

CADD0 - SHREVEPORT

SALES AND USE TAX

COMMISSION

2021-2022

BUDGET

Our Mission

The purpose of the Caddo-Shreveport Sales and Use Tax Commission is to collect the proper amount of tax revenue at the lowest possible cost to those we serve, and in a manner that warrants the highest degree of confidence in our integrity, efficiency, effectiveness and fairness. To achieve that purpose we will:

Encourage the highest possible level of voluntary compliance with state and local tax laws and regulations;

Educate and advise dealers of their responsibilities and rights;

Determine the extent of compliance and causes for noncompliance;

Do all things necessary for the proper administration and enforcement of the tax laws;

Continually search for and implement new, more efficient and effective ways of accomplishing our mission.

proudly serving the

**Caddo Parish School Board
Law Enforcement District of Caddo Parish
City of Shreveport
Town of Blanchard
Town of Greenwood
Town of Mooringsport
Town of Oil City
Town of Vivian
Village of Rodessa
Village of Ida**

**Sales Tax District No. 1 of Caddo Parish
North Caddo Hospital Service District
Caddo Fire District No. 1
Caddo Fire District No. 3**

Shreveport-Bossier Convention and Tourist Commission

TABLE OF CONTENTS

A.	COVER PAGE	1
B.	OUR MISSION	2
C.	TABLE OF CONTENTS	3
D.	BOARD OF COMMISSIONERS	4
E.	OPERATING BUDGET-EXPENDITURES	5-7
F.	OPERATING BUDGET-REVENUE	8-9
G.	CAPITAL OUTLAY BUDGET	10
H.	NARRATIVE SUMMARY	11-12
I.	ORGANIZATION CHART	13
J.	DETAILED BUDGET	14-21
K.	CHART OF ACCOUNTS	22

2021

BOARD OF COMMISSIONERS

Mr. Jeff Howard
Chief Financial Officer
Caddo Parish School Board

Ms. Kelli Duffield
Chief Auditor
Caddo Parish School Board

Mr. Kasey Brown, Interim
Chief Financial Officer
City of Shreveport

Mr. Henry Whitehorn
Chief Administrative Officer
City of Shreveport

Commission Administrator

Gail B. Howell

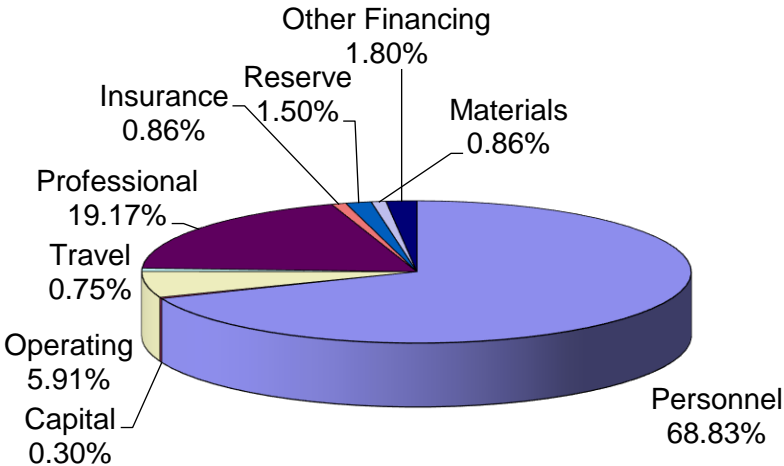
**CADD0-SHREVEPORT
SALES AND USE TAX COMMISSION
2021-2022 BUDGET SUMMARY**

EXPENDITURES	2019-2020 ACTUAL	2020-2021 ESTIMATE	2020-2021 BUDGET	2021-2022 REQUEST	2021-2022 Variance	2021-2022 % Change
<u>4100 PERSONNEL SERVICES</u>						
4111 Salaries	531,614	539,000	553,000	565,000	12,000	2.17%
4112 Other Salaries	0	0	1,000	1,000	0	0.00%
4151 Retirement Fund	123,153	132,000	136,000	170,000	34,000	25.00%
4152 Hospitalization & Life	161,482	161,000	170,000	170,000	0	0.00%
4153 Medicare Benefits	7,125	7,400	8,100	8,500	400	4.94%
4154 Unemployment Benefits	0	0	1,000	1,000	0	0.00%
TOTAL PERSONNEL SERVICES	<u>823,375</u>	<u>839,400</u>	<u>869,100</u>	<u>915,500</u>	46,400	5.34%
<u>4200 OPERATING SERVICES</u>						
4214 Dues and Subscriptions	2,343	2,600	2,700	2,700	0	0.00%
4215 Advertising	0	0	1,000	1,000	0	0.00%
4221 Printing and Forms	2,201	2,000	3,500	3,500	0	0.00%
4231 Electric Light & Power	6,230	7,000	7,500	7,000	-500	-6.67%
4233 Water	954	1,000	1,500	1,500	0	0.00%
4241 Postage & Permits	13,274	13,000	14,000	14,000	0	0.00%
4242 Telephone	5,671	5,000	6,000	6,000	0	0.00%
4252 Equipment Rental	2,612	3,000	3,000	3,200	200	6.67%
4261 Grounds Maintenance	6,841	5,700	7,000	5,500	-1,500	-21.43%
4262 Building Maintenance	1,686	2,100	3,000	3,000	0	0.00%
4263 Vehicle Maintenance	964	100	2,000	2,000	0	0.00%
4274 Pest Control	468	468	600	600	0	0.00%
4275 Janitorial Services	5,944	6,100	6,500	6,500	0	0.00%
4277 Equipment Maintenance	1,911	2,100	3,000	3,000	0	0.00%
4278 Bank Service Charges	6,749	18,000	12,000	18,500	6,500	54.17%
4279 Security Services	600	600	600	600	0	0.00%
TOTAL OPERATING SERVICES	<u>58,448</u>	<u>68,768</u>	<u>73,900</u>	<u>78,600</u>	4,700	6.36%
<u>4280 PROFESSIONAL SERVICES</u>						
4284 Legal	77,099	89,000	94,000	94,000	0	0.00%
4285 Accounting-Auditing	70,280	80,000	125,000	100,000	-25,000	-20.00%
4286 Consultant Services	0	0	1,000	1,000	0	0.00%
4289 Data Processing	164,702	42,000	43,000	60,000	17,000	39.53%

**CADD0-SHREVEPORT
SALES AND USE TAX COMMISSION
2021-2022 BUDGET SUMMARY**

EXPENDITURES	2019-2020 ACTUAL	2020-2021 ESTIMATE	2020-2021 BUDGET	2021-2022 REQUEST	2021-2022 Variance	2021-2022 % Change
TOTAL PROFESSIONAL SERVICES	<u>312,081</u>	<u>211,000</u>	<u>263,000</u>	<u>255,000</u>	-8,000	-3.04%
<u>4290 INSURANCE & BONDS</u>						
4291 Insurance	9,855	10,204	11,000	11,000	0	0.00%
4292 Bonds	350	350	400	400	0	0.00%
TOTAL INSURANCE & BONDS	<u>10,205</u>	<u>10,554</u>	<u>11,400</u>	<u>11,400</u>	0	0.00%
<u>4300 MATERIALS & SUPPLIES</u>						
4310 Office Supplies	6,538	7,500	8,000	8,000	0	0.00%
4311 Miscellaneous	430	500	1,000	1,000	0	0.00%
4312 Small Office Furniture & Equipment	616	200	1,000	1,000	0	0.00%
4327 Vehicle Supplies	1,298	600	1,800	1,500	-300	-16.67%
TOTAL MATERIALS & SUPPLIES	<u>8,882</u>	<u>8,800</u>	<u>11,800</u>	<u>11,500</u>	-300	-2.54%
<u>4400 TRAVEL & OTHER</u>						
4411 Mileage, Travel & Mtgs.	7,450	8,000	16,000	10,000	-6,000	-37.50%
TOTAL TRAVEL & OTHER	<u>7,450</u>	<u>8,000</u>	<u>16,000</u>	<u>10,000</u>	-6,000	-37.50%
<u>4500 OPERATING RESERVE</u>						
4510 Operating Reserve	0	1,000	20,000	20,000	0	0.00%
TOTAL OPERATING RESERVE	<u>0</u>	<u>1,000</u>	<u>20,000</u>	<u>20,000</u>	0	0.00%
<u>4600 CAPITAL OUTLAY</u>						
4656 Furniture & Equipment	3,678	3,500	4,000	4,000	0	0.00%
TOTAL CAPITAL OUTLAY	<u>3,678</u>	<u>3,500</u>	<u>4,000</u>	<u>4,000</u>	0	0.00%
<u>4800 OTHER FINANCING USES</u>						
4851 Transfer to Capital Reserve	12,195	22,000	24,000	24,000	0	0.00%
TOTAL OTHER FINANCING USES	<u>12,195</u>	<u>22,000</u>	<u>24,000</u>	<u>24,000</u>	0	0.00%
TOTAL BUDGET - EXPENDITURES	<u>1,236,314</u>	<u>1,173,022</u>	<u>1,293,200</u>	<u>1,330,000</u>	36,800	2.85%

EXPENDITURES



CADDO-SHREVEPORT
SALES AND USE TAX COMMISSION
2021-2022 REVENUE

Section 13.03 of the local sales and use tax ordinances and the "Joint Agreement" between the Caddo Parish School Board and the City of Shreveport require the expenses of the Commission to be paid as follows:

11.
Expenses of Commission

"The costs of establishing, operating, maintaining and administering the Commission shall be borne jointly by the City and the School Board on a pro-rata basis on the ratio that the taxes collected for each bears to the total taxes collected for both during the preceding months in accordance with ordinances which have heretofore been or may hereafter be enacted by the City and School Board."

The Board of Commissioners has authorized the Administrator to deposit all attorney's fees collected as provided by law (from delinquent dealers) and all fees charged (approximately \$36,000 per month) other local taxing authorities served by the Commission into the operating account. This lowers the pro-rata share required from each taxing authority (above) and effectively reduces our total expenses.

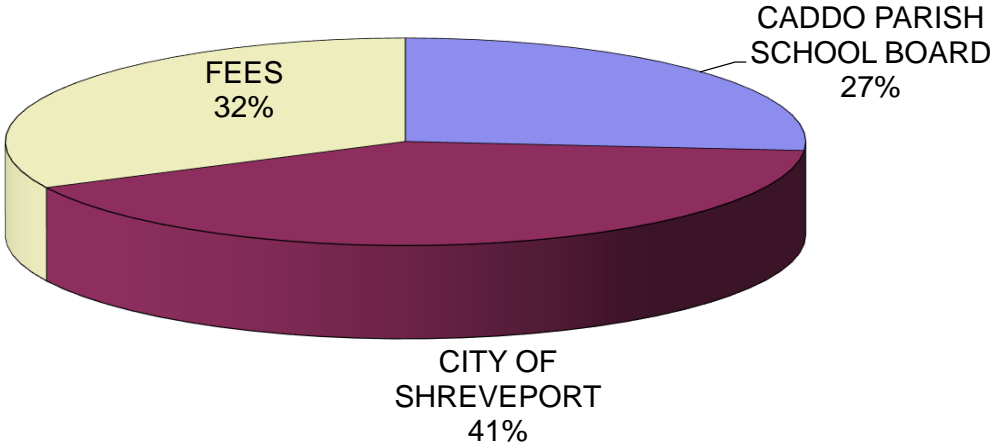
		2021-2022
		<u>Estimate</u>
3850	Caddo Parish School Board Estimated Pro Rata Share	351,000
3852	City of Shreveport Estimated Pro Rata Share	549,000
3400	Fees For Services Rendered	<u>430,000</u>
	Total Revenue Request	1,330,000

The following revenue production can be directly attributed to the efforts of this Commission. The performance of compliance audits and the resulting assessment and collection of tax deficiencies will generate about nine hundred thousand dollars this year. Enforcement and Collections procedures against delinquent accounts generates tax, penalty and interest as required by law and will produce an additional seven hundred thousand dollars. This revenue is over and above what is remitted voluntarily and is deposited daily in the operating accounts of the respective taxing jurisdictions as it is collected.

DIRECT REVENUE GENERATED THROUGH AUDITS AND ENFORCEMENT

<u>SOURCE</u>	<u>ACTUAL</u>	<u>ESTIMATED</u>	<u>ANTICIPATED</u>
	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
COMPLIANCE AUDITS	1,935,485	1,100,000	1,000,000
ENFORCEMENT AND COLLECTIONS	885,213	600,000	900,000
TOTAL	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> 2,820,698	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> 1,700,000	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> 1,900,000

ANTICIPATED REVENUE



**CADD0-SHREVEPORT
SALES AND USE TAX COMMISSION**

**2021-2022
CAPITAL OUTLAY BUDGET REQUEST**

Expenditures

<u>3-4650</u>	<u>Furniture & Equipment</u> Provides for computers and technology equipment	\$5,000
TOTAL CAPITAL OUTLAY BUDGET REQUEST		\$5,000

Revenue

Anticipated Balance in Capital Reserve 7-1-2021*	\$62,000
Anticipated Fee Income	<u>\$22,000</u>
TOTAL REVENUE AVAILABLE	\$84,000
Less Expenditures	(5,000)
Transfers to Operating	-0-
Balance Anticipated in CAPITAL RESERVE 6-30-2022*	<hr/> <u>\$79,000</u>

* The Board of Commissioners has approved a recommendation by management to maintain the Capital Reserve Account to fund capital projects. Management recommends that attorney fee income (not to exceed \$2,000 per month) be deposited in Capital Reserve this year for this purpose. Approximately \$36,000 per month is transferred to the Operating Fund to offset operating expenses (refer to "Revenue" page of the Operating Budget).

CADDO-SHREVEPORT
SALES AND USE TAX COMMISSION
2021-2022 BUDGET

NARRATIVE SUMMARY

1. **Authority**

Louisiana Revised Statutes, Title 33, § 2738.54, authorizes the City of Shreveport and the Caddo Parish School Board to enter into an agreement between and among themselves with respect to the joint collection, enforcement, and administration of their sales and use taxes. In April 1980, by ordinances duly adopted by their respective governing authorities, the City and School Board entered into an agreement creating "...a joint commission as an independent agency and instrumentality to administer the terms of an agreement." The agreement was executed and this agency was created. The Commission also serves (as authorized in state law and the "Joint Agreement") Vivian, Oil City, Mooringsport, Greenwood, Rodessa, Blanchard, Ida, Sales Tax District #1 of Caddo Parish, North Caddo Parish Hospital Service District, Caddo Fire District No. 1, Caddo Fire District No. 3, The Shreveport Bossier Convention and Tourist Bureau and The Law Enforcement District of Caddo Parish.

2. **Staffing Levels and Organization**

The Commission is governed by a Board of Commissioners (see page 4) and presently has an authorized staff of fourteen (14) which is organized as shown on the Organization Chart on page 13.

3. **Description of Operations**

The Commission receives and processes tax reports for over thirteen thousand registered dealers. We record, account for, and maintain complete current and prior years (5 years) records on each; deposit the revenue received with the fiscal agent of each taxing authority daily; account for and report the revenue in detail as required by law and as requested by the finance directors; enforce compliance with local ordinances and state law relating to sales and use tax; and provide support and assistance to the dealers as needed.

4. **Office**

Private office space is maintained at 3300 Dee Street and all expenses associated with the operation are covered in our budget. Office hours for personnel are 7:45 AM to 4:45 PM each business day (except authorized holidays) and the office is open to the public from 8:00 AM to 4:30 PM.

5. **Performance**

Board of Commissioners

The board meets once each quarter (more often if necessary) and reviews performance, tax collections, audits, delinquent account handling, operating costs vs. budget, personnel progress and problems, matters under litigation, and all other business affairs of the Commission. Membership on the board is by virtue of the position held with the respective taxing authorities as provided in the "Joint Agreement" and ordinances passed by both bodies. (See page 4).

Administration

The Administrator is appointed, subject to confirmation by the City Council and School Board, and serves at the pleasure of the Board. She is subject to the provisions of the "Joint Agreement" between the taxing authorities and the sales and use tax ordinances and is vested with specific authority with respect to the administration of the affairs of the Commission. The Chairman of the Board is her immediate higher authority with respect to the day to day business of the Commission; the sales and use tax ordinances, state law, the constitution and the courts govern her activities and set the limits of her responsibility and authority with respect to the administration of the sales and use tax law.

Field Operations & Professional Staff

An Audit Manager, a five person Audit Staff and one Field Representative maintain a high level of professional and ethical performance. Historically, this field team has generated substantially more revenue than the total cost of the operations of the Commission. Such revenue is in addition to sales and use taxes voluntarily remitted to this Commission.

Administrative Support

The office staff effectively and efficiently manages an enormous paper flow. The Auditors and Field Representative get involved in processing tax reports to varying degrees depending on the work load. In addition to normal mail handling, bookkeeping, correspondence, file maintenance, data processing, and the phone calls, between 500 and 600 dealers per month come into the office.

Overall Performances

A survey of our operating costs in recent years reveals that this Commission has operated for .53% (.0053) of total collections. Over a three year period the Commission has collected over seven hundred fourteen million dollars (\$714,831,140) at a total cost of three million eight hundred two thousand, five hundred fifty five dollars (\$3,802,555). During this same time, as a direct result of our audit activity and enforcement efforts against delinquent accounts, this Commission generated over eight million dollars (\$8,012,862) in revenue which was not paid voluntarily.

6. Program Needs

The Capital Outlay Budget allows the Commission to add much needed items to the sales tax office without having to request funds. Funding comes from our Capital Reserve Fund which is built and maintained out of fees earned for services rendered.

7. Accomplishments

The Commission continues to build on a reputation of excellence in all phases of our operations. Other parishes, school boards and municipalities frequently visit our office from around the state in an effort to improve their tax administrative function. In addition to this record of excellence we have also improved our policies, procedures, and regulations in an effort to refine our operations even further.

ORGANIZATIONAL CHART

