investment policies for the primary government and its fiduciary funds. The fiduciary funds are the Employees' Retirement System, the Policemen's Pension and Relief Fund, and the Firemen's Pension and Relief Fund.

The primary government's investments are made in accordance with Louisiana Revised Statutes and are further defined in the City's investment policy which has been approved by the Mayor and Chief Administrative Officer and implements Section 26-55 of the City Code.

**NOTES TO THE FINANCIAL STATEMENTS****I. Summary of Significant Accounting Policies (continued)**

The State authorized investments are as follows:

- 1) U.S. Treasury obligations
- 2) U.S. government agencies
- 3) U.S. government instrumentalities
- 4) Collateralized repurchase agreements
- 5) Collateralized certificates of deposit with Louisiana domiciled institutions
- 6) Collateralized interest bearing bank accounts
- 7) Mutual or trust funds which are registered with the Securities and Exchange Commission which have underlying investments consisting of and limited to securities of the U.S. government or its agencies
- 8) Guaranteed investment contracts issued by a bank, financial institution, insurance company or other entity having one of the two highest short-term rating categories of either Standard and Poor's Corporation or Moody's Investors Service
- 9) Investment grade (A-1/P-1) commercial paper of domestic U.S. corporations
- 10) Louisiana Asset Management Pool (LAMP)
- 11) Any other investments allowed by state statute for local governments

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of the participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

In addition to the above types of securities, the Employees' Retirement System is authorized by a separate investment policy in accordance with Article II, Chapter 66 of the City Code of Ordinances to invest in the following with a mix of 70% equities and 30% fixed:

- 1) Domestic securities registered with the Securities and Exchange Commission and traded on a recognized U.S. stock exchange or over-the-counter market. Equity securities include common stocks, real estate securities and securities convertible into common stock of U.S.-based companies. Individual convertible securities should be rated "B" or higher at the time of purchase.
- 2) International securities registered (or filed) with the Securities and Exchange Commission and traded on a recognized national exchange or over-the-counter market. Non-U.S. dollar denominated equity securities traded on recognized exchanges or over-the-counter markets outside the U.S. may also be purchased.
- 3) Fixed income securities in the form of bonds, notes, securitized mortgages, collateralized mortgage obligations, asset-backed securities, taxable municipal bonds, and preferred stock. Fixed income securities shall be rated "BBB" or higher at the time of purchase except for asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations which shall be rated "AAA" at the time of purchase. The minimum dollar-weighted average credit quality rating of the fixed income portfolio should be "AA". The maximum effective maturity of any single issue should not exceed 30 years.
- 4) Cash reserves shall be held in the custodians' money market funds, short-term maturity treasury securities or high quality money market instruments.

The Policemen's Pension and Relief Fund is authorized by the Board of Trustees to invest in the same types of investments listed above with a mix of 65% equity, 35% fixed and 10% alternative investments.

**NOTES TO THE FINANCIAL STATEMENTS**

**I. Summary of Significant Accounting Policies (continued)**

The Firemen’s Pension and Relief Fund is authorized by the Board of Trustees to invest in the same types of investments listed above with a mix of 65% equity and 35% fixed.

**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 uncollectible accounts.

**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. Inventories in the Enterprise Funds consist of pipes, meters, fittings and valves, repair materials, spare parts, and items held for sale at the Municipal Golf Courses. 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 general obligation bonds and the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The bond construction funds are used to report those proceeds of bond issuances that are restricted for use in construction. The bond and interest sinking funds are used to segregate resources accumulated for debt service payments over the next twelve months. The debt service reserve funds are used to report resources 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 columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 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, donated works of art and similar items are recorded at acquisition value rather than 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 assets lives are charged to expense or expenditures as incurred.

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.

Property, plant, and equipment of the primary government are 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	3-20

## NOTES TO THE FINANCIAL STATEMENTS

## I. Summary of Significant Accounting Policies (continued)

## 6. Compensated Absences

The City has two systems of compensated absences: Civil Service (Police and Fire) and all other employees.

Non-Civil Service:

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 services as follows:

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

For classified employees, a maximum of 240 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years. For non-classified employees, the maximum is 320 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 counted as creditable service at retirement if the employee has accumulated at least 175 hours.

Civil Service:

The Fire and Police Departments have leave policies that are subject to state Civil Service.

## Fire:

No employee shall be granted more compensatory time than they can be reasonably expected to use within a short period of time, and in no event shall an employee accrue and carry more than 240 hours of compensatory time.

Vacation Time:

Vacation is accrued based on the employee's anniversary date as follows:

<u>Anniversary</u>	<u>Days entitled</u>
1-5	18
6-9	21
10-14	27
15 and on	30

**NOTES TO THE FINANCIAL STATEMENTS**

**I. Summary of Significant Accounting Policies (continued)**

Holiday Time/Leave:

Holiday time/leave is based on the employees' division as follows:

<u>Division</u>	<u>Hours Entitled</u>
Operations	8 or 16 hours
Communications	5.5, 6.5, or 12

The rate of pay for working a holiday during the employee's normal work schedule will be the same as overtime pay, which is one and one-half (1 1/2) times the employee's hourly rate. An employee who is called in to work extra duty (overtime) on a paid holiday will be paid 2 ½ times the employee's hourly rate. If an employee has not taken all of his/her earned holiday time by August 31st, then the remaining holiday time will be assigned during the next holiday scheduling period using the same procedure that employees use when scheduling annual leave.

Executive level employees may earn Discretionary Executive Time at one (1) times their regularly assigned work schedule. They may not accumulate more than 240 hours of time, and are not entitled to conversion into monetary payment at any time, including at the time of employee's separation from service. Discretionary Executive Time, if not taken by the employee, shall be forfeited at time of separation.

Police:

<u>Anniversary</u>	<u>Days entitled</u>
New	1.5
1-5	18
6-9	21
10-14	27
15 and on	30

Employees who leave/separate voluntarily may only take 80 hours of any combination of time prior to leaving. If an employee decides to expend unused vacation and/or compensatory time prior to the date of separation, the time expended shall not exceed 80 total hours for any combination of time given. All eligible remaining time shall be compensated by pay. No single vacation day may be taken on a holiday. Any annual leave in excess of 40 hours in single vacation days must be taken consecutively. All annual leave will be taken during the calendar year following the one in which it was accrued. The chief of police, for good cause, may authorize carrying annual leave over into the next calendar year. Vacation days that are not taken and not authorized for carry over by the chief of police are forfeited.

Compensatory time

Compensatory time is awarded by rank. See the schedule below.

<u>Rank</u>	<u>Authority</u>	<u>Minimum Hours Needed</u>	<u>Maximum Hours</u>
Below Captain	69:53:00	40	n/a
Captain and above	SPC 301.13	40	240

No member shall be granted more compensatory time than they can be reasonably expected to use within a short period of time. In no event shall a member accrue and carry more than 240 hours of compensatory time.

Holiday overtime

Members working regularly scheduled shifts on holidays are compensated at the rate of 2.5 times the current hourly earnings for each hour worked on the holiday. A member who works an eight-hour shift on a holiday is paid their regular salary plus eight hours at time and a half for a total of 2.5 times their salary.

**NOTES TO THE FINANCIAL STATEMENTS****I. Summary of Significant Accounting Policies (continued)****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 statements of net position. Bond premiums, discounts, 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, when incurred. 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. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. One is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded and refunding debt. The second one is deferred pension related items reported in the government-wide statement of net position, and the third one is deferred Other Postemployment Benefit (OPEB) items reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category. At the governmental fund level, revenues that have been billed but not yet collected are reported as unavailable revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred pension related items are reported in the government wide statement of net position. Deferred OPEB items are reported in the government-wide statement of net position.

**9. Fund Balance**Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact including inventories and endowments.

Restricted Fund Balance

Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.

Assigned Fund Balance

Assigned fund balance includes amounts that are intended to be used for specific purposes that are not considered restricted. Fund balance may be assigned by the Finance Director as provided through the City Charter.

Unassigned Fund Balance

Unassigned fund balance is the residual classification for the general fund which represents fund balance that has not been restricted or assigned. In other governmental funds, it represents a negative fund balance.

The City's policies require restricted fund balances to be used before using any of the components of unrestricted fund balances when appropriate. Additionally, when the components of unrestricted fund balance can be used for the same purpose, assigned fund balance is used first followed by unassigned fund balance.

**NOTES TO THE FINANCIAL STATEMENTS**

**I. Summary of Significant Accounting Policies (continued)**

**10. Net Position**

The government-wide statement of net position reports \$123,195,366 of restricted net position for governmental activities, of which \$48,025,556 is restricted by enabling legislation.

The calculation for net investment in capital assets for the governmental and business-type net position are as follows:

	Government-wide		Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds
	Governmental Activities	Business-Type Activities					
Capital assets, net	\$ 570,512,945	\$1,226,234,450	\$ 133,038,377	\$961,321,031	\$ 67,679,316	\$ 36,368,982	\$ 27,826,744
Capital -related accounts payable	-	(3,537,762)	-	(3,537,762)	-	-	-
Contracts (retainage) payable	-	(959,601)	-	(959,601)	-	-	-
Capital-related debt outstanding	(146,732,184)	(778,149,402)	(23,305,000)	(719,791,002)	-	(31,853,400)	(3,200,000)
Prepaid insurance cost - bonds	-	2,781,173	135,393	2,645,780	-	-	-
Deferred outflows on refunding	1,836,418	5,792,499	2,569,349	1,825,180	-	1,397,970	-
Deferred inflows on refunding	(1,315,386)	-	-	-	-	-	-
Unamortized bond discounts	95,737	468,363	-	468,363	-	-	-
Unamortized bond premiums	(15,534,510)	(53,961,762)	(39,525)	(53,196,884)	-	(725,353)	-
Unspent capital-related debt proceeds	24,268,438	224,042,699	-	220,842,699	-	-	3,200,000
Net investment in capital assets	<u>\$ 433,131,458</u>	<u>\$ 622,710,657</u>	<u>\$ 112,398,594</u>	<u>\$409,617,804</u>	<u>\$ 67,679,316</u>	<u>\$ 5,188,199</u>	<u>\$ 27,826,744</u>

**E. Accounting Pronouncements**

The City is currently evaluating the effects that these recently issued accounting pronouncements will have on its financial statements:

- a. GASB Statement No. 87, Leases, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- b. GASB Statement No. 90, Majority equity interests - An Amendment of GASB Statements No. 14 and No. 61, the primary objective of this statement is to improve the consistency of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.
- c. In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

**F. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reported period. Actual results could differ from those estimates.

**G. Related Party Transactions:**

The City had no identified related party transactions for the year ended December 31, 2021.

## NOTES TO THE FINANCIAL STATEMENTS

## 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 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. 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, Debt Service, Special Revenue Funds (except for the Enrichment Fund), Capital Projects, and Proprietary Funds. 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 except for state supplemental pay for fire and police which is included but not budgeted in the General Fund.

All appropriations which are not expended or encumbered lapse at year end. Encumbrances outstanding at year end will be re-appropriated and honored during the subsequent year. Encumbrances outstanding at year end by fund are as follows:

General fund - materials and supplies	<u>\$ 18,368,928</u>
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Revisions were made to the following major governmental funds' original budgets (expenditures including transfers out) as follows:

	<u>Original Budget</u>	<u>Revisions</u>	<u>Final Revised Budget</u>
General Fund	<u>\$ 237,760,900</u>	<u>\$ 20,927,481</u>	<u>\$ 258,688,381</u>
Community Development	<u>\$ 24,384,300</u>	<u>\$ (6,506,081)</u>	<u>\$ 17,878,219</u>

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

Revenues	<u>General Fund</u>
Actual on the budgetary basis	\$ 227,670,452
Adjustment for state supplemental pay	5,574,127
GAAP basis	<u>\$ 233,244,579</u>
Expenditures	
Actual on the budgetary basis	\$ 202,481,025
Adjustment for state supplemental pay	5,574,127
GAAP basis	<u>\$ 208,055,152</u>

**NOTES TO THE FINANCIAL STATEMENTS**
**II. Stewardship, Compliance, and Accountability (continued)**
**B. Excess of Expenditures over Appropriations**

During the year, the City Council revised the City's general fund 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 1st 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 overall revenues decreased by \$44,993,189 and transfers in increased by \$0, while expenditures including transfers out were increased by \$20,927,481. During the year, revenues including transfers in were \$10,794,938 less than the revised budget, while expenditures including transfers out were \$20,421,901 less than the revised budget. The reduction in expenditures were primarily the result of vacancies from unfilled positions due to the shortage in the labor market, while the increased consumer spending from Federal stimulus drove the increase in revenues.

During 2021, based on the legally adopted level of control for budgetary purposes, the General Fund had excess expenditures over appropriations as follows:

	Final Budget	Actual on a budgetary basis	Variance
<b>General government:</b>			
<u>Office of the Mayor:</u>			
Materials and supplies	\$ 15,285	\$ 18,423	\$ (3,138)
Contractual Services	41,700	62,006	(20,306)
Other charges	600	5,400	(4,800)
	<u>56,985</u>	<u>80,429</u>	<u>(23,444)</u>
<u>Property Standards</u>			
Materials and supplies	165,834	173,427	(7,593)
Other charges	880,014	1,138,091	(258,077)
	<u>1,045,848</u>	<u>1,311,518</u>	<u>(265,670)</u>
<u>Finance:</u>			
Materials and supplies	74,640	80,791	(6,151)
<u>Other-unclassified Interest and civic appropriations</u>			
Salaries, wages and employee benefits	8,065,000	8,272,129	(207,129)
Contractual Services	955,200	1,544,752	(589,552)
Claims	6,913,200	9,132,150	(2,218,950)
	<u>15,933,400</u>	<u>18,949,031</u>	<u>(3,015,631)</u>
<b>Public Safety</b>			
<u>Fire:</u>			
Contractual Services	1,650,561	3,579,084	(1,928,523)
<u>Culture and recreation:</u>			
Salaries, wages and employee benefits	9,027,526	9,253,514	(225,988)
Other charges	256,200	263,113	(6,913)
	<u>9,283,726</u>	<u>9,516,627</u>	<u>(232,901)</u>
	<u>\$ 28,045,160</u>	<u>\$ 33,517,480</u>	<u>\$ (5,472,320)</u>

**C. Deficit Net Position**

Community Development	Golf	Solid Waste	Employees Health Care	Retained Risk	Hotel	DEEDA
\$ (2,158,810)	\$ (1,761,544)	\$ (6,850,396)	\$ (13,561,947)	\$ (44,619,588)	\$ (4,629,046)	\$ (39,725)

The following funds had a deficit net position at December 31, 2021.

The Convention Center Hotel Fund, a major enterprise fund, had a deficit net position balance of \$4,629,046. The deficit is due to major renovations throughout the Hotel causing a large number of the rooms, on a rolling basis during the construction, to be unavailable. The COVID pandemic during the prior fiscal years caused an unprecedented decline in travel and tourism that prevented the hotel from recovering from its major renovation room shortages.

The Community Development Fund had a deficit fund balance of \$2,158,810. The deficit was due to a decrease in funding for 2021 compared to 2020 due to Covid 19 Pandemic restrictions.

The Golf Fund, a nonmajor enterprise fund, had a deficit net position balance of \$1,761,544. The deficit was due to the accrual of Other Postemployment Benefits (OPEB) and the net pension liability as described in Note IV. A.

**NOTES TO THE FINANCIAL STATEMENTS****II. Stewardship, Compliance, and Accountability (continued)**

The Solid Waste Fund, a nonmajor enterprise fund, had a deficit net position balance of \$6,850,396. The deficit was due to the accrual of the landfill post-closure liability and because the \$7 solid waste fee is not sufficient to cover operations.

The Employees Healthcare Fund, an internal service fund, had a deficit net position balance of \$13,561,947, as employee premiums and employer contributions failed to meet the health claims approved and paid. The deficit will be recovered through future premium increases and charges to other funds.

The Retained Risk Fund, an internal service fund, had a deficit net position balance of \$44,619,588, which will be recovered through future charges to other funds.

The Downtown Entertainment Economic Development Fund had a deficit fund balance of \$39,725. The deficit was due to a decrease in funding for 2021 because the TIF district is not meeting its monthly and annual baseline revenue.

## NOTES TO THE FINANCIAL STATEMENTS

### III. Detailed Notes on All Funds

#### A. Deposits and Investments

##### 1. Investments – Primary Government excluding Fiduciary Funds

Interest rate risk. The City investment policy limits its exposure to declines in fair value by limiting investment maturities to 3 years from the date of settlement unless matched to a specific cash flow requirement.

Credit risk. The standard of prudence to be used for managing the City's assets is the "prudent investor" rule which states, "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived." The City's investment policy limits investments to those discussed previously. The investments in U.S. treasuries and instrumentalities were rated AA+ and Aaa, the Investment Agreements and Money Market investments were unrated and the LAMP investment was rated AAA.

Concentration of credit risk. The City has no investments in one issuer greater than 5 percent except those backed by the full faith and credit of the U.S. Government.

Custodial credit risk – deposits. In the case of deposits; this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is that banks holding deposits 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.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's policy is that all investments purchased by the City, except certificates of deposit, local government investment pools, and money market funds, will be delivered by book entry and will be held in third-party safekeeping by a City-approved custodian bank.

Fair value measurements. - GASB Statement No. 72 establishes a hierarchy of inputs to valuation techniques used to measure fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the City's assets.

These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 — Investments reflect prices quoted in active markets.
- Level 2 — Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 — Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. The investments with LAMP and money market accounts are categorized by fair value level in the following table.

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds (continued)

Investment Type	Investment Maturities (in years)		
	Fair Value	Less Than 1	1-3
U.S. Treasuries	\$ 8,055,239	\$ 5,412,067	\$ 2,643,172
U.S. Instrumentalities	23,884,443	5,140,488	18,743,955
Money Market	306,470,242	306,470,242	-
LAMP	62,108,741	62,108,741	-
Total	<u>\$ 400,518,665</u>	<u>\$ 379,131,538</u>	<u>\$ 21,387,127</u>

A reconciliation of the above schedule to the Statement of Net Position follows:

Unrestricted Assets:	
Cash	\$ 171,710,331
Investments	4,613,488
Restricted assets:	
Cash	\$ 232,237,037
Investments	6,304,276
Less: Equity in Pooled Cash	(14,346,467)
Total per above	<u>\$ 400,518,665</u>

At December 31, 2021, all deposits were collateralized in accordance with statute. \$14,763,081 is collateralized by securities held by the pledging financial institutions.

## 2. Investments – Fiduciary Funds

**Interest rate risk.** The Fiduciary Funds do not have a policy to limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The funding obligations of the plan are long-term in nature; consequently, the investment of the Plan's assets shall have a long-term focus, but shall not exceed 30 years.

**Credit risk.** Fixed income securities shall be rated "BBB" or higher at the time of purchase except for asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations which shall be rated "AAA." Convertible securities shall be rated "B" or higher at the time of purchase. The minimum dollar-weighted average credit quality rating of the fixed income portfolio should be "AA."

**Concentration of credit risk.** Holdings of any single issue shall not exceed more than 5% of the market value of the issuer.

**Currency risk.** The international equities are held through "American Depository Receipts" which are traded in U.S. dollars on the American Stock Exchanges. There were no investments in international fixed-income securities.

Information about the fair value level and exposure of the City's investments risk, using the segmented time distribution model is as follows (all are considered Level 1 investments):

Investment Type	Amount	Level 1	Level 2
U.S. Treasuries	\$ 1,783,518	\$ 1,783,518	\$ -
U.S. Instrumentalities	278,696	278,696	-
Asset-backed Securities	2,188,952	-	2,188,952
Corporate Bonds	4,977,529	3,847,786	1,129,743
Mutual Bond Funds	12,393,103	12,393,103	-
Investment Pool	190,998,562	-	190,998,562
Domestic Equities	5,351,835	5,351,835	-
International Equities	5,256,917	5,256,917	-
Total	<u>\$ 223,229,112</u>	<u>\$ 28,911,855</u>	<u>\$ 194,317,257</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

Investment Type	Fair Value	Less Than 1	1-5	5-10	>10
U.S. Treasuries	\$ 1,783,518	\$ -	\$ 175,091	\$ 722,614	\$ 885,813
U.S. Instrumentalities	278,696	-	-	-	278,696
Asset-backed Securities	2,188,952	2,540	33,443	308,652	1,844,317
Corporate Bonds	4,977,529	92,891	2,478,008	1,763,339	643,291
Mutual Bond Funds	12,393,103	12,393,103	-	-	-
Investment Pool	190,998,562	190,998,562	-	-	-
Domestic Equities	5,351,835	5,351,835	-	-	-
International Equities	5,256,917	5,256,917	-	-	-
<b>Total</b>	<b>\$ 223,229,112</b>	<b>\$ 214,095,848</b>	<b>\$ 2,686,542</b>	<b>\$ 2,794,605</b>	<b>\$ 3,652,117</b>

Note: The S&P/Moody's rating for U.S. Treasuries, Asset-backed Securities, Corporate Bonds, and Money Market types are included in the schedule below; however credit ratings are not available at the investment level.

**3. Discretely Presented Component Units**

Deposits

Shreveport Home Mortgage Authority – The Authority has no deposits since all funds are maintained at trust departments at financial institutions.

The City Court, City Marshal, and Downtown Development Authority do not have a policy for custodial risk nor do they have collateral in their names.

The following is a schedule of deposit and the amounts exposed to custodial risk by fund:

	City Court	City Marshal	Downtown Development Authority	Shreveport Home Mortgage Authority	Shreve Memorial Library
Total on deposit	\$ 6,666,337	\$ 2,003,931	\$ 2,011,154	\$ 1,447,898	\$ 10,942,147
Amount exposed to custodial risk	\$ 6,328,394	\$ -	\$ 1,521,986	\$ -	\$ -

Louisiana Revised Statute 39:1229 imposes statutory requirements on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the component unit that the fiscal agent has failed to pay deposited funds upon demand.

Investments

Shreveport Home Mortgage Authority – The \$1,129,164 of investments consists of guaranteed mortgage-backed securities.

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

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

Assessment date	January 2021
Levy date	Not later than June 1, 2021
Tax bills mailed	On or about November 15, 2021
Total taxes are due	December 2021
Penalties and interest are added	January, 2022
Lien date	January 1, 2022
Tax sale -2020 delinquent property	July 1, 2022

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 98.5% of the property taxes due were collected within 60 days after the due date. Assessed values are established by the Bossier Parish and Caddo Parish Tax Assessors each year on a uniform basis at the following ratios to fair market value.

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

A re-evaluation of all property is required to be completed no less than every 4 years. A re-evaluation was completed for the tax roll of January 1, 2020.

**Tax Abatements**

As of December 31, 2021, the City has entered into property and sales tax abatement agreements with individuals and businesses through four programs — the Restoration Tax Abatement (RTA), Industrial Tax Exemption (ITEP), Tax Rebate Incentive Pay (TRIP), and the Film Industry Incentive Program, (FIIP). Each agreement was negotiated under a particular authority allowing localities to abate property taxes for a variety of economic development purposes, including job creation, as well as, business relocation, retention, and expansion.

The City has not made any commitments as part of the agreements other than to reduce taxes, and the City is not subject to any tax abatement agreements entered into by other governmental entities.

**Restoration Tax Abatement (RTA):**

The Restoration Tax Abatement (RTA) program is a program, which provides an up-to-10 year abatement of the City-portion of ad valorem property taxes on the renovations and improvements of existing commercial structures and owner-occupied residences. It is a five-year award with an option for a five-year renewal with local governing authority approval. The legal authority is Louisiana Revised Statute 47:4311, et seq.

**Eligibility Criteria:**

This incentive is open to all Louisiana businesses and homeowners with existing structures to be expanded, restored, improved or developed in qualifying locations, and as approved by the local governing authority. Qualifying locations for properties include Downtown Development Districts, Historic Districts (includes properties listed on the National Register of Historic Places), and Economic Development Districts. Eligible expenses are building and materials, machinery and equipment (only that which becomes an integral part of the structure), and labor and engineering.

The property owner must apply and pay an application fee, and upon approval by the state and local authorities, the contract is issued.

**Mechanism By Which the Taxes are Abated:**

The property tax valuation before the restoration is frozen, whereby the property owner is not taxed on the increase in value that they would otherwise have to pay for the restoration.

## NOTES TO THE FINANCIAL STATEMENTS

### III. Detailed Notes on All Funds

#### Provisions for Recapturing Abated Taxes:

Per LA R.S. 47:1313, any remaining portion of the exemption provided may be terminated for a violation of the contract.

#### Types of Commitments Made by the Recipients of the Tax Abatements:

The property owner agrees to file annually with the assessor of the parish in which the structure is located. Within six months after construction has been completed, the property owner must file an affidavit of final cost showing complete cost of the exempted project.

#### Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates property tax revenues have been reduced by \$190,144 for the year.

#### **Industrial Tax Exemption (ITEP):**

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, City property taxes (Ad Valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. The legal authority is Article 7, Section 21(F) of the Louisiana Constitution and Executive Order JBE 2016-73.

#### Eligibility Criteria:

Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers that meet the constitutional definition of manufacturing. The program can be used by manufacturers new to Louisiana and is also available to existing manufacturers in Louisiana with new investments and miscellaneous capital additions to existing facilities. The property owner must apply and pay an application fee, and upon approval by the state and local authorities, the contract is issued.

Note that the eligibility criteria have been modified by Executive Order Number JBE2016-73 (effective October 21, 2016) as follows:

Only contracts accompanied by advance notifications will be considered by the Governor. Applications for miscellaneous capital additions and applications for tax exemptions for maintenance capital, required environmental capital upgrades, and new replacements for existing machinery will not be approved or issued contracts by the Governor.

The Governor will not approve contracts unless the Board of Commerce and Industry has specifically determined that the establishment meets the constitutional definition of manufacturing. Exemption contracts for new manufacturing plants or establishments are favored by the Governor and exemption contracts for additions to any existing plant or establishment are not favored by the Governor unless they provide for new jobs or present compelling reasons for the retention of existing jobs.

#### Mechanism By Which the Taxes are Abated:

The property tax valuation before the construction is frozen, whereby the property owner is not taxed on the increase in value that they would otherwise have to pay for the restoration.

#### Provisions for Recapturing Abated Taxes:

The contract may be terminated or modified if a violation has been found, but currently, there is no provision to recapture taxes.

#### Types of Commitments Made by the Recipients of the Tax Abatements:

The property owner agrees to file annually with the assessor of the parish in which the structure is located. Within six months of the beginning of operations, completion of construction, or receipt of the executed contract, whichever occurs last, the owner of a manufacturing establishment or addition must file an affidavit of final cost showing complete cost of the exempted project.

#### Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates property tax revenues have been reduced by \$195,417 for the year.

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

**Tax Rebate Incentive Pay (TRIP):**

The City has determined that there are significant benefits to the community in having police officers living within the city limits and in having marked police cars parked at those residences; therefore, the City has developed the TRIP whereby property taxes of certain police officers may be refunded back to them under certain conditions. The goal is to have a visible law enforcement presence in the neighborhood in which the officer lives. The legal authority for this is Resolution 92 of 2007.

**Eligibility Criteria:**

The rebate will only apply to taxes paid on the member's primary domiciliary residence and, only for taxes paid by December 31st of the calendar year in which the taxes are due. The Tax Rebate Incentive Pay is not retroactive. In addition, 1) the member must be a post certified police officer, 2) the member must be assigned a marked take-home patrol unit, which is parked at the member's residence when not in use, 3) the member must be a homeowner within the city limits of Shreveport, and the member must pay all property taxes owed to the City of Shreveport by December 31st of each calendar year.

The commissioned member must own and reside in the property within the city limits of Shreveport, and the property must be in a Community Development Block Grant Targeted Area (CDBG) – targeted areas within the City Limits of Shreveport as defined by the Department of Community Development in accordance with federal and grant requirements.

**Mechanism By Which the Taxes are Abated:**

The property taxes are then refunded to officers through payroll.

**Provisions for Recapturing Abated Taxes:**

There is no provision to recapture refunded taxes.

**Types of Commitments Made by the Recipients of the Tax Abatements:**

Police officers must park the vehicles at their residence.

**Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:**

The City estimates property tax revenues have been reduced by \$15,514 for the year.

**Film Industry Incentive Program:**

The Film Industry Incentive Program (FIIP) is a City administered incentive program whereby the City's portion of sales taxes paid for lodging, lease and rental expenses, and other production expenses, etc. for a production are rebated to the recipient in exchange for doing business in the City. The legal authority for this program is Resolution 86 of 2009.

**Eligibility Criteria:**

The program is open to any business that will promise to have a production office or utilize a sound stage in Caddo Parish and have production expenditures of \$300,000.

**Mechanism By Which the Taxes are Abated:**

The recipient must file a sales tax return whereby the taxes are abated.

**Provisions for Recapturing Abated Taxes:**

There is no provision to recapture refunded taxes.

**Types of Commitments Made by the Recipients of the Tax Abatements:**

The recipient must do two things: First, it must either 1) have its production office located within Caddo Parish, or 2) utilize a soundstage within Caddo Parish AND must have production expenditures of \$300,000.

**Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:**

The City estimates sales tax revenues have been reduced by \$0 for the year.

**C. Receivables**

Receivables as of December 31, 2021 consisted of the following:

Interest receivable	\$ 23,933
Taxes	11,703,451
Other receivables	49,712,955
Due from other governments	<u>26,581,482</u>
	88,021,821
Allowance for uncollectibles	<u>(20,455,890)</u>
	<u>\$ 67,565,931</u>

A reconciliation of receivables for the City's individual major, nonmajor, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are outlined below:

	Government-wide	General	Debt Service	General Obligation Bonds	Community Development	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Nonmajor and Other Funds	Total
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,933	\$ 23,933
Taxes	-	8,548,021	3,155,430	-	-	-	-	-	-	-	11,703,451
Accounts	1,175,608	6,103,952	-	-	191,651	756,026	22,126,003	988,131	285,109	18,086,475	49,712,955
Intergovernmental	-	18,364,224	-	-	2,628,061	3,790,973	-	-	-	1,798,224	26,581,482
Gross receivables	<u>1,175,608</u>	<u>33,016,197</u>	<u>3,155,430</u>	<u>-</u>	<u>2,819,712</u>	<u>4,546,999</u>	<u>22,126,003</u>	<u>988,131</u>	<u>285,109</u>	<u>19,908,632</u>	<u>88,021,821</u>
Less: Allowance for uncollectibles	-	(6,634,568)	(394,133)	-	-	140	(11,403,531)	-	(2,443)	(2,021,355)	(20,455,890)
Net total receivables	<u>\$ 1,175,608</u>	<u>\$ 26,381,629</u>	<u>\$ 2,761,297</u>	<u>\$ -</u>	<u>\$ 2,819,712</u>	<u>\$ 4,547,139</u>	<u>\$ 10,722,472</u>	<u>\$ 988,131</u>	<u>\$ 282,666</u>	<u>\$ 17,887,277</u>	<u>\$ 67,565,931</u>

**D. 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 purpose for which the funds may be used and are audited annually under the Office of Management and Budget Circular A-133 under the "Single Audit Concept" for grants awarded prior to December 26, 2014, and in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements, for grants awarded on or after December 26, 2014.

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

Governmental-type funds:	
General Fund/ARPA	\$ 2,185,425
Community Development	11,570,002
Public Safety Grants	1,897,084
Environmental Grants	99,351
Business-type funds:	
Municipal and Regional Airports	4,546,547
Shreveport Area Transit System	7,096,746
Totals	<u>\$ 27,395,155</u>

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

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 as follows:

Fire Department	\$ 2,818,022
Police Department	<u>2,756,106</u>
Total	<u>\$ 5,574,127</u>

These amounts were paid directly to the employees. There were no payments made for fringe benefits. The amounts for fire and police employees have been recorded in the General Fund financial statements as revenue and expenditures.

## E. Capital Assets

Capital asset activity for the year ended December 31, 2021, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 111,393,286	\$ 805,385	\$ -	\$ 112,198,671
Construction in progress	<u>14,394,691</u>	<u>6,777,562</u>	<u>(14,555,773)</u>	<u>6,616,480</u>
Total capital assets not being depreciated	<u>125,787,977</u>	<u>7,582,947</u>	<u>(14,555,773)</u>	<u>118,815,151</u>
Capital assets, being depreciated:				
Buildings	205,105,499	230,693	-	205,336,192
Improvements other than buildings	95,729,260	4,834,789	-	100,564,049
Equipment	77,861,708	6,877,465	(520,928)	84,218,245
Infrastructure	<u>596,475,929</u>	<u>10,700,278</u>	<u>-</u>	<u>607,176,207</u>
Total capital assets being depreciated	<u>975,172,396</u>	<u>22,643,225</u>	<u>(520,928)</u>	<u>997,294,693</u>
Less accumulated depreciation for:				
Buildings	(90,348,372)	(4,219,037)	-	(94,567,409)
Improvements other than buildings	(52,039,231)	(2,845,592)	-	(54,884,823)
Equipment	(62,788,648)	(3,454,732)	501,389	(65,741,991)
Infrastructure	<u>(319,282,083)</u>	<u>(11,120,593)</u>	<u>-</u>	<u>(330,402,676)</u>
Total accumulated depreciation	<u>(524,458,334)</u>	<u>(21,639,954)</u>	<u>501,389</u>	<u>(545,596,899)</u>
Total capital assets, being depreciated, net	<u>450,714,062</u>	<u>1,003,271</u>	<u>(19,539)</u>	<u>451,697,794</u>
Governmental activities capital assets, net	<u>\$ 576,502,039</u>	<u>\$ 8,586,218</u>	<u>\$ (14,575,312)</u>	<u>\$ 570,512,945</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
<b>Municipal and Regional Airports</b>				
Capital assets, not being depreciated:				
Land	\$ 37,627,729	\$ -	\$ -	\$ 37,627,729
Construction in progress	<u>9,560,220</u>	<u>3,445,296</u>	<u>(2,801,071)</u>	<u>10,204,445</u>
Total capital assets not being depreciated	<u>47,187,949</u>	<u>3,445,296</u>	<u>(2,801,071)</u>	<u>47,832,174</u>
Capital assets, being depreciated:				
Buildings	75,187,678	27,007	-	75,214,685
Improvements other than buildings	141,793,148	1,956,309	-	143,749,457
Equipment	<u>7,503,933</u>	<u>1,063,611</u>	<u>-</u>	<u>8,567,544</u>
Total capital assets being depreciated	<u>224,484,759</u>	<u>3,046,927</u>	<u>-</u>	<u>227,531,686</u>
Less accumulated depreciation for:				
Buildings	(45,109,980)	(1,539,467)	4,928	(46,644,519)
Improvements other than buildings	(82,224,190)	(6,533,958)	(4,928)	(88,763,076)
Equipment	<u>(6,664,336)</u>	<u>(253,552)</u>	<u>-</u>	<u>(6,917,888)</u>
Total accumulated depreciation	<u>(133,998,505)</u>	<u>(8,326,977)</u>	<u>-</u>	<u>(142,325,483)</u>
Total capital assets, being depreciated, net	<u>90,486,254</u>	<u>(5,280,050)</u>	<u>-</u>	<u>85,206,203</u>
Municipal and Regional Airports capital assets, net	<u>\$ 137,674,203</u>	<u>\$ (1,834,754)</u>	<u>\$ (2,801,071)</u>	<u>\$ 133,038,377</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water and Sewerage:</b>				
Capital assets, not being depreciated:				
Land	\$ 996,201	\$ -	\$ -	\$ 996,201
Construction in progress	236,093,990	41,565,062	(15,059,840)	262,599,212
Total capital assets not being depreciated	237,090,191	41,565,062	(15,059,840)	263,595,413
Capital assets, being depreciated:				
Equipment	21,664,438	55,476	(3,134)	21,716,780
Distribution and collection systems	1,030,794,784	15,871,045	-	1,046,665,829
Total capital assets being depreciated	1,052,459,222	15,926,521	(3,134)	1,068,382,609
Less accumulated depreciation for:				
Equipment	(16,835,381)	(796,455)	1,907	(17,629,929)
Distribution and collection systems	(334,255,849)	(18,771,213)	-	(353,027,062)
Total accumulated depreciation	(351,091,229)	(19,567,668)	1,907	(370,656,991)
Total capital assets, being depreciated, net	701,367,993	(3,641,147)	(1,227)	697,725,618
Water and Sewerage capital assets, net	\$ 938,458,184	\$ 37,923,915	\$ (15,061,067)	\$ 961,321,031
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Solid Waste:</b>				
Capital assets, not being depreciated:				
Land	\$ 6,652,516	\$ -	\$ -	\$ 6,652,516
Construction in progress	-	-	-	-
Total capital assets not being depreciated	6,652,516	-	-	6,652,516
Capital assets, being depreciated:				
Buildings	59,219	-	-	59,219
Improvements other than buildings	673,745	94,960	-	768,705
Equipment	8,570,834	372,167	-	8,943,001
Total capital assets being depreciated	9,303,798	467,127	-	9,770,925
Less accumulated depreciation for:				
Buildings	(41,453)	(1,184)	-	(42,637)
Improvements other than buildings	(762,134)	(3,320)	-	(765,454)
Equipment	(7,312,327)	(594,941)	-	(7,907,268)
Total accumulated depreciation	(8,115,914)	(599,445)	-	(8,715,359)
Total capital assets, being depreciated, net	1,187,884	(132,318)	-	1,055,566
Solid waste capital assets, net	\$ 7,840,400	\$ (132,318)	\$ -	\$ 7,708,082
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Convention Center:</b>				
Capital assets, not being depreciated:				
Land	\$ 6,147,743	\$ -	\$ -	\$ 6,147,743
Construction in progress	-	-	-	-
Total capital assets not being depreciated	6,147,743	-	-	6,147,743
Capital assets, being depreciated:				
Buildings	88,822,704	-	-	88,822,704
Improvements other than buildings	3,553,819	-	-	3,553,819
Equipment	8,168,114	-	-	8,168,114
Total capital assets being depreciated	100,544,636	-	-	100,544,636
Less accumulated depreciation for:				
Buildings	(26,827,344)	(1,863,763)	-	(28,691,107)
Improvements other than buildings	(2,081,000)	(146,519)	-	(2,227,519)
Equipment	(8,069,272)	(25,166)	-	(8,094,438)
Total accumulated depreciation	(36,977,616)	(2,035,448)	-	(39,013,064)
Total capital assets, being depreciated, net	63,567,020	(2,035,448)	-	61,531,573
Convention Center capital assets, net	\$ 69,714,763	\$ (2,035,448)	\$ -	\$ 67,679,316

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Convention Center Hotel:</b>				
Capital assets, being depreciated:				
Buildings	\$ 46,534,825	\$ -	\$ -	\$ 46,534,825
Improvements other than buildings	1,094,230	27,639	-	1,121,869
Equipment	9,589,449	15,601	-	9,605,050
Total capital assets being depreciated	<u>57,218,504</u>	<u>43,240</u>	<u>-</u>	<u>57,261,744</u>
Less accumulated depreciation for:				
Buildings	(13,191,512)	(1,049,394)	-	(14,240,906)
Improvements other than buildings	(184,022)	(57,492)	-	(241,514)
Equipment	(5,720,926)	(689,416)	-	(6,410,342)
Total accumulated depreciation	<u>(19,096,460)</u>	<u>(1,796,302)</u>	<u>-</u>	<u>(20,892,762)</u>
Total capital assets, being depreciated, net	<u>38,122,044</u>	<u>(1,753,062)</u>	<u>-</u>	<u>36,368,982</u>
Convention Center Hotels capital assets, net	<u>\$ 38,122,044</u>	<u>\$ (1,753,062)</u>	<u>\$ -</u>	<u>\$ 36,368,982</u>
<b>Other business-type activity programs:</b>				
Capital assets, not being depreciated:				
Land	\$ 368,877	\$ -	\$ -	\$ 368,877
Construction in progress	639,337	128,576	(16,713)	751,200
Total capital assets not being depreciated	<u>1,008,214</u>	<u>128,576</u>	<u>(16,713)</u>	<u>1,120,077</u>
Capital assets, being depreciated:				
Buildings	14,522,548	-	(165,393)	14,357,155
Improvements other than buildings	1,189,965	65,227	-	1,255,192
Equipment	25,304,411	16,438	(2,221,954)	23,098,895
Total capital assets being depreciated	<u>41,016,923</u>	<u>81,665</u>	<u>(2,387,347)</u>	<u>38,711,242</u>
Less accumulated depreciation for:				
Buildings	(4,435,216)	(449,283)	165,392	(4,719,107)
Improvements other than buildings	(728,988)	(37,088)	-	(766,076)
Equipment	(13,626,188)	(2,309,431)	1,708,145	(14,227,474)
Total accumulated depreciation	<u>(18,790,391)</u>	<u>(2,795,802)</u>	<u>1,873,537</u>	<u>(19,712,657)</u>
Total capital assets, being depreciated, net	<u>22,226,532</u>	<u>(2,714,137)</u>	<u>(513,810)</u>	<u>18,998,585</u>
Other enterprise funds capital assets, net	<u>\$ 23,234,746</u>	<u>\$ (2,585,561)</u>	<u>\$ (530,523)</u>	<u>\$ 20,118,662</u>
Business-type activities capital assets, net	<u>\$ 1,215,044,340</u>	<u>\$ 29,582,772</u>	<u>\$ (18,392,661)</u>	<u>\$ 1,226,234,450</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

In some cases, the reduction in construction in progress is greater than the increase in capital assets due to items not meeting the capitalization criteria. Also, in the other business-type activities, the Shreveport Area Transit System's operating and capital grants are tracked through the City's capital project system. Operating expenses are expensed out of construction in progress.

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

<b>Governmental activities:</b>	
General government	\$ 4,370,167
Public safety	1,586,436
Public works, including depreciation of general infrastructure assets	10,100,235
Community development	190,447
Culture and recreation	5,386,411
Economic Development	6,258
Economic Opportunity	-
Total depreciation expense-governmental activities	<u>\$ 21,639,954</u>
 <b>Business-type activities:</b>	
Municipal and Regional Airports	\$ 8,326,977
Convention Center Hilton Hotel	1,796,302
Convention Center	2,035,448
Water and Sewerage	19,567,668
Shreveport Area Transit System	2,744,919
Solid Waste	599,445
Golf	50,883
Total depreciation expense-business-type activities	<u>\$ 35,121,642</u>

**Construction commitments**

The government has no active major construction project as of December 31, 2021.

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

## Discretely presented component unit

Activity for the Metropolitan Planning Commission (MPC) for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Metropolitan Planning Commission</b>				
Capital assets, not being depreciated:				
Land	\$ 704,513	\$ -	\$ -	\$ 704,513
Total capital assets not being depreciated	<u>704,513</u>	<u>-</u>	<u>-</u>	<u>704,513</u>
Capital assets, being depreciated:				
Improvements other than buildings	999,234	-	-	999,234
Equipment	104,432	-	-	104,432
Total capital assets being depreciated	<u>1,103,666</u>	<u>-</u>	<u>-</u>	<u>1,103,666</u>
Less accumulated depreciation for:				
Improvements other than buildings	(940,494)	(4,342)	-	(944,836)
Equipment	(54,113)	(7,198)	-	(61,311)
Total accumulated depreciation	<u>(994,607)</u>	<u>(11,540)</u>	<u>-</u>	<u>(1,006,147)</u>
Total capital assets, being depreciated, net	<u>109,059</u>	<u>(11,540)</u>	<u>-</u>	<u>97,519</u>
Metropolitan Planning Commission capital assets, net	<u>\$ 813,572</u>	<u>\$ (11,540)</u>	<u>\$ -</u>	<u>\$ 802,032</u>

Activity for the Downtown Development Authority for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Downtown Development Authority</b>				
Capital assets, not being depreciated:				
Idle assets	\$ 50,237	\$ -	\$ -	\$ 50,237
Land	80,000	-	-	80,000
Total capital assets not being depreciated	<u>130,237</u>	<u>-</u>	<u>-</u>	<u>130,237</u>
Capital assets, being depreciated:				
Buildings	1,511,123	-	-	1,511,123
Equipment	30,029	-	-	30,029
Streetscape equipment	132,131	-	-	132,131
Parking program equipment	96,622	-	-	96,622
Total capital assets being depreciated	<u>1,769,905</u>	<u>-</u>	<u>-</u>	<u>1,769,905</u>
Less accumulated depreciation for:				
Buildings	(675,704)	(62,531)	-	(738,235)
Equipment	(1,079)	(2,294)	-	(3,373)
Streetscape equipment	(86,928)	(7,396)	-	(94,324)
Parking program equipment	(87,841)	(6,311)	-	(94,152)
Total accumulated depreciation	<u>(851,552)</u>	<u>(78,532)</u>	<u>-</u>	<u>(930,084)</u>
Total capital assets, being depreciated, net	<u>918,353</u>	<u>(78,532)</u>	<u>-</u>	<u>839,821</u>
Downtown Development Authority capital assets, net	<u>\$ 1,048,590</u>	<u>\$ (78,532)</u>	<u>\$ -</u>	<u>\$ 970,058</u>
Depreciation expense was charged to functions/programs as follows:				
Downtown development		\$ 64,825		
Streetscape program		7,396		
Parking program		6,311		
Total		<u>\$ 78,532</u>		

**NOTES TO THE FINANCIAL STATEMENTS**
**III. Detailed Notes on All Funds**

Activity for the Shreve Memorial Library for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Shreve Memorial Library</b>				
Capital assets, not being depreciated:				
Land and land improvements	\$ 5,261,444	\$ -	\$ -	\$ 5,261,444
Construction in progress	556,683	531,417	-	1,088,100
Total capital assets not being depreciated	<u>5,818,127</u>	<u>531,417</u>	<u>-</u>	<u>6,349,544</u>
Capital assets, being depreciated:				
Buildings and structures	33,875,750	-	-	33,875,750
Improvements	284,995	-	-	284,995
Equipment and books	25,895,426	972,402	(1,037,414)	25,830,414
Total capital assets being depreciated	<u>60,056,171</u>	<u>972,402</u>	<u>(1,037,414)</u>	<u>59,991,159</u>
Less accumulated depreciation for:				
Buildings and structures	(12,028,178)	-	-	(12,028,178)
Improvements	(243,325)	-	-	(243,325)
Equipment and books	(21,613,461)	(1,923,306)	1,037,414	(22,499,353)
Total accumulated depreciation	<u>(33,884,964)</u>	<u>(1,923,306)</u>	<u>1,037,414</u>	<u>(34,770,856)</u>
Total capital assets, being depreciated, net	<u>26,171,207</u>	<u>(950,904)</u>	<u>-</u>	<u>25,220,303</u>
Shreve Memorial Library capital assets, net	<u>\$ 31,989,334</u>	<u>\$ (419,487)</u>	<u>\$ -</u>	<u>\$ 31,569,847</u>

All depreciation expense was charged to culture and recreation.

Activity for the City Court for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>City Court:</b>				
Capital assets, not being depreciated:				
Software in process	\$ 1,033,702	\$ -	-\$1,033,702	\$ -
Total capital assets not being depreciated	<u>1,033,702</u>	<u>-</u>	<u>(1,033,702)</u>	<u>-</u>
Capital assets, being depreciated:				
Computer equipment	242,842	1,392	-	244,234
Software	-	1,161,881	-	1,161,881
Office equipment	333,223	2,998	-	336,221
Office furniture and improvements	510,135	-	-	510,135
Total capital assets being depreciated	<u>1,086,200</u>	<u>1,166,271</u>	<u>-</u>	<u>2,252,471</u>
Less accumulated depreciation for:				
Computer equipment	(179,011)	(23,384)	-	(202,395)
Software	-	(29,047)	-	(29,047)
Office equipment	(274,966)	(9,257)	-	(284,223)
Office furniture and improvements	(503,817)	(3,612)	-	(507,429)
Total accumulated depreciation	<u>(957,794)</u>	<u>(65,300)</u>	<u>-</u>	<u>(1,023,094)</u>
Total capital assets, being depreciated, net	<u>128,406</u>	<u>1,100,971</u>	<u>-</u>	<u>1,229,377</u>
City Court capital assets, net	<u>\$ 1,162,108</u>	<u>\$ 1,100,971</u>	<u>\$ (1,033,702)</u>	<u>\$ 1,229,377</u>
Judicial expenses		\$ 64,948		
Probation		352		
		<u>\$ 65,300</u>		

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

Activity for the City Marshal for the year ended December 31, 2021, was as follows:

	Balance	Increases	Decreases	Balance
<b>City Marshal:</b>				
Capital assets, being depreciated:				
Buildings	\$ 614,260	\$ -	\$ -	\$ 614,260
Vehicles	1,788,162	55,443	-	1,843,605
Communication	395,796	27,544	-	423,340
Computers	73,692	-	-	73,692
Other Equipment	377,754	-	-	377,754
Weapons	64,851	-	-	64,851
Total capital assets being depreciated	<u>3,314,515</u>	<u>82,987</u>	<u>-</u>	<u>3,397,502</u>
Less accumulated depreciation for:				
Buildings	(67,179)	(20,857)	-	(88,036)
Vehicles	(1,206,571)	(154,395)	-	(1,360,966)
Communication	(174,577)	(37,440)	-	(212,017)
Computers	(73,691)	-	-	(73,691)
Other Equipment	(353,826)	(6,422)	-	(360,248)
Weapons	(45,976)	(3,415)	-	(49,391)
Total accumulated depreciation	<u>(1,921,820)</u>	<u>(222,529)</u>	<u>-</u>	<u>(2,144,349)</u>
Total capital assets, being depreciated, net	<u>1,392,695</u>	<u>(139,542)</u>	<u>-</u>	<u>1,253,153</u>
City Marshal capital assets, net	<u>\$ 1,392,695</u>	<u>\$ (139,542)</u>	<u>\$ -</u>	<u>\$ 1,253,153</u>
		<u>\$ 222,529</u>		
Judicial expenses		<u>\$ 222,529</u>		

## F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2021, is as follows:

Fund	Due from	Due to
General Fund	\$ 112,008	\$ -
Debt Service	35,949,039	-
2014 General Obligation Bonds	10,016,964	654,925
Community Development	-	3,223,239
Nonmajor governmental funds:		
2011 GOB Fund	278,759	-
Riverfront Development Fund	-	49,342
Police Grants Fund	-	473,998
DEEDA	-	39,725
Miscellaneous General Obligation Bond Funds	103,090	103,090
Miscellaneous Capital Projects Funds	425,506	-
Major enterprise funds:		
Convention Center Hotel	-	10,016,964
Nonmajor enterprise funds:		
Shreveport Area Transit System	15,279	112,008
Solid Waste	-	6,756,646
Internal Service Funds	-	25,078,350
Fiduciary Funds	-	392,358
Total	<u>\$ 46,900,645</u>	<u>\$ 46,900,645</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS**
**III. Detailed Notes on All Funds**

The composition of interfund transfers as of December 31, 2021, is as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 9,915,100	\$ 14,682,629
Debt Service	704,284	-
2014 General Obligation Bonds	140,000	-
Community Development	373,800	-
Nonmajor governmental funds:		
Streets Fund	-	9,902,575
Riverfront Development Fund	75,000	6,630,100
2003A General Obligation Bond Fun	-	1,840,212
2011 General Obligation Bond Fund	1,084,632	608,404
Miscellaneous Capital Projects Funds	13,694,561	-
Major enterprise funds:		
Municipal and Regional Airport	43,600	-
Water and Sewerage	45,600	1,635,000
Convention Center Hotel	2,530,000	-
Nonmajor enterprise funds:		
Shreveport Area Transit System	5,108,741	-
Golf Fund	87,200	-
Solid Waste	1,496,400	-
<b>Total</b>	<b>\$ 35,298,920</b>	<b>\$ 35,298,920</b>

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**

The City has entered into lease agreements totaling \$11,477,000. The lease agreements qualify as capital leases for accounting purposes, and have been recorded at the present value of their future minimum lease payments as of the inception date. The payment schedule below includes all of the current leases in effect at year end.

	Governmental Activities	Business Activities	Totals
Original Lease amounts			\$ 11,477,000
Cost of equipment under capital lease	\$ 4,273,837	\$ 2,179,929	
Less: accumulated depreciation	(2,110,188)	(2,179,929)	
	<u>\$ 2,163,649</u>	<u>\$ -</u>	

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2021 were as follows:

Ending December 31,	Governmental Activities	Business Activities
2022	\$ 2,113,385	\$ 989,300
2023	1,428,101	989,300
2024	1,428,101	989,300
2025	1,428,101	989,300
2026	1,428,101	989,300
Total minimum lease payments	7,825,789	4,946,500
Less: amount representing interest	(363,507)	(246,500)
Present value of minimum lease payments	<u>\$ 7,462,282</u>	<u>\$ 4,700,000</u>

The City has entered into a few operating lease agreements; however, Management believes them to be immaterial and inappropriate for disclosure.



Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals 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 origination of the claims. The General Fund normally bears approximately 90% of these costs. At year end, \$20,817 of internal service funds compensated absences is included in the above amounts. For governmental activities, the balance of compensated absences is generally liquidated by the General Fund. Net pension liability and the total OPEB liability 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.

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any one purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. A total of approximately \$437,245,574 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$1,590,073,070 pursuant to the 35% limitation. Included in the total assessed valuation of property within the City limits is \$9,226,983 of assessed valuation which has been adjudicated to Caddo Parish. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 2021.

	Debt limit-10% of assessed value for any one purpose	Deduct-amount of debt applicable to debt limit	Legal Debt margin
Street Improvements	\$ 159,007,307	\$ 26,098,800	\$ 132,908,507
Police and Fire	159,007,307		159,007,307
Water and Sewer Improvem	159,007,307	63,875,920	95,131,387
Parks and Recreation	159,007,307	20,645,280	138,362,027
Public Buildings	159,007,307	4,295,360	154,711,947
Drainage	159,007,307	4,364,640	154,642,667
Sanitation and Incinerator	159,007,307	-	159,007,307
Industrial Bond	159,007,307	-	159,007,307
Airports	159,007,307	-	159,007,307
Sportran	159,007,307	-	159,007,307
Riverfront Park	159,007,307	-	159,007,307

The annual requirements to amortize all debt outstanding as of December 31, 2021, including interest requirements are as follows:

PRINCIPAL REQUIREMENTS:	Maturities (in thousands of dollars)											
	Total	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2057
General Obligation Bonds												
2014 Issue -2.00-5.00%	\$ 69,280	\$ 3,915	\$ 4,110	\$ 4,315	\$ 4,535	\$ 4,760	\$ 27,570	\$ 20,075		\$ -	\$ -	\$ -
Plus: Unamortized Premium	9,190	726	726	726	726	726	3,630	1,930		-	-	-
	<u>78,470</u>	<u>4,641</u>	<u>4,836</u>	<u>5,041</u>	<u>5,261</u>	<u>5,486</u>	<u>31,200</u>	<u>22,005</u>		<u>-</u>	<u>-</u>	<u>-</u>
2017 Refunding Issue 3.00-5.00%	50,000	4,005	4,145	4,375	4,615	4,865	27,995			-	-	-
Plus: Unamortized Premium	4,997	522	522	522	522	522	2,387			-	-	-
	<u>54,997</u>	<u>4,527</u>	<u>4,667</u>	<u>4,897</u>	<u>5,137</u>	<u>5,387</u>	<u>30,382</u>			<u>-</u>	<u>-</u>	<u>-</u>
Total General Obligation Bonds	<u>133,467</u>	<u>9,168</u>	<u>9,503</u>	<u>9,938</u>	<u>10,398</u>	<u>10,873</u>	<u>61,582</u>	<u>22,005</u>		<u>-</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

PRINCIPAL REQUIREMENTS:	Maturities (in thousands of dollars)											
	Total	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2057
Revenue bonds												
2021 Revenue Bond	5,675	210	250	255	265	1,450	1,695	1,550	-	-	-	-
Less: Unamortized Discount	(96)	(5)	(5)	(5)	(5)	(25)	(25)	(26)	-	-	-	-
	5,579	205	245	250	260	1,425	1,670	1,524	-	-	-	-
Certificate of Indebtedness												
2016 COI Independence Stadium Project	14,315	1,760	1,845	1,940	2,035	2,135	4,600	-	-	-	-	-
Plus: Unamortized premium	1,348	219	219	219	219	219	253	-	-	-	-	-
	15,663	1,979	2,064	2,159	2,254	2,254	4,853	-	-	-	-	-
Total Certificate of Indebtedness and revenue bond	21,242	2,184	2,309	2,409	2,514	3,679	6,523	1,524	-	-	-	-
Capital Leases:												
2016B Capital Lease	685	685	-	-	-	-	-	-	-	-	-	-
2021 Capital Lease -1.545%	6,777	1,258	1,348	1,369	1,390	1,412	-	-	-	-	-	-
Total Capital Leases	7,462	1,943	1,348	1,369	1,390	1,412	-	-	-	-	-	-
Total Governmental Activities Debt	162,171	13,295	13,160	13,716	14,302	15,964	68,105	23,529	-	-	-	-
Municipal and Regional Airports												
2015A Revenue Refunding	23,305	1,950	2,020	2,095	2,175	-	5,100	-	-	9,965	-	-
Plus: Unamortized premium	40	10	10	10	10	-	-	-	-	-	-	-
	23,345	1,960	2,030	2,105	2,185	2,185	5,100	-	-	9,965	-	-
Total Municipal and Regional Airports -Notes	23,345	1,960	2,030	2,105	2,185	2,185	5,100	-	-	9,965	-	-
Water and Sewerage												
2009A Revenue Bonds RLF -3.45%	509	51	52	53	54	55	244	-	-	-	-	-
2009B Revenue Bonds RLF -3.45%	4,478	450	460	470	480	490	2,128	-	-	-	-	-
2010D Revenue Bonds RLF -.95%	6,274	580	584	589	594	598	3,329	-	-	-	-	-
2013 Revenue Bonds RLF -.95%	3,434	244	246	248	262	252	1,296	886	-	-	-	-
2013 Revenue Bonds	368	368	-	-	-	-	-	-	-	-	-	-
2014A Refunding Revenue Bonds	28,765	8,710	4,745	4,490	3,725	2,705	4,390	-	-	-	-	-
Plus: Unamortized Reoffer Call Premium	5,197	656	656	656	656	656	1,917	-	-	-	-	-
	33,962	9,366	5,401	5,146	4,381	3,361	6,307	-	-	-	-	-
2014B Revenue Bonds	67,045	-	-	-	-	-	13,640	11,695	41,710	-	-	-
Plus: Unamortized Reoffer Call Premium	1,186	70	70	70	70	70	351	351	134	-	-	-
	68,231	70	70	70	70	70	13,991	12,046	41,844	-	-	-
2014C Revenue Bonds	7,955	-	-	-	-	-	-	-	7,955	-	-	-
Plus: Unamortized Reoffer Call Premium	502	28	28	28	28	28	140	140	82	-	-	-
	8,457	28	28	28	28	28	140	140	8,037	-	-	-
2015 Revenue Refunding	116,980	600	625	660	-	1,545	29,400	29,625	54,525	-	-	-
Plus: Unamortized premium	12,929	683	683	683	683	683	3,417	3,417	2,680	-	-	-
	129,909	1,283	1,308	1,343	683	2,228	32,817	33,042	57,205	-	-	-
2016A RLF Revenue Bonds	15,350	948	957	966	975	985	5,064	5,310	145	-	-	-
2016B Revenue Bonds	100,000	-	-	1,030	2,600	2,940	15,720	23,495	54,215	-	-	-
Plus: Unamortized premium	5,953	299	299	299	299	299	1,494	1,494	1,470	-	-	-
	105,953	299	299	1,329	2,899	3,239	17,214	24,989	55,685	-	-	-

	Maturities (in thousands of dollars)											
	Total	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2057
2016C Revenue Bonds	2,560	1,260	1,300	-	-	-	-	-	-	-	-	-
2017A Revenue Bonds	54,475	-	-	-	-	-	-	11,075	43,400	-	-	-
Plus: Unamortized premium	5,715	287	287	287	287	287	1,435	1,435	1,410	-	-	-
	60,190	287	287	287	287	287	1,435	12,510	44,810	-	-	-
2017B Revenue Bonds	35,140	-	-	-	-	-	-	7,040	28,100	-	-	-
Plus: Unamortized premium	2,344	118	118	118	118	118	588	588	578	-	-	-
	37,484	118	118	118	118	118	588	7,628	28,678	-	-	-
2017C Revenue Bonds	34,510	2,365	2,445	2,530	2,620	2,715	15,050	6,785	-	-	-	-
2018A DEQ Loan	13,673	930	939	948	957	966	4,969	3,964	-	-	-	-
2018C Revenue Bonds	99,325	2,635	7,645	8,915	9,585	9,555	29,420	30,465	1,105	-	-	-
Plus: Unamortized premium	10,092	505	505	505	505	505	2,523	2,523	2,521	-	-	-
	109,417	3,140	8,150	9,420	10,090	10,060	31,943	32,988	3,626	-	-	-
2019B Revenue Bonds	100,000	2,165	2,230	2,320	2,435	2,535	14,705	18,425	12,770	24,935	17,480	-
Plus: Unamortized premium	9,162	328	328	328	328	328	1,641	1,641	1,641	1,641	958	-
	109,162	2,493	2,558	2,648	2,763	2,863	16,346	20,066	14,411	26,576	18,438	-
2020A Revenue Bonds	12,620	-	-	-	-	-	-	-	-	10,175	2,445	-
Less: Unamortized Discount	(316)	(12)	(12)	(12)	(12)	(12)	(61)	(61)	(61)	(61)	(12)	-
	12,304	(12)	(12)	(12)	(12)	(12)	(61)	(61)	(61)	10,114	2,433	-
2020B Revenue Bonds	9,415	-	-	-	-	-	-	-	-	-	9,415	-
Plus: Unamortized Premium	118	4	4	4	4	4	20	20	20	20	18	-
	9,533	4	4	4	4	4	20	20	20	20	9,433	-
2020C Revenue Bonds	5,415	-	-	-	-	-	-	-	-	5,415	-	-
Less: Unamortized Discount	(152)	(7)	(7)	(7)	(7)	(7)	(33)	(33)	(33)	(18)	-	-
	5,263	(7)	(7)	(7)	(7)	(7)	(33)	(33)	(33)	5,397	-	-
Total Revenue Bonds -Water and Sewerage	771,021	24,265	25,187	26,178	27,246	28,300	152,787	160,280	254,367	42,107	30,304	-
2021 Capital Lease - Water & Sewer -1.64%	1,500	285	296	301	306	312	-	-	-	-	-	-
Total Water and Sewerage	772,521	24,550	25,483	26,479	27,552	28,612	152,787	160,280	254,367	42,107	30,304	-
Solid Waste												
Capital Leases:												
2021 Capital Lease -1.545%	3,200	594	636	646	656	668	-	-	-	-	-	-
Total Capital Leases	3,200	594	636	646	656	668	-	-	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

	Maturities (in thousands of dollars)											
	Total	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2057
Convention Center Hotel												
2018C LA Community Development Authority												
Note	604	179	190	201	34	-	-	-	-	-	-	-
Bonds	31,250	1,360	1,535	1,665	1,870	2,050	11,705	11,065	-	-	-	-
Plus: Unamortized premium	725	54	54	54	54	54	272	183	-	-	-	-
Total Convention Center Hotel	<u>32,579</u>	<u>1,593</u>	<u>1,779</u>	<u>1,920</u>	<u>1,958</u>	<u>2,104</u>	<u>11,977</u>	<u>11,248</u>	-	-	-	-
Community Development Notes												
Fairmont Towers Note	273	131	142	-	-	-	-	-	-	-	-	-
Total Community Development Notes	<u>273</u>	<u>131</u>	<u>142</u>	-	-	-	-	-	-	-	-	-
Total Principal	<u>\$ 994,089</u>	<u>\$ 42,123</u>	<u>\$ 43,230</u>	<u>\$ 44,866</u>	<u>\$ 46,653</u>	<u>\$ 49,533</u>	<u>\$ 237,969</u>	<u>\$ 195,057</u>	<u>\$ 264,332</u>	<u>\$ 42,107</u>	<u>\$ 30,304</u>	<u>\$ -</u>
	(in thousands of dollars)											
	Total	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2057
INTEREST REQUIREMENTS												
General Obligation	\$ 43,391	\$ 6,199	\$ 5,811	\$ 5,370	\$ 4,906	\$ 4,419	\$ 14,220	\$ 2,391	\$ 75	\$ -	\$ -	\$ -
Debt Community Development Notes	23	15	8	-	-	-	-	-	-	-	-	-
Revenue Bonds and Notes												
Convention Center Hotel	11,504	1,259	1,313	1,252	1,181	1,112	4,210	1,177	-	-	-	-
Water and Sewerage	404,583	30,892	30,035	29,132	27,158	27,354	118,324	85,040	44,105	10,158	2,385	-
Municipal and Regional Airports	9,225	1,013	940	861	777	682	2,741	1,740	471	-	-	-
Solid Waste	172	80	38	28	18	8	-	-	-	-	-	-
Total Interest Requirements	<u>468,898</u>	<u>39,458</u>	<u>38,145</u>	<u>36,643</u>	<u>34,040</u>	<u>33,575</u>	<u>139,495</u>	<u>90,348</u>	<u>44,651</u>	<u>10,158</u>	<u>2,385</u>	-
Total Future Debt Requirements	<u>\$ 1,462,987</u>	<u>\$ 81,581</u>	<u>\$ 81,375</u>	<u>\$ 81,509</u>	<u>\$ 80,693</u>	<u>\$ 83,108</u>	<u>\$ 377,464</u>	<u>\$ 285,405</u>	<u>\$ 308,983</u>	<u>\$ 52,265</u>	<u>\$ 32,689</u>	<u>\$ -</u>

## NOTES TO THE FINANCIAL STATEMENTS

### III. Detailed Notes on All Funds

#### 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.

In November 2021, the City issued \$5,675,000 in Revenue Bonds, Series 2021. The Bonds were issued for the purpose of financing the cost of upgrading the roofs and related portions of several municipal buildings through the acquisition and construction of improvements, extensions, and replacements, funding a debt service reserve fund, and paying costs of the issuance of the bonds. The net proceeds were \$5,579,263 included a discount of \$95,737. The funds were used to pay for the cost of issuance of \$175,340, to establish a reserve fund of \$420,156 and to deposit the remainder into the project account. The 2021 Revenue Bonds bear an interest rate of 3.125% and have maturities from 2022 to 2039. The amounts outstanding at December 31, 2021, were \$5,675,000.

In September 2021, the City obtained capital lease financing in the amount of \$6,777,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Public Works and Police Department. The lease has an interest rate of 1.545% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2021 was \$6,777,000.

In December 2017, the City issued \$50,000,000 in General Obligation Refunding Bonds, Series 2017. The Bonds were issued for the purpose of advance refunding the City's outstanding General Obligation Bonds, Series 2011 and paying the costs of issuance of the Bonds. The net proceeds of \$58,373,096 (including a premium of \$7,085,176 and issuance cost of \$715,873) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, these amounts are considered defeased and the liabilities have been removed from the statement of net position. \$13,955,000 remains on the books. The outstanding amounts of all the bonds will be called on August 1, 2021, and the amounts outstanding at December 31, 2021, were \$50,000,000.

The General Obligation Refunding Bonds, Series 2017 bear interest rates between 3% and 5% maturities from 2022 to 2031. The reacquisition price exceeded the carrying amount by \$2,603,171 and is amortized over the life of the refunding debt. The refunding was undertaken to reduce future debt service payments by \$2,317,456 and resulted in an economic gain of \$1,777,220.

In November 2016, the City issued \$20,800,000 in Refunding Bonds, Series 2016. The bonds were issued to defease and refund the Series 2008 – Stadium Debt Bonds \$24,665,000, and pay the costs of issuance, including the premiums for the municipal bond insurance policy and debt service reserve surety bond. The net proceeds of \$26,241,121 (including a premium of \$2,476,543, issuance costs of \$314,840, insurance premiums \$86,412, underwriter's discount \$127,982, and surety expense \$66,824) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, the Series 2008 – Stadium Debt bonds are considered defeased and the liabilities have been removed from the statement of net position. The amounts outstanding at December 31, 2021, were \$14,315,000.

The 2016 Refunding Bonds bear interest rates of 3% to 5% with maturities from 2018 to 2028. The reacquisition price exceeded the carrying amount by \$3,023,655 and is amortized over the life of the refunding debt. The refunding was undertaken to reduce future debt service payments by \$6,439,525 and resulted in an economic gain of \$2,434,519.

In October 2014, the City issued \$93,500,000 in General Obligation Bonds, Series 2014. The bonds were issued for the purpose of paying the cost of (Proposition No.1) constructing, acquiring and/or improving the water system and the sewer system and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$55,064,671), (Proposition No. 2) constructing, acquiring and improving public facilities and equipment for parks and recreation, public building, the police department, fire department and finance department and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$12,933,337), and (Proposition No. 3) constructing, acquiring and/or improving the streets, highways, bridges, and drainage systems and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$25,501,992). The bonds are the final series of a total amount of \$175,000,000 in bonds for all three Propositions that were authorized at a special election held on April 2, 2011. The bonds have maturity dates from 2015 through 2034 with principal payments from \$3,670,000 to \$7,020,000 and interest rates of 2.00% to 5.00%. The amounts outstanding at December 31, 2021, were \$69,280,000.

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

In August 2011, the City issued \$81,500,000 in General Obligation Bonds, Series 2011. The bonds were issued for the purpose of paying the cost of (Proposition No.1) constructing, acquiring and/or improving the water system and the sewer system and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$37,605,329), (Proposition No.2) constructing, acquiring and improving public facilities and equipment for parks and recreation, public building, the police department, fire department, and finance department and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$25,066,663), and (Proposition No.3) constructing, acquiring, and/or improving the streets, highways, bridges, and drainage systems and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$18,828,008). The bonds are the first of an estimated three series of a total amount of \$175,000,000 in bonds for all three Propositions that were authorized at a special election held on April 2, 2011. The bonds have maturity dates from 2021 through 2031 with principal payments from \$2,335,000 to \$6,465,000 and interest rates of 2.00% to 5.00%. An advance refunding of bonds occurred with the issuance of the Series 2017 Advance Refunding General Obligation Bonds. The amounts outstanding from the original Series 2011 issuance at December 31, 2021, was \$-0-.

In December 2004, the City issued \$5,375,000 in Certificates of Indebtedness, Series 2004 for the purpose of financing energy saving capital expenditures and paying the costs of issuance. The certificates are payable from an irrevocable pledge and dedication of the excess of annual revenue above statutory, necessary and usual charges in each fiscal year during which the certificates are outstanding and any other legally available excess revenues. The certificates were issued at a discount of \$53,910. Principal payments range from \$200,000 to \$420,000 with interest rates of 2.00% to 4.20% and maturity dates from 2005 to 2021. The amount outstanding at December 31, 2021, was \$-0-.

Community Development Notes

The City has one Housing and Urban Development (HUD) loan received in prior years. The loan is secured by a note receivable from the developer with a first lien mortgage and a pledge of the City's current and future CDBG funds. The note receivable and loan 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 services the loan to HUD.

The debt service requirements to maturity for this loan is as follows:

<u>Year Ending December31,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 146,399	\$ 131,000	\$ 15,399
2023	150,037	142,000	8,037
2024	-	-	-
2025	-	-	-
2026	-	-	-
<b>Total</b>	<b>\$ 296,436</b>	<b>\$ 273,000</b>	<b>\$ 23,436</b>

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 position of the Municipal and Regional Airport fund has been restricted in accordance with the provisions of the respective bond indentures in the amount of \$3,960,404 at December 31, 2021, 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 rents, 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 such 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.

The City was in compliance with the debt service covenant of 125% net revenues of annual debt service.

Restricted assets of the Municipal and Regional Airport fund primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness. A summary of restricted assets at December 31, 2021, follows:

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

Fund	
Other Miscellaneous Restricted Funds	\$ 1,110,901
Bond and Interest Sinking Funds	4,053,637
Total restricted assets	<u>\$ 5,164,538</u>

Water and Sewerage Revenue Bonds

In September 2021, the City obtained capital lease financing in the amount of \$1,500,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Water and Sewerage department. The lease has an interest rate of 1.64% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2021 was \$1,500,000.

In December 2020, the City issued \$27,450,000 in Water and Sewer Revenue Bonds consisting of 2020A series in the amount of \$12,620,000; 2020B series in the amount of \$9,415,000; and 2020C series in the amount of \$5,415,000. The bonds were issued for the purpose of refunding the 2020 principal payments for the 2014A Water and Sewer Revenue Bond in the amount of \$7,870,000, the 2015 Water and Sewer Revenue Bond in the amount of \$545,000, and the 2016C Water and Sewer Revenue Bond in the amount of \$1,195,000; and the 2021 payments for the 2014A Water and Sewer Revenue Bond in the amount of \$8,285,000, the 2015 Water and Sewer Revenue Bond in the amount of \$570,000, the 2016C Water and Sewer Revenue Bond in the amount of \$1,225,000, and the 2018C Water and Sewer Revenue Bond in the amount of \$675,000; as well as paying the costs of issuance of the 2020 bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2020 bonds. The 2020A series and 2020C are taxable bonds. The bonds bear interest rates between 3.0% and 4.21% with maturities from 2042 to 2050. The amounts outstanding at December 31, 2021 were \$27,450,000.

In May 2019, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Junior Lien Series 2019B. The bonds were issued for the purpose of paying the costs for acquisition and construction of improvements, extensions and replacements to the System funding a debt service reserve and/or paying the cost of reserve fund surety bonds, if necessary, and paying the costs of issuance of the 2019B bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2019B bonds. The bonds bear interest rates between 3% and 5% with maturities from 2022 to 2049. The amounts outstanding at December 31, 2021, were \$100,000,000.

In May 2018, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Series 2018C. The bonds were issued for the purpose of paying the costs for acquisition and construction of improvements, extensions and replacements to the System funding a debt service reserve and/or paying the cost of reserve fund surety bonds, if necessary, and paying the costs of issuance of the 2018C bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2018C bonds. The bonds bear interest rates between 3% and 5% with maturities from 2021 to 2041. The amounts outstanding at December 31, 2021, were \$99,325,000.

In March 2018, the City issued \$20,000,000 in Taxable Water and Sewer Revenue Bonds (LDEQ Sewer Project), Series 2018A. The bonds were sold by the City to the Louisiana Department of Environmental Quality. The bonds bear an interest rate of .95% plus an administrative fee of .50%. The bonds were issued to finance a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the City's combined drinking water and wastewater collection, treatment and disposal system, and paying the costs of issuance. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. The amount drawn down in 2021 was \$0 for a total of \$14,366,491. The amount outstanding at December 31, 2021 was \$13,672,589.

In June 2017, the City issued \$55,975,000 in Water and Sewer Revenue Bonds, Series 2017A. The bonds were issued for the purpose of paying the costs of improvements to the Water System, including capitalized interest, purchasing a reserve fund surety, and paying the costs of issuance of the Series 2017A Bonds, including the premium for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the Series 2017A Bonds. The bonds bear interest rates between 4% and 5% with maturities from 2018 to 2042. The amounts outstanding at December 31, 2021, were \$54,475,000.

**NOTES TO THE FINANCIAL STATEMENTS****III. Detailed Notes on All Funds**

In June 2017, the City issued \$35,840,000 in Water and Sewer Revenue Bonds, Junior Lien Series 2017B. The bonds were issued for the purpose paying the costs of improvements to the System, including capitalized interest, purchasing a reserve fund surety, and paying the costs of issuance of the Series 2017B Bonds, including the premium for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the Series 2017B Bonds. The bonds bear interest rates between 3.375% and 5% with maturities from 2018 to 2042. The amounts outstanding at December 31, 2021 were \$35,140,000.

In July 2017, the City issued \$43,190,000 in Refunding Bonds, Series 2017C. The bonds were issued for the purpose of refunding, readjusting, restructuring and/or refinancing the City's repayment obligations under a Loan Agreement dated as of October 1, 2005 (the "Loan Agreement"), by and between the City, as borrower, and the Louisiana Local Government Environmental Facilities and Community Development Authority, as lender (the "Authority"), pursuant to which the City is indebted to the Authority for the repayment of certain sums of money, together with interest and other payments described in the Loan Agreement in connection with the issuance by the Authority of its Revenue Bonds (Shreveport Utility System Project) Series 2005 (the "Refunded Bonds"), and paying costs of issuance. The net proceeds of \$43,005,000 (including payment of accrued interest on refunded bonds of \$67,518 and cost of issuance of \$185,000) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, the Revenue Bonds (Shreveport Utility System Project) Series 2005 are considered defeased and the liabilities have been removed from the statement of net position.

The 2017C Refunding Bonds bear an interest rate of 3.50% with maturities from 2018 to 2033. The carrying amount exceeded the reacquisition price by \$596,032 and is amortized over the life of the refunding debt. The refunding was undertaken to fix the outstanding variable rate, align the governing documents with the new General Bond Ordinance and extend the final maturity to match the useful life of the original project – Utility System Debt Bonds \$43,005,000. The amounts outstanding at December 31, 2021, were \$34,510,000.

In December 2016, the City issued \$20,000,000 in Taxable Water and Sewer Revenue Bonds (LDEQ Sewer Project), Series 2016A. The bonds were sold by the City to the Louisiana Department of Environmental Quality. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The bonds were issued to finance a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the City's combined drinking water and wastewater collection, treatment and disposal system, and paying the costs of issuance. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. The amount drawn down in 2021 was \$0 for a total of \$17,722,743 with a balance of \$15,349,742 at December 31, 2021.

In December 2016, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Series 2016B. The bonds were issued for the purpose of paying the costs of improvements to the System, including capitalized interest, funding a reserve fund surety, and paying the costs of issuance. The bonds bear an interest rate of 5% with maturities from 2024 to 2041. The amounts outstanding at December 31, 2021 were \$100,000,000.

In December 2016, the City issued \$8,420,000 in Taxable Water and Sewer Revenue Bonds, Junior Lien Series 2016C. The bonds were issued for the purpose of paying an interest rate swap termination fee in connection with previous indebtedness incurred in relation to the System, funding a reserve fund surety, and paying the costs of issuance. The bonds bear interest rates from 1.6% to 3.5% with maturities from 2017 to 2023. The amounts outstanding at December 31, 2021 were \$2,560,000.

In December 2015, the City issued \$120,000,000 in Water and Sewer Revenue and Refunding Bonds, Series 2015. The bonds were issued to advance refund the balance of the 2006A Refunding Issue in the amount of \$5,520,000, obtaining financing for the acquisition and construction of improvements, extensions and replacements to the combined revenue producing water and sewer utility system, funding a reserve fund surety, funding a municipal bond insurance policy and paying the costs of issuance of the bonds. The net proceeds of \$134,900,395 (including a premium of \$17,029,476 and issuance costs and insurance premiums of \$2,129,081) were used to place \$5,546,090 in an irrevocable trust with an escrow agent to provide funds for the advance refunding and \$129,354,305 was placed in the project account. As a result, the 2006A, Refunding Bonds are considered defeased and the liabilities have been removed from the statement of net position. The amount outstanding at December 31, 2020 was \$116,980,000.

## NOTES TO THE FINANCIAL STATEMENTS

### III. Detailed Notes on All Funds

In November 2014, the City issued \$75,835,000 in Water and Sewer Revenue Refunding Bonds, Series 2014 A. The bonds were issued to currently refund the outstanding 2001A, 2001B, 2001C, 2002A, 2002B, 2003A, 2003B, 2004A and 2010C bonds in the amount of \$65,981,906 and to advance refund \$16,135,000 of the 2007 bonds. The net proceeds of \$85,387,973 (including a premium of \$9,792,379, a contribution from the City of \$947,000 and issuance costs and insurance premiums of \$1,186,406) were used for the current refunding \$66,832,837 and \$18,555,136 was placed in an irrevocable trust with an escrow agent to provide funds for the advance refunded 2007 bonds. As a result, all of the bonds are considered defeased and the liabilities have been removed from the statement of net position. The amount outstanding at December 31, 2021 was \$28,765,000.

In November 2014, the City issued \$67,045,000 in Water and Sewer Revenue Bonds, Series 2014B. Included in the proceeds was a reoffering premium of \$1,676,592. The bonds were issued for the purpose of financing construction of and extensions and improvements of the City's combined waterworks plant and system and sewer system, funding a deposit to the Debt Service Fund or the premiums for debt service fund sureties and paying the costs of issuance including the premiums for bond insurance policies. The bonds have maturity dates from 2027 through 2038 with interest rates of 4.00% to 5.00%. The amount outstanding at December 31, 2021 was \$67,045,000.

In December 2014, the City issued \$7,955,000 in Water and Sewer Revenue Bonds, Series 2014C. Included in the proceeds was a reoffering premium of \$698,051. The bonds were issued for the purpose of financing construction of and extensions and improvements to the City's combined waterworks plant and system and sewer system, funding a deposit to the Debt Service Fund or the premiums for debt service fund sureties and paying the costs of issuance including the premiums for bond insurance policies. The bonds have a maturity date of 2039 and an interest rate of 5.00%. The amount outstanding at December 31, 2021 was \$7,955,000.

In January 2013, the City issued Taxable Utility Revenue Bonds, Series 2013 in the amount of \$3,684,000 for the purpose of restructuring the balance of previously issued bonds for the purpose of assuming ownership of the Shreveport Biosolid Disposal Project, and paying the cost of issuance of the bonds. The bonds bear interest at the rate of 3.750%; and have maturities from 2013 through 2022. The amount outstanding at December 31, 2021 was \$368,400.

In November 2013, the City entered into a Loan and Pledge Agreement with the Louisiana Department of Environmental Quality. The Department purchased the City's \$5,000,000 Taxable Utility Revenue Bonds (LDEQ Series Project) Series 2013. The bonds were issued for the purpose of financing a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the combined water and sewer system of the City. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. There were no drawdowns in 2021. The amounts outstanding at December 31, 2021 were \$3,434,000.

In June 2010, the City issued \$11,560,000 of Taxable Water and Sewer Revenue Bonds (DEQ Sewer Project), Series 2010D. The bonds were sold by the City to the Louisiana Department of Environmental Quality, Municipal Facilities Revolving Loan Fund. The bonds are Build America Bonds and are entitled to a credit equal to 35% of the interest paid on the bonds. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. There were no drawdowns in 2021. The amounts outstanding at December 31, 2021 were \$6,273,968.

In November 2009, the City entered into a Loan and Pledge Agreement for \$11,000,000 with the Louisiana Department of Health and Hospitals. The Department purchased the City's \$2,000,000 Water and Sewer Revenue Bonds, Series 2009A and the City's \$9,000,000 Water and Sewer Revenue Bonds, Series 2009B. The proceeds of the bonds are received through drawdowns. There were no drawdowns in 2020 for either of the bonds. The total to date is \$2,000,000 for the 2009A bonds and \$8,692,302 for the 2009B bonds (\$1,000,000 of the 2009A bonds has been forgiven through the American Recovery and Investment Act of 2009). The amounts outstanding at December 31, 2021 were \$4,987,302.

The resolutions applicable to the 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.

## NOTES TO THE FINANCIAL STATEMENTS

## III. Detailed Notes on All Funds

The City has debt covenants with respect to the various Water and Sewer bond to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each Fiscal Year sufficient to pay (a) Operating Expenses of the System in such Fiscal Year, (b) Annual Debt Service falling due during such Fiscal Year, (c) all other payments required for such Fiscal Year by the General Bond Ordinance and the applicable ordinances authorizing a series of bonds, and (d) all other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year which result in each Fiscal Year, and which in any event will provide Net Revenues in an amount equal to at least one hundred twenty-five percent (125%) of the Annual Debt Service due in such Fiscal Year on all Senior Lien Bonds (without regard to Annual Debt Service on the Junior Lien Bonds), and (ii) one hundred ten percent (110%) of the Annual Debt Service in such Fiscal Year on all Senior Lien Bonds plus all Junior Lien Bonds.

The City was in compliance with the covenant of 125% of the Annual Debt Service for all Senior Lien Bonds; however, the City was not in compliance with the 110% of the Annual Debt Service requirement for all Senior and Junior Lien Bonds.

Restricted assets in the Water and Sewerage Fund primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness (construction, debt service, and bond principal and interest sinking funds). A summary of restricted assets at December 31, 2021, follows:

Fund		
Debt Service Reserve Funds	\$	4,854,826
2014B Bond Project Fund		3,707
2014C Bond Project Fund		1,869
2015 Bond Project Fund		4,001,945
2016B Bond Project Fund		11,980,798
2017A Bond Project Fund		55,450
2017B Bond Project Fund		5,147,809
2018C Bond Project Fund		92,737,226
2019B Bond Project Fund		105,320,470
Escrow Funds		2,575,039
Lease proceeds		1,500,000
Miscellaneous Bond Funds		93,338
		<hr/>
Total restricted assets	\$	<u>228,272,477</u>

Solid Waste Long-term Debt

In September 2021, the City obtained capital lease financing in the amount of \$3,200,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Solid Waste department. The lease has an interest rate of 1.545% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2021 was \$3,200,000.

Convention Center Hotel

In May 2018, the City remarketed the \$35,985,000 remaining principal balance of the \$40,980,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008. The bonds were placed with Regions Bank and Deutsche Bank for a period of seventeen years through April 1, 2035 and shall bear interest at a variable rate of between 3.390% and 5%. The balance owed as of December 31, 2021 was \$31,250,000.

Shreveport Home Mortgage Authority Bonds

On February 1, 2004, the Authority issued \$4,360,000 in bonds, the 2004 Multi-Family Housing Revenue Refunding Bonds, to advance refund the \$4,360,000 1995 Multi-Family Issue. Bond costs of \$130,569 were paid by the Authority. At December 31, 2021, the principal outstanding on the 2004 bonds was \$876,729. The Authority issued on August 1, 2003 \$7,500,000 in revenue refunding bonds, originally due April 1, 2037; the payments have been accelerated with the estimated maturities reflected below.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**III. Detailed Notes on All Funds**

The annual requirements to amortize all debt outstanding as of December 31, 2021 including interest requirements are as follows:

<u>Year Ending December 31,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 120,787	\$ 68,036	\$ 52,751
2023	120,907	71,781	49,126
2024	121,123	75,732	45,391
2025	119,808	78,358	41,450
2026	100,532	63,240	37,292
Thereafter	673,544	519,582	153,962
<b>Total</b>	<b>\$ 1,256,701</b>	<b>\$ 876,729</b>	<b>\$ 379,972</b>

Note of Future Advance Refundings

In accordance with the Tax Reform and Jobs Act of 2017, advance refundings of debt are no longer an available option for governmental entities.

Arbitrage Rebate

In accordance with the Tax Reform Act of 1986 any interest earnings on borrowed funds since August 31, 1986 in excess of the interest costs are required to be rebated to the federal government. The City has determined that there was no material liability at December 31, 2021. Additional rebate calculations are scheduled to be performed in 2022.

**I. Landfill and Sludge Facility Closure and Post-Closure Care Cost**

State and federal laws and regulations require the City to place a final cover on its Woolworth Road landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 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. A liability of \$8,075,499, has been reported at December 31, 2021, for closure and post-closure care cost and represents the cumulative costs reported based on 50.62% of the capacity of the landfill having been used to date. The landfill has an estimated remaining life of approximately 29.3 years. This amount has been accrued in the government-wide financial statements within the enterprise activities and has been reported as a liability in the Solid Waste Enterprise Fund. The estimated total current cost of closure and post-closure care remaining to be recognized is \$18,293,610 and \$15,647,040, respectively. 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 the sludge facility, 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, at least 90% of the assets are located in the United States and the City has a bond rating which exempted it from certain required financial ratios.

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information

## A. Retirement Commitments – Defined Benefit Pension Plans and Other Postemployment Benefits

The City of Shreveport 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), a cost-sharing multiple employer plan. 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 in this report as combining statements under the section entitled "Combining and Individual Fund Statements and Schedules". The City also provides medical, dental and life insurance coverage through a cost-sharing multiple-employer defined benefit plan. The City also participates in two state-administered cost-sharing multiple-employer defined benefit pension plans. They are the Municipal Police Employees' Retirement Systems (MPERS) and the Firefighters' Retirement System (FRS).

**Summary of Significant Accounting Policies – City Administered Plans**

**Basis of Accounting** - The three City administered pension plans' financial statements are prepared using the accrual basis of accounting. Plan members' contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Method Used to Value Investments** – Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. The cash surrender value of life insurance policies is recorded as other assets 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. The pension investment policies are described in Note I.D.1. Cash, Cash Equivalents and Investments.

**Concentration of Investments** - The FPRF, PPRF and ERS had no investments in any one organization representing 5% or more of the fiduciary net position except for obligations of the federal government. There are no investments in loans to or leases with parties related to the pension plans.

**Membership** - Each pension plan administered by the City consisted of the following participants at December 31, 2021:

	FPRF	PPRF	ERS
Retirees and beneficiaries receiving benefits	285	166	1,154
Active plan members:			
Vested	3	-	468
Nonvested	-	-	667
Total	288	166	2,289
Number of participating employers	1	1	3

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

Plan Descriptions

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 plans but not the State plan. The pension plan is closed to new members.

The PPRF is 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 plans but not the state plan. The pension plan is closed to new members.

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.

**NOTES TO THE FINANCIAL STATEMENTS**
**IV. Other Information (continued)**
Pension Liability:

The Net Pension Liability was measured as of December 31, 2021 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The City's proportion of the Net Pension Liability is 100%. The total pension liability was determined by an actuarial valuation as of the valuation date, calculated on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There have been no significant changes between the valuation date and the fiscal year end.

The following table presents the changes in net pension liability measured as of the year ended December 31, 2021:

	2021		
	FPRF	PPRF	ERS
<b>Total pension liability</b>			
Service cost	\$ 238	\$ -	\$ 3,895,144
Interest	1,724,239	1,312,200	29,249,833
Effect of economic/demographic gains or losses	(253,026)	(893,744)	3,463,671
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	108,290	72,412	402,665
Benefit payments, including refunds of member contributions	(1,505,591)	(1,384,077)	(33,295,366)
<b>Net change in total pension liability</b>	<u>74,150</u>	<u>(893,209)</u>	<u>3,715,947</u>
<b>Total pension liability - beginning</b>	<u>25,371,794</u>	<u>19,426,046</u>	<u>430,325,722</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 25,445,944</u>	<u>\$ 18,532,837</u>	<u>\$ 434,041,669</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ -	\$ -	\$ 12,919,339
Contributions - member	-	-	5,298,931
Net investment income	1,429,688	2,208,145	23,302,591
Benefit payments, including refunds of member contributions	(1,505,591)	(1,384,077)	(33,295,366)
Administrative expense	(25,978)	(25,979)	(83,622)
Other	-	-	-
<b>Net change in plan fiduciary net position</b>	<u>(101,881)</u>	<u>798,089</u>	<u>8,141,873</u>
<b>Plan fiduciary net position - beginning</b>	<u>14,356,083</u>	<u>18,928,547</u>	<u>191,418,160</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>14,254,202</u>	<u>19,726,636</u>	<u>199,560,033</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 11,191,742</u>	<u>\$ (1,193,799)</u>	<u>\$ 234,481,636</u>

Eligibility Requirements and Retirement Benefits
FPRF plan:

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

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

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

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

There was not a vesting provision under the Old Plan. Members were eligible for benefits only after serving the time requirement for normal retirement. Under the New Plan, members vest after twelve years of service and may receive a benefit at age 50 with twenty years of service or at age 55 with a minimum of twelve years of service. Benefits are established and may be amended by State statutes, R.S.11:3713 and 3714.

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.

PPRF plan:

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

Disability benefits are payable on the basis of: (1) temporary total disability in the line of duty; (2) total and permanent disability in the line of duty; and (3) occupational disability that is total and permanent and received in the line of duty which renders the member unable to function in his police duties. Benefits payable are: (1) 66 2/3% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Payments will be made for no more than one year or benefits will continue until member becomes eligible for service retirement; or (2) 50% of monthly salary of active member holding a position corresponding to 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 statutes, R.S.11:3433, 3434, 3436 and 3437.

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

## NOTES TO THE FINANCIAL STATEMENTS

### IV. Other Information (continued)

#### ERS plan:

Non-City employees employed by the following organizations may become members in the Employees' Retirement System (ERS): Shreve Memorial Library, Caddo-Shreveport Sales and Use Tax 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, 1999, to be eligible for regular retirement benefits, members must have 30 years of service regardless of age or be age 65 with 10 years of service, and if hired before January 1, 1979 be 55 years of age with 20 years of service. If hired on or after January 1, 1979, members must be 55 years of age with 25 years of service or age 60 with 20 years of service. As of October 1, 1999, 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, 1979, has been eliminated. Members become vested in the system after 15 years of creditable service. Benefit provisions are established and may be amended by City ordinance #2 of 1954, #163 of 1990 and #112 of 1991.

Benefits available to members hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 3% of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3% of average compensation times years of creditable service for 1996 and future years of service. Effective January 1, 2015, the retirement allowance was reduced to 2.75% of average compensation times years of creditable service for 2015 and future years. An early retirement provision has been implemented for any member who has at least 10 years, prior to January 1, 2015, of service and is within 10 years of a member's normal retirement age. The benefit is reduced by 3% per year for each year within five years of the normal retirement date, by 5% for the next earlier year, and by 8% for each additional earlier year. The plan allows members who have met eligibility requirements to defer receipt of benefits for a period of two years with one percent interest.

#### Contributions

##### FPRF plan:

Only the employer makes contributions on a pay-as-you-go basis. The employer contribution obligations are established and may be amended by State statutes. Contributions are made from the General Fund. The City's contribution rate of annual covered payroll is not applicable. There are three active employees.

Management of the FPRF is vested in the board which consists of nine members – five elected employees or retirees eligible for the plan, the Mayor, the Chief Administrative Officer, the Finance Director and the Fire Chief.

For the year ended December 31, 2021, the annual money-weighted rate of returns on pensions plan investments, net of pensions plan investment expense, was 10.56%. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### PPRF plan:

Only the employer makes contributions. The employer contribution obligations are established and may be amended by State statutes. The funding approach is to amortize all benefits over 25 years. However, the contribution cannot be less than the expected benefit payments for the year. Contributions are made from the General Fund. The City's contribution rate of covered payroll is not applicable. There are no active employees.

Management of the PPRF is vested in the board which consists of nine members – five elected employees or retirees eligible for the plan, the Mayor, the Chief Administrative Officer, the Finance Director and the Police Chief.

For the year ended December 31, 2021, the annual money-weighted rate of returns on pension plan investments, net of pension's plan investment expense, was 12.15%. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

ERS plan:

Prior to January 1, 2007, plan members were required by City ordinance to contribute 7% of compensation to the Plan. The City or other employers were required by the same ordinance to contribute 11.15% of compensation. Contribution amounts from plan members, the City and other employers may be amended by City ordinance. Effective January 1, 2007, the employees' contributions to the plan were increased to 9% from 7% and the employers' contributions were increased to 13.15% from 11.15%. Effective January 1, 2015, the employees' contribution to the plan was increased from 9% to 10% and the employer contribution increased from 13.15% to 16.5%. Effective January 1, 2018, the employees' contribution to the plan was increased to 12%. Effective January 1, 2021 the employer contribution increased to 30%. Contributions are made from the fund that the employee is paid from, or from the organizations noted above.

In February 2004, an ordinance was passed which changed the method of computation for cost-of-living increases. The new computation states that effective January 1 of each year, there will be a cost-of-living increase based on the Consumer Price Index (CPI) if certain conditions exist: 1) the CPI has increased a minimum of one percent 2) the funded percentage for the retirement system for the prior year is not under 90% 3) the retirement systems overall rate of return on investments for the prior year was equal to or exceeded the actuarial interest rate for funding. The maximum increase is limited to 5%.

Management of the ERS is vested in the board which consists of seven members – two elected employees who are members of the plan, one elected retiree and one retiree alternate, the Mayor, the Chief Administrative Officer, the Finance Director and one Council Member.

For the year ended December 31, 2021, the annual money-weighted rate of returns on pension plan investments, net of pensions plan investment expense, was 12.71%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PensionsFPRF plan:

For the year ended December 31, 2021, the City recognized pension expense of \$622,627.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual earnings	\$ 394,591	\$ (887,606)
Total	<u>\$ 394,591</u>	<u>\$ (887,606)</u>

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2022	\$ 57,032
2023	(337,557)
2024	(116,998)
2025	(95,492)
Total	<u>\$ (493,015)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**IV. Other Information (continued)**

PPRF plan:

For the year ended December 31, 2021, the City recognized pension expense (benefit) of (\$1,225,100).

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual earnings	\$ 440,181	\$ (2,160,410)
<b>Total</b>	<u>\$ 440,181</u>	<u>\$ (2,160,410)</u>

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2022	\$ (340,116)
2023	(780,297)
2024	(413,484)
2025	(186,332)
<b>Total</b>	<u>\$ (1,720,229)</u>

ERS plan:

For the year ended December 31, 2021, net pension liability of \$234,481,635 and pension expense of \$14,210,193 were allocated as follows:

	<u>Proportionate Share %</u>	<u>Net Pension Liability</u>	<u>Pension Expense</u>
<b>Primary Government</b>			
Governmental activities	63.58%	\$ 149,088,093	\$ 14,744,648
Business-type activities	23.53%	55,167,966	(2,172,711)
<b>Total primary government</b>	<u>87.11%</u>	<u>204,256,059</u>	<u>12,571,937</u>
<b>Component Units</b>			
Shreve Memorial Library	11.33%	26,572,637	1,610,370
<b>Total component units</b>	<u>11.33%</u>	<u>26,572,637</u>	<u>1,610,370</u>
<b>Jointly Governed Entity</b>			
Sales and Use Tax Commission	1.56%	3,652,939	27,886
<b>Total</b>	<u>100.00%</u>	<u>\$ 234,481,635</u>	<u>\$ 14,210,193</u>

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and were allocated as follows:

	<u>Deferred Outflows of Resources</u>			<u>Total Deferred Outflows of Resources</u>
	<u>Change in Investment Earnings</u>	<u>Change in Experience</u>	<u>Change in Assumptions</u>	
<b>Primary Government</b>				
Governmental activities	\$ -	\$ 1,784,750	\$ 1,138,143	\$ 2,922,893
Business-type activities	-	660,421	421,154	1,081,575
<b>Total primary government</b>	<u>-</u>	<u>2,445,171</u>	<u>1,559,297</u>	<u>4,004,468</u>
<b>Component Units</b>				
Shreve Memorial Library	-	318,104	202,856	520,960
<b>Total component units</b>	<u>-</u>	<u>318,104</u>	<u>202,856</u>	<u>520,960</u>
<b>Jointly Governed Entity</b>				
Sales and Use Tax Commission	-	43,729	27,886	71,615
<b>Total</b>	<u>\$ -</u>	<u>\$ 2,807,004</u>	<u>\$ 1,790,039</u>	<u>\$ 4,597,043</u>

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

	Deferred Inflows of Resources			Total Deferred Inflows of Resources
	Change in experience	Change in Investment Earnings	Change in Assumptions	
Primary Government				
Governmental activities	\$ (8,314,196)	\$ (854,053)	\$ (107,592)	\$ (9,275,841)
Business-type activities	(316,030)	(3,076,552)	(39,813)	(3,432,395)
Total primary government	(8,630,226)	(3,930,605)	(147,405)	(12,708,236)
Component Units				
Shreve Memorial Library	(152,222)	(1,481,876)	(19,176)	(1,653,274)
Total component units	(152,222)	(1,481,876)	(19,176)	(1,653,274)
Jointly Governed Entity				
Sales and Use Tax Commission	(20,926)	(203,713)	(2,636)	(227,275)
Total	\$ (8,803,374)	\$ (5,616,194)	\$ (169,217)	\$ (14,588,785)

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

## Year ended December 31:

2022	\$ (170,632)
2023	(4,681,927)
2024	(2,158,157)
2025	(1,848,712)
2026	-
Total	\$ (8,859,428)

These amounts were allocated as follows:

Year ended December 31,	2022	2023	2024	2025	Total
Primary Government					
Governmental activities	\$ (122,357)	\$ (3,357,332)	\$ (1,547,579)	\$ (1,325,681)	\$ (6,352,949)
Business-type activities	(45,276)	(1,242,334)	(572,660)	(490,549)	(2,350,819)
Total primary government	(167,633)	(4,599,666)	(2,120,239)	(1,816,230)	(8,703,768)
Component Units					
Shreve Memorial Library	(21,809)	(598,392)	(275,831)	(236,282)	(1,132,314)
Total component units	(21,809)	(598,392)	(275,831)	(236,282)	(1,132,314)
Jointly Governed Entity					
Sales and Use Tax Commission	(2,998)	(82,261)	(37,919)	(32,482)	(155,660)
Total	\$ (192,440)	\$ (5,280,319)	\$ (2,433,989)	\$ (2,084,994)	\$ (9,991,742)

**NOTES TO THE FINANCIAL STATEMENTS**
**IV. Other Information (continued)**
Actuarial Assumptions:

A summary of the FPRF, PPRF, and ERS actuarial methods and assumptions used in determining the total pension liability as of December 31, 2021, are as follows:

	FPRF	PPRF	ERS
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed	Level dollar, closed	N/A
Remaining amortization period	11 years	1 year	N/A
Asset valuation period	N/A	N/A	N/A
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00%	N/A	Based on classification
Investment rate of return	7.00%	7.00%	7.00%
Cost of Living Adjustment	3.00%	3.00%	None
Retirement Age	Plan specific	n/a	Plan specific
Turnover	Plan specific	n/a	Plan specific
Mortality	Pri-2010 Public Safety and MP-2020 Improvement converging to long-term rate of 0.5% in 2036	Pri-2010 Public Safety and MP-2020 Improvement converging to long-term rate of 0.5% in 2036	Pub-2010 General and MP-2020 Improvement converging to long-term rate of 0.5% in 2036
Disability	Plan specific	Plan specific	Plan specific

During 2020 mortality assumptions were changed from Pub-2010 General and MP-2019 Improvement converging to long-term rate of 0.5% in 2035 to Pri-2010 Public Safety and MP-2020 Improvement converging to long-term rate of 0.5% in 2036.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions as of December 31, 2021, are summarized in the following table:

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML 3-Month T-Bills	0.00%	1.95%	1.94%
Stable Value	Custom	0.00%	3.20%	3.19%
US Core Fixed Income (Aggregat	Bloomberg Barclays Aggregate	40.00%	3.37%	3.29%
US Treasury Bonds	Bloomberg US Treasury TR USD	0.00%	2.63%	2.49%
US Government Bonds	Bloomberg US Government TR U	0.00%	2.63%	2.51%
US Credit Bonds	Bloomberg US Credit TR USD	0.00%	3.83%	3.68%
US Corporate Bonds	Bloomberg US Corp Bond TR US	0.00%	3.89%	3.73%
US AA Corporate Bonds	Bloomberg US Corp Aa TR USD	0.00%	3.36%	3.22%
US A Corporate Bonds	Bloomberg US Corp A TR USD	0.00%	3.72%	3.55%
US BBB Corporate Bonds	Bloomberg US Corp Baa TR USD	0.00%	4.16%	3.96%
US Government/Credit Bonds	Bloomberg US Govt/Credit TR U	0.00%	3.11%	3.00%
US Long STRIPS (20+ Yrs)	Bloomberg US Strips 20+ Yr TR	0.00%	4.56%	1.44%
US Municipal Bonds	Bloomberg Municipal TR USD	0.00%	2.45%	2.37%
US High Yield Bonds	ICE BofA US High Yield TR USD	0.00%	5.77%	5.30%
Emerging Markets Bonds	JPM EMBI Plus TR USD	0.00%	5.87%	5.00%
US Large Cap Equity	S&P 500 TR USD	60.00%	6.92%	5.51%
US Large & Mid Cap Equity	Russell 1000 TR USD	0.00%	7.02%	5.53%
US Mid Cap Equity	Russell Mid Cap TR USD	0.00%	7.54%	5.62%
US Small Cap Equity	Russell 2000 TR USD	0.00%	8.70%	6.24%
Non-US Equity	MSCI ACWI Ex USA NR USD	0.00%	8.91%	7.18%
Foreign Developed Equity	MSCI EAFE NR USD	0.00%	8.40%	6.76%
Assumed Inflation - Mean			2.34%	2.34%
Assumed Inflation - Standard Deviation			1.23%	1.23%
Portfolio Real Mean Return			3.30%	2.30%
Portfolio Nominal Mean Return			5.64%	5.13%
Portfolio Standard Deviation				10.64%
Long-Term Expected Rate of Return (selected by City of Shreveport)				7.00%

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the FPRS, PPRS, and ERS net pension liability calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Net pension liability	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
FPRS	\$ 13,903,789	\$ 11,191,742	\$ 8,887,287
PPRS	437,347	(1,193,799)	(2,607,307)
ERS	279,744,075	234,481,636	196,233,411

Payables to the FPRF, PPRF, and ERS Pension Plans – At December 31, 2021, the City recorded no payables to the pension plans for employee and employer legally required contributions for FPRS and PPRS and ERS.

The financial statements for individual pension plans are as follows:

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

	Firemen's Pension and Relief	Policemen's Pension and Relief	Employees' Retirement System	Total Employee Retirement Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 779,964	\$ 332,093	\$ 9,835,976	\$ 10,948,033
Receivables:				
Interest and dividends receivable	23,795	39,617	5,123	68,535
Accounts receivable	-	-	-	-
Prepaid items	-	-	-	-
Investments, at fair value	13,327,597	18,902,953	190,998,562	223,229,112
Other assets:				
Cash surrender value of life insurance policies	585,567	451,973	-	1,037,540
Total assets	<u>14,716,923</u>	<u>19,726,636</u>	<u>200,839,661</u>	<u>235,283,220</u>
<b>LIABILITIES</b>				
Due to other funds	392,358	-	-	392,358
Accrued liabilities	70,363	-	17,641	88,004
Employees' deposits held in escrow	-	-	1,016,095	1,016,095
Total liabilities	<u>462,721</u>	<u>-</u>	<u>1,033,736</u>	<u>1,496,457</u>
<b>NET POSITION</b>				
Net position restricted for pensions	<u>\$ 14,254,202</u>	<u>\$ 19,726,636</u>	<u>\$ 199,805,925</u>	<u>\$ 233,786,763</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**
**IV. Other Information (continued)**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

	Firemen's Pension and Relief	Policemen's Pension and Relief	Employees' Retirement System	Total Employee Retirement Funds
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ -	\$ -	\$ 12,919,339	\$ 12,919,339
Plan members	-	-	5,298,931	5,298,931
Total contributions	-	-	18,218,270	18,218,270
Investment earnings:				
Net appreciation in fair value of investments	1,286,868	1,754,305	24,423,397	27,464,570
Interest	12,403	19,448	(1,796)	30,055
Dividends	209,077	298,427	-	507,504
Total investment earnings (loss)	1,508,348	2,072,180	24,421,601	28,002,129
Less investment expense	30,135	38,608	1,119,010	1,187,753
Net investment earnings (loss)	1,478,213	2,033,572	23,302,591	26,814,376
Life insurance proceeds	778,420	760,813	-	1,539,233
Miscellaneous	505	705	-	1,210
Total additions (reductions)	2,257,138	2,795,090	41,520,861	46,573,089
<b>DEDUCTIONS</b>				
Benefits	1,505,592	1,384,077	31,286,538	34,176,207
Refund of member contribution	-	-	1,762,936	1,762,936
Administrative expenses	25,977	25,979	83,622	135,578
Life insurance premiums	823,807	583,090	-	1,406,897
Total deductions	2,355,376	1,993,146	33,133,096	37,481,618
Change in net position	(98,238)	801,944	8,387,765	9,091,471
Net position restricted for pensions				
Beginning of year	14,352,440	18,924,692	191,418,160	224,695,292
End of year	<u>\$ 14,254,202</u>	<u>\$ 19,726,636</u>	<u>\$ 199,805,925</u>	<u>\$ 233,786,763</u>

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

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

**State Administered Cost-Sharing Multiple-Employer Defined Benefit Pension Plans****Municipal Police Employees' Retirement Systems (MPERS)**

Plan Description - The City contributes to Municipal Police Employees' Retirement Systems (MPERS), a cost sharing multiple-employer defined benefit pension plan established by Act 189 of 1973 to provide retirement, disability and survivor benefits to municipal police officers in Louisiana, administered by the MPERS Board of Trustees. MPERS covers any full-time public safety officer employed by a participating municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing said officer does not have to pay social security. The paragraph above describes the transfer of public safety officers from Policemen's Pension and Relief Fund (PPRF) to MPERS, effective July 12, 1977. All new public safety officers hired by the City after July 12, 1977, are required to join MPERS as a condition of employment. MPERS benefits are established by state statutes and may be amended at the discretion of the State Legislature. MPERS issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 7722 Office Park Blvd., Suite 200, Baton Rouge, Louisiana 70809-7601 or downloading from [www.lampers.org](http://www.lampers.org).

The fiduciary net position is a significant component of the MPERS's collective net pension liability. The MPERS's plan fiduciary net position was determined using the accrual basis of accounting which was the same basis used by the pension plan. MPERS's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of MPERS's investments. Accordingly, actual results may differ from estimated amounts.

Eligibility Requirements and Retirement Benefits – Members of MPERS prior to January 1, 2013, are eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. Benefit rates are three and one-third percent of average monthly earnings during the highest 36 consecutive months of creditable service not to exceed 100% of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain condition outlined in the statutes, an amount is payable to the surviving spouses and minor children.

Members of MPERS hired on or after January 1, 2013, are eligible for regular retirement, disability and survivor benefits are based on Hazardous Duty and Non Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain condition outlined in the statutes, an amount is payable to the surviving spouses and minor children. If a deceased member had less than ten years of service, beneficiary will receive a refund of employee contributions only.

The Board of Trustees is authorized to provide annual cost of living adjustments computed on the amount of the current benefit, not to exceed 3% in any given year.

**NOTES TO THE FINANCIAL STATEMENTS**
**IV. Other Information (continued)**

**Contributions** - Contributions for all members and employers are established by state statute and may be amended by state statute when necessary. MPERS employee members hired prior to January 1, 2013, contributed 10.0% of earned compensation of the year ended December 31, 2021. For the same members, employer contributions were 33.75%. All employees hired on or after January 1, 2013, become members of either the Hazardous Duty Sub-plan, or the Nonhazardous Duty Sub-plan. Employee and employer contribution rates for the Hazardous Duty Sub-plan are the same as for those hired prior to January 1, 2013. For employees belonging to the Nonhazardous Duty Sub-plan, the contribution rate was 8.0%, and the employer rate was 33.75%. Earned compensation in the MPERS system excludes certain overtime, but includes state supplemental pay. The City's contribution to MPERS for the year ended December 31, 2021, was \$9,897,191. Non-employer contributions are recognized as revenue during the year ended December 31, 2021, and were excluded from pension expense. Non-employer contributions received by the System for the City during the plan year ended June 30, 2021, were \$2,147,821.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - Net pension liability at December 31, 2021, is comprised of the City's proportional share of the net pension liability relating to MPERS. The total pension liability, used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The City's proportion of the net pension liability for MPERS was based on the City's required contributions in proportion to total required contributions for all participating employers, actuarially determined. As of the most recent measurement date, the City's proportion for MPERS and the change in proportion from the prior measurement date are as follows:

Proportion (amount) of net pension liability	\$	51,232,337
Proportion (%) of net pension liability		9.611085%
Increase/(decrease) from prior measurement date		0.357008%
		<u>Proportionate Share</u>
Total Pension Liability	\$	321,974,076
Plan Fiduciary Net Position		270,741,739
Total Collective Net Pension Liability	\$	<u>51,232,337</u>

For the year ended December 31, 2021, the City recognized pension expense of \$1,922,079. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in Investment Earnings		\$ (23,921,466)
Changes of Assumptions	\$ 5,673,709	(1,461,443)
Change in Prop. And Difference in Contributions	2,803	(3,001,723)
Change in Experience		(1,577,798)
Employer Contributions	4,248,236	-
Total	\$ <u>9,924,748</u>	\$ <u>(29,962,430)</u>

City contributions subsequent to the measurement date of \$4,248,236 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	<u>Amount</u>
2022	\$ (5,332,303)
2023	(5,373,161)
2024	(5,338,962)
2025	(8,241,492)
2026	-
Total	\$ <u>(24,285,918)</u>

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Actuarial Methods and Assumptions - The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The actuarial assumptions used in the June 30, 2021 valuation were based on the assumptions used in the June 30, 2021 actuarial funding valuation, and were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2020. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	2021 - 4 years 2020 - 4 years 2019 - 4 years 2018 - 4 years
Investment Rate of Return	6.75%, net of investment expense (was 6.95% in 2020)
Inflation Rate	2.50%
Salary Increases	Vary from 12.30% in the first two years of service to 4.70% after 2 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale was used For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Rates of Return Long Term Expected Portfolio Real Rate of Return
Equity	55.50%	3.47%
Fixed Income	30.50%	0.59%
Alternatives	14.00%	1.01%
Other	0.00%	0.00%
System total	100.00%	5.08%
Inflation		2.22%
Expected Nominal Return		7.30%

The discount rate used to measure the total pension liability was 6.75%, changed from 6.95% in 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate - The following presents the net pension liability the City calculated using the discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of December 31, 2021.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

	1% Decrease 5.750%	Current Discount Rate 6.750%	1% Increase 7.750%
Net pension liability	\$ 89,289,869	\$ 51,232,337	\$ 19,467,143

Payables to the Pension Plan – At December 31, 2021, the City recorded a payable to the pension plan for employee and employer legally required contributions of \$948,383.

**Firefighters’ Retirement System (FRS)**

The measurement date for the net pension liability was June 30, 2021 and is included in the City’s financial statements for the year ended December 31, 2021. Detailed information about the plan’s stand-alone report can be obtained at <http://ffret.com>.

The fiduciary net position is a significant component of the FRS’s collective net pension liability. The FRS’s plan fiduciary net position was determined using the accrual basis of accounting which was the same basis used by the pension plan. FRS’s assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates are primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of FRS’s investments. Accordingly, actual results may differ from estimated amounts.

Plan Description - The Firefighters’ Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the Firefighters’ Retirement System. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980, shall become a member as a condition of employment.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Eligibility Requirements and Retirement Benefits - Members of the FRS are eligible to retire at the age of 50 with at least 20 years of service, at the age of 55 with at least 12 years of service, or at any age with at least 25 years of service. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33%) of the member’s final compensation (employee’s average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member’s years of creditable service.

In 1999, the State Legislature authorized FRS to establish an Initial Benefit Option Plan program. This is available to FRS members who are eligible for regular retirement but have not participated in DROP. This program provides both a one-time single sum payment of up to 36 months of the regular monthly retirement benefit, plus a reduced retirement benefit for life.

**NOTES TO THE FINANCIAL STATEMENTS**

**IV. Other Information (continued)**

Deferred Retirement Options - A member of FRS may elect to participate in the deferred retirement option plan (DROP) for up to 36 months, after completing 20 years of creditable service and age 50 or 25 years at any age. Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit. If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires.

Survivor's Benefit - Survivor benefits for FRS are payable to survivors of a deceased member who dies and is not eligible for retirement as follows. If any member is killed in the line of duty and leaves a surviving eligible spouse, the spouse is entitled to an annual benefit equal to two-thirds of the deceased member's final compensation. If any member dies from a cause not in the line of duty, the surviving spouse is entitled to an annual benefit equal to 3% of the deceased member's average final compensation multiplied by his total years of creditable service; however, in no event is the annual benefit less than 40% nor more than 60% of the deceased member's average final compensation. Children of the deceased member who are under the age of eighteen years are entitled to the greater of \$200 per month or 10% of average final compensation (not to exceed 100% of average final compensation) until reaching the age of eighteen or until the age of twenty-two if enrolled full-time in an institution of higher learning, unless the surviving child is physically handicapped or mentally retarded in which case the benefit is payable regardless of age. If a member who is eligible to retire dies before retiring, the designated beneficiary will be paid under the 2nd option above, survivor benefit equal to member's benefit.

The present value of future FRS retirement benefits are based on benefits currently being paid by the System and include previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Contributions - Employer contributions are actuarially determined each year. For the year ended June 30, 2021, employer and employee contributions for members were as follows:

Contributor	Above Poverty Line	Below Poverty Line
Employer	32.25%	34.25%
Employee	10%	8%

The system also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended December 31, 2021, and were excluded from pension expense. Non-employer contributions received by the System for the City during the plan year ended June 30, 2021, were \$3,459,794.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Net pension liability at December 31, 2021, is comprised of the City's proportional share of the net pension liability relating to FRS. The total pension liability, used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The City's proportion of the net pension liability for FRS was based on the City's required contributions in proportion to total required contributions for all participating employers, actuarially determined. As of the most recent measurement date, the City's proportion for FRS and the change in proportion from the prior measurement date are as follows:

Proportion (amount) of net pension liability	\$ 42,918,961
Proportion (%) of net pension liability	12.110822%
Increase/(decrease) from prior measurement date	0.929253%

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

**NOTES TO THE FINANCIAL STATEMENTS**

**IV. Other Information (continued)**

The components of the net pension liability of the City as of December 31, 2021:

	<u>Proportionate Share</u>
Total Pension Liability	\$ 324,713,430
Plan Fiduciary Net Position	<u>281,794,469</u>
Total Collective Net Pension Liability	<u>\$ 42,918,961</u>

For the year ended December 31, 2021, the City recognized pension expense of (\$7,810,940). At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Changes of Assumptions	\$ 9,300,228	\$ -
Changes in Investment Earnings	-	(26,045,736)
Change in Prop. and Difference in Contr.	796,070	(7,876,410)
Change in Experience	612,485	(3,854,218)
Employer Contributions	<u>5,066,873</u>	-
Total	<u>\$ 15,775,656</u>	<u>\$ (37,776,364)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended</u> <u>December 31:</u>	<u>Amount</u>
2021	\$ (5,772,019)
2022	(5,565,049)
2023	(6,674,266)
2024	(8,657,959)
2025	(242,141)
After	<u>(156,147)</u>
Total	<u>\$ (27,067,581)</u>

City contributions subsequent to the measurement date of \$5,066,873 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal period.

Actuarial Methods and Assumptions - The actuarial assumptions used in the June 30, 2021, valuation were based on the assumptions used in the June 30, 2021, actuarial funding valuation, and were based on the results of an actuarial experience study for the period July 1, 2014 -June 30, 2020. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021, are as follows:

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	7 years, closed period
Investment Rate of Return	6.90% per annum, net of investment expenses, decreased from 7.00% in 2020
Inflation Rate	2.50% per annum
Salary Increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases (in 2019, salary increases ranged from 14.75% in the first two years of service to 4.50% with 25 or more years of service)
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.
Mortality Rates	For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Rates of Return
		Long Term Expected Portfolio Real Rate of Return
Fixed Income	26.00%	4.12%
Equity	56.00%	27.34%
Alternatives	18.00%	14.84%
Other	0.00%	8.34%
System total	100.00%	

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate -The following presents the net pension liability of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2021.

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net pension liability	\$ 82,336,865	\$ 42,918,961	\$ 10,044,852

Payables to the Pension Plan – At December 31, 2021, the City recorded a payable of \$1,157,897 to the pension plan for employee and employer legally required contributions.

**Deferred Compensation (457(b)) Plans**

A 457 plan is a type of non-qualified, tax advantaged deferred-compensation retirement plan that is available for governmental and certain non-governmental employers in the United States. In general, an employer provides the plan and the employee defers compensation into it on a pre-tax or after-tax basis.

The City offers four deferred compensation plans, Nationwide, VALIC, Mass Mutual, and AXA, which permanent employees have the option to participate in.

**Other PostemploymentBenefits (OPEB)**

Plan Description – In addition to providing pension benefits, the City provides medical, dental and life insurance coverage through a cost-sharing single-employer defined benefit plan that can include non-City employees as described under the Employees' Retirement System for any retiree who receives a monthly retirement check from one of the City's retirement plans and their legal dependents. The benefits, employee contributions, and employer contributions are governed by the Health Care Board and can be amended annually. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report. The activity of the plan is reported in the City's Employees Health Care Fund, an internal service fund.

Benefits Provided – Retirees are eligible to keep city insurance benefits (medical, life, dental, and vision) if they draw a pension. The City contributions are medical at 60% paid, dental at 52% paid, and life insurance at 50% paid. Life insurance is 1 times salary with cost at \$2.28 per thousand as of 2021 and a reduction of benefit at age 70.

**NOTES TO THE FINANCIAL STATEMENTS**

**IV. Other Information (continued)**

Funding Policy – The City contributes 59% and retirees 41% of the required contribution rate as determined annually by the Health Care Board of the self-insured pay-as-you go plan.

Number of participants coded as eligible for post-employment medical, dental and life insurance at December 31, 2021, consisted of:

Active participants	2,065
Participants receiving benefits	1,516
	3,581

Total OPEB Liability -The total OPEB liability of \$664,345,471 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

The total OPEB Liability as of December 31, 2021, was allocated based on participant count as follows:

	Primary Government			Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
	Governmental Activities	Business-type Activities	Total Primary Government		
Total OPEB liability beginning of year	\$ 609,596,135	\$ 54,486,178	\$ 664,082,313	\$ 17,934,322	\$ 682,016,635
Service cost	21,955,426	1,871,318	23,826,744	719,738	24,546,482
Interest	12,061,467	1,028,030	13,089,497	395,396	13,484,893
Differences between expected and actual experience	(759,680)	(64,749)	(824,429)	(24,904)	(849,333)
Changes in assumptions and other inputs	(35,552,209)	(5,558,925)	(41,111,134)	883,853	(40,227,281)
Estimated Benefit payments	(13,082,055)	(1,115,017)	(14,197,072)	(428,853)	(14,625,925)
Net change in total OPEB Liability	(15,377,051)	(3,839,343)	(19,216,394)	1,545,230	(17,671,164)
Total OPEB liability end of year	\$ 594,219,084	\$ 50,646,835	\$ 644,865,919	\$ 19,479,552	\$ 664,345,471

Actuarial Methods and Assumptions - The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	12/31/19
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	2021 - 3.7 years 2020 - 3.2 years 2019 - 4 years 2018 - 4 years
Investment Rate of Return	2.25%, net of investment expense
Inflation Rate	2.30%
Salary Increases	Vary from 9.75% in the first two years of service to 4.25% after 30 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

Sensitivity of the total OPEB liability to changes in the discount rate — The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 1.25%	Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	\$ 802,810,378	\$ 664,345,471	\$ 558,545,003

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (5.25% decreasing to 3.00%)	Healthcare Cost Trend Rates (6.25% decreasing to 4.00%)	1% Increase (7.25% increasing to 5.00%)
Total OPEB Liability	\$ 542,053,955	\$ 664,345,471	\$ 830,231,289

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB — For the year ended December 31, 2021, the City recognized OPEB expense of \$39,148,508. At December 31, 2021, the City reported deferred inflows and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 85,823,967	\$ 32,825,062
Differences between expected and actual experience	-	42,101,233
Total	<u>\$ 85,823,967</u>	<u>\$ 74,926,295</u>

These amounts were allocated as follows:

	Governmental Activities	Business-type Activities	Total Primary Government	Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
Deferred Outflows:					
Changes of assumptions	\$ 76,764,637	\$ 6,542,849	\$ 83,307,486	\$ 2,516,480	\$ 85,823,966
Differences between expected and actual experience	-	-	-	-	-
Total	<u>\$ 76,764,637</u>	<u>\$ 6,542,849</u>	<u>\$ 83,307,486</u>	<u>\$ 2,516,480</u>	<u>\$ 85,823,966</u>

	Governmental Activities	Business-type Activities	Total Primary Government	Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
Deferred Inflows:					
Changes of assumptions	\$ (37,657,149)	\$ (3,209,616)	\$ (40,866,765)	\$ (1,234,468)	\$ (42,101,233)
Differences between expected and actual experience	(29,360,144)	(2,502,441)	(31,862,585)	(962,477)	(32,825,062)
Total	<u>\$ (67,017,293)</u>	<u>\$ (5,712,057)</u>	<u>\$ (72,729,350)</u>	<u>\$ (2,196,945)</u>	<u>\$ (74,926,295)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**IV. Other Information (continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended December 31:</u>	
2022	\$ 1,084,377
2023	8,292,355
2024	7,139,820
2025	(5,938,416)
2026	-
Total	<u>\$ 10,578,136</u>

**B. Transit System**

The Shreveport Area Transit System (Transit System) is managed and operated for the City by a management company pursuant to an agreement which expires September 30, 2026. Based on terms of the agreement, management fees included in operating expenses were \$333,249. The City is required to reimburse the management company for the excess of expenses over revenues derived from the operation of the Transit System. Pursuant to an agreement between the City of Shreveport and the City of Bossier City, Bossier City will pay the Transit System for the excess of expenses incurred over revenues derived from operations of transit services in Bossier City. The City reimbursed the Transit System \$3,541,988. Bossier City reimbursed the Transit System \$720,889.

**C. Contingencies**

Litigation

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

Grant Disallowances

The City participates in a number of federally assisted grant programs, principal of which are the 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 reimbursement by the grantor agency for expenditures disallowed under terms of the grants. City management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**D. Risk Management**

The City is exposed to various risks of loss related to crimes and torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. All self-insurance programs are accounted for within internal service funds. The City has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

The Retained Risk Fund is used to account for self-insurance activities involving property damage, workers' compensation, and general and auto liability. The City is afforded a \$1,000,000 self-insurance retention for general liability and law enforcement liability, a \$1,000,000 self-insurance retention for workers' compensation for police and fire, \$1,500,000 self-insurance retention for presumptive claims for workers' compensation for fire and police, \$750,000 for other employees and a \$500,000 self-insurance retention for auto liability, except for exposures related to Fire Department vehicles which have a \$1,000 deductible for collision and comprehensive, \$250,000 self-insurance retention auto liability for Sportran, General liability aviation is insured with limits of \$200,000,000. The City's property coverage has a limit of \$500,000,000 and a deductible of \$25,000. There are no coinsurance provisions in the property coverage provisions. Lexington Insurance, an AIG company, previously ceased to renew our property insurance limits of \$805,284,126 due to Hard Insurance Markets as it relates to Property Insurance Coverage. Large property insurers are reducing their exposure in property insurance coverage due to climate change all over the world. The City has felt the impact of these changes, yet we believe we are adequately covered with a Replacement Cost Policy of \$500 million and no coinsurance provisions.

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

## NOTES TO THE FINANCIAL STATEMENTS

## IV. Other Information (continued)

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.

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage and subrogation. No other allocated or unallocated claim adjustment expenses are included. The claims liability of \$46,879,000 reported in the fund at December 31, 2021, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Actual results could vary materially in the future. Changes in the fund's claims liability amount in 2020 and 2021 were:

Retained Risk Fund				
Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year End
2020	\$ 35,371,000	\$ 9,747,870	\$ 4,268,870	\$ 40,850,000
2021	\$ 40,850,000	\$ 9,250,975	\$ 3,221,975	\$ 46,879,000

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. Changes in the fund's claims liability amount in fiscal years 2020 and 2021 were:

Employees' HealthCare Fund				
Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year End
2020	\$ 3,309,335	\$ 37,105,404	\$ 33,106,943	\$ 7,307,796
2021	\$ 7,307,796	\$ 39,301,257	\$ 39,794,606	\$ 6,814,447

## E. Compensation Paid to Council Members

Council Member	District	Compensation
Tabatha Taylor	A	15,225
LeVette Fuller	B	15,225
John Nickleson	C	15,225
Grayson Boucher	D	15,225
*James Flurry	E	16,156
James Green	F	15,225
Jerry Bowman	G	15,225
Total		\$ 107,506

\*Resigned November 11, 2021

## F. Subsequent Events

Subsequent to year-end, the Louisiana Legislative Auditor began and is currently performing a limited review of the financial records for the City of Shreveport. The investigation or project is not completed as of the date of our audit report, and the effect of the investigation or project on the financial statements is not known.

## NOTES TO THE FINANCIAL STATEMENTS

### IV. Other Information (continued)

In December 2021, the voters approved Proposition NO. 1 (Public Safety), in the amount not to exceed \$70,650,000, not exceeding twenty (20) years from the date thereof, with an interest at rate or rates not exceeding seven per centum (7.00%) per annum, if taxable, and not exceeding five per centum (5.00%) per annum, if tax-exempt. The proceeds will be used for the purposes of constructing, acquiring, and improving public facilities and equipment for (i) police department, and (ii) fire department, along with acquiring the necessary buildings, land and/or rights therein.

In July 2022, the city issued the 1st tranche of 2021 General Obligation Bond in the amount of \$41,750,000. The net proceeds of \$42,875,058 (including a premium of \$1,125,058, issuance costs of \$675,058, underwriters' discount \$250,500). The millage rate to be levied in the first year is 2.5 mills.

Management evaluated all events or transactions that occurred after December 31, 2021 through August 2, 2022, the date the current year's financial statements were available to be issued. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

The image shows a cover page with a background photograph of a steel truss bridge over a river. A large white circle with a blue border is centered on the page, containing the title text. The bottom half of the page is a solid blue color with a white geometric shape on the left side.

**Required  
Supplementary  
Information**

**CITY OF SHREVEPORT, LOUISIANA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES</b>				
Taxes	\$ 162,292,500	\$ 182,492,500	\$ 189,026,561	\$ 6,534,061
Licenses and Permits	9,377,900	9,602,900	9,826,980	224,080
Intergovernmental	1,424,000	25,544,169	3,591,879	(21,952,290)
Charges for services	23,150,900	23,248,920	21,606,175	(1,642,745)
Fines and forfeitures	1,836,400	1,836,400	1,095,072	(741,328)
Investment earnings	-	-	(9,407)	(9,407)
Miscellaneous	312,600	662,600	2,533,190	1,870,590
Total revenues	<u>198,394,300</u>	<u>243,387,489</u>	<u>227,670,451</u>	<u>(15,717,038)</u>
<b>EXPENDITURES</b>				
General government:				
Office of the Mayor:				
Salaries, wages and employee benefits	955,100	955,259	924,084	31,175
Materials and supplies	12,500	15,285	18,423	(3,138)
Contractual services	41,700	41,700	62,006	(20,306)
Other charges	600	600	5,400	(4,800)
Improvements and equipment	13,000	13,000	2,189	10,811
Total Office of the Mayor	<u>1,022,900</u>	<u>1,026,384</u>	<u>1,012,102</u>	<u>13,742</u>
City Attorney:				
Salaries, wages and employee benefits	1,071,500	1,071,500	988,097	83,403
Materials and supplies	20,000	20,080	9,549	10,531
Contractual services	119,000	119,000	103,590	15,410
Other charges	1,000	1,000	105	895
Improvements and equipment	3,100	3,100	2,339	761
Total City Attorney	<u>1,214,600</u>	<u>1,214,680</u>	<u>1,103,680</u>	<u>111,000</u>
Property Standards:				
Salaries, wages and employee benefits	2,092,200	2,276,834	2,013,051	263,783
Materials and supplies	143,700	165,834	173,427	(7,593)
Contractual services	670,200	833,507	703,406	130,101
Other charges	312,100	880,014	1,138,091	(258,077)
Improvements and equipment	343,200	344,064	139,310	204,754
Total Property Standards	<u>3,561,400</u>	<u>4,500,253</u>	<u>4,167,285</u>	<u>332,968</u>
Personnel:				
Salaries, wages and employee benefits	841,700	867,618	640,046	227,572
Materials and supplies	7,300	18,785	11,684	7,101
Contractual services	59,200	99,750	61,286	38,464
Other charges	2,000	4,000	489	3,511
Improvements and equipment	2,000	2,000	1,580	420
Total Personnel	<u>912,200</u>	<u>992,153</u>	<u>715,085</u>	<u>277,068</u>
Information Technology:				
Salaries, wages and employee benefits	2,580,700	2,667,309	2,522,034	145,275
Materials and supplies	79,500	108,277	58,998	49,279
Contractual services	1,051,400	1,231,197	1,190,759	40,438
Improvements and equipment	170,400	198,036	154,793	43,243
Total Information technology	<u>3,882,000</u>	<u>4,204,819</u>	<u>3,926,584</u>	<u>278,235</u>
City Council:				
Salaries, wages and employee benefits	1,380,700	1,397,000	1,282,929	114,071
Materials and supplies	14,300	15,521	7,086	8,435
Contractual services	2,025,900	368,632	154,231	214,401
Improvements and equipment	42,000	45,878	26,487	19,391
Total City Council	<u>3,462,900</u>	<u>1,827,031</u>	<u>1,470,733</u>	<u>356,298</u>
Finance:				
Salaries, wages and employee benefits	2,904,700	2,907,600	2,531,100	376,500
Materials and supplies	65,100	74,640	80,791	(6,151)
Contractual services	683,000	748,914	447,490	301,424
Improvements and equipment	7,200	37,160	21,925	15,235
Total Finance	<u>3,660,000</u>	<u>3,768,314</u>	<u>3,081,306</u>	<u>687,008</u>

(continued)

**CITY OF SHREVEPORT, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
<b>Other - unclassified</b>				
Salaries, wages and employee benefits	\$ 8,065,000	\$ 8,065,000	\$ 8,272,129	\$ (207,129)
Contractual services	805,200	955,200	1,544,752	(589,552)
Interest and civic appropriations	3,152,500	4,358,525	2,476,040	1,882,485
Payments to component units	7,717,000	7,021,342	6,787,897	233,445
Claims	6,913,200	6,913,200	9,132,150	(2,218,950)
Total other - unclassified	<u>26,652,900</u>	<u>27,313,267</u>	<u>28,212,968</u>	<u>(899,701)</u>
Total general government	<u>44,368,900</u>	<u>44,846,901</u>	<u>43,689,743</u>	<u>1,156,618</u>
<b>Public Safety</b>				
Police:				
Salaries, wages and employee benefits	55,180,100	55,313,399	50,946,048	4,367,351
Materials and supplies	1,931,800	2,370,088	1,552,203	817,885
Contractual services	1,958,400	3,040,124	2,575,349	464,775
Other charges	211,100	268,921	231,260	37,661
Improvements and equipment	5,086,500	8,673,156	5,046,764	3,626,392
Total Police	<u>64,367,900</u>	<u>69,665,688</u>	<u>60,351,624</u>	<u>9,314,064</u>
Fire:				
Salaries, wages and employee benefits	52,960,000	54,330,337	50,066,424	4,263,913
Materials and supplies	1,769,600	1,905,312	1,713,587	191,725
Contractual services	1,580,400	1,650,561	3,579,084	(1,928,523)
Improvements and equipment	3,512,100	6,083,314	2,704,819	3,378,495
Total Fire	<u>59,822,100</u>	<u>63,969,524</u>	<u>58,063,914</u>	<u>5,905,610</u>
Total public safety	<u>124,190,000</u>	<u>133,635,212</u>	<u>118,415,538</u>	<u>15,219,674</u>
Engineering:				
Salaries, wages and employee benefits	3,802,300	3,476,220	3,247,836	228,384
Materials and supplies	91,700	101,767	57,414	44,353
Contractual services	421,600	534,015	282,411	251,604
Improvements and equipment	385,300	305,853	178,384	127,469
Total engineering	<u>4,700,900</u>	<u>4,963,798</u>	<u>3,766,045</u>	<u>651,810</u>
Public Works:				
Salaries, wages and employee benefits	7,667,200	7,692,112	6,689,565	1,002,547
Materials and supplies	2,809,600	4,456,073	3,047,268	1,408,805
Contractual services	5,566,800	7,703,507	7,159,428	544,079
Improvements and equipment	2,912,200	3,840,025	1,960,918	1,879,107
Total public works	<u>18,955,800</u>	<u>23,691,717</u>	<u>18,857,179</u>	<u>4,834,538</u>
Total public works	<u>23,656,700</u>	<u>28,655,515</u>	<u>22,623,224</u>	<u>5,486,348</u>
Culture and recreation:				
Salaries, wages and employee benefits	11,804,500	9,027,526	9,253,514	(225,988)
Materials and supplies	705,400	927,592	671,945	255,647
Contractual services	4,619,600	6,539,356	6,449,314	90,042
Other charges	256,200	256,200	263,113	(6,913)
Improvements and equipment	6,824,200	5,371,779	1,114,633	4,257,146
Total culture and recreation	<u>24,209,900</u>	<u>22,122,453</u>	<u>17,752,519</u>	<u>4,369,934</u>
Total expenditures	<u>216,425,500</u>	<u>229,260,081</u>	<u>202,481,025</u>	<u>26,232,574</u>
Excess (deficiency) of revenues over (under) expenditures	(18,031,200)	14,127,408	25,189,426	11,062,018
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from bonds issued	-	-	12,452,000	12,452,000
Transfers in	4,493,000	4,993,000	9,915,100	(4,922,100)
Transfers out	(21,335,400)	(29,428,300)	(14,682,625)	14,745,675
Total other financing sources (uses)	<u>(16,842,400)</u>	<u>(24,435,300)</u>	<u>7,684,475</u>	<u>22,275,575</u>
Net change in fund balance	(34,873,600)	(10,307,892)	32,873,901	43,181,793
Fund balances -beginning	42,745,624	42,745,624	42,745,624	-
Fund balances -ending	<u>\$ 7,872,024</u>	<u>\$ 32,437,732</u>	<u>\$ 75,619,525</u>	<u>\$ 43,181,793</u>
				(concluded)

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA  
 COMMUNITY DEVELOPMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
<b>REVENUES</b>				
Intergovernmental	\$ 11,040,800	\$ 3,862,100	\$ 11,377,831	\$ 7,515,731
Investment earnings	-	-	1,666	1,666
Miscellaneous	11,689,900	200,000	997,579	797,579
<b>Total revenues</b>	<u>22,730,700</u>	<u>4,062,100</u>	<u>12,377,076</u>	<u>8,314,976</u>
<b>EXPENDITURES</b>				
Administration:				
Salaries, wages and employee benefits	786,500	909,500	730,173	179,327
Materials and supplies	23,300	35,461	15,233	20,228
Contractual services	328,300	531,710	268,902	262,808
Other charges	-	39,791	552,164	(512,373)
Improvements and equipment	8,400	17,700	13,620	4,080
<b>Total administration</b>	<u>1,146,500</u>	<u>1,534,162</u>	<u>1,580,092</u>	<u>(45,930)</u>
Community services:				
Salaries, wages and employee benefits	2,500	2,500	25,478	(22,978)
Contractual services	108,700	38,700	145,892	(107,192)
Other charges	2,932,800	664,800	1,056,687	(391,887)
<b>Total community development projects</b>	<u>3,044,000</u>	<u>706,000</u>	<u>1,228,057</u>	<u>(522,057)</u>
Workforce development:				
Salaries, wages and employee benefits	1,431,500	1,026,700	1,206,226	(179,526)
Materials and supplies	46,700	46,995	17,207	29,788
Contractual services	1,597,600	1,860,431	1,288,933	571,498
Improvements and equipment	50,600	130,340	44,676	85,664
<b>Total workforce development</b>	<u>3,126,400</u>	<u>3,064,466</u>	<u>2,557,042</u>	<u>507,424</u>
Housing and business development administration:				
Salaries, wages and employee benefits	556,100	356,100	481,290	(125,190)
Materials and supplies	21,700	11,834	10,115	1,719
Contractual services	677,400	672,766	205,579	467,187
Other charges	4,302,200	1,167,878	972,955	194,923
Improvements and equipment	-	-	8,678	(8,678)
<b>Total housing and business development administration</b>	<u>5,557,400</u>	<u>2,208,578</u>	<u>1,678,617</u>	<u>529,961</u>
Special programs				
Salaries, wages and employee benefits	221,800	221,800	168,840	52,960
Materials and supplies	8,000	8,010	2,047	5,963
Contractual services	11,278,700	10,133,703	6,462,941	3,670,762
Improvements and equipment	1,500	1,500	2,123	(623)
<b>Total special programs</b>	<u>11,510,000</u>	<u>10,365,013</u>	<u>6,635,951</u>	<u>3,729,062</u>
<b>Total expenditures</b>	<u>24,384,300</u>	<u>17,878,219</u>	<u>13,679,760</u>	<u>4,198,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,653,600)</u>	<u>(13,816,119)</u>	<u>(1,302,684)</u>	<u>12,513,435</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,046,800	373,800	373,800	-
<b>Total other financing sources</b>	<u>1,046,800</u>	<u>373,800</u>	<u>373,800</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(606,800)</u>	<u>(13,442,319)</u>	<u>(928,884)</u>	<u>12,513,435</u>
Fund balances - beginning	(1,229,926)	(1,229,926)	(1,229,926)	-
<b>Fund balances - ending</b>	<u>\$ (1,836,726)</u>	<u>\$ (14,672,245)</u>	<u>\$ (2,158,810)</u>	<u>\$ 12,513,435</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**

**DECEMBER 31, 2021**

- 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 or 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. 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, Debt Service, Special Revenue Funds (except for the Enrichment Fund), Capital Projects and Proprietary Funds. The capital project funds adopt project length budgets. The budgets for governmental funds are adopted on a basis of accounting substantially consistent with generally accepted accounting principles except for state supplemental pay for fire and police, which is included but not budgeted in the General Fund.
- All appropriations which are not expended or encumbered lapse at year end. Encumbrances outstanding at year end will be re-appropriated and honored during the subsequent year.
- Budgetary comparisons presented in this report are on the budgetary basis.
- As discussed in the Notes to the Financial Statements (Note II A), certain adjustments are necessary to compare actual data on a GAAP versus budget basis. Adjustments reconciling the excess (deficit) of revenue over (under) expenditures at year end on the GAAP basis to the budgetary basis for the General Fund are as follows:

○ Revenue (budget basis)	\$ 227,670,452
State supplemental pay	<u>5,574,127</u>
Revenue (actual basis)	<u>\$233,244,579</u>
○ Expenditures (budget basis)	\$ 202,481,025
State supplemental pay	<u>5,574,127</u>
Expenditures (actual basis)	<u>\$208,055,152</u>

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF CHANGES IN**  
**TOTAL OPEB LIABILITY AND RELATED RATIOS AND NOTES**  
**LAST 10 FISCAL YEARS (1)**  
**(UNAUDITED)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 24,546,482	\$ 18,155,436	\$ 17,335,967	\$ 21,035,162
Interest	13,484,893	17,819,971	19,988,062	18,090,930
Changes of benefit terms	-	-	-	-
Changes in assumptions and other inputs	(40,227,280)	124,509,417	36,476,078	(45,209,445)
Differences between expected and actual experience	(849,333)	(27,938,232)	(43,845,845)	-
Estimated Benefit payments	<u>(14,625,925)</u>	<u>(8,850,679)</u>	<u>(11,075,131)</u>	<u>(12,954,964)</u>
Net change in total OPEB Liability	(17,671,163)	123,695,913	18,879,131	(19,038,317)
<b>Total OPEB liability - beginning</b>	<b>682,016,634</b>	<b>539,441,590</b>	<b>539,441,590</b>	<b>558,479,907</b>
<b>Total OPEB liability - ending</b>	<b><u>\$ 664,345,471</u></b>	<b><u>\$ 663,137,503</u></b>	<b><u>\$ 558,320,721</u></b>	<b><u>\$ 539,441,590</u></b>
Covered-employee payroll	\$ 97,439,003	\$ 119,587,134	\$ 113,748,577	\$ 103,002,778
Total OPEB liability as a percentage of covered-employee payroll	681.81%	554.52%	490.84%	523.72%

## Notes to Schedule:

<sup>(1)</sup> This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<sup>(2)</sup> Benefit changes: There were no changes in benefit terms for the year ended 12/31/2021.

<sup>(3)</sup> Changes of Assumptions. No changes.

<sup>(4)</sup> For financial statement presentation, OPEB amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY**  
**LAST 10 FISCAL YEARS (1)**  
**(UNAUDITED)**

	2014			2015		
	FPRF	PPRF	ERS <sup>(2)</sup>	FPRF	PPRF	ERS <sup>(2)</sup>
<b>Total pension liability</b>						
Service cost	\$ 4,653	\$ -	\$ 5,494,260	\$ 4,979	\$ -	\$ 6,264,500
Interest	1,602,967	1,426,956	26,529,382	1,859,480	1,398,072	27,067,858
Effect of economic/demographic gains or losses	-	-	(8,183,785)	-	-	-
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(3,791,005)	(1,271,703)	(1,782,300)	3,213,720	(648,505)	(3,180,367)
Changes of assumptions	-	-	28,311,060	-	-	3,439,187
Benefit payments, including refunds of member contributions	(1,366,507)	(1,172,492)	(24,723,019)	(1,354,158)	(1,210,296)	(26,288,175)
<b>Net change in total pension liability</b>	<b>(3,549,892)</b>	<b>(1,017,239)</b>	<b>25,645,598</b>	<b>3,724,021</b>	<b>(460,729)</b>	<b>7,303,003</b>
<b>Total pension liability - beginning</b>	<b>27,558,272</b>	<b>22,233,117</b>	<b>367,440,360</b>	<b>24,008,380</b>	<b>21,215,878</b>	<b>393,085,958</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 24,008,380</b>	<b>\$ 21,215,878</b>	<b>\$393,085,958</b>	<b>\$ 27,732,401</b>	<b>\$ 20,755,149</b>	<b>\$400,388,961</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 1,048,879	\$ 1,036,775	\$ 5,944,981	\$ 971,454	\$ 959,232	\$ 7,364,386
Contributions - member	-	-	5,156,403	-	-	5,305,200
Net investment income	631,130	759,582	11,665,092	(425,457)	129,297	372,079
Benefit payments, including refunds of member contributions	(1,366,507)	(1,172,492)	(24,723,019)	(1,354,158)	(1,210,296)	(26,288,175)
Administrative expense	(25,160)	(25,158)	(80,944)	(20,509)	(20,551)	(74,238)
Other	(18,006)	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>270,336</b>	<b>598,707</b>	<b>(2,037,487)</b>	<b>(828,670)</b>	<b>(142,318)</b>	<b>(13,320,748)</b>
<b>Plan fiduciary net position - beginning</b>	<b>16,676,219</b>	<b>16,974,531</b>	<b>198,891,210</b>	<b>16,946,555</b>	<b>17,573,238</b>	<b>196,853,723</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>16,946,555</b>	<b>17,573,238</b>	<b>196,853,723</b>	<b>16,117,885</b>	<b>17,430,920</b>	<b>183,532,975</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 7,061,825</b>	<b>\$ 3,642,640</b>	<b>\$196,232,235</b>	<b>\$ 11,614,516</b>	<b>\$ 3,324,229</b>	<b>\$216,855,986</b>
Plan fiduciary net position as a percentage of the total pension liability	70.59%	82.83%	50.08%	58.12%	83.98%	45.84%
Covered payroll	\$ 1,016,908	N/A	\$ 49,120,412	\$ 955,637	N/A	\$ 43,859,241
Net pension liability as a percentage of covered payroll	694.44%	N/A	399.49%	1215.37%	N/A	494.44%

<sup>(1)</sup> This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<sup>(2)</sup> For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(continued)

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)**  
**LAST 10 FISCAL YEARS (1)**  
**(UNAUDITED)**

	2016			2017		
	FPRF	PPRF	ERS <sup>(2)</sup>	FPRF	PPRF	ERS <sup>(2)</sup>
<b>Total pension liability</b>						
Service cost	\$ 2,788	\$ -	\$ 6,706,830	\$ 2,466	\$ -	\$ 6,388,377
Interest	1,849,607	1,366,827	27,394,227	1,818,972	1,351,708	27,864,078
Effect of economic/demographic gains or losses	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(628,336)	(630,522)	(1,597,021)	(870,520)	(251,420)	1,888,718
Changes of assumptions	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(1,392,339)	(1,217,638)	(27,332,589)	(1,446,353)	(1,449,066)	(28,176,388)
<b>Net change in total pension liability</b>	<b>(168,280)</b>	<b>(481,333)</b>	<b>5,171,447</b>	<b>(495,435)</b>	<b>(348,778)</b>	<b>7,964,785</b>
<b>Total pension liability - beginning</b>	<b>27,732,401</b>	<b>20,755,149</b>	<b>400,388,961</b>	<b>27,564,121</b>	<b>20,273,816</b>	<b>405,560,408</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 27,564,121</b>	<b>\$ 20,273,816</b>	<b>\$405,560,408</b>	<b>\$ 27,068,686</b>	<b>\$ 19,925,038</b>	<b>\$413,525,193</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 1,045,758	\$ 1,034,990	\$ 9,006,403	\$ -	\$ -	\$ 9,449,966
Contributions - member	-	-	4,951,230	-	-	4,987,403
Net investment income	808,462	995,992	16,413,839	1,548,013	1,851,689	24,769,925
Benefit payments, including refunds of member contributions	(1,392,339)	(1,217,638)	(27,332,589)	(1,446,353)	(1,449,066)	(28,176,388)
Administrative expense	(19,846)	(19,847)	(61,796)	(26,385)	(26,417)	(1,154,171)
Other	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>442,035</b>	<b>793,497</b>	<b>2,977,087</b>	<b>75,275</b>	<b>376,206</b>	<b>9,876,735</b>
<b>Plan fiduciary net position - beginning</b>	<b>16,117,885</b>	<b>17,430,920</b>	<b>183,532,975</b>	<b>16,559,920</b>	<b>18,224,417</b>	<b>186,510,062</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>16,559,920</b>	<b>18,224,417</b>	<b>186,510,062</b>	<b>16,635,195</b>	<b>18,600,623</b>	<b>196,386,797</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 11,004,201</b>	<b>\$ 2,049,399</b>	<b>\$219,050,346</b>	<b>\$ 10,433,491</b>	<b>\$ 1,324,415</b>	<b>\$217,138,396</b>
Plan fiduciary net position as a percentage of the total pension liability	60.08%	89.89%	45.99%	61.46%	93.35%	47.49%
Covered payroll	\$ 862,288	N/A	\$ 43,752,144	\$ 905,402	N/A	\$ 45,107,805
Net pension liability as a percentage of covered payroll	1276.16%	N/A	500.66%	1152.36%	N/A	481.38%

<sup>(1)</sup> This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<sup>(2)</sup> For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(continued)

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)**  
**LAST 10 FISCAL YEARS (1)**  
**(UNAUDITED)**

	2018			2019		
	FPRF	PPRF	ERS <sup>(2)</sup>	FPRF	PPRF	ERS <sup>(2)</sup>
<b>Total pension liability</b>						
Service cost	\$ 1,724	\$ -	\$ 7,301,607	\$ 1,721	\$ -	\$ 4,427,614
Interest	1,826,801	1,337,021	28,333,337	1,850,228	1,340,525	28,354,280
Effect of economic/demographic gains or losses	(239,007)	(186,984)	(2,693,219)	(714,993)	257,427	3,437,847
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of assumptions	-	-	-	1,130,392	844,759	11,409,337
Benefit payments, including refunds of member contributions	(1,494,050)	(1,297,462)	(30,199,330)	(1,493,362)	(1,276,105)	(31,806,050)
<b>Net change in total pension liability</b>	<b>95,468</b>	<b>(147,425)</b>	<b>2,742,395</b>	<b>773,986</b>	<b>1,166,606</b>	<b>15,823,028</b>
<b>Total pension liability - beginning</b>	<b>27,068,699</b>	<b>19,925,038</b>	<b>413,525,193</b>	<b>27,164,167</b>	<b>19,777,613</b>	<b>416,267,588</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 27,164,167</b>	<b>\$ 19,777,613</b>	<b>\$416,267,588</b>	<b>\$ 27,938,153</b>	<b>\$ 20,944,219</b>	<b>\$432,090,616</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ -	\$ -	\$ 10,510,340	\$ -	\$ -	\$ 11,604,690
Contributions - member	-	-	6,027,012	-	-	5,580,652
Net investment income	(860,679)	(944,273)	(7,080,949)	2,048,648	2,932,865	30,029,436
Benefit payments, including refunds of member contributions	(1,494,050)	(1,297,462)	(30,199,330)	(1,493,362)	(1,276,105)	(31,806,050)
Administrative expense	(22,576)	(22,554)	(1,568,752)	(24,080)	(24,281)	(74,315)
Other	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>(2,377,305)</b>	<b>(2,264,289)</b>	<b>(22,311,679)</b>	<b>531,206</b>	<b>1,632,479</b>	<b>15,334,413</b>
<b>Plan fiduciary net position - beginning</b>	<b>16,635,195</b>	<b>18,600,623</b>	<b>196,386,797</b>	<b>14,257,890</b>	<b>16,336,334</b>	<b>174,075,118</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>14,257,890</b>	<b>16,336,334</b>	<b>174,075,118</b>	<b>14,789,096</b>	<b>17,968,813</b>	<b>189,409,531</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 12,906,277</b>	<b>\$ 3,441,279</b>	<b>\$242,192,470</b>	<b>\$ 13,149,057</b>	<b>\$ 2,975,406</b>	<b>\$242,681,085</b>
Plan fiduciary net position as a percentage of the total pension liability	52.49%	82.60%	41.82%	52.94%	85.79%	43.84%
Covered payroll	\$ 950,673	N/A	\$ 43,829,652	\$ 998,206	N/A	\$ 42,569,567
Net pension liability as a percentage of covered payroll	1357.59%	N/A	552.58%	1317.27%	N/A	570.08%

<sup>(1)</sup> This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<sup>(2)</sup> For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(concluded)

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)**  
**LAST 10 FISCAL YEARS (1)**  
**(UNAUDITED)**

	2020			2021		
	FPRF	PPRF	ERS <sup>(2)</sup>	FPRF	PPRF	ERS <sup>(2)</sup>
<b>Total pension liability</b>						
Service cost	\$ 243	\$ -	\$ 4,228,273	\$ 238	\$ -	\$ 3,895,144
Interest	1,903,897	1,419,081	29,459,137	1,724,239	1,312,200	29,249,833
Effect of economic/demographic gains or losses	(2,908,774)	(1,536,099)	(3,527,349)	(253,026)	(893,744)	3,463,671
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of assumptions	(56,523)	(34,794)	(444,368)	108,290	72,412	402,665
Benefit payments, including refunds of member contributions	(1,505,202)	(1,366,361)	(31,480,587)	(1,505,591)	(1,384,077)	(33,295,366)
<b>Net change in total pension liability</b>	<b>(2,566,359)</b>	<b>(1,518,173)</b>	<b>(1,764,894)</b>	<b>74,150</b>	<b>(893,209)</b>	<b>3,715,947</b>
<b>Total pension liability - beginning</b>	<b>27,938,153</b>	<b>20,944,219</b>	<b>432,090,616</b>	<b>25,371,794</b>	<b>19,426,046</b>	<b>430,325,722</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 25,371,794</b>	<b>\$ 19,426,046</b>	<b>\$ 430,325,722</b>	<b>\$ 25,445,944</b>	<b>\$ 18,532,837</b>	<b>\$ 434,041,669</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ -	\$ -	\$ 12,684,489	\$ -	\$ -	\$ 12,919,339
Contributions - member	-	-	5,639,116	-	-	5,298,931
Net investment income	1,090,347	2,345,877	15,232,386	1,429,688	2,208,145	23,302,591
Benefit payments, including refunds of member contributions	(1,505,202)	(1,366,361)	(31,480,587)	(1,505,591)	(1,384,077)	(33,295,366)
Administrative expense	(18,158)	(19,782)	(66,775)	(25,978)	(25,979)	(83,622)
Other	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>(433,013)</b>	<b>959,734</b>	<b>2,008,629</b>	<b>(101,881)</b>	<b>798,089</b>	<b>8,141,873</b>
<b>Plan fiduciary net position - beginning</b>	<b>14,789,096</b>	<b>17,968,813</b>	<b>189,409,531</b>	<b>14,356,083</b>	<b>18,928,547</b>	<b>191,418,160</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>14,356,083</b>	<b>18,928,547</b>	<b>191,418,160</b>	<b>14,254,202</b>	<b>19,726,636</b>	<b>199,560,033</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 11,015,711</b>	<b>\$ 497,499</b>	<b>\$ 238,907,562</b>	<b>\$ 11,191,742</b>	<b>\$ (1,193,799)</b>	<b>\$ 234,481,636</b>
Plan fiduciary net position as a percentage of the total pension liability	56.58%	97.44%	44.48%	56.02%	106.44%	45.98%
Covered payroll	N/A	N/A	\$ 41,078,229	N/A	N/A	\$ 41,763,577
Net pension liability as a percentage of covered payroll	N/A	N/A	581.59%	N/A	N/A	561.45%

<sup>(1)</sup> This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<sup>(2)</sup> For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(concluded)

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<b>Fireman Pension and Relief Fund</b>										
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Actuarially determined contribution	\$ 3,726,529	\$ 4,477,402	\$ 4,171,194	\$ 2,696,250	\$ 1,255,047	\$ 1,232,690	\$ 1,224,761	\$ 1,571,022	\$ 1,683,870	\$ 1,489,290
Contributions in relation to the actuarially determined contribution	1,465,203	964,526	1,048,879	971,454	1,045,758	-	-	-	-	-
Contribution deficiency (excess)	2,261,326	3,512,876	3,122,315	1,724,796	209,289	1,232,690	1,224,761	1,571,022	1,683,870	1,489,290
Covered payroll	1,140,314	858,951	1,016,908	955,637	862,288	905,402	950,673	998,206	n/a	n/a
Contributions as a percentage of covered payroll	128.49%	112.29%	103.14%	101.66%	121.28%	n/a	n/a	n/a	n/a	n/a
<b>Policeman Pension and Relief Fund</b>										
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Actuarially determined contribution	\$ 2,215,304	\$ 2,437,506	\$ 1,371,743	\$ 1,854,426	\$ 1,861,297	\$ 2,214,685	\$ 1,446,228	\$ 3,706,993	\$ 3,210,434	\$ 554,152
Contributions in relation to the actuarially determined contribution	1,445,914	954,585	1,036,775	959,232	1,034,990	-	-	-	-	-
Contribution deficiency (excess)	769,390	1,482,921	334,968	895,194	826,307	2,214,685	1,446,228	3,706,993	3,210,434	554,152
Covered payroll	n/a									
Contributions as a percentage of covered payroll	n/a									
<b>Employee Retirement System</b>										
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Actuarially determined contribution	\$ 16,380,807	\$ 16,764,758	\$ 16,351,357	\$ 18,083,506	\$ 19,842,219	\$ 19,267,744	\$ 20,537,815	\$ 20,085,651	\$ 20,379,656	\$ 20,495,053
Contributions in relation to the actuarially determined contribution	5,970,988	5,951,946	5,944,981	7,364,386	9,006,403	9,449,966	10,510,340	11,604,690	12,684,489	12,919,339
Contribution deficiency (excess)	10,409,819	10,812,812	10,406,376	10,719,120	10,835,816	9,817,778	10,027,475	8,480,961	7,695,167	7,575,714
Covered payroll	45,247,171	44,749,039	49,120,412	43,859,241	43,752,144	45,107,805	43,829,652	42,569,567	41,078,229	41,763,577
Contributions as a percentage of covered payroll	13.20%	13.30%	12.10%	16.79%	20.59%	20.95%	23.98%	27.26%	30.88%	30.93%

<sup>(4)</sup> For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

**CITY OF SHREVEPORT, LOUISIANA  
 NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

Methods and assumptions used in calculations of actuarially determined contributions. The actuarially determined contribution rates in the schedule of pension contributions were calculated as of December 31, 2020. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

	<u>FPRF</u>	<u>PPRF</u>	<u>ERS</u>
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed	Level dollar, closed	Level dollar, closed
Remaining amortization period	10 years	1 year	30 years
Asset valuation period	N/A	N/A	N/A
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00%	N/A	Based on classification
Investment rate of return	7.00%	7.00%	7.00%
Cost of Living Adjustment	3.00%	3.00%	None
Retirement Age	Plan specific	N/A	Plan specific
Turnover	Plan specific	N/A	Plan specific
Mortality	Pri-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037	Pri-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037	Pub-2010 (Public Retirement Plans Mortality Tables) General with MP-2021 Improvement converging to a long-term improvement rate of 0.5% in 2037.
Disability	Plan specific	Plan specific	Plan specific

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - STATE**  
**LAST TEN FISCAL YEARS (1)**  
**(UNAUDITED)**

<u>Plan</u>	<u>Year</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
MPERS	2015	10.907553%	\$ 85,449,276	\$ 18,767,394	455.31%	66.04%
FRS	2015	14.253575%	\$ 76,929,090	\$ 14,519,924	529.82%	68.16%
MPERS	2016	10.462889%	\$ 98,066,748	\$ 27,476,089	356.92%	66.04%
FRS	2016	13.660802%	\$ 89,353,995	\$ 30,849,574	289.64%	68.16%
MPERS	2017	10.029179%	\$ 87,558,975	\$ 30,198,041	289.95%	70.08%
FRS	2017	13.298266%	\$ 76,223,654	\$ 28,837,229	264.32%	73.55%
MPERS	2018	10.298837%	\$ 87,066,997	\$ 30,061,456	289.63%	71.89%
FRS	2018	13.597316%	\$ 78,212,822	\$ 31,850,262	245.56%	74.76%
MPERS	2019	9.967413%	\$ 90,520,803	\$ 30,817,747	293.73%	71.01%
FRS	2019	13.395986%	\$ 83,884,460	\$ 32,274,473	259.91%	73.96%
MPERS	2020	9.968093%	\$ 92,128,410	\$ 30,466,793	302.39%	70.95%
FRS	2020	13.040075%	\$ 90,387,925	\$ 32,392,685	279.04%	72.60%
MPERS	2021	9.611085%	\$ 51,232,337	\$ 28,694,857	178.54%	84.09%
FRS	2021	12.110822%	\$ 42,918,961	\$ 30,352,828	141.40%	86.78%

<sup>(1)</sup> This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented have a measurement date of June 30.

**CITY OF SHREVEPORT, LOUISIANA  
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE PLANS - STATE  
LAST TEN FISCAL YEARS (1)  
(UNAUDITED)**

<u>Plan</u>	<u>Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
MPERS	2015	\$ 9,190,723	\$ 9,190,723	\$ -	\$ 18,469,499	49.76%
FRS	2015	\$ 8,860,375	\$ 8,860,375	\$ -	\$ 14,132,726	62.69%
MPERS	2016	\$ 8,646,089	\$ 9,102,573	\$ (456,484)	\$ 28,897,057	31.50%
FRS	2016	\$ 8,393,570	\$ 8,137,384	\$ 256,186	\$ 29,861,960	27.25%
MPERS	2017	\$ 9,506,039	\$ 9,299,213	\$ 206,826	\$ 29,521,311	31.50%
FRS	2017	\$ 7,843,256	\$ 7,879,819	\$ (36,563)	\$ 28,916,765	27.25%
MPERS	2018	\$ 9,355,010	\$ 9,345,919	\$ 9,091	\$ 30,806,395	30.34%
FRS	2018	\$ 8,578,848	\$ 8,599,469	\$ (20,621)	\$ 30,804,077	27.92%
MPERS	2019	\$ 10,038,516	\$ 9,975,266	\$ 63,250	\$ 30,819,929	32.37%
FRS	2019	\$ 8,579,743	\$ 8,568,720	\$ 11,023	\$ 32,492,232	26.37%
MPERS	2020	\$ 10,006,324	\$ 10,009,244	\$ (2,920)	\$ 29,116,994	34.38%
FRS	2020	\$ 9,008,950	\$ 9,005,622	\$ 3,328	\$ 31,435,989	28.65%
MPERS	2021	\$ 9,897,191	\$ 9,841,336	\$ 55,855	\$ 28,929,861	34.02%
FRS	2021	\$ 9,819,862	\$ 9,953,137	\$ (133,275)	\$ 30,168,046	32.99%

<sup>(1)</sup> This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented have a measurement date of June 30.



**Other  
Supplementary  
Information**

**CITY OF SHREVEPORT, LOUISIANA  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
<b>REVENUES</b>				
Property taxes	\$ 15,467,600	\$ 15,467,600	\$ 13,981,533	\$ (1,486,067)
Investment earnings	32,000	32,000	(16,006)	(48,006)
Intergovernmental	1,700,000	1,700,000	1,388,238	(311,762)
Miscellaneous revenue	-	-	27,188	27,188
Total revenues	<u>17,199,600</u>	<u>17,199,600</u>	<u>15,380,953</u>	<u>(1,818,647)</u>
<b>EXPENDITURES</b>				
Principal	10,651,900	10,651,900	10,336,571	315,329
Interest and other charges	6,963,500	6,963,500	6,990,294	(26,794)
Bond issue costs	16,500	16,500	167,840	(151,340)
Total expenditures	<u>17,631,900</u>	<u>17,631,900</u>	<u>17,494,705</u>	<u>137,195</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(432,300)</u>	<u>(432,300)</u>	<u>(2,113,752)</u>	<u>(1,681,452)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,426,900	1,426,900	704,284	(722,616)
Discount on bonds issues	-	-	(95,737)	(95,737)
Total other financing sources	<u>1,426,900</u>	<u>1,426,900</u>	<u>608,547</u>	<u>(818,353)</u>
Net change in fund balances	994,600	994,600	(1,505,205)	(2,499,805)
Fund balances - beginning	<u>49,530,761</u>	<u>49,530,761</u>	<u>49,530,761</u>	<u>(1,661,105)</u>
Fund balances - ending	<u>\$ 50,525,361</u>	<u>\$ 50,525,361</u>	<u>\$ 48,025,556</u>	<u>\$ (4,160,910)</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA**  
**STREETS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ (1,191)	\$ (1,191)
Franchise Fees	6,800,000	6,800,000	8,109,060	1,309,060
Total revenues	<u>6,800,000</u>	<u>6,800,000</u>	<u>8,107,869</u>	<u>1,307,869</u>
<b>EXPENDITURES</b>				
Improvements and equipment	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over expenditures	6,800,000	6,800,000	8,107,869	1,307,869
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(3,250,000)	(9,902,575)	(9,902,575)	-
Total other financing sources (uses)	<u>(3,250,000)</u>	<u>(9,902,575)</u>	<u>(9,902,575)</u>	<u>-</u>
Net change in fund balances	<u>3,550,000</u>	<u>(3,102,575)</u>	<u>(1,794,706)</u>	<u>1,307,869</u>
Fund balance -beginning	<u>4,611,987</u>	<u>4,611,987</u>	<u>4,611,987</u>	<u>150,091</u>
Fund balances - ending	<u>\$ 8,161,987</u>	<u>\$ 1,509,412</u>	<u>\$ 2,817,281</u>	<u>\$ 1,457,960</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA**  
**RIVERFRONT DEVELOPMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES</b>				
Gaming	\$ 6,005,300	\$ 6,580,300	\$ 7,780,770	\$ 1,200,470
Investment Earnings	-	-	250	250
Miscellaneous	1,062,200	1,142,000	1,153,980	11,980
Total revenues	<u>7,067,500</u>	<u>7,722,300</u>	<u>8,935,000</u>	<u>1,212,700</u>
<b>EXPENDITURES</b>				
Current:				
Economic development:				
Salaries, wages and employee benefits	313,300	513,300	330,095	183,205
Materials and supplies	10,000	10,000	6,406	3,594
Contractual services	129,500	179,500	77,326	102,174
Improvements and equipment	5,000	5,000	1,970	3,030
Other charges	840,000	765,000	708,491	56,509
Total expenditures	<u>1,297,800</u>	<u>1,472,800</u>	<u>1,124,288</u>	<u>348,512</u>
Excess (deficiency) of revenues over under expenditures	<u>5,769,700</u>	<u>6,249,500</u>	<u>7,810,712</u>	<u>1,561,212</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	75,000	75,000
Transfers out	(6,553,600)	(6,756,400)	(6,630,100)	126,300
Total other financing uses	<u>(6,553,600)</u>	<u>(6,756,400)</u>	<u>(6,555,100)</u>	<u>201,300</u>
Net change in fund balance	(783,900)	(506,900)	1,255,612	1,762,512
Fund balance -beginning	<u>750,029</u>	<u>750,029</u>	<u>750,029</u>	<u>298,100</u>
Fund balance-ending	<u>\$ (33,871)</u>	<u>\$ 243,129</u>	<u>\$ 2,005,641</u>	<u>\$ 2,060,612</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA  
POLICE GRANTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
External Service Charges	\$ 14,700	\$ 14,700	\$ -	\$ (14,700)
Intergovernmental	5,772,625	4,309,125	1,041,142	(3,267,983)
Investment earnings	1,800	1,800	-	(1,800)
Miscellaneous	339,900	339,900	1,014,567	674,667
Total revenues	<u>6,129,025</u>	<u>4,665,525</u>	<u>2,055,709</u>	<u>(2,595,116)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety:				
Salaries, wages and employee benefits	4,558,025	3,664,025	1,479,943	2,184,082
Materials and supplies	298,400	293,900	87,875	206,025
Contractual services	740,450	200,200	186,671	13,529
Other charges	185,000	185,000	114,365	70,635
Improvements and equipment	347,150	302,400	188,078	114,322
Total expenditures	<u>6,129,025</u>	<u>4,645,525</u>	<u>2,056,932</u>	<u>2,588,593</u>
Excess (deficiency) of revenues over under expenditures	<u>-</u>	<u>20,000</u>	<u>(1,223)</u>	<u>(21,223)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	5,200	5,200	-	5,200
Total other financing sources	<u>5,200</u>	<u>5,200</u>	<u>-</u>	<u>5,200</u>
Net change in fund balance	5,200	25,200	(1,223)	(26,423)
Fund balance -beginning	624,712	624,712	624,712	127,349
Fund balance - ending	<u>\$ 629,912</u>	<u>\$ 649,912</u>	<u>\$ 623,489</u>	<u>\$ 100,926</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA  
ENVIRONMENTAL GRANTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	(378)	(378)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>(378)</u>	<u>(378)</u>
<b>EXPENDITURES</b>				
Current:				
Salaries, wages and employee benefits	4,000	4,000	-	4,000
Materials and supplies	299	299	-	299
Contractual services	43,312	43,312	228,253	(184,941)
Other charges	856,355	856,355	-	856,355
<b>Total expenditures</b>	<u>903,966</u>	<u>903,966</u>	<u>228,253</u>	<u>675,713</u>
Excess (deficiency) of revenues over under expenditures	(903,966)	(903,966)	(228,631)	675,335
Fund balance -beginning	<u>1,372,188</u>	<u>1,372,188</u>	<u>1,372,188</u>	<u>-</u>
Fund balance-ending	<u>\$ 468,222</u>	<u>\$ 468,222</u>	<u>\$ 1,143,557</u>	<u>\$ 675,335</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Mayor Adrian Perkins**

Salary	\$	101,877
Benefits-insurance		379
Deferred compensation		7,786
Cell phone		876
Travel		9,025
Registration Fees		-
Conference Travel		2,334
Benefits - Car Allowance		5,400
Total	\$	<u>127,677</u>

**CITY OF SHREVEPORT, LOUISIANA  
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended June 30, 2021</b>	<b>Second Six Month Period Ended December 31, 2021</b>
<b>Receipts From:</b>		
City of Shreveport City Court - Civil Fees	\$ 297,348	\$ 303,264
City of Shreveport City Court - Ciriminal Court Costs/ Fees	-	4,073
City of Shreveport City Court - Ciriminal Fines - Other	<u>282,022</u>	<u>306,104</u>
<b>Subtotal Receipts</b>	<u>\$ 579,370</u>	<u>\$ 613,441</u>
<b>Ending Balance of Amounts Assessed but Not Received from City of Shreveport City Marshal</b>	<u>\$ 264,953</u>	<u>\$ 59,000</u>



**Combining and  
Individual Fund  
Statements and  
Schedules**

## Nonmajor Governmental Funds

### Special Revenue Funds

Special Revenue Funds are used for specific revenues that are legally restricted to expenditures for particular purposes.

**Streets Fund** – This fund is used for construction and repair of streets, including sidewalk and drainage structures.

**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 Shreveport 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 Brownfields assessment, cleanup loan fund, job training, and economic development.

**Diversion Fund** - This fund was established for the purpose of allowing individuals to undergo alternative sentencing to avoid the penalties associated with a criminal conviction.

### 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 constructing public buildings and/or improving streets, public safety, drainage systems, waste disposal, parks, an industrial park, and a Sportran maintenance facility.

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

**2003A General Obligation Bond Fund** - This fund is used to account for bonds issued for the purpose of constructing, acquiring, and improving works of neighborhood public improvement, recreation facilities, and police and fire facilities.

**2011 General Obligation Bonds** – This fund is used to account for bonds issued for the purpose of improving the water and sewer system, various public facilities and streets and drainage systems.

**CITY OF SHREVEPORT, LOUISIANA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Special Revenue Funds								Total
	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment	Environmental Grants	Diversion Program	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 824,142	\$ 1,165,320	\$ 1,485,527	\$ -	\$ -	\$ 4,052	\$ 1,143,557	\$ 317,198	\$ 4,939,796
Investments	-	-	-	-	-	-	-	-	-
Accounts receivable, net	1,993,139	-	670,525	-	-	-	-	-	2,663,664
Due from other governments	-	-	-	1,199,817	-	-	-	-	1,199,817
Due from other funds	-	-	-	-	-	-	-	-	-
Notes receivable, net	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	196,066	-	-	196,066
<b>Total assets</b>	<b>\$ 2,817,281</b>	<b>\$ 1,165,320</b>	<b>\$ 2,156,052</b>	<b>\$ 1,199,817</b>	<b>\$ -</b>	<b>\$ 200,118</b>	<b>\$ 1,143,557</b>	<b>\$ 317,198</b>	<b>\$ 8,999,343</b>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>									
Liabilities:									
Accounts payable	\$ -	\$ 5,146	\$ 101,069	\$ 64,160	\$ -	\$ -	\$ -	\$ -	\$ 170,375
Accrued liabilities	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	49,342	473,998	39,725	-	-	-	563,065
Unearned revenue	-	-	-	38,170	-	-	-	-	38,170
Due to other governments	-	-	-	-	-	-	-	-	-
Items held in escrow	-	-	-	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>5,146</b>	<b>150,411</b>	<b>576,328</b>	<b>39,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>771,610</b>
Fund balance:									
Restricted	2,817,281	1,160,174	2,005,641	623,489	-	200,118	1,143,557	317,198	8,267,458
Unassigned	-	-	-	-	(39,725)	-	-	-	(39,725)
<b>Total fund balance:</b>	<b>2,817,281</b>	<b>1,160,174</b>	<b>2,005,641</b>	<b>623,489</b>	<b>(39,725)</b>	<b>200,118</b>	<b>1,143,557</b>	<b>317,198</b>	<b>8,227,733</b>
<b>Total liabilities and fund balance:</b>	<b>\$ 2,817,281</b>	<b>\$ 1,165,320</b>	<b>\$ 2,156,052</b>	<b>\$ 1,199,817</b>	<b>\$ -</b>	<b>\$ 200,118</b>	<b>\$ 1,143,557</b>	<b>\$ 317,198</b>	<b>\$ 8,999,343</b>

(continued)

**CITY OF SHREVEPORT, LOUISIANA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Capital Project Funds					Total	Total Nonmajor Governmental Funds
	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	2003A General Obligation Bond Fund	2011 General Obligation Bond Fund			
<b>ASSETS</b>							
Cash and cash equivalents	\$ 6,163,516	\$ 15,238,053	\$ 1,185,948	\$ 3,277,700	\$ 25,865,217	\$ 30,805,013	
Investments	-	-	-	-	-	-	
Accounts receivable, net	-	-	-	-	-	2,663,664	
Due from other governments	-	-	-	187,715	187,715	1,387,532	
Due from other funds	103,090	425,506	-	278,761	807,357	807,357	
Notes receivable, net	-	-	-	-	-	-	
Assets held for resale	-	-	-	-	-	196,066	
	<u>6,266,606</u>	<u>15,663,559</u>	<u>1,185,948</u>	<u>3,744,176</u>	<u>26,860,289</u>	<u>35,859,632</u>	
Total assets	<u>\$ 6,266,606</u>	<u>\$ 15,663,559</u>	<u>\$ 1,185,948</u>	<u>\$ 3,744,176</u>	<u>\$ 26,860,289</u>	<u>\$ 35,859,632</u>	
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 125,114	\$ 285,821	\$ -	\$ 376,661	\$ 787,596	\$ 957,971	
Accrued liabilities	-	-	-	-	-	-	
Due to other funds	103,090	-	-	-	103,090	666,155	
Unearned revenue	-	-	-	-	-	38,170	
Due to other governments	-	-	-	-	-	-	
Items held in escrow	-	-	-	-	-	-	
Notes payable	-	-	-	-	-	-	
Total liabilities	<u>228,204</u>	<u>285,821</u>	<u>-</u>	<u>376,661</u>	<u>890,686</u>	<u>1,662,296</u>	
<b>Fund balance:</b>							
Restricted	6,038,402	15,377,738	1,185,948	3,367,515	25,969,603	34,237,061	
Unassigned	-	-	-	-	-	(39,725)	
Total fund balance:	<u>6,038,402</u>	<u>15,377,738</u>	<u>1,185,948</u>	<u>3,367,515</u>	<u>25,969,603</u>	<u>34,197,336</u>	
	<u>\$ 6,266,606</u>	<u>\$ 15,663,559</u>	<u>\$ 1,185,948</u>	<u>\$ 3,744,176</u>	<u>\$ 26,860,289</u>	<u>\$ 35,859,632</u>	
Total liabilities and fund balance:	<u>\$ 6,266,606</u>	<u>\$ 15,663,559</u>	<u>\$ 1,185,948</u>	<u>\$ 3,744,176</u>	<u>\$ 26,860,289</u>	<u>\$ 35,859,632</u>	

(concluded)

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

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds								Total
	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment	Environmental Grants	Diversion Program	
<b>REVENUES</b>									
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,041,142	\$ -	\$ -	\$ -	\$ -	\$ 1,041,142
Gaming	-	-	7,780,770	-	-	-	-	-	7,780,770
Franchise	8,109,060	-	-	-	-	-	-	-	8,109,060
Investment earnings	(1,191)	127	250	-	9	-	(378)	-	(1,183)
Miscellaneous	-	262,077	1,153,980	1,014,567	-	-	-	63,024	2,493,648
Total revenues	<u>8,107,869</u>	<u>262,204</u>	<u>8,935,000</u>	<u>2,055,709</u>	<u>9</u>	<u>-</u>	<u>(378)</u>	<u>63,024</u>	<u>19,423,437</u>
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	-	-	-	228,253	-	228,253
Public safety	-	468,045	-	1,972,991	-	-	-	-	2,441,036
Culture and recreation	-	69,627	-	-	-	-	-	-	69,627
Health and welfare	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Economic opportunity	-	-	-	-	-	-	-	-	-
Economic development	-	-	1,124,288	-	80,339	2	-	-	1,204,629
Capital outlay	-	-	-	83,941	-	-	-	37,302	121,243
Total expenditures	<u>-</u>	<u>537,672</u>	<u>1,124,288</u>	<u>2,056,932</u>	<u>80,339</u>	<u>2</u>	<u>228,253</u>	<u>37,302</u>	<u>4,064,788</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,107,869</u>	<u>(275,468)</u>	<u>7,810,712</u>	<u>(1,223)</u>	<u>(80,330)</u>	<u>(2)</u>	<u>(228,631)</u>	<u>25,722</u>	<u>15,358,649</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	75,000	-	-	-	-	-	75,000
Transfers out	(9,902,575)	-	(6,630,100)	-	-	-	-	-	(16,532,675)
Total other financing sources and uses	<u>(9,902,575)</u>	<u>-</u>	<u>(6,555,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,457,675)</u>
Net change in fund balances	(1,794,706)	(275,468)	1,255,612	(1,223)	(80,330)	(2)	(228,631)	25,722	(1,099,026)
Fund balances-beginning	4,611,987	1,435,642	750,029	624,712	40,605	200,120	1,372,188	291,476	9,326,759
Fund balances-ending	<u>\$ 2,817,281</u>	<u>\$ 1,160,174</u>	<u>\$ 2,005,641</u>	<u>\$ 623,489</u>	<u>\$ (39,725)</u>	<u>\$ 200,118</u>	<u>\$ 1,143,557</u>	<u>\$ 317,198</u>	<u>\$ 8,227,733</u>

(continued)

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

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Capital Project Funds					Total Nonmajor Governmental Funds
	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	2003A General Obligation Bond Fund	2011 General Obligation Bond Fund	Total	
<b>REVENUES</b>						
Intergovernmental	\$ 20,657	\$ 200,000	\$ -	\$ 925,909	\$ 1,146,566	\$ 2,187,708
Gaming	-	-	-	-	-	7,780,770
Franchise	-	-	-	-	-	8,109,060
Investment earnings	(2,570)	-	(1,125)	50	(3,645)	(4,828)
Miscellaneous	-	982,206	-	148,299	1,130,505	3,624,153
Total revenues	18,087	1,182,206	(1,125)	1,074,258	2,273,426	21,696,863
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	228,253
Public safety	-	-	-	-	-	2,441,036
Culture and recreation	-	-	-	-	-	69,627
Health and welfare	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Economic opportunity	-	-	-	-	-	-
Economic development	-	-	-	-	-	1,204,629
Capital outlay	171,030	6,080,562	-	1,631,784	7,883,376	8,004,619
Total expenditures	171,030	6,080,562	-	1,631,784	7,883,376	11,948,164
Excess (deficiency) of revenues over (under) expenditures	(152,943)	(4,898,356)	(1,125)	(557,526)	(5,609,950)	9,748,699
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	13,694,561	-	1,084,632	14,779,193	14,854,193
Transfers out	-	-	(1,840,212)	(608,404)	(2,448,616)	(18,981,291)
Total other financing sources and uses	-	13,694,561	(1,840,212)	476,228	12,330,577	(4,127,098)
Net change in fund balances	(152,943)	8,796,205	(1,841,337)	(81,298)	6,720,627	5,621,601
Fund balances-beginning	6,191,345	6,581,533	3,027,285	3,448,813	19,248,976	28,575,735
Fund balances-ending	\$ 6,038,402	\$ 15,377,738	\$ 1,185,948	\$ 3,367,515	\$ 25,969,603	\$ 34,197,336

(concluded)

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 entirely or predominantly self-supported by user charges. The operations of enterprise funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

**Shreveport Area Transit System** - This fund accounts for the activities necessary to provide bus service for the residents of the City. The System also provides service between Shreveport and the adjacent city of Bossier City under an agreement with Bossier City that also provides for payments from Bossier to Shreveport to underwrite costs associated with the expanded service to Bossier City residents.

**Golf** - This fund is used to account for the operations of the City's two golf courses. The fund's operations are financed by greens 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.

**Solid Waste Fund** - This Fund was established effective May 1, 2019 by Ordinance. The Ordinance set a mandatory \$7 monthly service fee for solid waste collection for all residential and commercial customers. The fee appears on the Water and Sewerage billing statements. The Fund is used to account for the revenue and costs associated with the collection and disposal of the solid waste collected in Shreveport and the costs associated with the Landfill.

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2021**

	Shreveport Area Transit System	Golf	Downtown Parking	Solid Waste	Total Nonmajor Enterprise Funds
<b>ASSETS</b>					
Current Assets:					
Cash and cash equivalents	\$ 4,170,505	\$ 916,767	\$ 652,521	\$ 98,792	\$ 5,838,585
Investments	-	-	-	3,200,001	3,200,001
Receivables, net	424,192	33,317	183,136	1,766,300	2,406,945
Due from other funds	15,279	-	-	-	15,279
Due from other governments	410,692	-	-	-	410,692
Inventories	1,031,949	16,328	-	-	1,048,277
Prepaid items	229,212	-	-	-	229,212
Total current assets	<u>6,281,829</u>	<u>966,412</u>	<u>835,657</u>	<u>5,065,093</u>	<u>13,148,991</u>
Noncurrent Assets:					
Capital Assets:					
Land	368,877	-	-	6,652,516	7,021,393
Buildings	14,093,782	263,373	-	59,219	14,416,374
Improvements other than buildings	65,227	1,189,965	-	768,705	2,023,897
Equipment	22,538,917	559,978	-	8,943,001	32,041,896
Construction in progress	751,200	-	-	-	751,200
Less accumulated depreciation	<u>(18,141,396)</u>	<u>(1,571,261)</u>	<u>-</u>	<u>(8,715,359)</u>	<u>(28,428,016)</u>
Total noncurrent assets	<u>19,676,607</u>	<u>442,055</u>	<u>-</u>	<u>7,708,082</u>	<u>27,826,744</u>
Total assets	<u>25,958,436</u>	<u>1,408,467</u>	<u>835,657</u>	<u>12,773,175</u>	<u>40,975,735</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred OPEB	-	191,732	-	-	191,732
Deferred pensions	-	26,829	-	-	26,829
Total deferred outflows of resources	<u>-</u>	<u>218,561</u>	<u>-</u>	<u>-</u>	<u>218,561</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	241,953	18,850	30,167	1,348,502	1,639,472
Accrued liabilities	145,704	42,433	-	79,629	267,766
Due to other funds	112,008	-	-	6,756,646	6,868,654
Unearned revenue	-	202,205	-	-	202,205
Compensated absences	221,529	19,942	-	163,295	404,766
Leases payable	-	-	-	595,009	595,009
Total current liabilities	<u>721,194</u>	<u>283,430</u>	<u>30,167</u>	<u>8,943,081</u>	<u>9,977,872</u>
Noncurrent Liabilities:					
Landfill closure	-	-	-	8,075,499	8,075,499
Compensated absences	-	-	-	-	-
Leases payable	-	-	-	2,604,991	2,604,991
Total OPEB liability	-	1,484,157	-	-	1,484,157
Net Pension Liability	-	1,368,458	-	-	1,368,458
Total noncurrent liabilities	<u>-</u>	<u>2,852,615</u>	<u>-</u>	<u>10,680,490</u>	<u>13,533,105</u>
Total liabilities	<u>721,194</u>	<u>3,136,045</u>	<u>30,167</u>	<u>19,623,571</u>	<u>23,510,977</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB	-	167,385	-	-	167,385
Deferred pensions	-	85,142	-	-	85,142
Total deferred inflows of resources	<u>-</u>	<u>252,527</u>	<u>-</u>	<u>-</u>	<u>252,527</u>
<b>NET POSITION (DEFICIT)</b>					
Net investment in capital assets	19,676,607	442,055	-	7,708,082	27,826,744
Unrestricted (deficit)	5,560,635	(2,203,599)	805,490	(14,558,478)	(10,395,952)
Total Net Position (deficit)	<u>\$ 25,237,242</u>	<u>\$ (1,761,544)</u>	<u>\$ 805,490</u>	<u>\$ (6,850,396)</u>	<u>\$ 17,430,792</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Shreveport Area Transit System	Golf	Downtown Parking	Solid Waste	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>					
Charges for services	\$ 979,842	\$ 2,297,713	\$ 385,455	\$ 11,895,837	\$ 15,558,847
Miscellaneous	909,523	51,045	-	1,210	961,778
Total operating revenues	<u>1,889,365</u>	<u>2,348,758</u>	<u>385,455</u>	<u>11,897,047</u>	<u>16,520,625</u>
<b>OPERATING EXPENSES</b>					
Personal services	9,394,703	(538,897)	-	4,869,129	13,724,935
Contractual services and other expenses	1,566,760	906,938	363,352	9,954,472	12,791,522
Utilities	327,924	92,754	-	-	420,678
Repairs and maintenance	(15,279)	-	-	-	(15,279)
Materials and supplies	2,184,358	235,365	-	736,211	3,155,934
Depreciation	2,744,919	50,883	-	599,445	3,395,247
Total operating expenses	<u>16,203,385</u>	<u>747,043</u>	<u>363,352</u>	<u>16,159,257</u>	<u>33,473,037</u>
Operating income (loss)	<u>(14,314,020)</u>	<u>1,601,715</u>	<u>22,103</u>	<u>(4,262,210)</u>	<u>(16,952,412)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings	-	-	61	5,522	5,583
Interest expense	-	(172)	-	-	(172)
Intergovernmental	1,391,048	-	-	-	1,391,048
Loss on disposal of capital assets	-	-	-	(23,356)	(23,356)
Net nonoperating revenues (expenses)	<u>1,391,048</u>	<u>(172)</u>	<u>61</u>	<u>(17,834)</u>	<u>1,373,103</u>
Income (loss) before contributions and transfers	<u>(12,922,972)</u>	<u>1,601,543</u>	<u>22,164</u>	<u>(4,280,044)</u>	<u>(15,579,309)</u>
Capital contributions	6,496,550	-	-	-	6,496,550
Transfers in	5,108,741	87,200	-	1,496,400	6,692,341
Transfers out	-	-	-	-	-
Change in net position	<u>(1,317,681)</u>	<u>1,688,743</u>	<u>22,164</u>	<u>(2,783,644)</u>	<u>(2,390,418)</u>
Total net position (deficit)-beginning	<u>26,554,923</u>	<u>(3,450,287)</u>	<u>783,326</u>	<u>(4,066,752)</u>	<u>19,821,210</u>
Total net position (deficit)-ending	<u>\$ 25,237,242</u>	<u>\$ (1,761,544)</u>	<u>\$ 805,490</u>	<u>\$ (6,850,396)</u>	<u>\$ 17,430,792</u>

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

**CITY OF SHREVEPORT, LOUISIANA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Shreveport Area Transit System	Golf	Downtown Parking	Solid Waste	Total Nonmajor Enterprise Funds
<b>Cash flows from operating activities:</b>					
Receipts from operations	\$ 879,259	\$ 2,298,473	\$ 296,946	\$ 11,577,222	\$ 15,051,900
Payments to suppliers	(4,189,767)	(1,203,752)	(363,352)	(7,597,494)	(13,354,365)
Payments to employees	(9,375,808)	(730,398)	-	(4,893,584)	(14,999,790)
Other receipts	909,523	51,045	-	1,210	961,778
Net cash provided by (used in) operating activities	<u>(11,776,793)</u>	<u>415,368</u>	<u>(66,406)</u>	<u>(912,646)</u>	<u>(12,340,477)</u>
<b>Cash flows from noncapital financing activities:</b>					
Intergovernmental	1,391,048	-	-	-	1,391,048
Transfers in	5,108,741	87,200	-	1,496,400	6,692,341
Net cash provided by (used in) noncapital financing activities	<u>6,499,789</u>	<u>87,200</u>	<u>-</u>	<u>1,496,400</u>	<u>8,083,389</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	(130,837)	-	-	(490,484)	(621,321)
Proceeds from disposal of capital assets	451,118	-	-	-	451,118
Proceeds from bond issuance	-	-	-	3,200,000	3,200,000
Capital grants	6,496,550	-	-	-	6,496,550
Net cash provided by (used in) capital and related financing activities	<u>6,816,831</u>	<u>-</u>	<u>-</u>	<u>2,709,516</u>	<u>9,526,347</u>
<b>Cash flows from investing activities:</b>					
Interest on investments	-	(172)	61	5,522	5,411
Net cash provided by (used in) investing activities	<u>-</u>	<u>(172)</u>	<u>61</u>	<u>5,522</u>	<u>5,411</u>
Net increase (decrease) in cash and cash equivalents	1,539,827	502,396	(66,345)	3,298,792	5,274,670
Cash and cash equivalents - beginning of year	2,630,678	414,371	718,866	-	3,763,916
Cash and cash equivalents - end of year	<u>\$ 4,170,505</u>	<u>\$ 916,767</u>	<u>\$ 652,521</u>	<u>\$ 3,298,792</u>	<u>\$ 9,038,586</u>

	Shreveport Area Transit System	Golf	Downtown Parking	Solid Waste	Total Nonmajor Enterprise Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (14,314,020)	\$ 1,601,715	\$ 22,103	\$ (4,262,210)	\$ (16,952,412)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>					
Depreciation	2,744,919	50,883	-	599,445	3,395,247
(Increase) Decrease in assets:					
Receivables	(100,583)	761	(88,509)	(318,615)	(506,946)
Inventories	(137,042)	935	-	-	(136,107)
Deferred outflows for pensions	-	87,711	-	-	87,711
Deferred outflows for OPEB	-	227,337	-	-	227,337
Prepaid items	(88,418)	-	-	-	(88,418)
Increase(Decrease) in liabilities:					
Accounts payable	111,615	14,665	-	629,147	755,427
Accrued liabilities	50,229	15,705	-	23,564	89,498
Deferred inflows for pensions	-	(63,434)	-	-	(63,434)
Deferred inflows for OPEB	-	(65,538)	-	-	(65,538)
Due to other funds	(62,388)	-	-	2,285,670	2,223,282
Landfill closure	-	-	-	154,808	154,808
Unearned revenue	-	(1)	-	-	(1)
Compensated absences	18,895	(14,653)	-	(24,455)	(20,213)
Total OPEB liability	-	(907,086)	-	-	(907,086)
Net Pension liability	-	(533,632)	-	-	(533,632)
Total adjustments	<u>2,537,227</u>	<u>(1,186,347)</u>	<u>(88,509)</u>	<u>3,349,564</u>	<u>4,611,935</u>
Net cash provided by (used in) operating activities	<u>\$ (11,776,793)</u>	<u>\$ 415,368</u>	<u>\$ (66,406)</u>	<u>\$ (912,646)</u>	<u>\$ (12,340,477)</u>

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 governments, on a cost reimbursement basis.

**Employees Health Care Fund** - This fund is used to account for self-insurance activities involving medical and dental care claims by the City's employees, retirees, and dependents.

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

**CITY OF SHREVEPORT, LOUISIANA  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2021**

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 6,305,773	\$ 1,640,481	\$ 7,946,254
Investments	993,332	-	993,332
Due from other funds	-	-	-
Receivables, net	10,994,516	-	10,994,516
Interest Receivable	23,933	-	23,933
Prepaid items	-	946,065	946,065
Total current assets	<u>18,317,554</u>	<u>2,586,546</u>	<u>20,904,100</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	934	291,038	291,972
Due to other funds	25,063,071	15,279	25,078,350
Accrued liabilities	-	-	-
Compensated absences	-	20,817	20,817
Claims and judgments	6,815,496	46,879,000	53,694,496
Total current liabilities	<u>31,879,501</u>	<u>47,206,134</u>	<u>79,085,635</u>
Noncurrent liabilities:			
Claims and judgments	-	-	-
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>31,879,501</u>	<u>47,206,134</u>	<u>79,085,635</u>
<b>NET POSITION (DEFICIT)</b>			
Unrestricted (deficit)	<u>(13,561,947)</u>	<u>(44,619,588)</u>	<u>(58,181,535)</u>
Total net position (deficit)	<u>\$ (13,561,947)</u>	<u>\$ (44,619,588)</u>	<u>\$ (58,181,535)</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Employees Health Care	Retained Risk	Total Internal Service Funds
<b>OPERATING REVENUES</b>			
Charges for services	\$ 42,195,068	\$ 10,788,872	\$ 52,983,940
Miscellaneous	101,030	3,356,310	3,457,340
Total operating revenues	<u>42,296,098</u>	<u>14,145,182</u>	<u>56,441,280</u>
<b>OPERATING EXPENSES</b>			
Personal services	126,872	345,563	472,435
Contractual services and other expenses	2,399,349	4,370,244	6,769,593
Materials and supplies	11,928	2,985	14,913
Claims	39,302,307	15,317,797	54,620,104
Total operating expenses	<u>41,840,456</u>	<u>20,036,589</u>	<u>61,877,045</u>
Operating income (loss)	<u>455,642</u>	<u>(5,891,407)</u>	<u>(5,435,765)</u>
<b>NONOPERATING REVENUES</b>			
Investment earnings (loss)	12,538	2,428	14,966
Net nonoperating revenues (loss)	<u>12,538</u>	<u>2,428</u>	<u>14,966</u>
Change in net position	468,180	(5,888,979)	(5,420,799)
Total net position (deficit)-beginning	<u>(14,030,127)</u>	<u>(38,730,609)</u>	<u>(52,760,736)</u>
Total net position (deficit)-ending	<u>\$ (13,561,947)</u>	<u>\$ (44,619,588)</u>	<u>\$ (58,181,535)</u>

See accompanying independent auditors' report.

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

**CITY OF SHREVEPORT, LOUISIANA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Total Internal Service Funds</u>
<b>Cash flows from operating activities:</b>			
Receipts from operations	\$ 34,038,317	\$ 14,225,817	\$ 48,264,134
Payments to suppliers	619,953	(3,737,579)	(3,117,626)
Payments to employees	(126,872)	(348,821)	(475,693)
Claims	(39,692,777)	(9,288,796)	(48,981,573)
Net cash provided by (used in) operating activities	<u>(5,161,379)</u>	<u>850,621</u>	<u>(4,310,758)</u>
<b>Cash flows from noncapital financing activities:</b>			
Transfers in/(out)	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>			
Purchase of investments	(993,332)	-	(993,332)
Proceeds from sale and maturity of investments	997,568	-	997,568
Interest on investments	12,564	2,428	14,992
Net cash provided by (used in) investing activities	<u>16,800</u>	<u>2,428</u>	<u>19,228</u>
Net increase (decrease) in cash and cash equivalents	<u>(5,144,579)</u>	<u>853,049</u>	<u>(4,291,530)</u>
Cash and cash equivalents - beginning of year	11,450,352	787,432	12,237,784
Cash and cash equivalents - end of year	<u>\$ 6,305,773</u>	<u>\$ 1,640,481</u>	<u>\$ 7,946,254</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 455,642	\$ (5,891,407)	\$ (5,435,765)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase)Decrease in assets:			
Receivables	(8,155,543)	80,635	(8,074,908)
Due from other funds			
Prepaid items	-	426,589	426,589
Increase(Decrease) in liabilities:			
Accounts payable	(408)	193,781	193,373
Accrued liabilities	-	-	-
Due to other funds	3,031,230	15,279	3,046,509
Claims and judgments	(492,300)	6,029,001	5,536,701
Compensated absences		(3,257)	(3,257)
Other increases (decreases)	-	-	-
Total adjustments	<u>(5,617,021)</u>	<u>6,742,028</u>	<u>1,125,007</u>
Net cash provided by (used in) operating activities	<u>\$ (5,161,379)</u>	<u>\$ 850,621</u>	<u>\$ (4,310,758)</u>

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

**CITY OF SHREVEPORT, LOUISIANA**  
**COMBINING STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**DECEMBER 31, 2021**

	Shreveport Home Mortgage Authority	City Court	City Marshal	Downtown Development Authority	Metropolitan Planning Commission	Shreve Memorial Library	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,447,898	\$ 3,171,989	\$ 769,288	\$ 2,011,154	\$ 157,400	\$ 10,943,347	\$ 18,501,076
Investments	1,129,164	-	-	-	-	-	1,129,164
Receivables, net	3,554	446	-	753,617	-	15,160,032	15,917,649
Due from primary governments	-	-	-	-	-	234,217	234,217
Prepaid items	-	56,740	-	12,756	-	-	69,496
Notes receivable	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	122,516	122,516
Capital assets:							
Land and construction in progress	-	-	-	130,237	704,513	6,349,544	7,184,294
Other capital assets, net of depreciation	-	1,229,377	1,253,153	839,821	97,519	25,220,303	28,640,173
Total assets	<u>2,580,616</u>	<u>4,458,552</u>	<u>2,022,441</u>	<u>3,747,585</u>	<u>959,432</u>	<u>58,029,959</u>	<u>71,798,585</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred inflows related to pensions	-	-	-	-	-	520,960	520,960
Deferred inflows related OPEB	-	-	-	-	-	2,516,480	2,516,480
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,037,440</u>	<u>3,037,440</u>
<b>LIABILITIES</b>							
Accounts payable	-	114,229	19,229	28,622	7,112	77,787	246,979
Accrued liabilities	6,909	-	-	21,319	-	205,744	233,972
Due to other governments	-	-	-	183,136	82,425	-	265,561
Unearned income	-	-	-	-	-	-	-
Noncurrent liabilities:							
Due within one year	68,036	-	-	175,574	68,897	394,543	707,050
Due in more than one year	808,693	-	-	372,043	-	-	1,180,736
Net pension liability	-	-	-	-	-	26,572,637	26,572,637
Total other postemployment benefit liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,479,552</u>	<u>19,479,552</u>
Total liabilities	<u>883,638</u>	<u>114,229</u>	<u>19,229</u>	<u>780,694</u>	<u>158,434</u>	<u>46,730,263</u>	<u>48,686,487</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred inflows related to property taxes	-	-	-	744,987	-	-	744,987
Deferred inflows related to pensions	-	-	-	-	-	1,653,275	1,653,275
Deferred inflows related OPEB	-	-	-	-	-	2,196,945	2,196,945
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>744,987</u>	<u>-</u>	<u>3,850,220</u>	<u>4,595,207</u>
<b>NET POSITION</b>							
Net investments in capital assets	-	1,182,307	1,253,153	769,742	802,032	31,569,847	35,577,081
Restricted for:							
Debt service	128,702	-	-	-	-	-	128,702
Other purposes	-	338,408	-	-	-	-	338,408
Unrestricted	<u>1,568,276</u>	<u>2,823,608</u>	<u>750,059</u>	<u>1,452,162</u>	<u>(1,034)</u>	<u>(21,082,931)</u>	<u>(14,489,860)</u>
Total net position (deficit)	<u>\$ 1,696,978</u>	<u>\$ 4,344,323</u>	<u>\$ 2,003,212</u>	<u>\$ 2,221,904</u>	<u>\$ 800,998</u>	<u>\$ 10,486,916</u>	<u>\$ 21,554,331</u>

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

**CITY OF SHREVEPORT, LOUISIANA  
COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Grants and Contributions	Shreveport Home Mortgage Authority	City Court	City Marshal	Downtown Development Authority	Metropolitan Planning Commission	Shreve Memorial Library	Total
Shreveport Home Mortgage Authority										
Mortgage Operations	\$ 68,261	\$ -	\$ -	\$ (68,261)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (68,261)
City Court										
Judicial	566,440	388,619	-	-	(177,821)	-	-	-	-	(177,821)
City Marshal										
Judicial	3,202,759	750,215	2,379,868	-	-	(72,676)	-	-	-	(72,676)
Downtown Development Authority										
Downtown development	594,895	-	-	-	-	-	(594,895)	-	-	(594,895)
Streetscape program	291,393	286,130	-	-	-	-	(5,263)	-	-	(5,263)
Parking program	353,054	362,000	-	-	-	-	8,946	-	-	8,946
Interest on long-term debt	23,625	-	-	-	-	-	(23,625)	-	-	(23,625)
Total Downtown Development Authority	1,262,967	648,130	-	-	-	-	(614,837)	-	-	(614,837)
Metropolitan Planning Commission										
Planning and zoning	1,545,506	-	280,000	-	-	-	-	(1,265,506)	-	(1,265,506)
Shreve Memorial Library										
Culture and recreation	19,273,782	258,523	619,065	-	-	-	-	-	(18,396,194)	(18,396,194)
	<u>\$ 25,919,715</u>	<u>\$ 2,045,487</u>	<u>\$ 3,278,933</u>	(68,261)	(177,821)	(72,676)	(614,837)	(1,265,506)	(18,396,194)	(20,595,295)
General Revenues:										
Property taxes levied for general purposes				-	-	-	676,321	-	16,725,166	17,401,487
Investment earnings (loss)				50,749	3,897	2,689	1,387	-	1,568	60,290
Payment from City of Shreveport				-	-	-	-	843,639	-	843,639
Miscellaneous				138	6,458	-	46,581	409,292	598,650	1,061,119
Total general revenues (expenses)				<u>50,887</u>	<u>10,355</u>	<u>2,689</u>	<u>724,289</u>	<u>1,252,931</u>	<u>17,325,384</u>	<u>19,366,535</u>
Change in Net Position				(17,374)	(167,466)	(69,987)	109,452	(12,575)	(1,070,810)	(1,228,760)
Net position - beginning				1,714,352	4,511,789	2,073,199	2,134,503	813,573	11,557,726	22,805,142
Prior Period Restatement										
- Return of tax credit				-	-	-	(22,051)	-	-	(22,051)
Net position - restated				<u>1,714,352</u>	<u>4,511,789</u>	<u>2,073,199</u>	<u>2,112,452</u>	<u>813,573</u>	<u>11,557,726</u>	<u>22,783,091</u>
Net position (deficit) - ending				<u>\$ 1,696,978</u>	<u>\$ 4,344,323</u>	<u>\$ 2,003,212</u>	<u>\$ 2,221,904</u>	<u>\$ 800,998</u>	<u>\$ 10,486,916</u>	<u>\$ 21,554,331</u>

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

**Discretely Presented Component Unit**

**Metropolitan Planning Commission** - 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, 2021**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 157,400
Due from primary government	-
Capital Assets	<u>-</u>
 Total assets	 <u>157,400</u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable	76,010
Due to other governments	<u>82,425</u>
Total liabilities	<u>158,435</u>
 Fund balance	 <u>(1,035)</u>
 <b>Amounts reported for the Metropolitan Planning Commission in the Statement of Net Position for component units are different because:</b>	
Capital assets reported in governmental activities are not financial assets and, therefore, are not reported in governmental funds.	 <u>802,032</u>
 Net position	 <u>\$ 800,997</u>

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, 2021**

<b>REVENUES</b>	
Intergovernmental	\$ 280,000
Miscellaneous	<u>409,292</u>
Total revenues	<u>689,292</u>
<b>EXPENDITURES</b>	
General government	<u>1,533,966</u>
Total expenditures	<u>1,533,966</u>
Deficiency of revenues under expenditures	(844,674)
<b>OTHER FINANCING SOURCES</b>	
Transfers In	<u>843,639</u>
Net change in fund balance	(1,035)
Fund balance - beginning	-
Fund balance - ending	<u>\$ (1,035)</u>

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	<u>(11,540)</u>
Change in net position	<u>\$ (11,540)</u>

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

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**Statistical**  
SECTION

**CITY OF SHREVEPORT, LOUISIANA  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Net investment in capital assets	\$ 527,404,356	\$ 498,281,721	\$ 447,755,978	\$ 594,396,807	\$ 604,854,487	\$ 619,093,951	\$ 606,332,272	\$ 440,976,682	\$ 435,095,111	\$ 433,131,458
Restricted	134,588,349	227,239,617	207,407,523	168,897,674	133,100,842	3,960,404	122,792,732	105,287,407	109,307,827	123,195,336
Unrestricted(Deficit)	<u>(346,760,306)</u>	<u>(450,501,025)</u>	<u>(584,381,854)</u>	<u>(784,343,447)</u>	<u>(811,432,005)</u>	<u>(87,168,778)</u>	<u>(1,054,491,779)</u>	<u>(918,599,662)</u>	<u>(938,501,828)</u>	<u>(931,950,845)</u>
Total governmental activities net position	<u>\$ 315,232,399</u>	<u>\$ 275,020,313</u>	<u>\$ 70,781,647</u>	<u>\$ (21,048,966)</u>	<u>\$ (73,476,676)</u>	<u>\$ 535,885,577</u>	<u>\$ (325,366,775)</u>	<u>\$ (372,335,573)</u>	<u>\$ (394,098,890)</u>	<u>\$ (375,624,051)</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 510,326,673	\$ 523,710,809	\$ 518,261,289	\$ 570,187,946	\$ 614,521,810	\$ 1,225,426,223	\$ 619,093,951	\$ 668,338,171	\$ 635,641,795	\$ 622,710,657
Restricted	3,959,892	3,960,404	-	3,960,404	3,960,404	126,753,136	3,960,404	3,960,404	3,960,404	-
Unrestricted(Deficit)	<u>(24,028,572)</u>	<u>(15,504,876)</u>	<u>435,800,986</u>	<u>(74,137,780)</u>	<u>(58,424,472)</u>	<u>(1,141,660,557)</u>	<u>(87,168,778)</u>	<u>(107,707,572)</u>	<u>(91,064,709)</u>	<u>(70,286,263)</u>
Total business-type activities net position	<u>\$ 490,257,993</u>	<u>\$ 512,166,337</u>	<u>\$ 954,062,275</u>	<u>\$ 500,010,570</u>	<u>\$ 560,057,742</u>	<u>\$ 210,518,802</u>	<u>\$ 535,885,577</u>	<u>\$ 564,591,003</u>	<u>\$ 548,537,490</u>	<u>\$ 552,424,394</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 1,037,731,029	\$ 1,021,992,530	\$ 966,017,267	\$ 1,164,584,753	\$ 1,219,376,297	\$ 1,844,520,174	\$ 1,225,426,223	\$ 1,109,314,853	\$ 1,070,736,906	\$ 1,055,842,115
Restricted	138,548,241	231,200,021	207,407,523	172,858,078	137,061,246	130,713,540	126,753,136	109,247,811	113,268,231	123,195,336
Unrestricted(Deficit)	<u>(370,788,878)</u>	<u>(466,005,901)</u>	<u>(148,580,868)</u>	<u>(858,481,227)</u>	<u>(869,856,477)</u>	<u>(1,228,829,335)</u>	<u>(1,141,660,557)</u>	<u>(1,026,307,234)</u>	<u>(1,029,566,537)</u>	<u>(1,002,237,108)</u>
Total primary government net position	<u>\$ 805,490,392</u>	<u>\$ 787,186,650</u>	<u>\$ 1,024,843,922</u>	<u>\$ 478,961,604</u>	<u>\$ 486,581,066</u>	<u>\$ 746,404,379</u>	<u>\$ 210,518,802</u>	<u>\$ 192,255,430</u>	<u>\$ 154,438,600</u>	<u>\$ 176,800,343</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 52,871,070	\$ 59,180,755	\$ 55,486,934	\$ 29,837,534	\$ 55,317,669	\$ 61,780,900	\$ 55,935,361	\$ 68,735,117	\$ 69,900,381	\$ 54,147,350
Public safety	132,296,947	129,986,772	130,048,046	128,387,069	140,960,844	116,156,813	121,011,556	123,095,970	123,953,185	125,173,071
Public works	54,861,069	55,054,294	54,417,093	53,377,050	55,847,544	66,261,441	50,513,932	53,785,152	39,986,537	33,623,919
Culture and recreation	22,298,863	23,634,459	23,249,858	23,951,836	25,188,570	36,076,061	29,182,679	35,576,948	23,703,551	23,100,094
Health and welfare	25,854	14,760	13,602	108,878	-	2,791	76,426	200,835	262,314	301,523
Community development	4,517,472	4,663,450	5,495,408	3,880,501	6,678,055	2,893,364	4,179,698	3,816,847	11,089,881	11,201,722
Economic development	4,462,780	4,576,357	3,657,075	3,505,893	910,774	3,235,826	2,051,968	2,612,022	1,711,659	1,322,448
Economic opportunity	2,609,908	2,558,968	2,558,816	2,143,306	5,241	2,265,807	2,260,793	2,562,861	1,503,988	2,159,289
Interest on long-term debt	11,331,384	9,509,948	9,321,094	11,030,882	9,655,942	9,029,444	6,296,780	5,882,250	5,694,731	5,137,295
Total governmental activities expenses	<u>285,275,347</u>	<u>289,179,763</u>	<u>284,247,926</u>	<u>256,222,948</u>	<u>294,564,639</u>	<u>297,702,447</u>	<u>271,509,193</u>	<u>296,268,002</u>	<u>277,806,227</u>	<u>256,166,711</u>
<b>Business-type activities</b>										
Municipal and Regional Airports	15,414,301	15,490,057	15,615,759	14,596,911	14,118,982	13,708,757	16,578,088	14,089,228	18,141,089	16,386,539
Water and Sewerage	58,346,912	59,722,975	63,354,907	63,817,718	76,285,816	65,808,452	83,159,229	85,211,557	102,320,838	94,602,650
Convention Center	6,969,925	6,811,134	7,102,290	7,863,035	7,336,641	7,148,971	6,654,656	6,732,643	4,711,426	5,305,561
Convention Center Hotel	12,867,218	12,510,097	12,149,036	10,716,085	11,119,464	12,278,765	13,715,123	13,245,238	9,948,281	12,264,638
Shreveport Area Transit System	15,804,741	16,439,796	16,644,288	15,628,664	15,293,243	16,756,528	15,601,479	16,274,701	15,543,289	16,203,385
Golf	1,310,004	1,029,810	1,316,897	4,292,902	4,448,415	(3,768,584)	2,542,458	1,011,812	1,501,085	747,215
Downtown Parking	423,433	419,280	419,280	349,566	363,000	367,630	393,959	365,199	399,760	363,352
Solid Waste	-	-	-	-	-	-	-	10,865,735	21,279,922	16,159,257
Total business-type activities expenses	<u>111,136,534</u>	<u>112,423,149</u>	<u>116,602,457</u>	<u>117,264,881</u>	<u>128,965,561</u>	<u>112,300,519</u>	<u>138,644,992</u>	<u>147,796,113</u>	<u>173,845,690</u>	<u>162,032,597</u>
Total primary government expenses	<u>\$ 396,411,881</u>	<u>\$ 401,602,912</u>	<u>\$ 400,850,383</u>	<u>\$ 373,487,829</u>	<u>\$ 423,530,200</u>	<u>\$ 410,002,966</u>	<u>\$ 410,154,185</u>	<u>\$ 444,064,115</u>	<u>\$ 451,651,917</u>	<u>\$ 418,199,308</u>

(continued)

**CITY OF SHREVEPORT, LOUISIANA  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Program Revenues</b>										
Governmental Activities										
Charges for services:										
Public safety	\$ 12,868,050	\$ 11,196,830	\$ 10,767,228	\$ 12,941,736	\$ 20,908,980	\$ 20,908,980	\$ 20,353,976	\$ 18,478,887	\$ 19,483,530	\$ 9,111,179
Public works	15,817,405	14,925,161	22,351,362	21,395,782	20,133,031	20,133,031	20,409,359	15,557,092	12,655,276	16,047,305
Other activities	305,041	281,880	1,604,519	1,673,500	2,101,051	2,101,051	2,040,376	1,763,679	1,530,819	1,525,871
Operating grants and contributions	17,205,002	15,912,520	17,478,683	20,505,899	21,527,543	21,527,543	16,631,067	13,073,257	27,313,293	17,037,407
Capital grants and contributions	2,392,234	1,993,674	49,982	-	137,421	137,421	247,810	14,769	-	-
Total governmental activities program revenues	<u>48,587,732</u>	<u>44,310,065</u>	<u>52,251,774</u>	<u>56,516,917</u>	<u>64,808,026</u>	<u>64,808,026</u>	<u>59,682,588</u>	<u>48,887,684</u>	<u>60,982,918</u>	<u>43,721,762</u>
Business-type activities										
Charges for services:										
Municipal and Regional Airports	10,658,288	10,961,308	10,102,240	10,505,926	10,942,803	10,942,803	11,031,770	12,082,983	9,632,836	11,254,560
Water and Sewerage	61,742,737	75,259,282	75,961,390	82,453,869	85,830,305	85,830,305	89,206,455	92,337,389	92,402,032	98,984,400
Convention Center	2,013,793	2,552,784	2,873,802	3,005,319	3,072,879	3,072,879	2,793,537	2,982,147	926,314	1,649,784
Convention Center Hotel	11,109,856	11,283,028	11,666,633	10,853,180	11,671,322	11,671,322	12,496,939	11,922,636	7,275,316	11,413,112
Shreveport Area Transit System	2,842,739	3,076,104	2,344,315	2,243,846	2,061,377	2,061,377	1,804,318	1,825,476	999,962	979,842
Golf	785,516	1,084,133	1,106,515	1,282,163	1,509,499	1,509,499	1,516,791	1,799,691	1,772,990	2,297,713
Downtown Parking	581,154	562,091	460,687	499,394	448,267	448,267	416,044	389,545	305,629	385,455
Solid Waste	-	-	-	-	-	-	-	7,407,359	12,705,015	11,895,837
Operating grants and contributions	6,174,220	6,362,042	5,742,865	6,606,819	4,649,172	4,649,172	5,705,623	3,511,362	2,312,086	1,391,048
Capital grants and contributions	6,644,821	8,811,969	5,769,680	5,068,766	21,590,610	21,590,610	6,430,985	20,022,839	19,106,643	14,556,619
Total business-type activities program revenues	<u>102,553,124</u>	<u>119,952,741</u>	<u>116,028,127</u>	<u>122,519,282</u>	<u>141,776,234</u>	<u>141,776,234</u>	<u>131,402,462</u>	<u>154,281,427</u>	<u>147,438,823</u>	<u>154,808,370</u>
Total primary government program revenues	<u>\$ 151,140,856</u>	<u>\$ 164,262,806</u>	<u>\$ 168,279,901</u>	<u>\$ 179,036,199</u>	<u>\$ 206,584,260</u>	<u>\$ 206,584,260</u>	<u>\$ 191,085,050</u>	<u>\$ 203,169,111</u>	<u>\$ 208,421,741</u>	<u>\$ 198,530,132</u>
<b>Net(Expense) Revenue</b>										
Governmental activities	\$ (223,665,399)	\$ (235,847,165)	\$ (240,592,031)	\$ (239,937,861)	\$ (203,971,174)	\$ (238,047,723)	\$ (228,265,470)	\$ (211,826,605)	\$ (247,380,318)	\$ (212,444,949)
Business-type activities	7,186,937	(10,098,993)	(9,870,025)	3,350,284	(1,236,754)	(6,446,279)	29,475,715	(7,242,530)	6,485,314	(7,224,227)
Total primary government net expense	<u>\$ (216,478,462)</u>	<u>\$ (245,946,158)</u>	<u>\$ (250,462,056)</u>	<u>\$ (236,587,577)</u>	<u>\$ (205,207,928)</u>	<u>\$ (244,494,002)</u>	<u>\$ (198,789,755)</u>	<u>\$ (219,069,135)</u>	<u>\$ (240,895,004)</u>	<u>\$ (219,669,176)</u>

(2) The Convention Center became a separate fund in 2011.

(continued)

**CITY OF SHREVEPORT, LOUISIANA  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 58,031,369	\$ 59,428,155	\$ 59,842,135	\$ 56,414,985	\$ 55,580,376	\$ 55,627,351	\$ 52,786,509	\$ 52,258,332	\$ 42,499,726	\$ 41,392,385
Sales taxes	113,068,390	114,192,366	119,809,168	117,900,678	115,450,214	118,856,149	123,869,548	124,371,857	128,120,834	149,913,898
Franchise taxes	7,512,211	7,750,603	7,661,160	7,911,173	7,981,794	8,258,569	8,926,566	15,834,969	15,194,998	18,783,200
Occupational licenses	7,175,204	7,306,835	7,289,383	7,433,349	7,355,815	7,066,000	7,229,454	7,234,162	6,672,436	6,999,837
Gaming	11,925,489	11,003,579	10,241,584	10,035,079	9,615,662	8,916,942	8,792,004	8,312,389	5,200,939	7,780,770
Unrestricted grants and contributions	3,398,492	1,886,334	2,762,622	1,233,863	1,185,383	1,152,947	1,121,363	1,215,530	1,086,902	1,216,423
Investment earnings	861,704	534,354	420,727	598,673	269,008	343,143	766,640	967,192	165,134	(8,912)
Miscellaneous	12,558,552	12,232,148	11,571,074	10,351,367	3,068,395	3,836,263	678,548	3,094,119	3,035,856	12,518,729
Transfers	(13,566,000)	(20,703,921)	(19,872,078)	(19,144,109)	(37,229,142)	(27,019,950)	(6,633,946)	(12,877,030)	(6,958,051)	(7,676,542)
Total governmental activities	<u>200,965,411</u>	<u>193,630,453</u>	<u>199,725,775</u>	<u>192,735,058</u>	<u>163,277,505</u>	<u>177,037,414</u>	<u>197,536,686</u>	<u>200,411,520</u>	<u>195,018,774</u>	<u>230,919,788</u>
Business-type activities:										
Investment earnings (loss)	45,934	5,846,715	(1,314,018)	1,081,568	1,359,656	1,364,644	4,040,377	5,753,434	1,387,866	(210,637)
Miscellaneous	-	-	-	(14,401,995)	2,229,312	2,186,864	3,494,519	3,589,648	3,120,960	3,645,226
Transfers	13,566,000	20,703,921	19,872,078	19,144,109	37,229,142	27,019,949	6,633,942	12,877,030	5,844,528	7,676,542
Total business-type activities	<u>13,611,934</u>	<u>26,550,636</u>	<u>18,558,060</u>	<u>5,823,682</u>	<u>40,818,110</u>	<u>30,571,457</u>	<u>14,168,838</u>	<u>22,220,112</u>	<u>10,353,354</u>	<u>11,111,131</u>
Total primary government	<u>\$ 214,577,345</u>	<u>\$ 220,181,089</u>	<u>\$ 218,283,835</u>	<u>\$ 198,558,740</u>	<u>\$ 204,095,615</u>	<u>\$ 207,608,871</u>	<u>\$ 211,705,524</u>	<u>\$ 222,631,632</u>	<u>\$ 205,372,128</u>	<u>\$ 242,030,919</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (34,881,754)	\$ (46,961,578)	\$ (40,212,086)	\$ (11,236,116)	\$ (74,770,218)	\$ (55,857,007)	\$ (14,289,919)	\$ (46,968,798)	\$ (21,804,535)	\$ 18,474,839
Business-type activities	3,512,941	16,680,611	21,908,344	4,586,928	34,371,831	60,047,172	6,926,308	28,705,426	(16,053,513)	3,886,904
Total primary government	<u>\$ (31,368,813)</u>	<u>\$ (30,280,967)</u>	<u>\$ (18,303,742)</u>	<u>\$ (6,649,188)</u>	<u>\$ (40,398,387)</u>	<u>\$ 4,190,165</u>	<u>\$ (7,363,611)</u>	<u>\$ (18,263,372)</u>	<u>\$ (37,858,048)</u>	<u>\$ 22,361,743</u>

Unaudited - see accompanying independent auditors' report.

(concluded)

**CITY OF SHREVEPORT, LOUISIANA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$ 1,582,251	\$ 1,457,442	\$ 1,622,361	\$ 1,601,762	\$ 1,617,488	\$ 1,628,957	\$ 1,850,822	\$ 1,597,234	\$ 1,633,113	\$ 1,782,436
Restricted	-	43,187	122,404	206,168	283,492	354,446	411,230	473,091	-	-
Assigned	8,235,732	7,353,477	10,210,582	9,907,967	10,441,503	11,596,542	10,561,557	1,254,576	7,037,613	18,368,928
Unassigned	6,429,096	4,137,247	4,036,252	1,257,328	1,614,702	155,452	(1,206,981)	7,361,458	34,074,898	55,468,160
<b>Total General Fund</b>	<u>\$ 16,247,079</u>	<u>\$ 12,991,353</u>	<u>\$ 15,991,599</u>	<u>\$ 12,973,225</u>	<u>\$ 13,957,185</u>	<u>\$ 13,735,397</u>	<u>\$ 11,616,628</u>	<u>\$ 10,686,359</u>	<u>\$ 42,745,624</u>	<u>\$ 75,619,524</u>
<b>All Other Governmental Funds</b>										
Restricted	\$ 154,952,867	\$ 135,712,949	\$ 229,202,191	\$ 204,022,094	\$ 154,628,693	\$ 118,104,543	\$ 108,886,464	\$ 100,650,769	\$ 98,191,853	\$ 102,522,680
Unassigned	(1,729,116)	(918,267)	(1,578,868)	-	-	-	-	-	(1,229,926)	(2,198,535)
<b>Total all other governmental funds</b>	<u>\$ 153,223,751</u>	<u>\$ 134,794,682</u>	<u>\$ 227,623,323</u>	<u>\$ 204,022,094</u>	<u>\$ 154,628,693</u>	<u>\$ 118,104,543</u>	<u>\$ 108,886,464</u>	<u>\$ 100,650,769</u>	<u>\$ 96,961,927</u>	<u>\$ 100,324,145</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$ 179,323,323	\$ 180,915,510	\$ 187,814,734	\$ 183,390,846	\$ 178,722,267	\$ 182,329,963	\$ 185,662,509	\$ 192,230,491	\$ 186,525,414	\$ 211,117,154
Licenses and permits	9,159,315	9,333,071	9,554,623	9,578,009	9,128,991	9,060,734	9,113,603	9,304,101	8,675,010	9,826,980
Intergovernmental	23,012,567	19,327,161	18,754,217	17,477,915	20,502,974	21,589,131	16,907,626	17,535,114	35,371,851	24,119,783
Charges for services	25,786,275	27,764,494	24,519,238	23,381,449	25,134,234	31,948,695	31,080,783	24,810,041	23,763,786	21,606,175
Fines and forfeitures	3,377,228	3,002,987	3,210,062	2,510,504	2,528,965	2,547,015	2,264,333	2,154,694	1,157,037	1,095,072
Gaming	11,925,489	11,003,579	10,241,584	10,035,079	9,615,662	8,916,942	8,792,004	8,312,390	5,200,939	7,780,770
Investment earnings	664,659	444,336	351,591	539,595	237,948	317,624	682,951	755,649	154,778	(23,869)
Miscellaneous	12,558,552	12,232,148	11,571,074	12,752,087	11,054,440	12,228,411	11,191,309	5,259,494	2,683,508	7,212,112
<b>Total revenues</b>	<b>264,023,286</b>	<b>264,023,286</b>	<b>266,017,123</b>	<b>259,665,484</b>	<b>256,925,481</b>	<b>268,938,515</b>	<b>265,695,118</b>	<b>260,361,974</b>	<b>263,532,323</b>	<b>282,734,177</b>
<b>Expenditures</b>										
General government	33,754,118	36,770,691	36,118,397	39,708,557	38,650,918	37,653,695	41,363,349	41,261,348	43,895,616	43,917,997
Public safety	114,152,950	110,841,564	108,919,662	110,000,160	115,618,481	111,740,773	121,007,727	119,847,503	118,057,166	126,430,701
Public works	40,188,370	38,571,558	39,577,765	37,354,544	40,695,630	39,290,998	35,139,059	27,492,071	20,631,233	22,623,224
Culture and recreation	16,419,548	16,433,993	16,135,262	17,621,679	17,570,028	19,268,147	18,831,843	17,731,369	15,232,344	17,843,531
Health and welfare	11,841	-	-	108,878	-	2,791	76,426	200,835	262,314	295,263
Community development	3,957,114	4,043,129	4,844,285	3,402,083	6,459,958	2,678,717	3,964,926	3,584,582	4,611,624	11,086,002
Economic development	4,385,707	4,502,555	3,589,063	3,505,893	903,974	3,229,013	2,045,702	2,605,764	1,700,540	117,821
Economic opportunity	2,364,677	2,367,082	2,402,389	2,143,306	-	2,262,389	2,257,637	2,562,861	1,502,795	3,363,918
Capital outlay	7,609,546	17,563,135	16,550,444	16,638,321	19,178,491	28,937,461	17,390,845	12,582,894	4,600,258	8,004,619
Debt service										
Principal	51,542,365	23,738,712	20,068,059	24,671,368	24,206,740	22,195,408	21,357,629	19,925,868	11,060,719	10,336,571
Interest	12,004,912	10,059,930	9,142,698	11,595,965	11,539,939	11,367,611	8,003,821	8,059,813	7,413,663	6,990,294
Bond issuance cost	-	-	860,175	471,440	468,073	715,873	16,058	-	-	167,840
<b>Total expenditures</b>	<b>286,391,148</b>	<b>264,892,349</b>	<b>258,208,199</b>	<b>267,222,194</b>	<b>275,292,232</b>	<b>279,342,876</b>	<b>271,455,022</b>	<b>255,854,908</b>	<b>228,968,272</b>	<b>251,177,781</b>
Excess(deficiency) of revenues over (under) expenditures	(22,367,862)	(869,063)	7,808,924	(7,556,710)	(18,366,751)	(10,404,361)	(5,759,904)	4,507,066	34,564,051	31,556,396
<b>Other Financing Sources(Uses)</b>										
Bonds issued	-	-	93,500,000	24,205,000	22,477,312	50,000,000	-	-	-	5,675,000
(Discount) on debt issued	-	-	-	-	-	-	-	-	-	(95,737)
Premium on debt issued	-	-	14,392,041	2,521,090	2,476,543	7,085,177	-	-	-	-
Certificate of indebtedness issued	-	-	-	-	8,194,901	-	-	-	-	-
Capital leases	8,865,007	-	-	-	-	-	-	-	-	6,777,000
Payments to refunded bond escrow agent	-	-	-	(26,644,875)	(26,369,104)	(56,369,303)	-	-	-	-
Swap termination payment	-	-	-	-	-	-	-	-	-	-
Transfers in	28,141,986	28,891,695	18,511,141	17,897,431	35,262,981	30,562,705	30,404,065	25,322,199	16,331,173	25,987,377
Transfers out	(41,707,986)	(49,707,427)	(38,383,219)	(37,041,539)	(72,085,323)	(57,582,655)	(37,038,011)	(38,199,229)	(22,524,802)	(33,663,918)
<b>Total other financing sources(uses)</b>	<b>(4,700,993)</b>	<b>(20,815,732)</b>	<b>88,019,963</b>	<b>(19,062,893)</b>	<b>(30,042,690)</b>	<b>(26,304,076)</b>	<b>(6,633,946)</b>	<b>(12,877,030)</b>	<b>(6,193,629)</b>	<b>4,679,722</b>
<b>Net change in fund balances</b>	<b>\$ (25,284,733)</b>	<b>\$ (21,684,795)</b>	<b>\$ 95,828,887</b>	<b>\$ (26,619,603)</b>	<b>\$ (48,409,441)</b>	<b>\$ (36,708,437)</b>	<b>\$ (12,393,850)</b>	<b>\$ (8,369,964)</b>	<b>\$ 28,370,422</b>	<b>\$ 36,236,118</b>
Debt service as a percentage of noncapital expenditures	22.8%	13.7%	12.4%	14.7%	14.1%	13.7%	11.6%	11.5%	8.2%	7.2%

**CITY OF SHREVEPORT, LOUISIANA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (DOLLARS IN THOUSANDS)**

<u>Year Ended December 31</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Total Taxable Assessed Value<sup>(1)</sup></u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2012	665,138	803,002	1,468,140	39.70	13,106,704	11.20%
2013	717,774	772,590	1,490,364	39.70	13,273,988	11.23%
2014	724,530	718,584	1,443,114	39.70	13,375,262	10.79%
2015	737,351	790,153	1,527,504	36.65	13,591,787	11.24%
2016	746,197	777,863	1,524,061	36.29	13,602,121	11.20%
2017	752,551	784,056	1,536,607	35.81	13,721,633	11.20%
2018	757,545	793,505	1,551,050	33.65	13,833,927	11.21%
2019	769,382	798,896	1,568,278	32.95	13,989,996	11.21%
2020	736,504	829,661	1,566,165	26.59	13,996,863	11.19%
2021	763,155	855,525	1,580,846	26.59	14,366,609	11.00%

Note: Assessed values are established by the Caddo Parish Tax Assessor on January 1 of each year at approximately 10-25% of assumed market value. A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2020. The next revaluation will be completed as of January 1, 2024 for the 2024 tax roll. Tax rates are per \$1,000 of assessed value.

(1) The total assessed value of property within the City that has been adjudicated to Caddo Parish is not included in these assessed values.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS**

Year Ended December 31,	City Direct Rates									Overlapping Rates		
	Debt Service (1)	General Alimony (2)	Police Three- Platoon System (2)	Police and Fire Uniforms and Equipment Equipment (3)	Salary & Wage Schedule (3)	Street Improvements (3)	Employee Benefits (3)	Parks and Recreational Facilities (3)	Total Direct Debt	School Board	Parish	Total
2012	22.05	10.30	1.47	1.12	1.12	1.12	1.69	0.83	39.70	78.20	35.14	153.04
2013	22.05	10.30	1.47	1.12	1.12	1.12	1.69	0.83	39.70	78.20	35.14	153.04
2014	22.05	10.30	1.47	1.12	1.12	1.12	1.69	0.83	38.58	78.20	35.14	151.92
2015	19.00	10.30	1.47	1.12	1.12	1.12	1.69	0.83	35.53	74.66	34.94	145.13
2016	19.00	10.09	1.44	1.10	1.10	1.10	1.65	0.81	36.29	73.30	31.79	141.38
2017	18.16	10.30	1.47	1.12	1.12	1.12	1.69	0.83	35.81	73.82	31.80	141.43
2018	16.36	10.09	1.44	1.1	1.10	1.10	1.65	0.81	33.65	73.82	32.05	139.52
2019	15.30	10.30	1.47	1.12	1.12	1.12	1.69	0.83	32.95	73.82	54.95	161.72
2020	8.82	10.36	1.48	1.13	1.13	1.13	1.70	0.84	26.59	73.82	54.95	155.36
2021	8.82	10.36	1.48	1.13	1.13	1.13	1.70	0.84	26.59	73.82	54.95	155.36

(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) 10.49 mills for General Alimony
- (b) 1.50 mills for Police Three-Platoon System

(3) Special millage approved by referendum and must be reapproved by referendum every five years. (Last submitted and approved on August 3, 2020).

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
AEP Southwestern Electric Power Company	\$ 98,754,830	1	6.25%	\$ 38,663,320	1	2.60%
Calumet Lubricants	13,704,500	2	0.87%	11,903,170	4	0.8
Centerpoint Energy	9,001,580	3	0.57%	11,549,090	6	0.8
Bell South Communications	5,909,970	4	0.37%	15,178,550	2	0.7
Walmart	9,610,958	5	0.61%	9,973,930	7	0.7
Capital One	5,387,650	6	0.34%	11,549,090	5	0.8
Metro Aviation	4,339,706	7	0.27%			
Kansas City Southern	3,954,730	8	0.00%			
Comcast	3,686,880	9	0.00%			
Dr Reddy's Laboratories	3,574,610	10	0.00%			
Sam's Town				11,979,910	3	0.8
Schlumberger				9,740,780	8	0.7
Regions Bank				9,122,300	9	0.6
Verizon Wireless				8,757,980	10	0.6
	<u>\$ 157,925,414</u>		<u>9.28%</u>	<u>\$ 138,418,120</u>		<u>652.60%</u>

Unaudited - see accompanying independent auditors' report.

Source: Caddo Parish Assessor's Office

**CITY OF SHREVEPORT, LOUISIANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

Year Ended December 31,	Taxes Levied for the Year	Collections				
		Collected within the Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 58,285,191	\$ 46,570,605	79.90%	\$ 10,438,058	\$ 57,008,663	97.81%
2013	59,167,413	44,608,285	75.39%	13,400,321	58,008,606	98.04%
2014	59,673,655	42,808,850	71.74%	15,519,037	58,327,887	97.74%
2015	55,983,017	47,419,429	84.70%	8,454,596	55,874,025	99.81%
2016	55,308,166	38,969,359	70.46%	15,599,859	54,569,218	98.66%
2017	55,025,879	45,466,930	82.63%	8,689,787	54,156,717	98.42%
2018	52,192,857	42,200,485	80.85%	8,942,932	51,143,417	97.99%
2019	52,724,734	43,616,844	82.73%	7,538,681	51,155,525	97.02%
2020	42,720,286	25,795,938	61.36%	15,067,897	40,863,835	95.65%
2021	42,276,896	33,725,661	79.77%	7,936,409	41,662,070	98.55%

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
 TAXABLE SALES BY CATEGORY  
 LAST TEN YEARS  
 (DOLLARS IN THOUSANDS)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wholesale - professional and commercial equipment	\$ 126,233	\$ 127,280	\$ 150,374	\$ 161,885	\$ 167,471	\$ 165,329	\$ 169,800	\$ 197,218	\$ 171,057	\$ 209,339
Wholesale - machinery, equipment and supplies	138,198	131,008	146,945	120,782	174,275	194,793	122,612	119,648	199,629	146,675
Restaurant, food services and drinking places	398,130	399,637	422,097	436,275	431,620	433,079	451,930	509,588	482,076	553,237
Motor vehicle dealers	383,516	399,335	416,102	409,966	391,831	382,033	394,108	405,144	408,104	486,973
Miscellaneous general merchandise stores	153,232	157,961	155,202	142,565	139,606	139,683	144,770	539,171	560,871	572,779
Lumber and other building materials dealers	126,412	130,991	126,160	127,344	221,617	224,377	232,703	272,276	302,574	359,757
Grocery stores	358,057	358,774	359,222	364,369	343,521	369,845	369,937	395,346	436,614	424,428
Drug stores	128,210	129,714	131,297	139,293	143,149	139,021	130,960	144,006	145,009	158,410
Discount stores	321,133	320,610	313,209	317,414	434,240	419,912	426,613	55,074	60,703	67,976
Department stores	129,848	124,666	120,540	122,590	165,539	94,514	94,643	359,292	236,822	298,676
All others	1,870,476	1,872,615	2,012,783	1,990,503	1,613,523	1,778,718	1,979,232	1,538,618	1,622,538	2,093,381
<b>Total</b>	<b>\$ 4,133,445</b>	<b>\$ 4,152,591</b>	<b>\$ 4,353,931</b>	<b>\$ 4,332,986</b>	<b>\$ 4,226,392</b>	<b>\$ 4,341,304</b>	<b>\$ 4,517,308</b>	<b>\$ 4,535,381</b>	<b>\$ 4,625,997</b>	<b>\$ 5,371,631</b>
City sales tax rate	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%

Source: Caddo-Shreveport Sales and Use Tax Commission

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN YEARS**

<u>Year</u>	<u>City of Shreveport</u>	<u>Caddo Parish School Board</u>	<u>Caddo Law Enforcement District</u>	<u>State of Louisiana</u>	<u>Total Rate</u>
2012	2.75%	1.50%	0.35%	4.00%	8.60%
2013	2.75%	1.50%	0.35%	4.00%	8.60%
2014	2.75%	1.50%	0.35%	4.00%	8.60%
2015	2.75%	1.50%	0.35%	4.00%	8.60%
2016	2.75%	1.50%	0.35%	5.00%	9.60%
2017	2.75%	1.50%	0.35%	5.00%	9.60%
2018	2.75%	1.50%	0.35%	4.45%	9.05%
2019	2.75%	1.50%	0.35%	4.45%	9.05%
2020	2.75%	1.50%	0.35%	4.45%	9.05%
2021	2.75%	1.50%	0.35%	4.45%	9.05%

Source: Caddo-Shreveport Sales and Use Tax Commission

Note: The City's sales tax rate may be changed with voter approval.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
SALES TAX REVENUE PAYERS BY INDUSTRY  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
	<u>Tax</u>									
	<u>Liability</u>									
Retail trade	\$ 73,575,215	\$ 74,537,809	\$ 75,233,688	\$ 75,300,541	\$ 72,683,366	\$ 73,104,925	\$ 74,992,690	\$ 76,025,834	\$ 79,988,018	\$ 91,140,577
Services	17,706,280	16,830,868	18,742,751	20,132,251	20,631,495	21,246,848	20,917,452	22,132,742	22,952,033	25,511,709
Wholesale Trade	16,685,163	16,874,399	18,833,822	17,908,432	17,506,165	18,117,127	18,644,009	18,459,852	17,045,047	17,045,047
Transportation, communications, electric, and gas	1,309,172	1,504,851	1,973,396	1,903,462	2,161,957	2,129,681	2,104,788	1,830,512	2,045,075	2,045,075
Manufacturing	1,316,033	1,125,528	925,950	807,423	1,061,578	1,017,228	1,108,829	1,016,649	2,036,584	2,036,584
Other	1,150,457	807,415	794,909	819,597	769,331	615,528	741,960	731,933	1,167,032	1,167,032
Construction	1,121,224	1,024,641	883,028	1,071,438	976,543	892,378	917,644	916,644	973,383	973,383
Mining	564,954	1,317,105	2,165,834	1,055,407	257,835	2,049,149	4,589,914	3,381,911	791,650	791,650
Finance, insurance, and real estate	180,264	117,435	109,475	94,506	102,659	127,923	137,851	150,294	139,385	139,385
Agricultural	20,505	23,713	24,720	19,944	25,059	27,902	17,759	17,217	54,514	54,514
Government	40,549	32,498	45,547	44,158	49,818	58,977	53,089	59,403	22,226	22,226
<b>Total</b>	<b><u>\$ 113,669,818</u></b>	<b><u>\$ 114,196,262</u></b>	<b><u>\$ 119,733,120</u></b>	<b><u>\$ 119,157,159</u></b>	<b><u>\$ 116,225,807</u></b>	<b><u>\$ 119,387,666</u></b>	<b><u>\$ 124,225,984</u></b>	<b><u>\$ 124,722,991</u></b>	<b><u>\$ 127,214,947</u></b>	<b><u>\$ 140,927,182</u></b>

Source: Caddo-Shreveport Sales and Use Tax Commission

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. The amounts shown are gross collections prior to refunds and collections of amounts due from prior years. The amounts reported in the financial statements are net collections.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS  
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)**

Year	Governmental Activities				Business-type Activities						Total Primary Government	Percentage of Personal Income	City Per Capita
	General Obligation Bonds	Certificates of Indebtedness	Loans and Notes	Capital Leases	Municipal and Regional Airports Loan	Water and Sewerage Revenue Bonds	Water and Sewerage Loan	Convention Center Hotel Loan	Capital Leases				
2012	173,986	9,072	27,429	12,313	35,029	130,924	50,000	38,714	1,427	478,894	4.2	2,403	
2013	159,524	7,534	28,170	8,155	34,750	119,312	48,855	41,350	2,945	450,595	4.0	2,232	
2014	251,448	5,718	27,072	5,747	33,370	192,117	48,185	40,696	2,324	606,677	5.5	3,028	
2015	229,365	3,848	25,918	3,296	34,920	315,994	46,671	39,985	1,694	701,691	5.7	3,521	
2016	208,237	1,924	23,240	9,543	34,920	467,187	-	39,038	1,055	785,144	6.6	3,981	
2017	189,576	1,567	23,021	6,468	32,990	561,347	-	38,033	409	853,411	7.8	4,328	
2018	169,584	1,200	21,268	4,856	30,590	656,321	-	36,814	-	920,633	7.8	4,668	
2019	151,408	825	19,469	3,215	27,945	763,010	-	35,637	-	1,001,509	N/A	5,352	
2020	142,610	415	17,590	1,389	25,135	790,297	-	34,297	-	1,011,733	N/A	5,393	
2021	133,467	-	21,241	7,462	23,345	771,020	-	31,853	4,700	993,088	N/A	5,294	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

N/A Statistical information is not available.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS  
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)**

<u>Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>City Per Capita</u>
2012	\$ 173,896	\$ 40,556	\$ 133,340	1.02	670
2013	159,524	46,089	113,435	0.85	562
2014	251,448	56,080	195,368	1.46	975
2015	229,365	54,992	174,373	1.28	875
2016	208,237	51,264	156,973	1.15	796
2017	189,576	50,717	138,859	1.01	704
2018	169,584	50,366	119,218	0.86	621
2019	151,408	50,006	101,402	0.72	542
2020	142,610	49,531	93,079	0.66	496
2021	133,467	48,309	85,158	0.59	463

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
See the Schedule of Assessed and Actual Value of Taxable Property for property value data.  
See the Schedule of Demographics and Economic Statistics for population data.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021  
(DOLLARS IN THOUSANDS)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 29,438	70.8%	\$ 20,842
Caddo Parish School Board	\$ 96,835	70.8%	<u>68,559</u>
Subtotal, Overlapping Debt			89,401
City direct debt			<u>162,170</u>
Total direct and overlapping debt			<u>\$ 251,571</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Caddo Parish Tax Assessor.

Debt outstanding data is provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident-- and therefore responsible for repaying the debt--of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Commission and School Board's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS  
(DOLLARS IN THOUSANDS)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 513,849	\$ 521,627	\$ 526,090	\$ 534,626	\$ 533,421	\$ 537,812	\$ 542,868	\$ 552,209	\$ 551,902	\$ 556,526
Total debt applicable to limit	<u>166,400</u>	<u>149,560</u>	<u>228,255</u>	<u>207,210</u>	<u>188,035</u>	<u>167,865</u>	<u>150,285</u>	<u>133,965</u>	<u>126,795</u>	<u>119,280</u>
Legal debt margin	<u>\$ 347,449</u>	<u>\$ 372,067</u>	<u>\$ 297,835</u>	<u>\$ 327,416</u>	<u>\$ 345,386</u>	<u>\$ 369,947</u>	<u>\$ 392,583</u>	<u>\$ 418,244</u>	<u>\$ 425,107</u>	<u>\$ 437,246</u>
Total debt applicable to the limit as a percentage of debt limit	32.38%	28.67%	43.39%	38.76%	35.25%	31.21%	27.68%	24.26%	22.97%	21.43%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$1,590,073,070
Debt limit (35% of total assessed value)	556,525,575
Debt applicable to limit:	
General obligation bonds	<u>119,280,000</u>
Legal debt margin	<u>\$ 437,245,575</u>

State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuations.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
WATER AND SEWERAGE  
PLEDGED REVENUE COVERAGE  
LAST TEN YEARS**

Year	Gross Revenues <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Available Revenue	Debt Service			Coverage
				Principal <sup>(3)</sup>	Interest <sup>(3)</sup>	Total	
2012	58,605,356	33,897,265	24,708,091	8,132,678	2,535,244	10,667,922	2.32
2013	67,751,942	36,405,157	31,346,785	8,110,966	2,219,129	10,330,095	3.03
2014	74,765,989	37,702,211	37,063,778	7,822,370	2,027,947	9,850,317	3.76
2015	77,688,814	50,706,720	26,982,094	9,410,400	10,080,793	19,491,193	1.38
2016	84,380,817	43,857,841	40,522,976	17,983,427	11,618,895	29,602,322	1.37
2017	88,626,798	44,808,251	43,818,547	10,079,400	20,732,091	30,811,491	1.42
2018	94,613,394	46,834,011	47,779,383	14,789,400	25,632,115	40,421,515	1.18
2019	99,309,011	40,260,437	59,048,574	13,669,400	29,441,771	43,111,171	1.37
2020	94,734,163	47,281,747	47,452,416	4,576,301	29,191,539	33,767,840	1.41
2021	100,131,408	48,120,872	52,010,536	16,318,400	31,236,322	47,554,722	1.09

(1) Includes operating revenues, interest income, changes in fair value of investments and intergovernmental revenues.

(2) Before depreciation and amortization expenses and after transfers out.

(3) Debt service principal and interest is composed of Senior Lien Bonds only for years 2012 - 2016

Debt service principal and interest is composed of Senior Lien and Junior Lien Bonds for years 2017-2021

Unaudited - see accompanying independent auditors' report.

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**CITY OF SHREVEPORT, LOUISIANA  
MUNICIPAL AND REGIONAL AIRPORTS  
PLEDGED REVENUE COVERAGE  
LAST TEN YEARS**

Year	Gross Revenues <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Available Revenue	Unrestricted Operating Reserve <sup>(5)</sup>	Net Resources Available For Debt Service	Debt Service (3 & 4)			Coverage
						Principal	Interest	Total	
2012	10,411,803	7,727,100	2,684,703	4,010,200	6,694,903	385,000	2,003,708	2,388,708	2.80
2013	10,854,430	7,949,169	2,905,261	5,113,545	8,018,806	405,000	1,973,174	2,378,174	3.37
2014	11,218,738	8,043,517	3,175,221	6,945,100	10,120,321	504,117	2,145,103	2,649,220	3.82
2015	10,394,962	8,325,336	2,069,626	6,401,000	8,470,626	493,360	2,294,400	2,787,760	3.04
2016	10,823,691	5,625,389	5,198,302	3,609,626	8,807,928	-	1,865,556	1,865,556	4.72
2017	11,474,774	6,836,855	4,637,919	8,455,360	13,093,279	1,970,000	1,314,765	3,284,765	3.99
2018	11,359,320	3,864,286	7,495,034	6,143,002	13,638,036	2,400,000	1,752,468	4,152,468	3.28
2019	12,518,500	9,491,631	3,026,869	6,469,186	9,496,055	2,645,000	1,219,530	3,864,530	2.46
2020	10,631,029	8,168,398	2,462,631	5,516,168	7,978,799	2,810,000	1,661,502	4,471,502	1.78
2021	11,554,886	6,858,078	4,696,808	5,164,538	9,861,346	1,790,000	685,492	2,475,492	3.98

(1) Includes operating revenues, interest income, intergovernmental revenues, net fair value adjustment of investments, transfers in and excludes gain on disposal of capital assets, passenger facility charges and associated PFC debt up to the amount of the charges.

(2) Before depreciation and amortization expenses but including transfers out.

(3) Excludes passenger facility charges and associated PFC debt up to the amount of the charges.

(4) Reflects current year debt service expenses.

(6) Beginning in 2019, the Unrestricted Operating Reserve was used in the calculation of the Rate Covenant Requirement for the debt service coverage computation. Years prior to 2019 were recalculated to reflect this change to include current year's net revenues as well as the Unrestricted Operating Reserve at Year-Ending. Beginning in 2012, Restricted appropriation for Debt Service Coverage Operating Reserve was also used in the computation.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS**

<u>Year</u>	<u>City Population</u>	<u>Caddo Parish Population</u>	<u>Caddo Parish Personal Income (in thousands)</u>	<u>Caddo Parish Per Capita Personal Income</u>	<u>City Unemployment Rate</u>
2012	199,259	257,093	11,351,511	44,153	6.0
2013	201,867	254,887	11,336,821	44,478	5.2
2014	200,327	252,603	11,091,583	43,909	7.1
2015	199,311	251,460	12,341,720	49,080	5.5
2016	197,204	248,851	11,941,648	47,987	5.7
2017	194,920	246,581	10,988,905	44,565	4.3
2018	192,036	241,173	11,760,644	48,413	4.7
2019	187,112	242,922	12,175,854	50,690	4.7
2020	187,593	237,848	13,072,573	55,047	7.1
2021	184,021	234,408	N/A	NA	4.9

Sources: City population provided by the U.S. Census Bureau for census years and estimates for other years. Population and personal income for Caddo Parish (which the City resides in) provided by the Bureau of Economic Analysis. City unemployment rate provided by Louisiana Workforce Commission.

N/A Statistical information is not available.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
PRINCIPAL EMPLOYERS  
SHREVEPORT-BOSSIER METROPOLITAN AREA  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2021			2012		
	Employees	Rank	% of Area Employment	Employees	Rank	% of Area Employment
Barksdale Air Force Base	14,500	1	8.68%	10,284	2	5.60%
Caddo Parish School Board	9,416	2	5.64%	6,101	3	3.32%
Willis Knighton Health System	6,732	3	4.03%	6,145	5	3.34%
Bossier Parish School Board	3,000	4	1.80%	2,926	6	1.59%
Oschner LSU Health Shreveport *	2,763	5	1.65%	6,200	4	3.37%
City of Shreveport	2,600	6	1.56%	2,752	7	1.50%
Harrah's/Horseshoe	2,532	7	1.52%	1,800	8	1.00%
State of Louisiana	2,380	8	1.43%	12,226	1	6.65%
Christus Schumpert Health System	1,800	9	1.08%	1,800	9	0.97%
Teleperformance**	1,623	10	0.97%	1,585	10	0.86%
<b>Total</b>	<b>47,346</b>		<b>28.35%</b>	<b>51,819</b>		<b>28.20%</b>

Source: City of Shreveport Annual Budget Book

Unaudited - see accompanying independent auditors' report.

\* Previously LSU Health Sciences Center - Shreveport

**CITY OF SHREVEPORT, LOUISIANA  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	274	275	274	281	278	276	684	480	333	333
Public safety	1,404	1,377	1,385	1,408	1,415	1,412	1,413	1,406	1,383	1,327
Public works	389	398	397	403	403	403	-	-	199	182
Culture and recreation	253	259	255	256	263	229	229	237	229	212
Health and welfare	2	2	2	2	2	1	-	-	-	-
Community development	9	9	9	9	11	11	9	10	10	11
Economic development	11	10	10	7	7	8	7	11	12	11
Economic opportunity	35	26	23	23	23	23	22	25	23	18
Municipal and Regional Airports	68	75	76	81	66	77	79	87	87	75
Water and Sewerage	284	284	323	326	327	327	327	323	323	334
Solid Waste <sup>(2)</sup>	-	-	-	-	-	-	-	135	141	141
Convention Center <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	-
Convention Center Hotel <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	-
Shreveport Area Transit System <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	-
Golf	23	14	18	18	19	22	22	20	20	18
Downtown Parking <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,752</b>	<b>2,729</b>	<b>2,772</b>	<b>2,814</b>	<b>2,814</b>	<b>2,789</b>	<b>2,792</b>	<b>2,734</b>	<b>2,760</b>	<b>2,662</b>

(1) Managed through contracts operated by non-City employees.

(2) Enterprise Fund established by Council in 2019

Unaudited - see accompanying independent auditors' report.

Source: City of Shreveport 2021 Annual Operating Budget

**CITY OF SHREVEPORT, LOUISIANA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Function/Program</b>										
<b>General government</b>										
Property standards										
inspections made	32,000	50,000	50,000	65,600	40,000	48,000	51,000	45,000	54,000	50,000
Lots cut	10,000	15,000	14,500	18,500	14,000	14,500	17,000	11,800	14,000	14,000
<b>Public safety</b>										
Prisoners booked in City jail	16,856	15,000	13,419	13,858	10,802	10,000	11,000	8,000	10,000	8,800
Offense reports processed	30,310	35,500	27,822	28,315	28,000	30,000	30,500	28,261	29,000	27,500
Traffic citations issued	58,934	59,044	50,926	37,087	32,652	30,708	32,500	30,954	31,500	35,000
Fires reported	1,330	1,050	1,200	1,210	1,258	1,200	1,100	1,120	1,050	1,300
Fire responses	38,000	37,000	38,500	39,000	42,000	42,000	42,500	44,500	44,750	45,000
Fire inspections	9,960	18,398	16,054	16,430	14,280	7,959	9,500	2,704	5,500	3,500
EMS responses	30,250	30,300	30,300	31,600	32,800	34,000	33,000	36,000	38,000	38,000
<b>Public works</b>										
Refuse collected (tons)	135,600	119,450	92,000	92,000	92,000	92,000	96,000	84,000	96,000	96,000
Building permits issued	2,764	1,950	2,796	2,140	2,548	2,548	2,732	2,984	3,500	1,296
Asphalt repairs	2,453	2,300	2,400	2,500	2,500	2,500	2,500	2,275	2,820	2,820
Street resurfacing (miles)	10	10	15	15	17	17	19	17	21	21
<b>Culture and recreation</b>										
Events at all facilities	240	531	579	967	966	986	931	925	563	543
Acres of City parks maintained	2,900	2,900	2,900	2,900	2,900	2,565	2,565	2,658	2,658	2,658
Participants in team sports	9,400	9,400	9,400	9,090	9,000	9,000	10,000	9,000	9,000	9,200
Program participants	40,250	40,500	40,500	44,400	42,555	45,974	47,637	48,713	49,612	51,092
<b>Community development</b>										
Programs funded	41	43	39	43	34	33	33	29	34	34
<b>Economic development</b>										
Housing units assisted	95	103	151	111	110	145	152	137	81	80
Small business loans	3	2	1	-	-	-	-	-	-	-
<b>Economic opportunity</b>										
Participants served	32,000	28,778	28,600	19,950	20,200	20,400	21,000	18,550	19,500	15,000
<b>Municipal and Regional Airports</b>										
Capital projects managed	16	26	11	20	18	18	21	21	31	31
Contracts/leases monitored	395	395	395	395	395	395	395	405	464	464
<b>Water and Sewerage</b>										
Water treated and pumped per day (MGD)	37	37	37	37	37	33	30	30	36	36
Wastewater treated per day (MGD)	37	37	37	37	36	24	37	28	27	27
Water mains (miles)	1,144	1,150	1,152	1,152	1,153	1,162	1,163	1,162	1,163	1,163
Sewer mains (miles)	1,093	1,105	1,106	1,106	1,107	1,113	1,114	1,113	1,114	1,114
Fire hydrants	7,084	7,084	7,100	7,111	7,115	7,885	7,890	7,885	7,890	7,890
<b>Shreveport Area Transit System</b>										
Passenger trips (thousands)	3,400	3,400	3,100	3,163	2,758	2,666	3,067	2,625	2,725	1,695
<b>Golf</b>										
Golf rounds played	36,109	28,811	47,170	37,700	28,790	29,800	32,800	32,830	34,800	32,000
<b>Downtown Parking</b>										
Citations issued	22,000	26,600	20,000	16,839	18,000	18,000	19,000	18,000	18,000	18,000

Source: City of Shreveport Annual Budget Book

Note - No indicators are available for Health and Welfare or the Convention Center Hotel.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Functions:</b>					
<b>Public Safety</b>					
<b>Police:</b>					
Station	1	1	1	1	1
Patrol Units	321	296	297	302	309
Fire Stations	22	22	22	22	22
Police and fire academy facility	1	1	1	1	1
City courts facility	1	1	1	1	1
<b>Public Works:</b>					
Collection Trucks	68	68	68	67	82
Streets (miles)	3,326	3,326	3,326	2,700	2,730
Street lights	30,100	30,100	30,100	30,102	30,102
Traffic signals	351	353	353	347	347
<b>Culture and recreation</b>					
Parks acreage	1,773	1,773	1,773	1,773	1,773
Number of playgrounds	45	45	45	45	45
Number of picnic areas	44	44	44	44	44
Swimming pools	8	8	8	8	5
Tennis courts	29	29	29	29	29
Community centers	17	17	17	17	17
Baseball park	1	2	2	2	2
Multipurpose stadium	1	1	1	1	1
Auditorium	1	1	1	1	1
Theater	1	1	1	1	1
Coliseum	1	1	1	1	1
Convention center	1	1	1	1	1
Softball and soccer complex	1	1	1	1	1
Stage works movie facility	1	1	1	1	1
Planetariums	1	1	1	1	1
<b>Hotel</b>					
Number of Hotels	1	1	1	1	1
<b>Municipal and Regional Airports:</b>					
Number of airports	2	2	2	2	2
<b>Water and Sewerage:</b>					
Number of water accounts	69,500	69,500	69,500	65,543	65,965
Water mains (miles)	1,144	1,150	1,150	1,170	1,163
Fire Hydrants	7,084	7,084	7,100	7,120	7,885
Maximum daily capacity (thousands of gallons)	90,000	90,000	90,000	90,000	90,000
Number of water storage tanks	10	11	11	11	11
Capacity of water storage tanks	35,500,000	35,500,000	35,500,000	35,500,000	37,000,000
Number of sewerage accounts	65,365	65,786	66,000	64,700	64,730
Sanitary sewers (miles)	1,092	1,105	1,103	1,130	1,114
Storm sewers (miles)	233	233	233	233	269
Maximum daily treatment capacity (thousands of gallons)	100,000	100,000	100,000	100,000	90,000
<b>Golf:</b>					
Number of municipal golf courses	3	3	3	3	3
<b>Shreveport Area Transit System:</b>					
Number of transit buses	55	52	47	49	53
Number of transit liftline vehicles	15	18	21	20	20

Sources: Various City departments.

Note - No capital asset indicators are available for general government, health and welfare, community development, economic development, economic opportunity, convention center hotel, and downtown parking.

(1) Three tanks retired from Capital Asset Records

(2) Amiss Water Treatment Plant improvements

N/A - Statistical information is not available.

Unaudited - see accompanying independent auditors' report.





# SHREVEPORT

*Louisiana*



**CITY OF SHREVEPORT**

Shreveport, Louisiana

**Single Audit Report**

December 31, 2021

(With Independent Auditors' Reports Thereon)



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

The Honorable Adrian D. Perkins, Mayor  
Members of the City Council  
City of Shreveport  
Shreveport, Louisiana

We have audited, in accordance with the 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, 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 2, 2022. Our report includes reference to other auditors who audited the financial statements of Downtown Development Authority, City of Shreveport City Court, and Charlie Caldwell, Jr. City Marshal, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of

the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002 and 2021-007 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-003 and 2021-004 to be a significant deficiencies.

### **Report on Compliance and Other Matters**

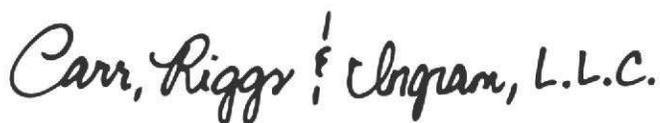
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2021-005 and 2021-006.

### **The City's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
August 2, 2022



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**Independent Auditors' Report on Compliance for  
Each Major Program and on Internal  
Control Over Compliance Required by the Uniform Guidance**

The Honorable Adrian D. Perkins, Mayor  
Members of the City Council  
City of Shreveport  
Shreveport, Louisiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Shreveport ("City")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

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 audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated August 2, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana

August 2, 2022

**City of Shreveport**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

CITY OF SHREVEPORT, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE PERIOD ENDED DECEMBER 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Federal Expenditures			
			Direct	Pass-Through (Indirect)	Passed to Subrecipients	Total
<b>U. S. DEPARTMENT OF COMMERCE</b>						
<u>Direct</u>						
Economic Adjustment Assistance						
Economic Development Administration	11.307	N/A	\$ 13,504	\$ -	\$ -	\$ 13,504
<b>Total U.S DEPARTMENT OF COMMERCE</b>			<b>13,504</b>	<b>-</b>	<b>-</b>	<b>13,504</b>
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>						
<b>Federal Transit Administration (FTA)</b>						
<u>Direct</u>						
Federal Transit Cluster						
Federal Transit - Capital Investment Grants	20.500	LA-95-X011	7,920	-	-	7,920
Total Federal Transit - Capital Investment Grants			7,920	-	-	7,920
Federal Transit - Formula Grants	20.507	LA-2018-018	797	-	-	797
Federal Transit - Formula Grants	20.507	LA-2019-026	329	-	-	329
Federal Transit - Formula Grants	20.507	LA-90-0407	8,450	-	-	8,450
Federal Transit - Formula Grants	20.507	LA-2020-029	233,108	-	-	233,108
Federal Transit - Formula Grants	20.507	LA-2021-037	2,232,000	-	-	2,232,000
Total Federal Transit - Formula Grants			2,474,684	-	-	2,474,684
COVID-19 Federal Transit - Formula Grants	20.507	LA-2020-005	4,573,615	-	-	4,573,615
Total Covid			4,573,615	-	-	4,573,615
Total Federal Transit Cluster			7,056,219	-	-	7,056,219
<b>Total Federal Transit Administration (FTA)</b>			<b>7,056,219</b>	<b>-</b>	<b>-</b>	<b>7,056,219</b>
<b>Federal Aviation Administration (FAA)</b>						
<u>Direct</u>						
COVID 19 - Airport Improvement Program	20.106	3-22-0048-071	749,430	-	-	749,430
COVID 19 - Airport Improvement Program	20.106	3-22-0048-073	2,248,292	-	-	2,248,292
Airport Improvement Program						
Airport Improvement Program	20.106	03-22-0047-28	1,029,429	-	-	1,029,429
Airport Improvement Program	20.106	03-22-0047-032	103,226	-	-	103,226
Airport Improvement Program	20.106	03-22-0048 -65	53,904	-	-	53,904
Airport Improvement Program	20.106	03-22-0048-68	1,389	-	-	1,389
Airport Improvement Program	20.106	03-22-0048-69	99,431	-	-	99,431
Airport Improvement Program	20.106	03-22-0048-70	75,690	-	-	75,690
Airport Improvement Program	20.106	03-22-0048-72	185,756	-	-	185,756
Total Airport Improvement Program			1,548,825	-	-	1,548,825
<b>Total Federal Aviation Administration (FAA)</b>			<b>4,546,547</b>	<b>-</b>	<b>-</b>	<b>4,546,547</b>
<b>National Highway Traffic Safety Administration (NHTSA)</b>						
<u>Pass-Through Programs</u>						
Louisiana Highway Safety Commission						
State and Community Highway Safety Cluster						
State and Community Highway Safety	20.600	2021-30-48	-	40,527	-	40,527
Total State and Community Highway Safety Cluster			-	40,527	-	40,527
Total Louisiana Highway Safety Commission			-	40,527	-	40,527
<b>Total National Highway Traffic Safety Administration (NHTSA)</b>			<b>-</b>	<b>40,527</b>	<b>-</b>	<b>40,527</b>
<b>Total U. S. DEPARTMENT OF TRANSPORTATION</b>			<b>11,602,766</b>	<b>40,527</b>	<b>-</b>	<b>11,643,293</b>
<b>U. S. ENVIRONMENTAL PROTECTION AGENCY</b>						
<b>Office of Solid Waste and Emergency Response</b>						
<u>Pass-Through Programs</u>						
LDEQ Brownfields State Response Program	66.817	RP-00F90801	-	99,351	-	99,351
Total LDEQ Brownfields State Response Program			-	99,351	-	99,351
<b>Total Louisiana Department of Environmental Quality</b>			<b>-</b>	<b>99,351</b>	<b>-</b>	<b>99,351</b>
<b>Total U. S. ENVIRONMENTAL PROTECTION AGENCY</b>			<b>-</b>	<b>99,351</b>	<b>-</b>	<b>99,351</b>

See accompanying notes to the Schedule of Expenditures of Federal Awards

(continued)

**City of Shreveport**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

**CITY OF SHREVEPORT, LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2021**

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Federal Expenditures			Total
			Direct	Pass-Through (Indirect)	Passed to Subrecipients	
(continued)						
<b>U. S. DEPARTMENT OF LABOR</b>						
COVID 19 - WIA Dislocated Workers Grant/WIA National Emergency Grants	17.277	N/A	-	135,498	-	135,498
WIA/WIOA Adult Program	17.258	N/A	-	761,689	101,856	863,545
WIA/WIOA Youth Activities	17.259	N/A	-	491,410	200,040	691,450
WIA Dislocated Workers	17.278	N/A	-	358,368	143,220	501,588
Total WIA/WIOA Cluster			-	1,611,467	445,116	2,056,583
Total Louisiana Workforce Commission			-	1,746,965	445,116	2,192,081
<b>Total U. S. DEPARTMENT OF LABOR</b>			-	1,746,965	445,116	2,192,081
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						
<b>Office of Community Planning and Development</b>						
<u>Direct</u>						
COVID 19 - Community Development Block Grant Coronavirus	14.218	B-20-MW-22-0007	85,508	-	379,228	464,736
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-22-0007	1,175,992	-	-	1,175,992
			1,261,500	-	379,228	1,640,728
COVID 19 - Emergency Solutions Grant Program Coronavirus	14.231	E-20-MW-22-0007	20,403	-	575,759	596,162
COVID 19 - Emergency Solutions Grant Program Coronavirus	14.231	E-20-MW-22-0007	114,331	-	12,865	127,196
Emergency Solutions Grant Program	14.231	E-20-MC-22-0007	-	-	29,896	29,896
Emergency Solutions Grant Program	14.231	E-21-MC-22-0007	-	-	123,241	123,241
			134,734	-	741,761	876,495
Home Investment Partnerships Program	14.239	M-19-MC-22-0200	191,065	-	-	191,065
Choice Neighborhoods Implementation Grants	14.889	LA6H526CNG117	178,225	-	6,457,727	6,635,952
<b>Total Office of Community Planning and Development</b>			1,765,524	-	7,578,716	9,344,240
<u>Pass-Through Programs</u>						
Louisiana Housing Corporation						
Emergency Solutions Grant Program	14.231	N/A	-	-	12,163	12,163
Total Louisiana Housing Corporation			-	-	12,163	12,163
<b>Total U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			1,765,524	-	7,590,879	9,356,403
<b>U. S. Department of the Interior</b>						
<u>Direct</u>						
Historic Preservation Fund Grants-In-Aid	15.904	P18AP00154-04	21,518	-	-	21,518
<b>Total U.S. DEPARTMENT OF THE INTERIOR</b>			21,518	-	-	21,518
<b>U. S. DEPARTMENT OF JUSTICE</b>						
<u>Direct</u>						
COVID 19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0538	30,284	-	-	30,284
Safe Streets	16.166	N/A	36,787	-	-	36,787
Byrne Criminal Justice Innovation Program	16.817	2016-AJ-BX-0004	164,123	-	-	164,123
Project Safe Neighborhoods	16.609	2018-GP-BX-0011	5,506	-	23,642	29,148
Project Safe Neighborhoods	16.609	2019-GP-BX-0092	2,068	-	-	2,068
Project Safe Neighborhoods	16.609	2020-GP-BX-0084	6,300	-	-	6,300
			13,874	-	23,642	37,516
Crimes Against Children Task Force 2020	16.800	N/A	23,446	-	-	23,446
Crimes Against Children Task Force 2021	16.800	N/A	4,368	-	-	4,368
			27,814	-	-	27,814
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0771	16,700	-	-	16,700
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0488	14,892	-	-	14,892
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0668	59,818	-	55,784	115,602
			91,410	-	55,784	147,194
A.F.I.S.2020	16.Unknown	HQ-1-365	142,800	-	-	142,800
A.F.I.S.2021	16.Unknown	HQ-1-507	231,775	-	-	231,775
Federal ATF Grant	16.Unknown	MOA	36,255	-	-	36,255
Organized Crime Enforcement Task Force	16.Unknown	SE-LAW-0162/SE-LAW-0178	2,659	-	-	2,659
U S Marshals	16.Unknown	N/A	8,968	-	-	8,968
<u>Pass-Through Programs</u>						
Louisiana Commission on Law Enforcement						
Violence Against Women Formula Grants	16.588	2020-WF-01-5897	-	4,200	-	4,200
Multi-Jurisdictional Task Force 2019	16.738	2019-DJ-01-6045	-	42,368	16,534	58,902
Total Louisiana Commission on Law Enforcement			-	46,568	16,534	63,102
<b>Total U. S. DEPARTMENT OF JUSTICE</b>			786,749	46,568	95,960	929,277

See accompanying notes to the Schedule of Expenditures of Federal Awards

(continued)

**City of Shreveport**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

CITY OF SHREVEPORT, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE PERIOD ENDED DECEMBER 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Federal Expenditures			Total
			Direct	Pass-Through (Indirect)	Passed to Subrecipients	
(continued)						
<b>U. S. DEPARTMENT OF THE TREASURY</b>						
<u>Direct</u>						
Coronavirus State & Local Fiscal Recovery Fund COVID 19 - Coronavirus State & Local Fiscal Recovery Fund	21.027	N/A	2,171,921	-	-	2,171,921
<b>Total U.S DEPARTMENT OF THE TREASURY</b>			<b>2,171,921</b>	<b>-</b>	<b>-</b>	<b>2,171,921</b>
<b>U. S. DEPARTMENT OF HOMELAND SECURITY</b>						
<u>Direct</u>						
<b>Federal Emergency Management Assistance (FEMA)</b> Staffing for Adequate Fire and Emergency Response Grant	97.083	EMW-2019-FF-01399	819,525	-	-	819,525
<u>Pass-Through Programs</u>						
Louisiana Governor's Office of Homeland Security and Emergency Preparedness Hazmat Mitigation Grant Program	97.039	FEMA-4263-DR-LA	-	12,167	-	12,167
<b>Total Federal Emergency Management Assistance (FEMA)</b>			<b>819,525</b>	<b>12,167</b>	<b>-</b>	<b>831,692</b>
<b>Transportation Security Administration (TSA)</b> Law Enforcement Officer Reimbursement Agreement Program	97.090	70T02021T6114N276	111,974	-	-	111,974
<b>Total Transportation Security Administration (TSA)</b>			<b>111,974</b>	<b>-</b>	<b>-</b>	<b>111,974</b>
<b>Total U. S. DEPARTMENT OF HOMELAND SECURITY</b>			<b>931,499</b>	<b>12,167</b>	<b>-</b>	<b>943,666</b>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>						
<u>Direct</u>						
High Intensity Drug Trafficking Areas Program	95.001	N/A	24,141	-	-	24,141
<b>Total EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b>24,141</b>	<b>-</b>	<b>-</b>	<b>24,141</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 17,317,622</b>	<b>\$ 1,945,578</b>	<b>\$ 8,131,955</b>	<b>\$ 27,395,155</b>

See accompanying notes to the Schedule of Expenditures of Federal Awards

(concluded)

**City of Shreveport**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

**NOTE 1 GENERAL**

The accompanying Schedule of Expenditures of Federal Awards (“the Schedule”) presents the activity of the federal awards of the City of Shreveport, Louisiana (the “City”). The City’s reporting entity is defined in Note 1 to the City’s financial statements for the year ended December 31, 2021. All federal awards received from federal agencies are included on the Schedule.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the same basis of accounting, which is described in Note 1 to the City’s financial statements for the year ended December 31, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The City did not elect to use the 10 percent (10%) de minimis indirect cost rate.

**NOTE 3 PROGRAM COSTS**

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the City’s portion, exceed what is presented. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 4 MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**NOTE 5 LOANS AND LOAN GUARANTEES**

The Office of Community Planning and Development has issued a compliance supplement regarding the programs for the Community Development Block Grant (ALN 14.218). For subrecipients of these loans in years after the subrecipient has expended loan proceeds and completed construction, and the subrecipient’s only ongoing financial activity of the program is the payment of principal and interest on outstanding balances, the prior loan balances at the subrecipient level are not considered to have continuing compliance requirements. The City had loans outstanding under Federal loan or loan guarantee award programs of \$273,000 at December 31, 2021.

**City of Shreveport**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the year ended December 31, 2021**

**NOTE 6 SUBSEQUENT EVENTS**

The City is required to evaluate events or transactions that may occur after the Schedule of Expenditures of Federal Awards' date for potential recognition or disclosure in the notes to the Schedule of Expenditures of Federal Awards. The City performed such an evaluation through August 2, 2022, the date which the schedule of expenditures of federal awards was available to be issued, and noted no events or transactions that occurred after the Schedule of Expenditures of Federal Awards' date requiring recognition or disclosure.

**NOTE 7 NONCASH AWARDS**

No noncash awards were received for the year ended December 31, 2021.

**NOTE 8 PROGRAM INCOME**

Expenditures reported include income received by the grantee, directly generated by grant-supported activity and includes the following programs:

Program	ALN Number	Amount
Community Development Block Grants/Entitlement Grants	14.218	\$ 104,230
Home Investment Partnerships Program	14.239	89,871
Total Program Income		<u>\$ 194,101</u>

**I. SUMMARY OF AUDITORS' RESULTS**

**A. Primary Government Financial Statement Audit**

1. Type of Auditors' report issued on the basic financial statements: **Unmodified**
2. Internal control over financial reporting:
  - Material weaknesses identified? **YES**
  - Significant deficiencies identified? **YES**
3. Noncompliance material to the basic financial statements noted? **No**

**B. Audit of Federal Awards**

1. Type of Auditors' report issued on compliance for major programs: **Unmodified**
2. Internal control over major programs:
  - Material weaknesses identified? **No**
  - Significant deficiencies identified? **None reported**
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a), Uniform Guidance? **No**
4. Identification of major programs:

<u>ALN Number</u>	<u>Name of federal program or cluster</u>
14.218	Community Development Block Grants/Entitlement Grants
14.231	Emergency Solutions Grant Program
14.889	Choice Neighborhoods Implementation Grants
17.258, 17.259, 17.278	WIA/WIOA Cluster
20.500, 20.507	Federal Transit Cluster - Formula Grants
20.106	Airport Improvement Program
21.027	Coronavirus State & Local Fiscal Recovery Fund

5. The dollar threshold used to distinguish between Type A and Type B programs: **\$821,855.**
6. Auditee qualified as a low-risk auditee under Section 200.520 of Uniform Guidance: **No**

## II. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS

### 2021-001 Material Weakness – Cash Reconciliation

<b>CONDITION:</b>	The December 31, 2021 Cash reconciliations for the operating, payroll and water & sewer accounts were not reconciled.
<b>CRITERIA:</b>	A cash reconciliation that reconciles the bank balance to the general ledger balance should be prepared to determine that all cash transactions have been recorded properly and to discover bank errors. Timely preparation of complete and accurate bank reconciliations is a key to maintaining adequate control over both cash receipts and disbursements. It is important there are controls over cash to ensure accounts are reconciled to the penny. In preparing the bank reconciliations, all items should be investigated and corrected in that period. Cash accounts should be reconciled on a monthly basis to ensure that errors or other problems are recognized and resolved on a timely basis. It is generally easier and less time-consuming to reconcile accounts while transactions are current.
<b>CAUSE:</b>	Policies and procedures are not in place to ensure that bank reconciliations are timely prepared and accurate.
<b>EFFECT:</b>	Material errors and omissions could go undetected if the cash accounts are not reconciled properly. Unreconciled differences that appear immaterial can obscure significant, but offsetting items (such as bank errors or improperly recorded transactions), that would be a cause for investigation in the items were apparent. If small differences are not reconciled on a monthly basis, over time, they can build up to a significant amount that will be difficult to reconcile.
<b>RECOMMENDATION:</b>	We recommend that all bank accounts be reconciled completely each month prior to the preparation of the monthly financial statements. We recommend all banking activity be recorded in the month occurring. If unknown amounts are deposited, the sources of funds should be investigated in a timely manner. The bank reconciliation package should include the actual reconciliation and copies of the supporting detail of each reconciling item, the bank statement, cleared item listings and justification of proposed correcting entries.

**2021-002 Material Weakness – General Fund Property Standards Accounts Receivable**

**CONDITION:** The City does not have adequate procedures to support and track in the financial records the receivable amounts for the various property standards categories. The City also does not have a way to track and determine whether amounts charge are actually collectible.

**CRITERIA:** The City should have procedures in place to properly maintain, track, and accumulate transactions and balances in the various property standards receivable accounts to support the balances that are reported on their general ledger system.

**CAUSE:** The City has historically had many issues related to these accounts. In 2019, the City converted systems to MGO, and have not been able to adequately obtain accurate reports to support the balances that have continued to be carried in the financial records. The City has never properly addressed this issue or devoted necessary resources to address this issue. The City also does not have adequate procedures to accrue for amounts to be collected.

**EFFECT:** Since the City cannot provide adequate supporting documentation for these balances we will propose an adjustment to the allowance to fully reserve these balances. The City is also not pursuing collections of the balances, the total of these amounts have grown to approximately \$5,500,000 as of December 31, 2021.

**RECOMMENDATION:** We recommend that the City devote adequate resources to find a way to properly track and record activity and perform a detailed review that would allow them to clean up the accounts and write off uncollectible amounts. Going forward, the City should develop a way to properly monitor, track and adjust these accounts.

**2021-003 Significant Deficiency –Personnel Information**

- CONDITION:** We identified three people with incorrect employment dates in personnel files. One person had a hire date in LOGOS that did not match the hire date in their personnel file. Two people did not have a date for status change in LOGOS or personnel file.
- CRITERIA:** Accurate information for personnel must be documented by HR. This includes accurate date of birth, date of death, retirement date, hire date and DROP date.
- CAUSE:** There is no subsequent review of information input into LOGOS.
- EFFECT:** Incorrect information can cause incorrect years of service, and eligibility for retirement.
- RECOMMENDATION:** City HR must keep accurate information for personnel; which includes accurate date of birth, date of death, date of hire, retirement date and DROP date.

**2021-004 Significant Deficiency – Employee Retirement System Incorrect Contribution**

- CONDITION:** We identified six employees who received ERS contributions which were calculated at an incorrect rate.
- CRITERIA:** The City of Shreveport’s Code of Ordinances in Chapter 66, Section 66-64 dictates what the contribution should be for employees as well as employer.
- CAUSE:** In fiscal year 20, when new employees were being added into the system, the contribution amount for the city’s contribution was being “hard coded” as 28% as opposed to letting the system apply the default contribution percent. 28% was the correct percentage for FY 20. In FY 21, the contribution amount was increased to 30% by the city amending the city ordinance code. Because those employees were hard coded, the employer contribution percentage was not increased.
- EFFECT:** Underfunding the pension plan has the potential to affect the longevity of the plan.
- RECOMMENDATION:** We recommend the City no longer “hard codes” employee’s rates when they are added to the system, thereby, all employees will be using the default rate. The default rate is updated as changes to the percentage are made in the ordinance.

**2021-005 - Compliance Finding – Late Filing**

- CONDITION:** The City was not able to submit its 2021 audited financial statements to the Louisiana Legislative Auditor by the required deadline of June 30, 2022.
- CRITERIA:** Louisiana Revised Statute 24:513 requires that the City prepare and submit its annual audited financial statements to the Louisiana Legislative Auditor within six months of the City’s fiscal year end.
- CAUSE:** There were various factors that contributed to the late filing, including personnel changes, and delays in obtaining final adjusted balances for the audit.
- EFFECT:** Noncompliance with Louisiana Revised Statute 24:513.
- RECOMMENDATION:** We recommend the City take necessary steps to ensure future audits will be completed and submitted to the Louisiana Legislative Auditor in a timely manner.

**2021-006 Other Matter – LLA Review**

- CONDITION:** CRI was notified by the Louisiana Legislative Auditor that they are currently performing a limited review of the financial records of the City of Shreveport.
- CRITERIA:** Louisiana Legislative Auditor recommends that the City disclose a statement that the Legislative Auditor is currently performing an investigation, the investigation is not completed as of the date of the audit report and the effect of the investigation on the financial statements is not known.
- CAUSE:** Certain allegations were communicated to the Louisiana Legislative Auditor for investigation.
- EFFECT:** Unknown at this time.
- RECOMMENDATION:** We recommend the City cooperate fully with the Legislative Auditor in their investigation.

**2021-007 Material Weakness – Material Adjustments**

<b>CONDITION:</b>	In the course of our audit procedures, we proposed various material adjusting journal entries for various funds and accounts, including revenue, receivables, deferred revenue, transfers, expenses and capital assets.
<b>CRITERIA:</b>	Controls should be in place to ensure all significant balances are properly analyzed and accurately reported.
<b>CAUSE:</b>	Controls and procedures are not in place to ensure all significant account balances are properly analyzed and accurately reported.
<b>EFFECT:</b>	Various account balances were materially misstated.
<b>RECOMMENDATION:</b>	We recommend the City develop policies and procedures to ensure all significant account balances are properly analyzed and reported.

**III. FEDERAL AWARD FINDINGS AND RESPONSES**

**Current Year Findings and Responses**

NONE



# CITY OF SHREVEPORT

P.O. BOX 31109 SHREVEPORT, LA 71130 • 505 TRAVIS STREET SHREVEPORT, LA 71101  
Website: [www.shreveportla.gov](http://www.shreveportla.gov)

## Summary Schedule of Prior Audit Findings For the Year Ended December 31, 2020

### Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

#### 2020-001 Significant Deficiency - Lack of proper approvals of journal entries

**CONDITION:** During testing of journal entries, we identified that journal entries lack proper approval by a responsible employee

**Status:** Finding was resolved.

#### 2020-002 Material Weakness - Material errors noted in compensated absences report

**CONDITION:** The City maintains a material liability for time earned as compensated absences. The City utilizes reports, including reports prepared manually by the Police and Fire departments that contained material errors. Material adjustments were required to correct the schedules. We also noted a large number of employees had compensated absences balances exceeding the carryover limits per the personnel policy.

**Status:** Finding was resolved.



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## **2020-003 Material Weakness - Bank reconciliations for operating and payroll accounts required significant journal entries to reconcile cash**

**CONDITION:** Bank reconciliations for the operating and payroll accounts required significant journal entries to reconcile, including.

- Journal entry was made between payroll and operating account to get the payroll account reconciliation to balance;
- Journal entry was made to the operating account to miscellaneous revenues in order to get the operating account reconciliation to balance;
- Operating account reconciling items include items that were deposited on the bank statement; however, amounts were never recorded in the general ledger, requiring entries to post;

Material journal entry was made to properly record \$7,214,060 in ad valorem tax payments that were included in a negative cash suspense account instead of properly reducing ad valorem taxes receivable in December 2020.

**Status:** Finding was not resolved. See finding 2021-001.

## **2020-004 Material Weakness - Wire population was not complete and accurate**

**CONDITION:** Each year, millions of dollars are paid to vendors using wire transfers. During testing of controls over wire transfers, we identified multiple instances where the controls were not operating effectively, resulting in wire transfers not recorded or included in the listing that is used to control the population. Therefore, the listing of the wire transfers was not complete and accurate.

**Status:** Finding was resolved.



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## **2020-005 Material Weakness - City failed to transfer employer contributions for health insurance to the Health Care Fund. Various instance of employee contributions not paid in the correct amounts.**

**CONDITION:** The City did not properly pay the employer contributions for health insurance premiums for a significant number of employees, many of whom were under furlough, during the year into the Health Care Fund. We also noted that employee contributions were not paid in the correct amount. Further, health insurance coverage was not canceled for employees whose premiums were not paid.

**Status:** Finding was resolved.

## **2020-006 - Material Weakness - OPEB data related to benefits and insurance elections provided to actuary was not accurate**

**CONDITION:** Underlying Other Post-Employment Benefits (OPEB) census data (benefits and insurance elections) provided to the actuary were not accurate for six of the sixty individuals tested in a sample of the census data provided

**Status:** Finding was resolved.

## **2020-007 Material Weakness - Lack of Controls over the Preparation and Review of the Schedule of Expenditures of Federal Awards**

**CONDITION:** For six years, the Schedule of Expenditures of Federal Awards prepared by the auditee has included inaccurate information, omitted federal awards, misclassified federal awards into the wrong program and did not properly reconcile the federal award expenditures to the underlying accounting records.

**Status:** Finding was resolved.



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## **Corrective Action Plan** **For the Year Ended December 31, 2021**

**Person(s) responsible for corrective actions on all findings, unless noted otherwise in that finding:**

Kasey Brown, Interim Director of Finance  
City of Shreveport  
505 Travis Street, Suite 600  
Shreveport, LA 71101  
Telephone: 318-673-5400

Arlene Adger, Interim Deputy Director  
City of Shreveport  
505 Travis Street, Suite 600  
Shreveport, LA 71101  
Telephone: 318-673-5404

### **Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards***

#### **2021-001 Material Weakness – Cash Reconciliation**

**CONDITION:** Cash reconciliations for the operating, payroll and water & sewer accounts were not reconciled.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** Although Cash reconciliations is a finding, we believe that we are moving in the right direction by separating the Water & Sewer account from the Operating account. As the transition of the Water & Sewer account was made in February of 2021 there were transactions that were still being posting in the Operating account instead of Water & Sewer account, which caused some out of balance issues between the Operating account and Water & Sewer accounts. This problem continued due to the Accountant for Water & Sewer, who reconciled the bank accounts becoming the Interim ACAO, this left no one to reconcile the Water and Sewer account. After a new accountant was put in place, she was unable to find all the out of balance issues between Operating and Water & Sewer. With the awarding of Chase as our new fiscal agent in 2023 we will be implementing daily balancing, which should help catch some of the errors as they occur.

**ANTICIPATED COMPLETION DATE:** Immediately

#### **2021-002 Material Weakness – General Fund Property Standards Accounts Receivable**

**CONDITION:** The City does not have adequate procedures to support and track in the financial records the receivable amounts for the various property standards categories. They also do not have a way to track and determine whether amounts are collectible or not.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** Currently the City is issuing fines for violations of the Property Standards code. If fines are not paid in the allotted time the City would



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then file a property tax lien against the property owner. After the City records a property tax lien against the property owner no further action is taken by the City. So, after the lien is filed against the property owner the only way to collect the fine is for the property to sell at tax sale. The City is currently developing collection efforts that go beyond the filing/recording of a tax lien. We are currently working with Legal and Environmental Court to place additional measures in place to have proper tracking and collection of fines that will lead to higher collectability.

**ANTICIPATED COMPLETION DATE:** Immediately

## **2021-003 Significant Deficiency –Personnel Information**

**CONDITION:**

We identified three people with incorrect employment dates in personnel files. One person had a hire date in LOGOS that did not match the hire date in their personnel file. Two people did not have a date for status change in LOGOS or personnel file.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** The Human Resource Department will implement a procedure that will act as an additional check for enter data correctly in LOGOS. The Human Resource Analyst will verify all information on the Personnel Action Forms after receiving information from the department. The second step will be for the Human Resources Technician will then review the information submitted for final entry into LOGOS. Currently we do not enter DROP date or date of death. We will look at a step to include this additional information.

**ANTICIPATED COMPLETION DATE:** Immediately

## **2021-004 Significant Deficiency – Employee Retirement System Incorrect Contribution**

**CONDITION:**

We identified six employees who had received ERS contributions which were calculated at an incorrect rate.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** The City hired a new Pension Manager in September of 2020, Drucilla Carter. One of the jobs of the pension manager is to setup new hires employer contribution and as new employees were onboarded the Pension Manager was not instructed on the correct procedure in adding employer contributions. After proper training, Pension manager was made aware that there were some that were keying errors but was unable to pinpoint each record that had been affected.

**ANTICIPATED COMPLETION DATE:** Immediately



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## **2021-005 - Compliance Finding – Late Filing**

**CONDITION:** The City was not able to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** There were several factors that led to the late filing of the Annual Comprehensive Financial Report that were out of the City's control. The main reason is the turnover the City has endured for the past three years, including death, resignations and retirements in key positions. This is in addition to the ongoing threat of Covid-19, however we believe that we have the necessary personnel needed to perform the task of filing our Annual report timely.

**ANTICIPATED COMPLETION DATE:** Immediately

## **2021-006 Other Matter – LLA Review**

**CONDITION:** CRI was notified by the Louisiana Legislative Auditor that they are currently performing a limited review of the financial records of the City of Shreveport.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** We acknowledge that we have fully cooperated with the Louisiana Legislative Auditor investigation.

**ANTICIPATED COMPLETION DATE:** Immediately

## **2021-007 Material Weakness – Material Adjustments**

**CONDITION:** In the course of our audit procedures, we proposed various material adjusting journal entries for various funds and accounts, including revenue, receivables, deferred revenue, transfers, expenses and capital assets.

**MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN:** The Finance Department incurred some unforeseen circumstances that led to more adjustments than usual. The primary General Fund accountant was on leave from May 2021 and stayed on leave until her passing in February of 2022. This means that for our 2<sup>nd</sup> highest source of revenue, which is property taxes, collected in November and December were deposited with no accountant to perform the necessary adjustments to account for property tax revenue received. With the hiring of a new General Fund accountant we believe this should reduce the number of adjustments needed from all funds as other fund accountants had to fill in as needed to assist with the General Fund.

**ANTICIPATED COMPLETION DATE:** Immediately



**Carr, Riggs & Ingram, LLC**  
1000 East Preston Avenue  
Suite 200  
Shreveport, LA 71105

Mailing Address:  
P.O. Box 4278  
Shreveport, LA 71134-0278

(318) 222-2222  
(318) 226-7150 (fax)  
CRlcpa.com

## Management Letter

The Honorable Adrian Perkins, Mayor  
Members of the City Council  
City of Shreveport  
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 (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 2, 2022. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the City's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those 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 *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Uniform Guidance.

As a part of our examination, we have issued our report on the financial statements, dated August 2, 2022, and our report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards and on compliance for each major program and internal control over compliance required by the Uniform Guidance dated August 2, 2022.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls:

### **MLC 2021-001 Ethics Training**

*Observation:*

R.S. 42:1170A requires all public employees annually take a one hour ethics course. In 2021, the City did not have evidence of ethics training for eleven (11) of sixty (60) employees selected for testing.

*Recommendations:*

We recommend that the City implement policies and procedures to properly ensure all employees obtain the required ethics training annually and provide the City with evidence of their compliance.

*Views of responsible officials and corrective actions:*

Human Resources will task the Department/ Divisional timekeepers to collect the certificates for employee department files. The timekeepers will then send the signed training register to Human Resources to certify their compliance. These registers will be sent at the end of each month.

Human Resources will follow up to ensure that every timekeeper meets this monthly requirement. We will send notices monthly to ensure the appropriate follow-ups are provided to Department and Division Heads.

Employees that participate in the Human Resources in person training will be required to complete the training register. The information collected from the departments and Human Resources will be entered into a spreadsheet that will remain the Human Resources Department.

### **MLC 2021-002 Budget Non-Compliance**

*Observation:*

R.S. 39:1311 requires that the governing authority must adopt a budget amendment if there is a 5% or greater shortage in revenue or a 5% or greater overage in expenditure or if there is a 5% or greater variance in the actual fund balance at the beginning of the year. While performing procedures related to budgets, we noted the Debt Service Fund actual revenue were less than budgeted revenue by more than 5%.

*Recommendations:*

We recommend that the City regularly monitor budget to actual results, notify the governing authority of variances in total revenues and expenditures of 5% when required, and amend budgets as necessary to ensure compliance with the Louisiana Local Government Budget Act.

*Views of responsible officials and corrective actions:*

The City concurs with the finding. The City will implement procedures with the Assistant CAO to more closely monitor the budget.

### **MLC 2021-003 Unauthorized Approval in Financial System**

*Observation:*

CRI noted the previous CFO was still listed as the approving official on an asset management report for a specific project request

*Recommendations:*

We recommend City perform a detail search and ensure all inactive or terminated employees are purged from all web-based applications as well as the modules of their ERP system.

*Views of responsible officials and corrective actions:*

The Federal Transit Administration had prior Director of Finance Charles Madden listed as the approving official for the City of Shreveport as opposed to current administration. After we discovered the discrepancy we met with FTA beginning in September of 2021 and have updated the approving official to ensure that no unauthorized transactions would take place.

### **MLC 2021-004 Improper Classification of Cash**

*Observation:*

CRI noted the City recorded cash held at a bank institution in the City's name from its 2021 Lease Contract as a lease receivable instead of restricted cash.

*Recommendations:*

We recommend the City reclassify and report all cash held in the name of the City as cash or restricted cash, as appropriate.

*Views of responsible officials and corrective actions:*

The City hired a new General Fund accountant, who recorded the journals for the Capital lease and the error was not caught before being discovered through the audit. The City will ensure proper reporting going forward.

### **MLC 2021-005 Missing Files for State Retirement System and Employee Retirement System**

*Observation:*

We identified five missing personnel files for new hires during our state pension testwork. We also identified three missing personnel files during our ERS pension testwork. These files were not located until near the end of the audit.

*Recommendations:*

We recommend the City maintain personnel files for all employees, even new hires who were terminated. We also recommend the City implement an electronic record keeping system for employee data to prevent files from being misplaced.

*Views of responsible officials and corrective actions:*

The City was able to find the files that were in question but it was not found timely. Due to files being shared by multiple departments it is not unusual for a file to be with another department. Although in this case the file was just misfiled. Going forward, there will be a sign out sheet with the employees name and for any file taken to ensure accountability of returning the folder properly. .

We recommend management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestion or help implement the recommendation.

This report is intended solely for the information and use of the Mayor and members of the City Council of the City of Shreveport, management, others within the City and the Louisiana Legislative Auditor; and is not intended to be, and should not be, used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
August 2, 2022



# INDEPENDENT INTERNAL AUDITORS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED DECEMBER 31, 2021

Audit No. 22-03

August 2, 2022

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## Report Highlights

## Page(s)

- Exceptions were reported for 10 of the 28 procedures 5-7, 9, 11-14
- No exceptions were reported for 17 of the 28 procedures 5, 8, 10, 12
- Results of remaining procedure for Information Technology Disaster Recovery/Business Continuity were discussed with management 13
- Management Response 15



The Council  
City of Shreveport

Leanis L. Steward, CPA, CIA  
City Internal Auditor  
P.O. Box 31109  
Shreveport, LA 71130-1109

E-Mail Address:  
Leanis.Steward@shreveportla.gov  
Phone: 318.673.7900  
Fax: 318.673.7911

August 2, 2022

Councilman James Green  
Chairman, Shreveport City Council

Dear Councilman Green:

Subject: IAR 22-03 – Independent Internal Auditors' Report on Applying Agreed-Upon Procedures for the Year Ended December 31, 2021

Attached please find the above-mentioned report. Management comments are included at the end of the report.

Sincerely,

Leanis L. Steward, CPA, CIA  
City Internal Auditor

ts



## **Independent Internal Auditors' Report On Applying Agreed-Upon Procedures For the Year Ended December 31, 2021**

City of Shreveport City Council Members  
Shreveport, Louisiana  
And the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by management of the City of Shreveport (City) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The City's management is responsible for those C/C areas identified in the SAUPs.

The City's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

This agreed-upon procedures engagement was conducted in accordance with United States generally accepted government auditing standards which incorporate attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the management of the City of Shreveport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



The procedures and associated findings are as follows.

***PROCEDURES TO BE PERFORMED IN CONNECTION WITH  
LOUISIANA LEGISLATIVE AUDITOR STATEWIDE AGREED-UPON  
PROCEDURES***

***Written Policies and Procedures***

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) Budgeting, including preparing, adopting, monitoring, and amending the budget.

b) Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

c) Disbursements, including processing, reviewing, and approving.

d) Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

e) Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rateschedules.

f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

h) Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.



- j) Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

### *Exceptions*

The ethics policy does not address a system to monitor possible ethics violations, or the requirement that documentation is maintained to demonstrate that all employees/officials were informed of any changes to the entity's ethics policy [\(1.i\)](#).

The Information Disaster Recovery/Business Continuity policy does not specify use of antivirus software on all systems or address timely application of all available system and software patches/updates. Also, this policy needs to be updated [\(1.k\)](#).

### ***Board or Finance Committee***

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

**No exceptions noted in the procedures performed.**



### ***Bank Reconciliations***

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Exceptions***

The reviewer for the Operating and Flexible Spending accounts also posts to ledgers [\(3.b\)](#).

The Water & Sewer account does not have evidence of reviewer signature because it is still undergoing revisions [\(3.b\)](#), therefore it was not prepared within two months of the statement closing date [\(3.a\)](#).

### ***Collections (excluding electronic funds transfers)***

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.



- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Trace the actual deposit per the bank statement to the general ledger.

### *Exceptions*

Two exceptions were found for employee job duties: Two people at SPAR Event Services location are able to both collect cash and make deposits [\(5.b\)](#).

Two exceptions were found for deposit days selected for the five bank accounts: two amounts, \$518.00 and \$12,069.92, both from the Area Transit account at Transit Headquarters collection location, were not deposited within one business day of receipt, or within one week if the deposit location is more than ten miles from the collection location [\(7.d\)](#).



***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

b) At least two employees are involved in processing and approving payments to vendors.

c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments. [Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**No exceptions noted in the procedures performed.**

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.



12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

b) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing) For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

### *Exceptions*

There was no evidence of review/approval of the October 2021 monthly statements for two procurement cards [\(12.a\)](#).

Three procurements cards, including the two above mentioned, did not state business/public purpose for transactions reviewed [\(13.\)](#).

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:



- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted in the procedures performed

### ***Contracts***

**15.** Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted in the procedures performed.



### ***Payroll and Personnel***

**16.** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

**17.** Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

**a)** Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

**b)** Observe whether supervisors approved the attendance and leave of the selected employees or officials.

**c)** Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

**d)** Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

**18.** Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

**19.** Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Exceptions***

There were two exceptions where compensation paid did not agree to terms and conditions of employment contract or pay rate structure in personnel file: One employee received retroactive pay with a slight difference of \$83.18 over from actual calculations. Another employee received retroactive pay to correct a delayed promotional increase, however, the retro pay given was \$231.76 short [\(16.\)](#).

One employee did not have documentation of written or electronic approval for leave taken [\(17.b\)](#).



### ***Ethics***

**20.** Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain ethics documentation from management, and:

a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.

**No exceptions noted in the procedures performed.**

### ***Debt Service***

**21.** Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

**22.** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**No exceptions noted in the procedures performed.**

### ***Fraud Notice***

**23.** Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

**24.** Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds

### ***Exceptions.***

**Notice not posted on City website as required by LLA (24.).**

**There is a notice on the premises, however, the city’s website has a link that sends users directly into the form to submit to the LLA rather than sending them to the LLA website or**



giving the notice with explanation. This means the form is given without context and may not have sufficient instructions (how much detail to provide, alternative means of contact, preference of having contact information).

### ***Information Technology Disaster Recovery/Business Continuity***

**25.** Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

**a)** Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

**b)** Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

**c)** Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

### ***Sexual Harassment***

**26.** Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

**27.** Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

**28.** Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

**a)** Number and percentage of public servants in the agency who have completed the training requirements;

**b)** Number of sexual harassment complaints received by the agency;

**c)** Number of complaints which resulted in a finding that sexual harassment occurred;



- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

*Exceptions*

Information required to be compiled by RS 42:341 was compiled by February 1st, however, no report was written containing the required information and dated on or before February 1<sup>st</sup> (28.).

Approved By:

Leanis L. Steward, CIA, CPA  
City Internal Auditor

ts

c: Mayor  
CAO  
City Attorney  
City Council  
Clerk of Council  
Carr, Riggs & Ingram  
Interim Chief Financial Officer



## OFFICE OF THE CFO

505 TRAVIS STREET, SUITE 670 • SHREVEPORT, LA 71101 • (318) 673-5405

July 18, 2022

### Responses to Independent Internal Auditors' Report on Applying Agreed Upon Procedures for the Year Ended December 31, 2021.

#### **Written Policies and Procedures Management's Response**

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Human Resources has a system in place to track compliance with our Ethics Policy. Policies and procedures are being looked at to address violations, policy knowledge and adherence with State statutes.

Our Information Technology management team is aware of the critical need to update the Disaster Recovery/Business Continuity policy. Their team has indicated they will address this exception.

#### **Bank Reconciliations Management's Response**

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Finance/Accounting will review policies and procedures with staff to ensure we are compliant and timely. We also believe the recent award of a Banking RFP contract will continue to move the needle forward.

#### **Collections Management's Response**

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These policies and procedures were updated this year and we will review with staff to ensure we are compliant and timely.

#### **Credit Cards/Debit Cards/Fuel Cards/P-Cards Management's Response**

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A more stringent review/approval process, that includes additional oversight over procurements cards and monthly statements, is now taking place in our Purchasing division.

#### **Payroll and Personnel Management's Response**

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Policies and procedures will be reviewed with staff to ensure we are compliant.

#### **Fraud Notice Management's Response**

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Notice has been given to our Information Technology department to add the LLA's website. We expect completion of this addition to our website by July 31, 2022.

#### **Sexual Harassment Management's Response**

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Human Resources is now aware of this critical reporting applicable requirement of R.S. 42:344.