

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**



CITY OF SHREVEPORT, LOUISIANA
For the Year Ended December 31, 2011

Finance Department
Charles J. Madden III, Director

**CITY OF SHREVEPORT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

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CITY OF SHREVEPORT

P.O. BOX 31109 SHREVEPORT, LA 71130 • 505 TRAVIS STREET SHREVEPORT, LA 71101
Website: www.shreveportla.gov

June 29, 2012

Mayor Cedric B. Glover
Members of the City Council
City of Shreveport, Louisiana

Mayor and Members of the City Council:

In accordance with Section 10.02, paragraph (j), of the City Charter, I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 2011. 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 2011 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Accounting Division of the Finance Department and consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. In addition to internal controls established by management and those built into the accounting system, the Office of Internal Audit periodically reviews the adequacy of internal controls. The Internal Auditor and her staff are independent of the Finance Department. As management, we 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 BKD, LLP was selected by the City to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles

used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2011, are fairly presented in conformity with GAAP. The independent accountants' 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 accountants.

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 30 miles south of Arkansas and 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 and the Metropolitan Planning Commission. 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, object level. The exception is the Community Development Department where the

budget is at the fund, department, division, object level. Budgetary transfers across department lines or between classes of lump sum appropriations require the approval of the City Council.

Local Economy

Sales taxes make up the largest part of local revenues. Gains made in tax revenues in 2010 and 2011 were mainly due to increased natural gas drilling. With a recent decrease in natural gas prices, drilling activity in 2012 has also decreased. While sales tax revenue should hold steady, the increased growth as seen in 2010 and 2011 is not expected. The five year trend for sales tax has been as follows:

2007	\$ 105,404,839
2008	109,226,148
2009	105,947,678
2010	113,990,284
2011	117,164,088

With the construction of a new resort style casino across the river and continued pressure from Indian casinos in Oklahoma, gaming revenues are expected to hold steady or decline slightly as the area adjusts to the new competition. The five-year history of gaming revenues is as follows:

2007	\$ 12,366,888
2008	12,931,726
2009	12,931,910
2010	12,457,759
2011	12,326,597

Continued expansion at the port has brought in additional jobs to the area. Unemployment has remained below the national average and fell to 6.4% as of December 31, 2011 compared to 6.6% in 2010 and 7.5% in 2009.

The local economy continues to diversify and evolve. Regional leaders continue to look for industries to utilize the GM plant scheduled to close in June 2012. With several regional hospitals and a large medical school, the economy should continue growing into the future.

Long-term Financial Planning

A 3% increase in franchise fees on electric power usage was approved by the City Council in 2011. The increase is expected to be \$6,000,000 annually and has been dedicated to streets and related infrastructure improvements.

The City sold \$81,500,000 of the \$175,000,000 in General Obligation Bonds approved by the voters in April 2011. While a good portion of it was for design work, the citizens should see construction starting on several large projects.

Through a proactive approach of policing and community involvement, the City once again reported low crime figures, including the lowest homicide rate since 1971.

Relevant Financial Policies

The outstanding 2003A General Obligation Bonds will be called in 2012. In five years, 58% of all current outstanding General Obligation Debt will be extinguished. With revenues staying flat, it will be a balancing act maintaining fund balance and continuing to offer city services without additional fees.

Major Initiatives

Through a concerted effort of local leaders, funding for all portions of I-49 North have been secured. Although completion is still several years away, the I-49 North interstate is no longer just a dream.

Rehabilitation of parts of Amiss Water Treatment will assure the City of adequate water supply into future. Bond issue projects also include repairs to several major sewer trunk lines to continue addressing SSO issues.

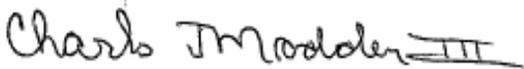
Awards and Acknowledgements

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, 2010. This was the second 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.

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. Thanks to the Mayor and City Council for your support of excellence in financial reporting and fiscal integrity.

Sincerely,

A handwritten signature in black ink that reads "Charles J. Madden III". The signature is written in a cursive style with a horizontal line underlining the name.

Charles J. Madden III
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shreveport
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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



Linda C. Davison

President

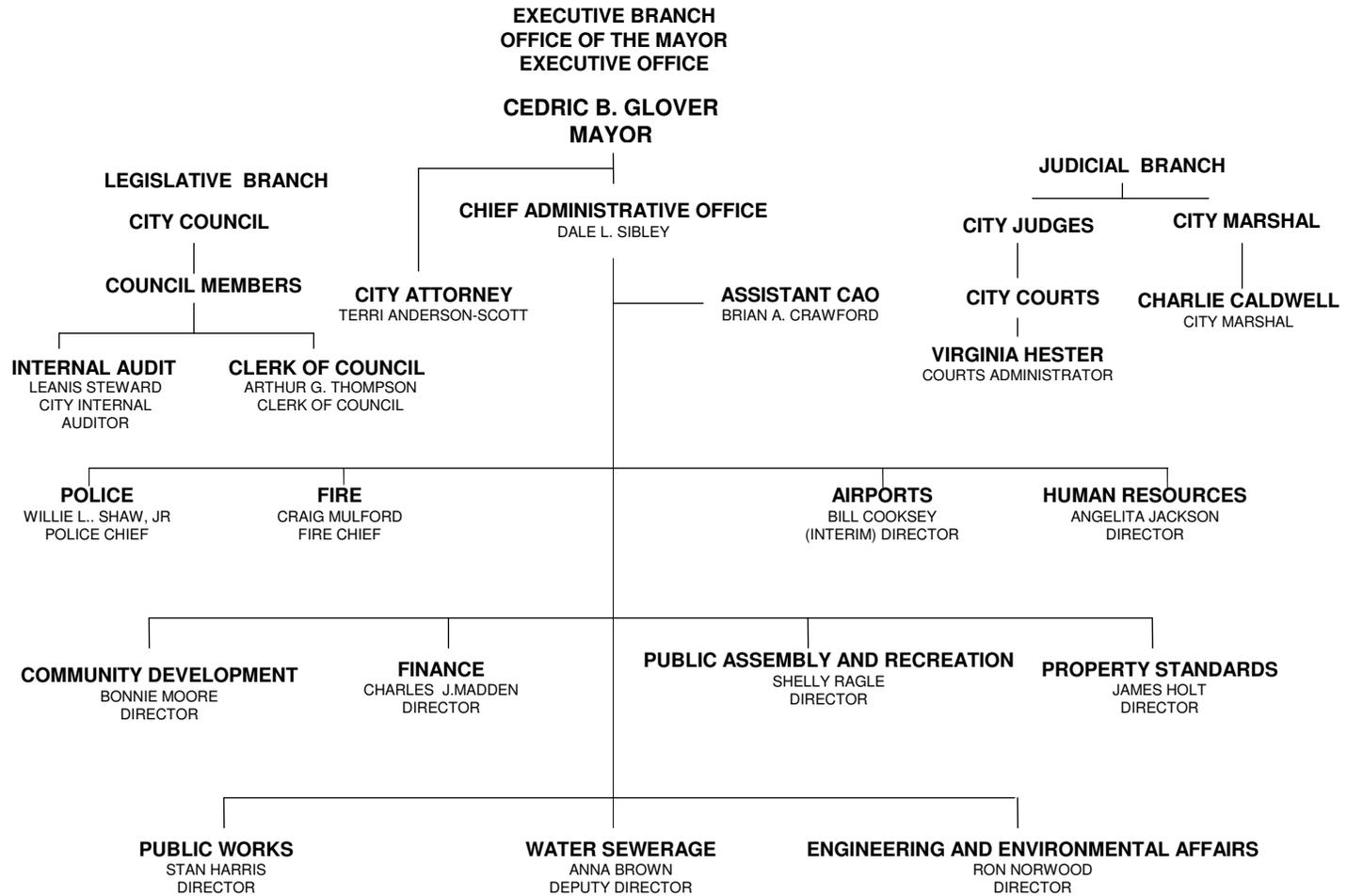
Jeffrey R. Emer

Executive Director

CITY OF SHREVEPORT

ORGANIZATION CHART

December 31, 2011



CITY OF SHREVEPORT, LOUISIANA

PRINCIPAL OFFICIALS

Cedric B. Glover
Mayor

Dale Sibley
Chief Administrative Officer

Members of City Council

Rose McCulloch
Jeff Everson
Oliver Jenkins
Michael Corbin
Ron Webb
Joe Shyne
Sam Jenkins

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

CITY OF SHREVEPORT, LOUISIANA

FINANCE DEPARTMENT

Department Director

Charles J. Madden III

Division Managers

John Pistorius
Angela Duncan
Tom Mattox

Accounting
Revenue Collection
Purchasing

Accounting Staff

Rosalyn Atkins
Shiwanda Brown
Dorothy Cole
Evelyn Jones
Marie Lafontant
Abigail Monette
Diane Pharr
Lashonda Samuels
Brenda Stills

Louise Broom
Rosemary Clark
G-Ray Evans, Sr.
Doris LaCour
Linda Long
Lynn Petrey
Larry Phelps
Linda Smith

Independent Accountants' Report on Financial Statements and Supplementary Information

Members of the City Council and
Honorable Cedric B. Glover, Mayor
City of Shreveport, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (the City), as of and for the year ended December 31, 2011, which collectively comprise City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds presented in the accompanying combining and individual fund financial statements in the table of contents as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on the financial statements based on our audit. We did not audit the component unit financial statements of the City Courts, City Marshal and Downtown Development Authority which represent 45% and 80% of the assets and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City Courts, Marshal and Downtown Development Authority is based on the reports of other auditors.

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

Members of the City Council and
Honorable Cedric B. Glover, Mayor
City of Shreveport, Louisiana

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2011, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America (GAAP). In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds of the City as of December 31, 2011, and the respective change in financial position and cash flows, where applicable, thereof for the year then ended in conformity with GAAP.

As discussed in *Note I. E.*, during the year ended December 31, 2011, the City adopted Governmental Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we also have issued our report dated June 29, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension/other post-employment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.

Members of the City Council and
Honorable Cedric B. Glover, Mayor
City of Shreveport, Louisiana

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, presented in the table of contents as the schedules of revenues, expenditures and changes in fund balance for the debt service fund and certain nonmajor funds combining and individual fund statements and schedules and financial information on Metropolitan Planning Commission, is presented for purposes of additional analysis 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 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. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

June 29, 2012

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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, 2011. This information presented here should be considered in conjunction with additional information provided in the letter of transmittal which is found on pages 1-4 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at December 31, 2011 by \$872.0 million (net assets). Governmental activities' unrestricted net assets are a deficit of \$174.8 million. This is mainly due to the recognition of \$117.5 million in net other postemployment benefit obligations.
- The City's total net assets decreased \$4.0 million. Net assets of governmental activities decreased \$105.9 million and net assets of business-type activities increased \$101.9 million. The main reason for the large change in net assets, was due to the transfer of the Convention Center (\$93.1 Million) to the business-type activities.
- As of December 31, 2011, the City's governmental funds reported combined fund balances of \$194.8 million, an increase of \$96.4 million from the prior year. Of this amount, \$9.8 million for the General Fund was unassigned and available for spending.
- The unassigned fund balances for the General Fund represented 5.0% of total General Fund expenditures.
- The City's total debt increased \$47.4 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. Also included in the report is required supplementary information.

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

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

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

(governmental activities) from functions where user fees and charges to customers help to cover all or most of the cost of services (business-type activities). The City's governmental activities include general government, public safety, public works, culture and recreation, health and welfare, community development, economic development, and economic opportunity. The business-type activities of the City include airports, water and sewer systems, convention center, hotel, transit, golf, and parking operations.

Not only do the government-wide financial statements include the City itself which is the primary government, but also its component units, Shreveport Home Mortgage Authority, City Courts, City Marshal, Downtown Development Authority and Metropolitan Planning Commission. Although these component units are legally separate, their operational or financial relationship with the City makes the City financially accountable. The government-wide financial statements can be found on pages 25-27 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to 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 Assets and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

Fifteen governmental funds are used by the City. There are three 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 and the 2011 General Obligation Bond 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.

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

The basic governmental fund financial statements can be found on pages 28-35 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airports, water and sewer, 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 sewer, 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.

The basic proprietary fund financial statements can be found on pages 36-40 of this report.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for others. Activities from fiduciary funds are not included in the government-wide financial statements because the City cannot use these assets for its operations. The accounting for fiduciary funds is much like that used in proprietary funds. The basic fiduciary aggregated fund financial statements can be found on pages 41-45 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-94 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and post employment benefits to its employees. Required supplementary information can be found on pages 95-96 of this report.

The combining statements for nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions and post employment benefits. Combining and individual fund statements and schedules can be found on pages 98-110 for governmental funds, pages 113-116 for enterprise funds, pages 119-122 for internal service funds and pages 125-126 for fiduciary funds.

Government-wide Financial Analysis

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

	Net Assets (in millions)					
	Governmental Activities		Business-type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 265.2	\$170.7	52.7	\$ 56.3	317.9	\$ 227.0
Capital assets	<u>605.0</u>	<u>702.0</u>	<u>730.6</u>	<u>631.4</u>	<u>1,335.6</u>	<u>1,333.4</u>
Total assets	<u>870.2</u>	<u>872.7</u>	<u>783.3</u>	<u>687.7</u>	<u>1,653.5</u>	<u>1,560.4</u>
Long-term liabilities	451.3	349.8	301.2	306.5	752.5	656.3
Other liabilities	<u>19.7</u>	<u>17.8</u>	<u>9.3</u>	<u>10.3</u>	<u>29.0</u>	<u>28.1</u>
Total liabilities	<u>471.0</u>	<u>367.6</u>	<u>310.5</u>	<u>316.8</u>	<u>781.5</u>	<u>684.4</u>
Net assets						
Invested in capital assets, net of related debt	507.9	540.2	485.3	372.8	993.2	913.0
Restricted	66.1	52.0	4.0	4.0	70.1	56.0
Unrestricted (Deficit)	<u>(174.8)</u>	<u>(87.1)</u>	<u>(16.5)</u>	<u>(5.9)</u>	<u>(191.3)</u>	<u>(93.0)</u>
Total net assets	<u>\$ 399.2</u>	<u>\$505.1</u>	<u>\$472.8</u>	<u>\$370.9</u>	<u>\$872.0</u>	<u>\$ 876.0</u>

At December 31, 2011, the City as a whole had assets greater than its liabilities by \$872.0 million compared to \$876.0 million at December 31, 2010. The majority of the City's net assets of governmental activities are invested in capital assets (streets, drainage, construction in progress, buildings, equipment, etc.). The capital assets are net of the outstanding principal of the debt associated with their acquisition. These assets are not available for future spending since they will not be sold. Restrictions are imposed upon 16.6% of the governmental activities net assets. Therefore, these assets are unavailable for general expenses but must be used for the intended purposes. Unrestricted net assets of governmental activities are a deficit of \$174.8 million at the end of the year, an increase in the deficit from a \$87.1 million deficit in 2010. 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 benefit and other postemployment benefit obligations.

The net assets of the City's business-type activities are \$472.8 million, an increase of \$101.9 million from 2010. The increase is primarily the result of capital contributions. The transfer by the governmental activities of the Convention Center of \$93.1 million was the main reason for the increase. As with the governmental activities, the majority of the net assets are invested in capital assets. The City uses these assets to provide services to the citizens. The unrestricted net assets of the business-type activities are a deficit of 16.5 million at December 31, 2011 compared to \$5.9 million in the prior year. The increase in the deficit was mainly due to the Water and Sewerage Fund which had an increase in their deficit of 8.9 million due to an increase in its other post-employment benefit obligations and derivative investment liability.

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

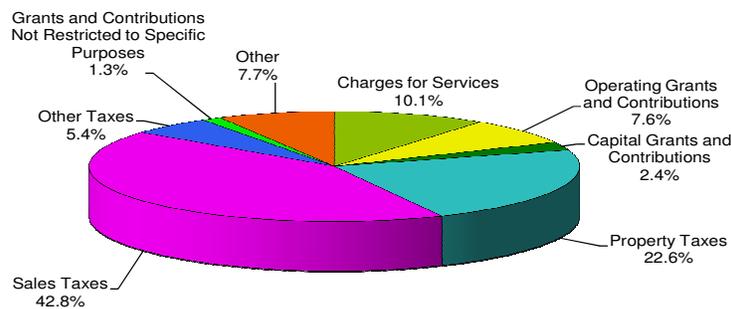
Changes in Net Assets
(in millions)

	Governmental Activities		Business-type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues:						
Charges for services	\$27.8	\$26.3	\$95.1	\$89.2	122.9	\$115.5
Operating grants and contributions	20.9	19.4	5.2	6.0	26.1	25.4
Capital grants and contributions	6.7	2.1	14.0	9.7	20.7	11.8
General revenues:						
Property taxes	61.9	60.4	-	-	61.9	60.4
Sales taxes	117.2	114.0	-	-	117.2	114.0
Other taxes	14.8	14.6	-	-	14.8	14.6
Grants and contributions not restricted to specific programs	3.5	3.6	-	-	3.5	3.6
Other revenues (losses)	<u>21.2</u>	<u>20.5</u>	<u>(6.1)</u>	<u>(2.5)</u>	<u>15.1</u>	<u>18.0</u>
Total revenues	<u>274.0</u>	<u>260.9</u>	<u>108.2</u>	<u>102.4</u>	<u>382.2</u>	<u>363.3</u>
Expenses:						
General government	50.6	45.6	-	-	50.6	45.6
Public safety	128.0	120.4	-	-	128.0	120.4
Public works	55.7	54.5	-	-	55.7	54.5
Culture and recreation	22.6	24.3	-	-	22.6	24.3
Health and welfare	.3	.4	-	-	.3	.4
Community development	5.9	5.1	-	-	5.9	5.1
Economic development	3.4	5.8	-	-	3.4	5.8
Economic opportunity	2.7	3.7	-	-	2.7	3.7
Interest on long-term debt	9.9	10.9	-	-	9.9	10.9
Municipal and regional airports	-	-	15.9	15.2	15.9	15.2
Water and sewerage	-	-	54.1	53.1	54.1	53.1
Convention Center	-	-	6.7	-	6.7	-
Convention Center Hotel	-	-	13.4	13.5	13.4	13.5
Shreveport area transit	-	-	15.2	13.8	15.2	13.8
Golf	-	-	1.4	1.5	1.4	1.5
Downtown parking	-	-	.4	.4	.4	.4
Total expenses	<u>279.1</u>	<u>270.7</u>	<u>107.1</u>	<u>97.5</u>	<u>386.2</u>	<u>368.2</u>
Increase (decrease) in net assets before transfers	(5.1)	(9.8)	1.1	4.9	(4.0)	(4.9)
Transfers	<u>(100.8)</u>	<u>(3.6)</u>	<u>100.8</u>	<u>3.6</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	(105.9)	(13.4)	101.9	8.5	(4.0)	(4.9)
Net assets January 1, 2011	<u>505.1</u>	<u>518.5</u>	<u>370.9</u>	<u>362.4</u>	<u>876.0</u>	<u>880.9</u>
Net assets December 31, 2011	<u>\$399.2</u>	<u>\$505.1</u>	<u>\$472.8</u>	<u>\$370.9</u>	<u>\$872.0</u>	<u>\$876.0</u>

Revenues for the City’s governmental activities for the year ended December 31, 2011 were \$274.0 million compared to \$260.9 million in 2010.

- Program revenues increased \$7.6 million in 2011 compared to 2010 primarily as a result of an increase in operating grants and contributions and capital grants and contributions.
- General revenues are, for the most part, comprised of sales and property taxes (81.9%).
 - Sales taxes represent 53.6% of revenues at \$117.2 million compared to \$114.0 million for 2010. Collections were up 2.8% for 2011.
 - Property tax revenues represent 28.3% at \$61.9 million. Revenue was up 2.5% as a result of new construction.

Revenues by Source - Governmental Activities

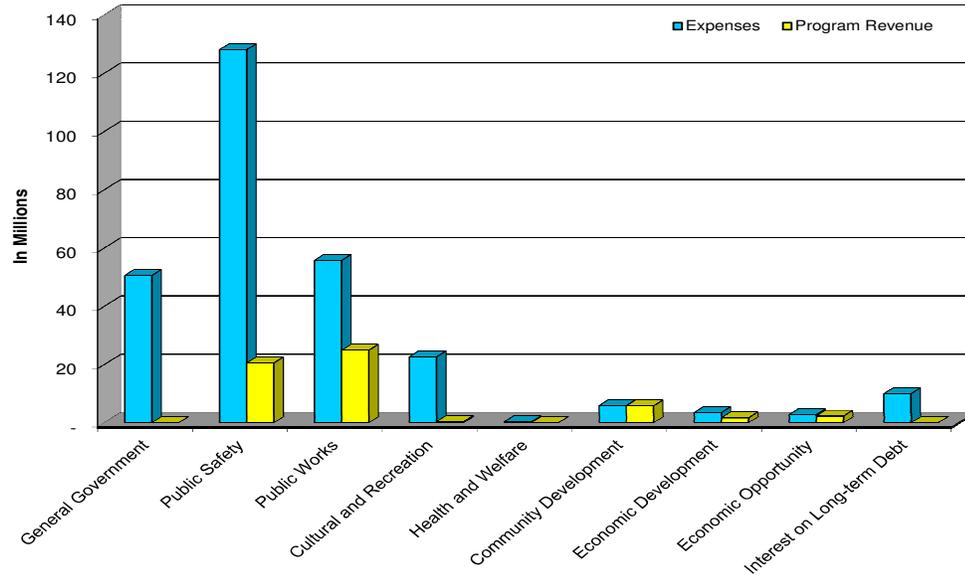


The cost of providing all governmental activities this year was \$279.1 million, an increase of \$8.4 million from the prior year. The key factors for the increase were:

- General government expenses were \$50.6 million compared to \$45.6 million in 2010. The increase was primarily due to an increase in pension net obligation expense compared to 2010.
- Public safety expenses were \$128.0 million compared to \$120.4 million in 2010. The increase of \$7.6 million was primarily due to an increase in retirement payments to the state pension plan.
- Public works expenses were \$55.7 million compared to \$54.5 million in 2010. The increase of \$1.2 million was primarily due to an increase in contractual services.
- Interest on long-term debt decreased \$1.0 million from 2010.

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

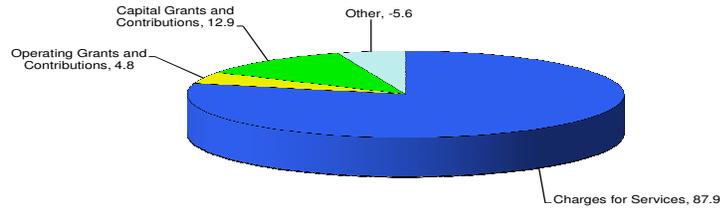
Expenses and Program Revenues - Governmental Activities



Business-type Activities. Charges for services for the City's business-type activities were \$95.1 million for 2011, an increase of \$5.9 million from 2010.

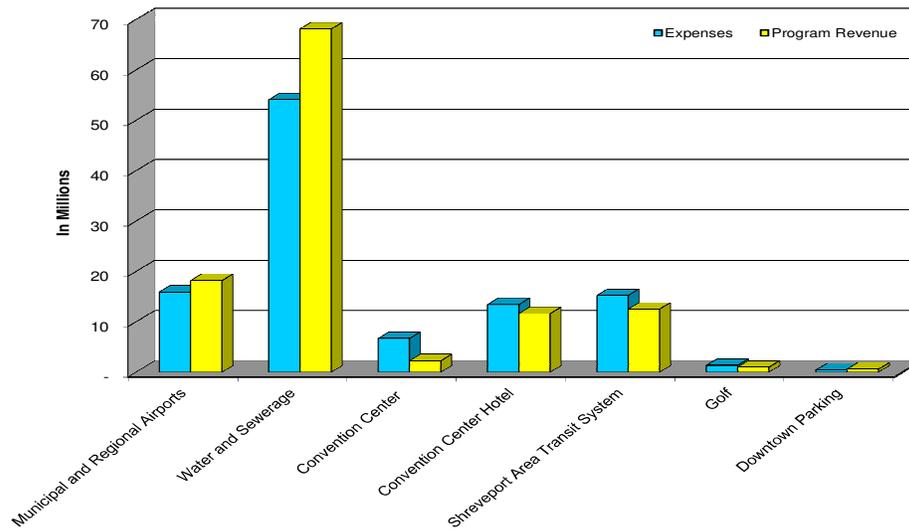
- Municipal and Regional Airports revenues increased \$0.8 million. Parking, car rental and concessions increased over 2010.
- Water and Sewerage revenues increased \$3.4 million in 2011 due to extremely dry weather conditions in summer 2011.
- The Convention Center, a new fund for 2011 contributed \$2.3 million in revenues.

Revenues by Source - Business-type Activities



The costs of these business-type activities were \$107.1 million for 2011, an increase of \$9.6 million from 2010.

Expenses and Program Revenues - Business-type Activities



Municipal and Regional Airport expenses increased \$0.7 million due to increased depreciation and contractual services and other expenses. Water and Sewerage expenses decreased \$1.0 million in general operations and interest expense. The Convention Center, a new fund for 2011 had expenses of \$6.7 Million. Other propriety funds saw small increases overall.

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, 2011 reflect combined fund balances of \$194.8 million, an increase of \$96.4 million compared to the prior year. Most of the increase, \$89.1 million was through the issuance of bonds and the applicable premium. Ninety one percent or \$177.2 million is restricted primarily for debt service and capital projects. Balances assigned to the future years are \$6.7 million and \$9.3 million is unassigned and available spending.

The General Fund is the City's operating fund which provides most basic services. Its fund balance had a decrease of \$3.8 million from the prior year. Revenues were up for the year, increasing by \$4.7 million. The major revenue sources are property taxes, sales taxes, and charges for services.

- Sales tax collections increased \$3.2 million from 2010 due to increased retail activity.
- Total expenditures of the General Fund were up \$2.0 million due to increased claims, state pension contributions, equipment purchases and landfill operations.

The Debt Service Fund has a total fund balance of \$60.2 million which is reserved for payment of principal and interest on debt outstanding. The fund balance for 2011 increased by \$13.9 million during the year compared to a decrease of \$12.6 million in 2010. The decrease in 2010 was due to the redemption of the General Obligation Bonds, Series 2001A in the amount of \$21.8 million.

Proprietary funds. The proprietary funds had increased net assets of \$101.9 million. Of this amount, the contribution of \$93.1 million for the new Convention Center Fund accounted for most of this. The Water and Sewerage Fund increased \$6.7 million.

General Fund Budgetary Highlights

During the year, the City Council revised the City's budget several times. After the first quarter, amendments and supplemental appropriations were approved to reflect the actual beginning fund balances estimated during the budget process which must be submitted by October 1 for the next year. Additional changes were made as new information indicated a need. The major differences between the original budget and the final budget were overall revenues increased by \$2.2 million while expenditures including transfers out were increased by \$3.3 million. During the year, revenues were \$6.6 million more than the revised budget while expenditures including transfers out were less than the revised budget by \$6.1 million. Capital lease transactions were under budget by \$2.5 million.

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

- Personnel
 - Other charges exceeded the budget by \$540.
- Other unclassified
 - Salaries, wages and employee benefits exceeded the budget by \$191,305 due to an increase in group insurance charges.
- Public safety
 - Improvements and equipment exceeded the budget by \$9,009 due to additional equipment needs.
- Engineering
 - Materials and supplies exceeded the budget by \$4,187. Improvements and equipment exceeded the budget by \$56,969 due to the purchase of vehicles and other equipment.
- Public works
 - Contractual services exceeded the budget by \$1,656,341 due to increased payments to the operator of the City’s landfill. The landfill had increased usage during 2011.
- Culture and recreation
 - Salaries, wages and employee benefits exceeded the budget by \$94,601 due to overtime requirements.

Capital Assets and Debt Administration

Capital assets. The City’s investment in capital assets as of December 31, 2011 for its governmental and business-type activities was \$1.3 billion net of depreciation as reflected in the following schedule.

Capital Assets
(net of depreciation in millions)

	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	106.6	\$111.4	44.9	\$36.5	151.5	\$147.9
Construction in progress	8.4	10.2	39.1	69.1	47.5	79.3
Buildings	115.8	198.1	163.2	85.7	279.0	283.8
Improvement other than buildings	36.1	40.8	43.6	40.6	79.7	81.4
Equipment	26.3	28.3	31.6	26.3	57.9	54.6
Distribution and collection systems	-	-	408.2	373.2	408.2	373.2
Infrastructure	<u>311.8</u>	<u>313.2</u>	<u>-</u>	<u>-</u>	<u>311.8</u>	<u>313.2</u>
Total	<u>\$605.0</u>	<u>\$702.0</u>	<u>\$730.6</u>	<u>\$631.4</u>	<u>\$1,335.6</u>	<u>\$1,333.4</u>

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

Perimeter Security Fencing – Regional Airport funded with Federal Aviation Authority and State Grants.	\$3.2
Airport Land Acquisition – Part 150 Noise Abatement funded with Federal Aviation Authority and State Grants.	2.3
Shreveport Area Transit System ARRA Project – Constructed Compressed Natural Gas Fuel Station, Modifications to Buildings B & C and constructed Bus Washing Station funded with Federal AARA Grant.	1.8
Shreveport Area Transit System Improvements – Purchased CNG Compressed Natural Gas Powered Buses and other associated equipment were funded with Federal Transit Administration and Local Funds.	4.0
2009 Concrete Street Improvements funded with General Obligations Bonds.	2.7
Lakeside Area Street Paving was funded with General Obligations Bonds.	2.1
City-Wide Water Main Renewal/Replacement– Funded by Revenue Bonds	4.3
Amiss WTP Improvements– Funded by Revenue Bonds	21.7
Water System Infrastructure Improvement Program – Funded by Revenue Bonds	10.6
Darien Lift Station Improvements – Funded by Revenue Bonds	1.5
City-Wide Sewer Main Renewal/Replacement – Funded by Revenue Bonds	<u>5.5</u>
	<u>\$59.7</u>

Construction Commitments:

<u>Project</u>	<u>Remaining Commitment</u>	<u>Financing Sources</u>
Security Upgrade at Regional Airport	\$2,193,314	Federal FAA Grants and State Grants
Upgrade Master Plan at Regional Airport	572,828	Federal FAA Grants and State Grants
FAR Part 150 Noise Mitigation Project	832,272	Federal FAA Grants and State Grants
Overlay Runway 5/23 at Downtown Airport	836,602	Federal FAA Grants and State Grants
Rehabilitate Runway 5/23 at Regional Airport	741,425	Federal FAA Grants and State Grants
SPAR Arts Center Replacement	2,506,127	State Revenue Sharing, General Fund, General Obligation Bonds, Other Grants, and Private Donations
CNG Filling Station	523,921	State Grant, General Fund & Riverfront Development
Wastewater Treatment Plant Expansion	701,870	Water and Sewerage Revenue Bonds
Sewer Survey and Wastewater Master Plan	<u>667,638</u>	Water and Sewerage Revenue Bonds and General Obligation Bonds
Total	<u>\$9,575,997</u>	

Detailed information on the City’s capital assets can be found in Note III E on pages 64-68 of the report.

Long-term debt. At year end, the City had \$539.4 million in bonds and other lending agreements, including \$4.5 million 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)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General obligation bonds	\$216.4	\$143.5	\$ -	\$ -	\$216.4	\$143.5
Revenue bonds	-	-	229.4	243.3	229.4	243.3
Other lending agreements	<u>54.0</u>	<u>65.2</u>	<u>39.6</u>	<u>40.0</u>	<u>93.6</u>	<u>105.2</u>
Total	<u>\$270.4</u>	<u>\$208.7</u>	<u>\$269.0</u>	<u>\$283.3</u>	<u>\$539.4</u>	<u>\$492.0</u>

In the governmental activities, the city issued \$81.5 million in General Obligation Bonds, Series 2011.

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 \$278 million of additional general obligation bonded debt is available for issuance.

Detailed information on the City's long-term debt can be found in Note III H on pages 71-83 of the report.

Economic Factors and Next Year's Budgets and Rates

The local economy continues to remain stable with little growth in revenues expected. The administration continues to emphasize increasing fund balance. With that in mind, merit increases for City employees were not included in 2012 budget.

The City still has \$93,500,000 of authorized but yet unissued General Obligation Bonds. These bonds will be used to build projects being designed with funds from the first sale. In December, the 2003A General Obligation Bonds will be called and the City will be able to reduce debt service millage starting in 2012.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Shreveport, 505 Travis Street, Suite 670, Shreveport, LA 71101.

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 150,245,549	\$ 8,621,567	\$ 158,867,116	\$ 9,716,732
Investments	38,843,840	4,061,052	42,904,892	4,767,914
Receivable, net	35,135,611	9,124,885	44,260,496	1,011,761
Due from other governments	19,451,706	1,359,575	20,811,281	-
Internal balances	2,489,863	(2,489,863)	-	-
Inventories	1,506,597	2,548,043	4,054,640	-
Prepaid items	423,964	357,954	781,918	23,666
Notes receivable	10,757,745	-	10,757,745	3,861,667
Other assets	3,843,892	4,188,466	8,032,358	349,108
Restricted assets:				
Cash and cash equivalents	-	13,956,505	13,956,505	-
Investments	2,510,298	10,952,294	13,462,592	-
Interest receivable	-	347	347	-
Capital assets:				
Land and construction in progress	115,009,742	84,035,995	199,045,737	778,514
Other capital assets, net of depreciation	489,952,947	646,571,920	1,136,524,867	1,677,095
Total assets	<u>870,171,754</u>	<u>783,288,740</u>	<u>1,653,460,494</u>	<u>22,186,457</u>
LIABILITIES				
Accounts payable	6,718,271	3,968,646	10,686,917	86,237
Accrued liabilities	129,534	2,613,383	2,742,917	55,193
Accrued interest payable	3,487,718	1,691,061	5,178,779	-
Due to other governments	740,272	-	740,272	68,210
Unearned revenue	8,301,329	230,903	8,532,232	-
Deposits and deferred charges	369,284	765,752	1,135,036	-
Non-current liabilities:				
Due within one year	61,868,129	15,699,256	77,567,385	450,131
Due in more than one year	389,410,523	285,513,616	674,924,139	8,036,487
Total liabilities	<u>471,025,060</u>	<u>310,482,617</u>	<u>781,507,677</u>	<u>8,696,258</u>
NET ASSETS				
Invested in capital assets, net of related debt	507,856,245	485,342,461	993,198,706	2,455,609
Restricted for:				
Debt service	58,855,803	3,958,848	62,814,651	1,292,433
Community development	1,817,665	-	1,817,665	-
Streets	2,242,197	-	2,242,197	-
Enrichment	1,152,387	-	1,152,387	-
Downtown entertainment economic development	927,759	-	927,759	-
Environmental grants	944,632	-	944,632	-
Other purposes	190,911	-	190,911	2,135,471
Unrestricted (deficit)	<u>(174,840,905)</u>	<u>(16,495,186)</u>	<u>(191,336,091)</u>	<u>7,606,686</u>
Total net assets	<u>\$ 399,146,694</u>	<u>\$ 472,806,123</u>	<u>\$ 871,952,817</u>	<u>\$ 13,490,199</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, 2011

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 50,522,532	\$ -	\$ -	\$ -
Public safety	128,009,588	10,026,553	10,463,065	-
Public works	55,707,874	17,439,141	691,406	6,727,297
Culture and recreation	22,601,155	308,550	115,297	-
Health and welfare	334,526	-	11,871	-
Community development	5,866,418	-	5,738,253	-
Economic development	3,441,846	-	1,670,253	-
Economic opportunity	2,714,400	-	2,251,284	-
Interest on long-term debt	9,910,030	-	-	-
Total governmental activities	279,108,369	27,774,244	20,941,429	6,727,297
Business-type activities				
Municipal and Regional Airports	15,922,093	10,117,819	184,785	7,879,422
Water and Sewerage	54,096,547	66,775,465	499,355	866,082
Convention Center	6,694,097	2,262,319	-	-
Convention Center Hotel	13,424,358	11,631,259	-	-
Shreveport Area Transit System	15,240,703	2,695,670	4,485,424	5,334,534
Golf	1,373,739	1,010,625	-	-
Downtown Parking	417,809	613,524	-	-
Total business-type activities	107,169,346	95,106,681	5,169,564	14,080,038
Total primary government	\$ 386,277,715	\$ 122,880,925	\$ 26,110,993	\$ 20,807,335
Component units:				
Shreveport Home Mortgage Authority	483,879	420,852	-	-
City Courts	3,588,741	884,501	-	-
City Marshal	2,291,151	703,040	-	-
Downtown Development Authority	1,505,889	629,405	15,000	-
Metropolitan Planning Commission	1,342,792	260,814	210,346	-
Total component units	\$ 9,212,452	\$ 2,898,612	\$ 225,346	\$ -

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 (loss)

Payment from City of Shreveport

Miscellaneous

Transfers

Total general revenues and transfers

Change in Net Assets

Net assets - beginning

Net assets - ending

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

**Net (Expenses) Revenue and
Changes in Net Assets**

Primary Government				
Governmental Activities	Business-type Activities	Total		Component Units
\$ (50,522,532)	\$ -	\$ (50,522,532)	\$	-
(107,519,970)	-	(107,519,970)		-
(30,850,030)	-	(30,850,030)		-
(22,177,308)	-	(22,177,308)		-
(322,655)	-	(322,655)		-
(128,165)	-	(128,165)		-
(1,771,593)	-	(1,771,593)		-
(463,116)	-	(463,116)		-
(9,910,030)	-	(9,910,030)		-
<u>(223,665,399)</u>	<u>-</u>	<u>(223,665,399)</u>		<u>-</u>
-	2,259,933	2,259,933		-
-	14,044,355	14,044,355		-
-	(4,431,778)	(4,431,778)		-
-	(1,793,099)	(1,793,099)		-
-	(2,725,075)	(2,725,075)		-
-	(363,114)	(363,114)		-
-	195,715	195,715		-
-	<u>7,186,937</u>	<u>7,186,937</u>		<u>-</u>
\$ (223,665,399)	\$ 7,186,937	\$ (216,478,462)	\$	-
-	-	-		(63,027)
-	-	-		(2,704,240)
-	-	-		(1,588,111)
-	-	-		(861,484)
-	-	-		(871,632)
\$ -	\$ -	\$ -	\$	<u>(6,088,494)</u>
25,641,747	-	25,641,747		789,424
36,251,047	-	36,251,047		-
117,164,088	-	117,164,088		-
7,822,649	-	7,822,649		-
7,005,960	-	7,005,960		-
12,326,597	-	12,326,597		-
3,510,589	-	3,510,589		-
550,198	(6,115,654)	(5,565,456)		124,694
-	-	-		5,166,684
8,252,475	-	8,252,475		75,147
<u>(100,815,874)</u>	<u>100,815,874</u>	<u>-</u>		<u>-</u>
<u>117,709,476</u>	<u>94,700,220</u>	<u>212,409,696</u>		<u>6,155,949</u>
(105,955,923)	101,887,157	(4,068,766)		67,455
<u>505,102,617</u>	<u>370,918,966</u>	<u>876,021,583</u>		<u>13,422,744</u>
\$ 399,146,694	\$ 472,806,123	\$ 871,952,817	\$	<u>13,490,199</u>

CITY OF SHREVEPORT, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	General	Debt Service	2011 General Obligation Bonds	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,339,156	\$ 22,724,609	88,438,593	\$ 13,727,207	\$ 126,229,565
Investments	807,551	13,849,432	-	8,124,850	22,781,833
Property taxes receivable, net	4,621,400	6,827,569	-	-	11,448,969
Franchise taxes receivable	1,754,077	-	-	-	1,754,077
Accounts receivable, net	2,552,455	-	-	3,208,987	5,761,442
Due from other governments	13,297,787	47,600	-	6,106,319	19,451,706
Due from other funds	1,605,425	16,384,013	-	2,942,694	20,932,132
Inventories, at cost	1,506,597	-	-	-	1,506,597
Notes receivable, net	-	-	-	10,757,745	10,757,745
Assets held for resale	-	-	-	1,072,390	1,072,390
Restricted assets	-	2,510,298	-	-	2,510,298
Total assets	<u>\$ 27,484,448</u>	<u>\$ 62,343,521</u>	<u>\$ 88,438,593</u>	<u>\$ 45,940,192</u>	<u>\$ 224,206,754</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 4,284,144	\$ -	\$ 50,505	\$ 2,245,757	\$ 6,580,406
Accrued liabilities	129,534	-	-	-	129,534
Due to other governments	571,712	-	-	168,560	740,272
Due to other funds	2,007,772	-	8,832	3,096,305	5,112,909
Deferred revenue	2,124,389	2,173,651	-	7,710,746	12,008,786
Deposits and deferred charges	367,658	-	-	-	367,658
Notes payable	-	-	-	4,510,000	4,510,000
Items held in escrow	-	-	-	1,626	1,626
Total liabilities	<u>9,485,209</u>	<u>2,173,651</u>	<u>59,337</u>	<u>17,732,994</u>	<u>29,451,191</u>
Fund balance:					
Nonspendable:					
Inventories	1,506,597	-	-	-	1,506,597
Endowments	14,719	-	-	-	14,719
Restricted for:					
Debt service	-	60,169,870	-	-	60,169,870
Community development	-	-	-	1,975,536	1,975,536
Streets	-	-	-	2,242,197	2,242,197
Capital projects	-	-	88,379,256	20,788,495	109,167,751
Other purposes	-	-	-	3,661,732	3,661,732
Assigned to:					
General government	1,439,282	-	-	-	1,439,282
Public safety	992,809	-	-	-	992,809
Public works	534,476	-	-	-	534,476
Culture and recreation	1,020,745	-	-	-	1,020,745
Landfill	2,685,291	-	-	-	2,685,291
Unassigned	9,805,320	-	-	(460,762)	9,344,558
Total fund balance	<u>17,999,239</u>	<u>60,169,870</u>	<u>88,379,256</u>	<u>28,207,198</u>	<u>194,755,563</u>
Total liabilities and fund balance	<u>\$ 27,484,448</u>	<u>\$ 62,343,521</u>	<u>\$ 88,438,593</u>	<u>\$ 45,940,192</u>	<u>\$ 224,206,754</u>

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 ASSETS
DECEMBER 31, 2011

Fund balances - total governmental funds \$ 194,755,563

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	957,584,528	
Less accumulated depreciation	<u>(352,621,839)</u>	604,962,689

Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds

Bond issuance costs - Less refundings	4,605,076	
Less amortization	<u>(1,833,574)</u>	2,771,502

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.

3,707,457

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, loans payable and capital leases	(259,640,966)	
Unamortized certificate of indebtedness discount	31,291	
Deferred charge on refunding	6,251,061	
Unamortized bond premium	(12,493,346)	
Accrued interest payable	(3,487,718)	
Net pension obligations	(24,763,625)	
Net OPEB obligation	(117,539,236)	
Landfill closure and postclosure care	(2,685,291)	
Compensated absences	<u>(2,410,691)</u>	(416,738,521)

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.

9,688,004

Net assets of governmental activities.

\$ 399,146,694

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, 2011

	General	Debt Service	2011 General Obligation Bonds	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	\$ 25,767,371	\$ 36,528,518	\$ -	\$ -	\$ 62,295,889
Sales	117,164,088	-	-	-	117,164,088
Franchise	7,822,649	-	-	-	7,822,649
Licenses and permits	9,126,196	-	-	-	9,126,196
Intergovernmental	9,519,179	2,177,256	-	13,813,565	25,510,000
Charges for services	25,562,367	-	-	-	25,562,367
Fines and forfeitures	3,832,276	-	-	-	3,832,276
Gaming	-	-	-	12,326,597	12,326,597
Investment earnings	34,060	194,450	32,435	134,892	395,837
Miscellaneous	3,391,218	-	-	4,861,257	8,252,475
Total revenues	<u>202,219,404</u>	<u>38,900,224</u>	<u>32,435</u>	<u>31,136,311</u>	<u>272,288,374</u>
EXPENDITURES					
Current:					
General government	33,051,221	-	-	619,762	33,670,983
Public safety	105,041,260	-	-	4,319,739	109,360,999
Public works	43,626,714	-	-	-	43,626,714
Culture and recreation	15,117,286	-	-	459,007	15,576,293
Health and welfare	-	-	-	319,316	319,316
Community development	-	-	-	5,375,401	5,375,401
Economic development	-	-	-	3,358,194	3,358,194
Economic opportunity	-	-	-	2,448,233	2,448,233
Debt service:					
Principal	-	26,645,341	-	-	26,645,341
Interest and other charges	-	8,848,980	-	-	8,848,980
Bond issuance cost	-	-	701,646	-	701,646
Capital outlay	-	-	51,784	7,136,750	7,188,534
Total expenditures	<u>196,836,481</u>	<u>35,494,321</u>	<u>753,430</u>	<u>24,036,402</u>	<u>257,120,634</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,382,923</u>	<u>3,405,903</u>	<u>(720,995)</u>	<u>7,099,909</u>	<u>15,167,740</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	8,253,640	10,471,649	-	8,330,902	27,056,191
Transfers out	(17,399,581)	-	(2,810)	(17,512,138)	(34,914,529)
Bonds issued	-	-	81,500,000	-	81,500,000
Premium on bonds issued	-	-	7,603,061	-	7,603,061
Total other financing sources and (uses)	<u>(9,145,941)</u>	<u>10,471,649</u>	<u>89,100,251</u>	<u>(9,181,236)</u>	<u>81,244,723</u>
Net change in fund balances	<u>(3,763,018)</u>	<u>13,877,552</u>	<u>88,379,256</u>	<u>(2,081,327)</u>	<u>96,412,463</u>
Fund balances-beginning	<u>21,762,257</u>	<u>46,292,318</u>	<u>-</u>	<u>30,288,525</u>	<u>98,343,100</u>
Fund balances-ending	<u>\$ 17,999,239</u>	<u>\$ 60,169,870</u>	<u>\$ 88,379,256</u>	<u>\$ 28,207,198</u>	<u>\$ 194,755,563</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, 2011

Net change in fund balances - total governmental funds	\$		96,412,463
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.			
Capital outlay		14,009,263	
Depreciation expense		<u>(23,756,712)</u>	(9,747,449)
Donations of capital assets increase net assets in the Statement of Activities, but do not appear in the governmental funds because they are not financial revenues.			
			5,655,983
Transfer of capital assets to the Convention Center Fund of \$92,886,193 plus \$174,823 of current year construction in progress and to the Water and Sewerage Fund of \$3,922 decreases net assets in the Statement of Activities but does not appear in the governmental funds because they are not current financial resources.			
			(93,064,938)
Transfer of capital assets from the Information Technology Fund of \$637,007 and from the Water and Sewerage Fund of \$107,402 increases net assets in the Statement of Activities but does not appear in the governmental funds because they are not current financial resources.			
			744,409
Transfer of compensated absences from the Information Technology Fund decreases net assets in the Statement of Activities but does not appear in the governmental funds because they are not payable from current financial resources.			
			(118,122)
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.			
Property taxes			(403,095)
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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:			
Principal payments		26,645,341	
Bonds issued		(81,500,000)	
Premium on bonds issued		(7,603,061)	
Bond issuance cost		<u>701,646</u>	(61,756,074)
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:			
Employees' retirement system net obligation		(6,139,746)	
Policemen's pension and relief fund net obligation		51,905	
Firemen's pension and relief fund net obligation		(62,935)	
Net OPEB obligation		<u>(26,597,636)</u>	(32,748,412)

(continued)

(continued)

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, 2011

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:

Amortization of deferred charge on refunding	(812,041)	
Amortization of certificate of indebtedness discount	(3,219)	
Amortization of bond premiums	933,489	
Increase in accrued interest	(1,179,279)	
Amortization of issuance costs	(336,907)	
Increase in compensated absences	(112,301)	
Increase in landfill closure and postclosure care	<u>(358,191)</u>	(1,868,449)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.

(9,062,239)

Change in net assets of governmental activities.

\$ (105,955,923)

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

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 144,290,000	\$ 145,401,700	\$ 150,754,108	\$ 5,352,408
Licenses and Permits	9,113,600	9,113,600	9,126,196	12,596
Intergovernmental	2,728,000	2,744,820	2,694,945	(49,875)
Charges for services	25,622,400	27,193,900	25,562,367	(1,631,533)
Fines and forfeitures	4,220,000	3,445,000	3,832,276	387,276
Investment earnings	40,000	40,000	34,060	(5,940)
Miscellaneous	526,700	827,761	3,391,218	2,563,457
Total revenues	<u>186,540,700</u>	<u>188,766,781</u>	<u>195,395,170</u>	<u>6,628,389</u>
EXPENDITURES				
General government:				
Office of the mayor:				
Salaries, wages and employee benefits	899,386	899,386	755,528	143,858
Materials and supplies	23,241	23,240	19,612	3,628
Contractual services	67,560	67,560	46,155	21,405
Other charges	1,300	1,300	340	960
Improvements and equipment	1,500	1,500	471	1,029
Total Office of mayor	<u>992,987</u>	<u>992,986</u>	<u>822,106</u>	<u>170,880</u>
City Attorney:				
Salaries, wages and employee benefits	1,007,400	1,007,400	907,425	99,975
Materials and supplies	17,900	17,900	14,853	3,047
Contractual services	72,365	72,365	70,383	1,982
Other charges	2,700	2,700	2,282	418
Improvements and equipment	1,600	1,600	417	1,183
Total City Attorney	<u>1,101,965</u>	<u>1,101,965</u>	<u>995,360</u>	<u>106,605</u>
Property Standards:				
Salaries, wages and employee benefits	1,314,163	1,314,163	1,213,209	100,954
Materials and supplies	109,823	109,823	109,686	137
Contractual services	1,635,271	1,635,271	1,130,141	505,130
Other charges	1,037,212	1,037,212	642,184	395,028
Improvements and equipment	80,237	80,237	76,679	3,558
Total Property Standards	<u>4,176,706</u>	<u>4,176,706</u>	<u>3,171,899</u>	<u>1,004,807</u>
Personnel:				
Salaries, wages and employee benefits	531,057	531,057	432,355	98,702
Materials and supplies	7,600	7,600	6,733	867
Contractual services	53,335	53,335	51,030	2,305
Other charges	2,000	2,000	2,540	(540)
Improvements and equipment	5,839	5,839	4,078	1,761
Total Personnel	<u>599,831</u>	<u>599,831</u>	<u>496,736</u>	<u>103,095</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Information Technology				
Salaries, wages and employee benefits	2,137,800	2,137,800	2,017,740	120,060
Materials and supplies	96,500	104,597	67,579	37,018
Contractual services	1,130,600	1,157,909	1,058,731	99,178
Improvements and equipment	196,600	267,612	199,814	67,798
Total information technology	<u>3,561,500</u>	<u>3,667,918</u>	<u>3,343,864</u>	<u>324,054</u>
City Council:				
Salaries, wages and employee benefits	1,082,300	1,082,300	1,036,483	45,817
Materials and supplies	14,667	14,667	9,489	5,178
Contractual services	358,499	358,499	193,991	164,508
Improvements and equipment	29,265	29,265	5,992	23,273
Total city council	<u>1,484,731</u>	<u>1,484,731</u>	<u>1,245,955</u>	<u>238,776</u>
Finance:				
Salaries, wages and employee benefits	2,425,400	2,403,600	2,171,890	231,710
Materials and supplies	191,629	191,629	132,781	58,848
Contractual services	839,747	1,139,747	922,412	217,335
Improvements and equipment	38,629	58,629	48,710	9,919
Total finance	<u>3,495,405</u>	<u>3,793,605</u>	<u>3,275,793</u>	<u>517,812</u>
Other - unclassified:				
Salaries, wages and employee benefits	4,599,772	4,599,772	4,791,077	(191,305)
Contractual services	421,901	827,601	789,321	38,280
Interest and civic appropriations	2,823,563	2,673,563	2,545,647	127,916
Payments to component units	5,212,863	5,440,401	5,166,684	273,717
Claims	6,750,000	6,750,000	6,406,779	343,221
Total other - unclassified	<u>19,808,099</u>	<u>20,291,337</u>	<u>19,699,508</u>	<u>591,829</u>
Total general government	<u>35,221,224</u>	<u>36,109,079</u>	<u>33,051,221</u>	<u>3,057,858</u>
Public safety:				
Police:				
Salaries, wages and employee benefits	48,270,267	47,920,267	46,863,292	1,056,975
Materials and supplies	2,372,938	2,722,938	2,710,707	12,231
Contractual services	1,450,106	1,450,106	1,397,595	52,511
Other charges	179,000	179,000	177,444	1,556
Improvements and equipment	1,825,795	1,825,795	1,834,804	(9,009)
Total police	<u>54,098,106</u>	<u>54,098,106</u>	<u>52,983,842</u>	<u>1,114,264</u>
Fire:				
Salaries, wages and employee benefits	45,756,304	45,756,704	45,458,070	298,634
Materials and supplies	1,978,858	1,978,858	1,774,942	203,916
Contractual services	1,982,387	1,981,887	1,902,315	79,572
Improvements and equipment	1,261,484	1,261,484	772,295	489,189
Total fire	<u>50,979,033</u>	<u>50,978,933</u>	<u>49,907,622</u>	<u>1,071,311</u>
Total public safety	<u>105,077,139</u>	<u>105,077,039</u>	<u>102,891,464</u>	<u>2,185,575</u>

CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Engineering				
Salaries, wages and employee benefits	-	3,152,100	2,619,759	532,341
Materials and supplies	-	85,100	89,287	(4,187)
Contractual services	-	462,794	352,894	109,900
Improvements and equipment	-	59,900	116,869	(56,969)
Total engineering	-	3,759,894	3,178,809	581,085
Public Works:				
Salaries, wages and employee benefits	16,157,740	13,477,840	12,574,771	903,069
Materials and supplies	4,203,771	4,671,171	4,348,832	322,339
Contractual services	17,279,140	17,132,340	18,788,681	(1,656,341)
Improvements and equipment	4,775,023	4,799,023	4,735,621	63,402
Total public works	42,415,674	40,080,374	40,447,905	(367,531)
Total public works	42,415,674	43,840,268	43,626,714	213,554
Culture and recreation:				
Salaries, wages and employee benefits	9,382,427	8,786,227	8,880,828	(94,601)
Materials and supplies	960,036	971,736	943,617	28,119
Contractual services	4,755,560	5,159,141	4,684,210	474,931
Other charges	308,425	368,650	277,293	91,357
Improvements and equipment	250,593	508,493	331,338	177,155
Total culture and recreation	15,657,041	15,794,247	15,117,286	676,961
Total expenditures	198,371,078	200,820,633	194,686,685	6,133,948
Excess (deficiency) of revenues over (under) expenditures	(11,830,378)	(12,053,852)	708,485	12,762,337
OTHER FINANCING SOURCES (USES)				
Capital lease	2,510,000	2,510,000	-	(2,510,000)
Transfers in	7,535,000	8,253,640	8,253,640	-
Transfers out	(11,832,500)	(12,675,500)	(12,725,143)	(49,643)
Total other financing sources (uses)	(1,787,500)	(1,911,860)	(4,471,503)	(2,559,643)
Net change in fund balance	(13,617,878)	(13,965,712)	(3,763,018)	10,202,694
Fund balances - beginning	21,762,257	21,762,257	21,762,257	-
Fund balances - ending	\$ 8,144,379	\$ 7,796,545	\$ 17,999,239	\$ 10,202,694

The accompanying notes are an integral part of the financial statements

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	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		
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ 4,220,291	\$ 2,302,201	\$ 494,419	\$ 790,641	\$ 814,015	\$ 8,621,567	\$ 24,015,984
Investments	2,559,221	1,396,199	1,576	-	104,056	4,061,052	16,062,007
Receivables, net	1,150,510	7,029,710	141,718	546,925	256,022	9,124,885	3,218,128
Due from other funds	-	-	-	-	286,581	286,581	1,171,019
Due from other governments	571,394	-	-	-	788,181	1,359,575	-
Inventories	105,256	1,525,661	89,547	31,019	796,560	2,548,043	-
Prepaid items	-	-	5,317	66,588	286,049	357,954	423,964
Total current assets	<u>8,606,672</u>	<u>12,253,771</u>	<u>732,577</u>	<u>1,435,173</u>	<u>3,331,464</u>	<u>26,359,657</u>	<u>44,891,102</u>
Noncurrent Assets:							
Restricted:							
Cash and cash equivalents	4,878,376	7,177,575	-	1,900,554	-	13,956,505	-
Investments	3,850,535	7,101,759	-	-	-	10,952,294	-
Interest receivable	347	-	-	-	-	347	-
Total restricted assets	<u>8,729,258</u>	<u>14,279,334</u>	<u>-</u>	<u>1,900,554</u>	<u>-</u>	<u>24,909,146</u>	<u>-</u>
Unamortized bonds costs	<u>1,769,268</u>	<u>1,890,855</u>	<u>-</u>	<u>528,343</u>	<u>-</u>	<u>4,188,466</u>	<u>-</u>
Capital Assets:							
Land	35,782,863	1,032,277	6,147,743	-	1,940,408	44,903,291	-
Construction in progress	1,524,950	37,553,489	-	-	54,265	39,132,704	-
Buildings	71,507,622	-	88,411,374	43,602,852	11,363,651	214,885,499	-
Improvements other than buildings	91,641,711	-	3,521,288	113,371	868,530	96,144,900	-
Equipment	6,534,235	17,073,766	7,953,547	4,455,206	21,543,838	57,560,592	-
Distribution and collection systems	-	623,636,799	-	-	-	623,636,799	-
Less accumulated depreciation	<u>(88,680,791)</u>	<u>(218,600,908)</u>	<u>(15,769,916)</u>	<u>(7,853,988)</u>	<u>(14,750,267)</u>	<u>(345,655,870)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	<u>118,310,590</u>	<u>460,695,423</u>	<u>90,264,036</u>	<u>40,317,441</u>	<u>21,020,425</u>	<u>730,607,915</u>	<u>-</u>
Total noncurrent assets	<u>128,809,116</u>	<u>476,865,612</u>	<u>90,264,036</u>	<u>42,746,338</u>	<u>21,020,425</u>	<u>759,705,527</u>	<u>-</u>
Total assets	<u>137,415,788</u>	<u>489,119,383</u>	<u>90,996,613</u>	<u>44,181,511</u>	<u>24,351,889</u>	<u>786,065,184</u>	<u>44,891,102</u>

	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		
LIABILITIES							
Current Liabilities:							
Accounts payable	565,554	1,912,036	417,853	331,183	742,020	3,968,646	137,865
Accrued liabilities	594,507	1,498,974	123,821	261,541	134,540	2,613,383	-
Accrued interest payable	1,126,066	420,086	-	144,909	-	1,691,061	-
Due to other funds	-	2,776,444	-	-	-	2,776,444	1,547,384
Deferred revenue	183,022	-	-	-	47,881	230,903	-
Customer deposits	66,724	606,738	80,701	11,589	-	765,752	-
Compensated absences	20,697	91,768	-	-	269,868	382,333	356
Claims and judgments	-	-	-	-	-	-	33,514,766
Leases payable	-	231,063	-	-	-	231,063	-
Revenue bonds and notes payable, net	1,235,000	13,284,860	-	566,000	-	15,085,860	-
Total current liabilities	<u>3,791,570</u>	<u>20,821,969</u>	<u>622,375</u>	<u>1,315,222</u>	<u>1,194,309</u>	<u>27,745,445</u>	<u>35,200,371</u>
Noncurrent Liabilities:							
Accrued liabilities	-	2,082,488	-	-	-	2,082,488	-
Compensated absences	156,944	536,008	-	-	42,706	735,658	2,727
Leases payable	-	240,941	-	-	-	240,941	-
Net OPEB obligation	2,730,920	10,338,637	-	-	896,995	13,966,552	-
Derivative instrument liability	-	14,715,783	-	-	-	14,715,783	-
Revenue bonds and notes payable, net	34,946,509	180,273,815	-	38,551,870	-	253,772,194	-
Total noncurrent liabilities	<u>37,834,373</u>	<u>208,187,672</u>	<u>-</u>	<u>38,551,870</u>	<u>939,701</u>	<u>285,513,616</u>	<u>2,727</u>
Total liabilities	<u>41,625,943</u>	<u>229,009,641</u>	<u>622,375</u>	<u>39,867,092</u>	<u>2,134,010</u>	<u>313,259,061</u>	<u>35,203,098</u>
NET ASSETS							
Invested in capital assets, net of related debt	89,092,198	282,889,437	90,264,036	2,076,365	21,020,425	485,342,461	-
Restricted for debt service	3,958,848	-	-	-	-	3,958,848	-
Unrestricted (deficit)	2,738,799	(22,779,695)	110,202	2,238,054	1,197,454	(16,495,186)	9,688,004
Total net assets	<u>\$ 95,789,845</u>	<u>\$ 260,109,742</u>	<u>\$ 90,374,238</u>	<u>\$ 4,314,419</u>	<u>\$ 22,217,879</u>	<u>\$ 472,806,123</u>	<u>\$ 9,688,004</u>

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Business-type Activities Enterprise Funds					Total	Governmental Activities
	Municipal and Regional	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds		Internal Service Funds
	Airports						
OPERATING REVENUES							
Charges for services	\$ 10,023,999	\$ 65,543,671	\$ 2,240,439	\$ 11,497,092	\$ 4,295,189	\$ 93,600,390	\$ 35,769,667
Miscellaneous	93,820	1,231,794	21,880	134,167	24,630	1,506,291	1,175,359
Total operating revenues	<u>10,117,819</u>	<u>66,775,465</u>	<u>2,262,319</u>	<u>11,631,259</u>	<u>4,319,819</u>	<u>95,106,681</u>	<u>36,945,026</u>
OPERATING EXPENSES							
Personal services	5,450,296	14,451,611	1,652,229	-	8,254,286	29,808,422	186,488
Contractual services and other expenses	1,784,584	6,547,313	1,117,813	8,564,425	2,834,038	20,848,173	4,752,716
Utilities	866,713	3,442,487	646,184	709,303	330,498	5,995,185	-
Repairs and maintenance	297,540	1,094,176	407,162	525,583	151,984	2,476,445	-
Materials and supplies	326,682	8,509,973	105,079	-	3,730,416	12,672,150	6,581
Claims	-	-	-	-	-	-	40,710,288
Depreciation	4,719,401	12,358,468	2,765,630	1,713,171	1,729,858	23,286,528	-
Total operating expenses	<u>13,445,216</u>	<u>46,404,028</u>	<u>6,694,097</u>	<u>11,512,482</u>	<u>17,031,080</u>	<u>95,086,903</u>	<u>45,656,073</u>
Operating income (loss)	<u>(3,327,397)</u>	<u>20,371,437</u>	<u>(4,431,778)</u>	<u>118,777</u>	<u>(12,711,261)</u>	<u>19,778</u>	<u>(8,711,047)</u>
NONOPERATING REVENUES (EXPENSES)							
Investment earnings (loss)	46,955	(6,166,668)	-	-	1,945	(6,117,768)	167,693
Interest expense	(2,346,759)	(7,275,142)	-	(1,888,700)	-	(11,510,601)	-
Intergovernmental	184,785	499,355	-	-	4,485,424	5,169,564	-
Passenger facility charges	1,101,440	-	-	-	-	1,101,440	-
Bond issuance costs	(128,637)	(411,401)	-	(23,176)	-	(563,214)	-
Net increase in fair value of investments	-	2,114	-	-	-	2,114	-
Loss on disposal of capital assets	(1,481)	(5,976)	-	-	(1,171)	(8,628)	-
Net nonoperating revenues (expenses)	<u>(1,143,697)</u>	<u>(13,357,718)</u>	<u>-</u>	<u>(1,911,876)</u>	<u>4,486,198</u>	<u>(11,927,093)</u>	<u>167,693</u>
Income (loss) before contributions and transfers	(4,471,094)	7,013,719	(4,431,778)	(1,793,099)	(8,225,063)	(11,907,315)	(8,543,354)
Capital contributions	6,777,982	870,004	93,061,016	-	5,334,534	106,043,536	-
Transfers in	-	2,543	1,745,000	1,687,100	6,408,695	9,843,338	-
Transfers out	-	(1,142,402)	-	-	(950,000)	(2,092,402)	(518,885)
Change in net assets	2,306,888	6,743,864	90,374,238	(105,999)	2,568,166	101,887,157	(9,062,239)
Total net assets-beginning	<u>93,482,957</u>	<u>253,365,878</u>	<u>-</u>	<u>4,420,418</u>	<u>19,649,713</u>	<u>370,918,966</u>	<u>18,750,243</u>
Total net assets-ending	<u>\$ 95,789,845</u>	<u>\$ 260,109,742</u>	<u>\$ 90,374,238</u>	<u>\$ 4,314,419</u>	<u>\$ 22,217,879</u>	<u>\$ 472,806,123</u>	<u>\$ 9,688,004</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, 2011

	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		
Cash flows from operating activities:							
Receipts from operations	\$ 10,023,655	\$ 65,629,418	\$ 2,179,422	\$ 11,316,238	\$ 4,432,220	\$ 93,580,953	\$ 47,381,696
Payments to suppliers	(2,935,626)	(17,993,920)	(2,077,070)	(9,732,987)	(6,847,670)	(39,587,273)	(4,778,577)
Payments to employees	(4,946,622)	(12,426,201)	(1,528,408)	-	(8,103,456)	(27,004,687)	(186,010)
Claims	-	-	-	-	-	-	(34,132,792)
Other receipts	93,820	1,231,794	21,880	134,167	24,630	1,506,291	3,364
Other payments	(291,999)	(2,912,450)	-	-	(57,000)	(3,261,449)	-
Net cash provided by (used in) operating activities	<u>1,943,228</u>	<u>33,528,641</u>	<u>(1,404,176)</u>	<u>1,717,418</u>	<u>(10,551,276)</u>	<u>25,233,835</u>	<u>8,287,681</u>
Cash flows from noncapital financing activities:							
Cash bond	-	20	-	-	-	20	-
Transfers out	-	(1,035,000)	-	-	(950,000)	(1,985,000)	-
Intergovernmental	184,785	499,355	-	-	4,697,159	5,381,299	-
Transfers in	-	2,543	1,745,000	1,687,100	7,066,087	10,500,730	-
Interest expense on operations	-	-	-	(3,245)	-	(3,245)	-
Net cash provided by (used in) noncapital financing activities	<u>184,785</u>	<u>(533,082)</u>	<u>1,745,000</u>	<u>1,683,855</u>	<u>10,813,246</u>	<u>13,897,049</u>	<u>-</u>
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(6,613,219)	(12,837,803)	-	(553,343)	(6,054,440)	(26,058,805)	-
Principal paid on debt	(1,160,000)	(17,340,812)	-	(300,500)	-	(18,801,312)	-
Interest paid on debt	(2,297,737)	(11,080,521)	-	(1,744,812)	-	(15,123,070)	-
Capitalized lease payment	-	(223,830)	-	-	-	(223,830)	-
Proceeds from loan	-	4,267,759	-	-	-	4,267,759	-
Capital grants	6,946,465	-	-	-	5,237,050	12,183,515	-
Transfers in	-	-	-	-	55,090	55,090	-
Contributed capital by others	95,042	-	155,171	-	80,172	330,385	-
Passenger facility charges	1,103,543	-	-	-	-	1,103,543	-
Proceeds from sale of capital assets	603	-	-	-	-	603	-
Net cash provided by (used in) capital and related financing activities	<u>(1,925,303)</u>	<u>(37,215,207)</u>	<u>155,171</u>	<u>(2,598,655)</u>	<u>(682,128)</u>	<u>(42,266,122)</u>	<u>-</u>

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Business-type Activities
Enterprise Funds

	Municipal and Regional Airports	Water and Sewerage	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Cash flows from investing activities:							
Purchase of investments	(551,429)	(9,249,621)	(1,576)	-	(56,041)	(9,858,667)	(8,127,895)
Proceeds from sale and maturity of investments	-	11,348,228	-	-	309,055	11,657,283	4,975,720
Interest on investments	46,432	254,521	-	-	1,946	302,899	241,843
			-				
Net cash provided by (used in) investing activities	(504,997)	2,353,128	(1,576)	-	254,960	2,101,515	(2,910,332)
Net increase (decrease) in cash and cash equivalents	(302,287)	(1,866,520)	494,419	802,618	(165,198)	(1,036,968)	5,377,349
Cash and cash equivalents, beginning of year	9,400,954	11,346,296	-	1,888,577	979,213	23,615,040	18,638,635
Cash and cash equivalents, end of year	\$ 9,098,667	\$ 9,479,776	\$ 494,419	\$ 2,691,195	\$ 814,015	\$ 22,578,072	\$ 24,015,984
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ (3,327,397)	\$ 20,371,437	\$ (4,431,778)	\$ 118,777	\$ (12,711,261)	\$ 19,778	\$ (8,711,047)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	4,719,401	12,358,468	2,765,630	1,713,171	1,729,858	23,286,528	-
(Increase)Decrease in assets:							
Receivables	6,335	89,150	(141,718)	(185,536)	46,490	(185,279)	(1,638,162)
Due from other funds	-	-	-	-	106,453	106,453	12,074,832
Inventories	17,526	(54,441)	(89,547)	(397)	(37,869)	(164,728)	3,364
Prepaid items	-	-	(5,317)	27,641	(148,376)	(126,052)	109,421
Increase(Decrease) in liabilities:							
Accounts payable	34,631	(82,761)	294,032	(22,942)	330,475	553,435	(126,582)
Accrued liabilities	(91,944)	(312,948)	91,092	62,022	7,675	(244,103)	6,577,496
Accrued OPEB	532,334	2,015,266	-	-	174,910	2,722,510	-
Due to other funds	-	(875,736)	-	-	-	(875,736)	(2,119)
Deferred revenue	78,246	-	-	-	(13,820)	64,426	-
Customers' deposits	2,756	20,305	80,701	4,682	-	108,444	-
Compensated absences	(28,660)	(99)	32,729	-	(35,811)	(31,841)	478
Total adjustments	5,270,625	13,157,204	3,027,602	1,598,641	2,159,985	25,214,057	16,998,728
Net cash provided by (used in) operating activities	\$ 1,943,228	\$ 33,528,641	\$ (1,404,176)	\$ 1,717,418	\$ (10,551,276)	\$ 25,233,835	\$ 8,287,681

Non-cash investing, capital and financing activities:

The Municipal and Regional Airports had a loss on disposal of capital assets of \$1,481.

The Water and Sewerage Fund had \$870,004 in capital contributions, \$2,114 increase in fair value of investments, \$5,976 in loss on disposal of capital assets, \$129,152 in debt forgiven in relation to the proceeds of the 2009A Revenue Bonds issued through the ARRA of 2009 and an investment loss of \$6,417,829 due to the change in fair value of the derivative instrument.

The Shreveport Convention Center Enterprise Fund had internal capital contributions in the amount of \$93,061,016.

The Shreveport Area Transit System had a loss on disposal of capital assets of \$512.

The Golf Fund had a loss on disposal of capital assets of \$659.

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2011

ASSETS	Employee Retirement Funds
Cash and cash equivalents	\$ 12,505,888
Receivables:	
Interest and dividends receivable	371,794
Accounts receivable	133,846
Prepaid items	526,761
Investments, at fair value:	
U.S. government obligations	15,611,753
Investment pool	955,999
Mutual funds	38,486,011
Domestic corporate bonds	13,267,459
Domestic equities	115,667,185
International equities	1,280,610
Municipal Bonds	9,939,236
Total investments	195,208,253
Other assets:	
Cash surrender value of life insurance policies	8,177,072
Total assets	216,923,614
 LIABILITIES	
Due to other funds	12,952,995
Employees' deposits held in escrow	5,912,938
Total liabilities	18,865,933
 NET ASSETS	
Held in trust for pension benefits	\$ 198,057,681

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	\$ 8,839,018
Plan members	<u>4,452,258</u>
Total contributions	<u>13,291,276</u>
Investment earnings:	
Net depreciation	
in fair value of investments	(2,784,008)
Interest	2,346,597
Dividends	<u>2,496,500</u>
Total investment earnings	2,059,089
Less investment expense	<u>1,136,473</u>
Net investment earnings	<u>922,616</u>
Life insurance proceeds	870,000
Miscellaneous	<u>45,091</u>
Total additions	<u>15,128,983</u>
DEDUCTIONS	
Benefits	21,258,715
Refund of member contribution	815,410
Administrative expenses	396,519
Life insurance premiums	<u>817,973</u>
Total deductions	<u>23,288,617</u>
Change in net assets	(8,159,634)
Net assets - beginning	<u>206,217,315</u>
Net assets - ending	<u>\$ 198,057,681</u>

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET ASSETS
COMPONENT UNITS
DECEMBER 31, 2011

	Shreveport Home Mortgage Authority	City Courts	City Marshal	Downtown Development Authority	Metropolitan Planning Commission	Total
ASSETS						
Cash and cash equivalents	\$ 2,453,117	\$ 5,188,854	\$ 1,428,858	\$ 564,690	\$ 81,213	\$ 9,716,732
Investments	4,667,914	100,000	-	-	-	4,767,914
Receivables, net	17,898	47,942	-	945,921	-	1,011,761
Prepaid items	-	4,050	-	19,616	-	23,666
Notes receivable	3,861,667	-	-	-	-	3,861,667
Other assets	333,139	-	-	15,969	-	349,108
Capital assets:						
Land	-	-	-	74,000	704,514	778,514
Other capital assets, net of depreciation	-	266,704	466,693	774,842	168,856	1,677,095
Total assets	<u>11,333,735</u>	<u>5,607,550</u>	<u>1,895,551</u>	<u>2,395,038</u>	<u>954,583</u>	<u>22,186,457</u>
LIABILITIES						
Accounts payable	-	28,430	12,563	32,241	13,003	86,237
Accrued liabilities	42,818	-	-	12,375	-	55,193
Due to other governments	-	-	-	-	68,210	68,210
Noncurrent liabilities:						
Due within one year	388,630	-	-	61,501	-	450,131
Due in more than one year	7,365,479	-	-	671,008	-	8,036,487
Total liabilities	<u>7,796,927</u>	<u>28,430</u>	<u>12,563</u>	<u>777,125</u>	<u>81,213</u>	<u>8,696,258</u>
NET ASSETS						
Invested in capital assets, net of related debt	-	266,704	466,693	848,842	873,370	2,455,609
Restricted for:						
Debt service	1,292,433	-	-	-	-	1,292,433
Other purposes	-	1,913,209	-	222,262	-	2,135,471
Unrestricted	<u>2,244,375</u>	<u>3,399,207</u>	<u>1,416,295</u>	<u>546,809</u>	<u>-</u>	<u>7,606,686</u>
Total net assets	<u><u>3,536,808</u></u>	<u><u>\$ 5,579,120</u></u>	<u><u>\$ 1,882,988</u></u>	<u><u>\$ 1,617,913</u></u>	<u><u>\$ 873,370</u></u>	<u><u>\$ 13,490,199</u></u>

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Shreveport Home Mortgage Authority			
Mortgage Operations	\$ 483,879	\$ 420,852	\$ -
City Courts			
Judicial	<u>3,588,741</u>	<u>884,501</u>	<u>-</u>
City Marshal			
Judicial	<u>2,291,151</u>	<u>703,040</u>	<u>-</u>
Downtown Development Authority			
Downtown development	684,287	-	15,000
Streetscape program	323,651	265,005	-
Parking program	367,978	364,400	-
Interest on long-term debt	<u>129,973</u>	<u>-</u>	<u>-</u>
Total Downtown Development Authority	<u>1,505,889</u>	<u>629,405</u>	<u>15,000</u>
Metropolitan Planning Commission			
Planning and zoning	<u>1,342,792</u>	<u>260,814</u>	<u>210,346</u>
	<u>\$ 9,212,452</u>	<u>\$ 2,898,612</u>	<u>\$ 225,346</u>

General Revenues:
Property taxes levied for general purposes
Investment earnings
Payment from City of Shreveport
Miscellaneous
 Total general revenues
Change in Net Assets
Net assets - beginning
Net assets - ending

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

Net(Expenses) Revenues and
Changes in Net Assets

<u>Shreveport Home Mortgage Authority</u>	<u>City Courts</u>	<u>City Marshal</u>	<u>Downtown Development Authority</u>	<u>Metropolitan Planning Commission</u>	<u>Total</u>
\$ (63,027)					\$ (63,027)
	(2,704,240)				(2,704,240)
		(1,588,111)			(1,588,111)
			(669,287)		(669,287)
			(58,646)		(58,646)
			(3,578)		(3,578)
			(129,973)		(129,973)
			-		-
				(871,632)	(871,632)
(63,027)	(2,704,240)	(1,588,111)	(861,484)	(871,632)	(6,088,494)
-	-	-	789,424	-	789,424
106,830	10,567	4,566	2,731	-	124,694
-	2,792,940	1,471,685	-	902,059	5,166,684
-	-	-	75,147	-	75,147
106,830	2,803,507	1,476,251	867,302	902,059	6,155,949
43,803	99,267	(111,860)	5,818	30,427	67,455
3,493,005	5,479,853	1,994,848	1,612,095	842,943	13,422,744
\$ 3,536,808	\$ 5,579,120	\$ 1,882,988	\$ 1,617,913	\$ 873,370	\$ 13,490,199



**CITY OF SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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 should be included in its reporting entity.

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

Discretely Presented Component Units

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

City Courts

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

City Marshal

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

Downtown Development Authority

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

Metropolitan Planning Commission

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

Shreveport Home Mortgage Authority

The Shreveport Home Mortgage Authority is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to undertake various programs to assist in the financing of housing for persons of low to moderate income in the City of Shreveport. There are five trustees that are appointed by the City Council for terms of five years. 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 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.

Shreveport Convention Center Hotel Authority

The Shreveport Convention Center Hotel Authority is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to oversee the development and operation of the Shreveport Convention Center Hotel for the purpose of furthering economic development. There are five appointed trustees. The trustees are the Mayor, Chief Administrative Officer, City Council President, City Council Vice-President, and a citizen chosen at the discretion of the Mayor and approved by the City Council. The term of the Trustees shall be for as long as they hold the office enumerated, and the term of the citizen shall run concurrently with the mayoral term. 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 cannot access the Authority's resources but is the beneficiary of the residual assets of the termination of the trust. The City may provide financial support in the form of interim financing or guarantor of the Authority's debt. The boards are not substantively the same as the City. The Authority serves the citizenry of the City of Shreveport. The trust was created in 2002 but has had no reportable transactions through the year ended December 31, 2011.

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

Administrative Offices:

City Courts
1244 Texas Avenue
Shreveport, Louisiana 71101

Shreveport Home Mortgage Authority
1400 Youree Drive
Shreveport, Louisiana 71101

City Marshal
1244 Texas Avenue
Shreveport, Louisiana 71101

Downtown Development Authority
400 Edwards Street
Shreveport, Louisiana 71101

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

B. Government-wide and Fund Financial Statements

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

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 2011 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 City reports the following major proprietary funds:

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

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

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 Information Technology Fund which was operational through 2010 was transferred to the General Fund in 2011 and will be closed out in 2012.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewerage function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. The City does not use an indirect cost allocation system. However, the General Fund charges certain funds an administrative overhead charge based on a cost allocation plan. This is 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 for use, it is the City's policy to use restricted resources first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by state 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 assets. Negative equity balances have been reclassified and are reflected as due to/from other funds. Interest income and expense are allocated to the various funds based upon their average daily equity balances.

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

The 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.

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. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. 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 or Ordinances to invest in the following:

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 50% equity and 50% fixed.

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 60% equity and 40% 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 uncollectibles.

3. Inventories and Prepaid Items

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

Certain proceeds of 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 assets because their use is limited by applicable bond covenants. The bond construction funds are used to report those proceeds of revenue bond issuances that are restricted for use in construction. The bond and interest sinking funds are used to segregate 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 are recorded at estimated fair market value at the date of donation.

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

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

The total interest expense incurred by the Water and Sewerage Fund was \$11,459,330. Of this amount \$4,184,188 was included as the cost of capital assets in construction in progress.

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

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Improvements other than buildings	10-50
Infrastructure	20-75
Distribution and collection systems	10-50
Equipment	3-20

6. **Compensated Absences**

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

Vacation earned is based on the number of years of 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.

7. Long-term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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. Fund Equity

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 Chief Administrative Officer or through actions of the City Council.

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.

9. Net Assets

The government-wide statement of net assets reports \$70,090,202 of restricted net assets, of which \$62,814,651 is restricted by enabling legislation.

E. Implementation of New Accounting Standard

The City implemented the following financial accounting and reporting standards issued by the Governmental Accounting Standards Board (GASB):

- Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions

The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The initial distinction that is made in reporting fund balance information is identifying amounts that are considered non-spendable, such as fund balance associated with inventories. This Statement also provides for additional classification as restricted, committed, assigned and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

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 reappropriated and honored during the subsequent year.

Encumbrances outstanding at year end by fund.

General fund	\$ 3,987,312
Debt Service fund	-
2011 General Obligation Bond fund	507,098
Nonmajor governmental funds	<u>9,853,829</u>
Total encumbrances	\$ <u>14,348,239</u>

Revisions were made to the following major governmental funds original budgets (expenditures including transfers out) as follows:

	Original Budget Including <u>Carry Forwards</u>	<u>Revisions</u>	Final Revised <u>Budget</u>
General Fund	\$ 210,203,578	\$ 3,292,555	\$ 213,496,133

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:

<u>Revenues</u>	<u>General Fund</u>
Actual on the budgetary basis	\$ 195,395,170
Adjustment for state supplemental pay	<u>6,824,234</u>
GAAP basis	\$ <u>202,219,404</u>
 <u>Expenditures (Including transfers out)</u>	
Actual on the budgetary basis	\$ 207,411,828
Adjustment for state supplemental pay	<u>6,824,234</u>
GAAP basis	\$ <u>214,236,062</u>

B. Excess of Expenditures over Appropriations

During 2011, based on the legally adopted level of control for budgetary purposes, the following funds had excess expenditures over appropriations:

General Fund

Personnel	
Other charges	\$ 540
Other unclassified	
Salaries, wages and employee benefits	191,305
Public safety	
Improvements and equipment	9,009
Engineering	
Material and supplies	4,187
Improvements and equipment	56,969
Public works	
Contractual services	1,656,341
Culture and recreation	
Salaries, wages and employee benefits	94,601

C. Deficit Net Assets

The Golf Fund, a nonmajor enterprise fund, had a deficit net asset balance of \$372,109. The deficit was due to the accrual of Other Postemployment Benefits (OPEB) as described in Note IV.A.

The Information Technology Fund, an internal service fund, had a deficit net asset balance of \$111,811. The funds operations were moved to the General Fund at the beginning of 2011. This amount is the residual balance in the fund and will be funded by a transfer in 2012.

D. Deficit Fund Balance

The Riverfront Development Fund, a nonmajor governmental fund, had a deficit fund balance of \$462,762. The deficit was due to less than anticipated revenues and will be funded through 2012 budget amendments within the fund.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Investments – Primary Government excluding Fiduciary Funds

<u>Investment Type</u>	<u>Fair Value</u>
U.S. Treasuries	\$ 18,318,150
U.S. Instrumentalities	38,049,334
Money Market	99,146,158
LAMP	7,392,310
Capital One Investment Account	<u>30,893,853</u>
 Total	 \$ <u>193,799,805</u>

The fair value of \$56,367,484 for U.S. Treasuries and Instrumentalities, is classified on the Statement of Net Assets as “Investments”. The money market amounts of \$99,146,158, LAMP \$7,392,310, and Capital One Investment Account \$30,893,853 are classified as “Cash and cash equivalents”.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>	
		<u>Less Than 1</u>	<u>1-3</u>
U.S. Treasuries	\$ 18,318,150	\$ 15,300,652	\$ 3,017,498
U.S. Instrumentalities	38,049,334	25,046,397	13,002,937
Money Market	99,146,158	99,146,158	-
LAMP	7,392,310	7,392,310	-
Capital One Investment Account	<u>30,893,853</u>	<u>30,893,853</u>	-
Total	<u>\$ 193,799,805</u>	<u>\$ 177,779,370</u>	<u>\$ 16,020,435</u>

Interest rate risk. The City 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. The City is exposed to interest rate risk on its pay fixed, receive variable rate swap. The City pays 3.56% and receives 70% of USD-LIBOR-BBA. A decrease in the variable rate increases the City’s interest expense. The swap had a negative fair value of \$14,715,783 at December 31, 2011 and is classified under noncurrent liabilities within the Water and Sewerage Fund as derivative instrument liability. The increase in the negative fair value for 2011 was \$6,417,829 and is classified as investment loss. The swap has a notional amount of \$75,000,000 and matures on October 1, 2026.

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 AAAm.

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.

2. Investments – Fiduciary Funds

<u>Investment Type</u>	<u>Fair Value</u>
U.S. Treasuries	\$ 3,813,164
U.S. Agencies	1,328,240
U.S. Instrumentalities	8,795,876
Asset-backed Securities	1,674,473
Corporate Bonds	13,267,459
Mutual Funds	3,491,813
Mutual Bond Funds	34,994,198
Investment Pool	955,999
Domestic Equities	115,667,185
International Equities	1,280,610
Municipal Bonds	9,939,236
Money Market	<u>12,124,972</u>
Total	<u>\$207,333,225</u>

The fair value of \$195,208,253 is classified on the Statement of Fiduciary Net Assets as “Investments”. The money market amounts of \$12,124,972 are classified as “Cash and Cash Equivalents”.

Investment Maturities (in years)

<u>Investment Type</u>	<u>Fair Value</u>	Less <u>Than 1</u>	<u>1-5</u>	<u>5-10</u>	<u>≥10</u>
U.S. Treasuries	\$ 3,813,164	\$ 1,928,443	\$ 1,093,234	\$ 511,946	\$ 279,541
U.S. Agencies	1,328,240	-	-	-	1,328,240
U.S. Instrumentalities	8,795,876	879,590	3,257,104	1,474,605	3,184,577
Asset-backed Securities	1,674,473	-	-	169,221	1,505,252
Corporate Bonds	13,267,459	847,513	5,611,328	3,401,289	3,407,229
Municipal Bonds	9,939,236	173,947	3,470,667	3,093,938	3,200,684
Collateralized Mortgage Obligations	-	-	-	-	-
Money Market	<u>12,124,972</u>	<u>12,124,972</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$50,943,420</u>	<u>\$15,954,465</u>	<u>\$13,432,333</u>	<u>\$8,651,099</u>	<u>\$12,905,523</u>

<u>S&P/Moody's Rating</u>	<u>Fair Value</u>
Government	\$ 3,813,164
Agency	1,328,240
AAA	15,084,852
AA	8,570,709
A	8,346,921
BBB	1,674,562
Unrated (Money Market)	<u>12,124,972</u>
 Total	 <u>\$50,943,420</u>

Interest rate risk. The Fiduciary Plans 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 purchases 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.

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.

City Courts – The City Court does not have a policy for custodial credit risk. As of December 31, 2011, \$4,370,084 of the City Courts' bank balance of \$5,302,614 was exposed to custodial credit risk due to being uninsured and collateral held by the pledging bank's trust department not in the City Courts' name.

City Marshal – The City Marshall does not have a policy for custodial credit risk. As of December 31, 2011, \$1,344,694 of the City Marshal's bank balance of \$1,911,175 was exposed to custodial credit risks due to being uninsured and collateral held by the pledging banks' trust department not in the City Marshal's name.

Downtown Development Authority – The Authority does not have a policy for custodial credit risk. As of December 31, 2011, \$343,365 of the Authority's bank balance of \$593,365 was uninsured but collateralized with pledged securities held by the custodial bank's trust department in the Authority's name.

Louisiana Revised Statue 39:1229 imposes statutory requirement 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 \$4,667,916 consists of guaranteed mortgage-backed securities.

City Courts – The \$100,000 consists of certificates of deposit with initial maturities greater than 90 days.

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 1, 2011
Levy date	Not later than June 1, 2011
Tax bills mailed	On or about November 15, 2011
Total taxes are due	December 31, 2012
Penalties and interest are added	January 1, 2012
Lien date	January 1, 2012
Tax sale - 2011 delinquent property	July 1, 2012

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 94.0% 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, 2008 and has been subsequently completed for the tax roll at January 2012.

C. Receivables

Receivables (excluding due from other funds and component units) as of year end for the City's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are outlined below.

	<u>General</u>	<u>Debt Service</u>	<u>Water and Sewerage</u>	<u>Municipal and Regional Airports</u>	<u>Convention Center</u>	<u>Convention Center Hotel</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:								
Interest	\$ -	\$ -	\$ -	\$ 347	\$ -	\$ -	\$ 371,794	\$ 372,141
Taxes	6,970,830	7,705,597	-	-	-	-	-	14,676,427
Accounts	5,380,954	-	7,641,081	2,043,773	141,718	546,925	6,998,569	22,753,020
Intergovernmental	13,297,787	47,600	-	571,394	-	-	6,894,500	20,811,281
Notes receivable	-	-	-	-	-	-	16,631,455	16,631,455
Gross receivables	25,649,571	7,753,197	7,641,081	2,615,514	141,718	546,925	30,896,318	75,244,324
Less: Allowance for uncollectibles	<u>3,423,852</u>	<u>878,028</u>	<u>611,371</u>	<u>893,263</u>	<u>-</u>	<u>-</u>	<u>6,055,296</u>	<u>11,861,810</u>
Net total receivables	<u>\$ 22,225,719</u>	<u>\$ 6,875,169</u>	<u>\$ 7,029,710</u>	<u>\$ 1,722,251</u>	<u>\$ 141,718</u>	<u>\$ 546,925</u>	<u>\$ 24,841,022</u>	<u>\$ 63,382,514</u>

The total of notes receivable is not expected to be collected within one year. Approximately \$484,000 will be collected in the next year and the balance in future years in accordance with the payment schedules.

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

Delinquent property taxes receivable (General Fund)	\$ 1,533,806
Delinquent property taxes receivable (Debt Service Fund)	2,173,651
Other deferrals including program notes receivable	<u>8,301,329</u>
 Total deferred revenue for governmental funds	 <u>\$12,008,786</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 Single Audit Act as mandated by OMB Circular A-133.

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

General Fund	\$ 9,519,179
Debt Service Fund	2,177,256
Special Revenue Funds:	
Community Development	8,109,327
Police Grants	2,966,071
Environmental Grants	1,666,853
Capital Projects Funds	1,071,314
Enterprise Funds:	
Municipal and Regional Airports	8,064,207
Shreveport Area Transit System	9,819,958
Water and Sewer	<u>499,355</u>
 Totals	 <u>\$43,893,520</u>

Supplementary salary payments are made by the State to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution from the State. The State paid supplemental salaries to the following groups of employees: Fire Department \$3,332,411 Police Department \$3,249,450 and City Marshal (a component unit) \$242,373. 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, 2011 was as follows:

Primary Government

	Beginning Balance Before Transfers	Transfer to Convention Center	Beginning Balance After Transfers(1)	Increases	Decreases	Ending Balance
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 111,460,733	\$ (6,147,743)	\$ 105,312,990	\$ 1,517,053	\$ (258,815)	\$ 106,571,228
Construction in progress	10,184,244	-	10,184,244	7,188,534	(8,934,264)	8,438,514
Total capital assets not being depreciated	121,644,977	(6,147,743)	115,497,234	8,705,587	(9,193,079)	115,009,742
Capital assets, being depreciated:						
Buildings	262,049,996	(88,411,374)	173,638,622	1,192,560	(2,903,401)	171,927,781
Improvements other than buildings	71,977,303	(3,413,427)	68,563,876	176,678	(362,493)	68,378,061
Equipment	80,474,897	(7,917,935)	72,556,962	8,028,410	(2,540,060)	78,045,312
Infrastructure	513,226,260	-	513,226,260	10,997,372	-	524,223,632
Total capital assets being depreciated	927,728,456	(99,742,736)	827,985,720	20,395,020	(5,805,954)	842,574,786
Less accumulated depreciation for:						
Buildings	(63,900,223)	8,678,573	(55,221,650)	(3,452,877)	2,552,623	(56,121,904)
Improvements other than buildings	(31,198,767)	626,704	(30,572,063)	(1,992,232)	333,251	(32,231,044)
Equipment	(52,167,326)	3,699,009	(48,468,317)	(5,919,505)	2,606,455	(51,781,367)
Infrastructure	(200,095,426)	-	(200,095,426)	(12,392,098)	-	(212,487,524)
Total accumulated depreciation	(347,361,742)	13,004,286	(334,357,456)	(23,756,712)	5,492,329	(352,621,839)
Total capital assets, being depreciated, net	580,366,714	(86,738,450)	493,628,264	(3,361,692)	(313,625)	489,952,947
Governmental activities capital assets, net	\$ 702,011,691	\$ (92,886,193)	\$ 609,125,498	\$ 5,343,895	\$ (9,506,704)	\$ 604,962,689

(1) Shreveport Convention Center became an Enterprise Fund January 1, 2011 and capital assets were transferred from the governmental activities on that date.

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Municipal and Regional Airports				
Capital assets, not being depreciated:				
Land	\$ 33,500,212	\$ 2,282,651	\$ -	\$ 35,782,863
Construction in progress	370,403	6,754,033	(5,599,486)	1,524,950
Total capital assets not being depreciated	<u>33,870,615</u>	<u>9,036,684</u>	<u>(5,599,486)</u>	<u>37,307,813</u>
Capital assets, being depreciated:				
Buildings	71,372,584	135,038	-	71,507,622
Improvements other than buildings	88,349,460	3,292,251	-	91,641,711
Equipment	6,536,132	74,112	(76,009)	6,534,235
Total capital assets being depreciated	<u>166,258,176</u>	<u>3,501,401</u>	<u>(76,009)</u>	<u>169,683,568</u>
Less accumulated depreciation for:				
Buildings	(30,714,950)	(1,517,256)	-	(32,232,206)
Improvements other than buildings	(48,290,012)	(2,982,308)	-	(51,272,320)
Equipment	(5,030,353)	(219,837)	73,925	(5,176,265)
Total accumulated depreciation	<u>(84,035,315)</u>	<u>(4,719,401)</u>	<u>73,925</u>	<u>(88,680,791)</u>
Total capital assets, being depreciated, net	<u>82,222,861</u>	<u>(1,218,000)</u>	<u>(2,084)</u>	<u>81,002,777</u>
Municipal and Regional Airports capital assets, net	<u>\$ 116,093,476</u>	<u>\$ 7,818,684</u>	<u>\$ (5,601,570)</u>	<u>\$ 118,310,590</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Water and Sewerage:				
Capital assets, not being depreciated:				
Land	\$ 1,032,277	\$ -	\$ -	\$ 1,032,277
Construction in progress	68,322,444	14,246,871	(45,015,826)	37,553,489
Total capital assets not being depreciated	<u>69,354,721</u>	<u>14,246,871</u>	<u>(45,015,826)</u>	<u>38,585,766</u>
Capital assets, being depreciated:				
Equipment	17,487,746	87,434	(501,414)	17,073,766
Distribution and collection systems	576,721,088	46,915,711	-	623,636,799
Total capital assets being depreciated	<u>594,208,834</u>	<u>47,003,145</u>	<u>(501,414)</u>	<u>640,710,565</u>
Less accumulated depreciation for:				
Equipment	(3,094,772)	(412,963)	388,036	(3,119,699)
Distribution and collection systems	(203,535,704)	(11,945,505)	-	(215,481,209)
Total accumulated depreciation	<u>(206,630,476)</u>	<u>(12,358,468)</u>	<u>388,036</u>	<u>(218,600,908)</u>
Total capital assets, being depreciated, net	<u>387,578,358</u>	<u>34,644,677</u>	<u>(113,378)</u>	<u>422,109,657</u>
Water and Sewerage capital assets, net	<u>\$ 456,933,079</u>	<u>\$ 48,891,548</u>	<u>\$ (45,129,204)</u>	<u>\$ 460,695,423</u>

	<u>Beginning Balance (1)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Convention Center:				
Capital assets, not being depreciated:				
Land	\$ 6,147,743	\$ -	\$ -	\$ 6,147,743
Construction in progress	-	174,823	(174,823)	-
Total capital assets not being depreciated	<u>6,147,743</u>	<u>174,823</u>	<u>(174,823)</u>	<u>6,147,743</u>
Capital assets, being depreciated:				
Buildings	88,411,374	-	-	88,411,374
Improvements other than buildings	3,413,427	107,861	-	3,521,288
Equipment	<u>7,917,935</u>	<u>35,612</u>	-	<u>7,953,547</u>
Total capital assets being depreciated	<u>99,742,736</u>	<u>143,473</u>	<u>-</u>	<u>99,886,209</u>
Less accumulated depreciation for:				
Buildings	(8,678,573)	(1,817,786)	-	(10,496,359)
Improvements other than buildings	(626,704)	(140,261)	-	(766,965)
Equipment	<u>(3,699,009)</u>	<u>(807,583)</u>	-	<u>(4,506,592)</u>
Total accumulated depreciation	<u>(13,004,286)</u>	<u>(2,765,630)</u>	<u>-</u>	<u>(15,769,916)</u>
Total capital assets, being depreciated, net	<u>86,738,450</u>	<u>(2,622,157)</u>	<u>-</u>	<u>84,116,293</u>
Convention Center capital assets, net	<u>\$ 92,886,193</u>	<u>\$ (2,447,334)</u>	<u>\$ (174,823)</u>	<u>\$ 90,264,036</u>

(1) Shreveport Convention Center became an Enterprise Fund January 1, 2011 and beginning balances reflect the transfer from the government activities.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Convention Center Hotel:				
Capital assets, not being depreciated:				
Buildings	43,342,066	260,786	-	43,602,852
Improvements other than buildings	95,565	17,806	-	113,371
Equipment	<u>4,180,455</u>	<u>274,751</u>	-	<u>4,455,206</u>
Total capital assets being depreciated	<u>47,618,086</u>	<u>553,343</u>	<u>-</u>	<u>48,171,429</u>
Less accumulated depreciation for:				
Buildings	(3,984,224)	(1,070,488)	-	(5,054,712)
Improvements other than buildings	(39,150)	(11,734)	-	(50,884)
Equipment	<u>(2,117,443)</u>	<u>(630,949)</u>	-	<u>(2,748,392)</u>
Total accumulated depreciation	<u>(6,140,817)</u>	<u>(1,713,171)</u>	<u>-</u>	<u>(7,853,988)</u>
Total capital assets, being depreciated, net	<u>41,477,269</u>	<u>(1,159,828)</u>	<u>-</u>	<u>40,317,441</u>
Convention Center Hotel capital assets, net	<u>\$ 41,477,269</u>	<u>\$ (1,159,828)</u>	<u>\$ -</u>	<u>\$ 40,317,441</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Other business-type activity programs:				
Capital assets, not being depreciated:				
Land	\$ 1,940,408	\$ -	\$ -	\$ 1,940,408
Construction in progress	406,530	9,370,251	(9,722,516)	54,265
Total capital assets not being depreciated	<u>2,346,938</u>	<u>9,370,251</u>	<u>(9,722,516)</u>	<u>1,994,673</u>
Capital assets, being depreciated:				
Buildings	9,320,139	2,043,512	-	11,363,651
Improvements other than buildings	868,530	-	-	868,530
Equipment	18,811,687	4,208,477	(1,476,326)	21,543,838
Total capital assets being depreciated	<u>29,000,356</u>	<u>6,251,989</u>	<u>(1,476,326)</u>	<u>33,776,019</u>
Less accumulated depreciation for:				
Buildings	(3,612,578)	(306,619)	-	(3,919,197)
Improvements other than buildings	(395,816)	(27,618)	-	(423,434)
Equipment	(10,487,170)	(1,395,621)	1,475,155	(10,407,636)
Total accumulated depreciation	<u>(14,495,564)</u>	<u>(1,729,858)</u>	<u>1,475,155</u>	<u>(14,750,267)</u>
Total capital assets, being depreciated, net	<u>14,504,792</u>	<u>4,522,131</u>	<u>(1,171)</u>	<u>19,025,752</u>
Other enterprise funds capital assets, net	\$ 16,851,730	\$ 13,892,382	\$ (9,723,687)	\$ 21,020,425
Business-type activities capital assets, net	<u>\$ 724,241,747</u>	<u>\$ 66,995,452</u>	<u>\$ (60,629,284)</u>	<u>\$ 730,607,915</u>

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:

Governmental activities:

General government	\$ 448,379
Public safety	3,544,765
Public works, including depreciation of general infrastructure assets	14,100,166
Community development	471,676
Culture and recreation	<u>5,191,726</u>
Total depreciation expense-governmental activities	\$ <u>23,756,712</u>

Business-type activities:

Municipal and Regional Airports	\$ 4,719,401
Convention Center	2,765,630
Convention Center Hilton Hotel	1,713,171
Water and Sewerage	12,358,468
Shreveport Area Transit System	1,675,552
Golf	<u>54,306</u>
Total depreciation expense-business-type activities	\$ <u>23,286,528</u>

Construction commitments

The government has active major construction projects as of December 31, 2011. The projects include public works projects, Airport additions, Shreveport Area Transit System additions and improvements to Water and Sewerage facilities. At year end, the government’s commitments with contractors are as follows:

<u>Project</u>	<u>Remaining Commitment</u>	<u>Financing Sources</u>
Security Upgrade at Regional Airport	\$2,193,314	Federal FAA Grants and State Grants
Upgrade Master Plan at Regional Airport	572,828	Federal FAA Grants and State Grants
FAR Part 150 Noise Mitigation Project	832,272	Federal FAA Grants and State Grants
Overlay Runway 5/23 at Downtown Airport	836,602	Federal FAA Grants and State Grants
Rehabilitate Runway 5/23 at Regional Airport	741,425	Federal FAA Grants and State Grants
SPAR Arts Center Replacement	2,506,127	State Revenue Sharing, General Fund, General Obligation Bonds, Other Grants, and Private Donations
CNG Filling Station	523,921	State Grant, General Fund & Riverfront Development
Wastewater Treatment Plant Expansion	701,870	Water and Sewerage Revenue Bonds
Sewer Survey and Wastewater Master Plan	<u>667,638</u>	Water and Sewerage Revenue Bonds and General Obligation Bonds
 Total	 <u>\$9,575,997</u>	

Discretely presented component unit

Activity for the Metropolitan Planning Commission (MPC) for the year ended December 31, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 704,514	\$ -	\$ -	\$ 704,514
Capital assets, being depreciated:				
Improvements other than buildings	999,234	-	-	999,234
Equipment	<u>208,496</u>	<u>50,346</u>	<u>(132,366)</u>	<u>126,476</u>
Total capital assets being depreciated	<u>1,207,730</u>	<u>50,346</u>	<u>(132,366)</u>	<u>1,125,710</u>
Less accumulated depreciation for:				
Improvements other than buildings	(886,517)	(5,150)	-	(891,667)
Equipment	<u>(182,784)</u>	<u>(14,769)</u>	<u>132,366</u>	<u>(65,187)</u>
Total accumulated depreciation	<u>(1,069,301)</u>	<u>(19,919)</u>	<u>132,366</u>	<u>(956,854)</u>
Total capital assets, being depreciated, net	<u>138,429</u>	<u>30,427</u>	<u>-</u>	<u>168,856</u>
MPC capital assets, net	<u>\$ 842,943</u>	<u>\$ 30,427</u>	<u>\$ -</u>	<u>\$ 873,370</u>

All depreciation was charged to planning and zoning.

Activity for the Downtown Development Authority for the year ended December 31, 2011 was of follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 74,000	\$ -	\$ -	\$ 74,000
Total capital assets, not being depreciated	<u>74,000</u>	<u>-</u>	<u>-</u>	<u>74,000</u>
Capital assets, being depreciated:				
Leasehold improvements	52,369	-	-	52,369
Buildings	798,261	-	-	798,261
Equipment	<u>356,393</u>	<u>56,237</u>	<u>(34,850)</u>	<u>377,780</u>
Total capital assets being depreciated	<u>1,207,023</u>	<u>56,237</u>	<u>(34,850)</u>	<u>1,228,410</u>
Less accumulated depreciation for:				
Leasehold improvements	(21,095)	(1,746)	-	(22,841)
Buildings	(181,188)	(26,486)	-	(207,674)
Equipment	<u>(224,864)</u>	<u>(33,039)</u>	<u>34,850</u>	<u>(223,053)</u>
Total accumulated depreciation	<u>(427,147)</u>	<u>(61,271)</u>	<u>34,850</u>	<u>(453,568)</u>
Total capital assets, being depreciated, net	<u>779,876</u>	<u>(5,034)</u>	<u>-</u>	<u>774,842</u>
Downtown Development Authority capital assets, net	<u>\$ 853,876</u>	<u>\$ (5,034)</u>	<u>\$ -</u>	<u>\$ 848,842</u>

Depreciation expense was charged to functions/programs as follows:

Downtown development	\$32,980
Streetscape program	12,727
Parking program	<u>15,564</u>
Total	<u>\$61,271</u>

F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2011 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	Nonmajor governmental funds	\$ 1,212,671
	General Fund	1,721,191
	2011 General Obligation Bonds	8,832
Nonmajor enterprise fund	General Fund	286,581
Internal service funds	Water and Sewerage Fund	1,171,019
General Fund	Water and Sewerage Fund	1,605,425
Debt service fund	Fiduciary Funds	12,952,995
	Nonmajor governmental funds	1,883,634
	Internal Service Fund	<u>1,547,384</u>
Total		<u>\$ 22,389,732</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.

Interfund transfers:

	Transfer out:					Total
	General Fund	2011 General Obligation Bonds	Nonmajor Governmental Fund	Water and Sewer	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ -	\$ 7,218,640	\$ 1,035,000	\$ -	\$ 8,253,640
Debt Service	9,488,964	-	982,685	-	-	10,471,649
Nonmajor governmental Convention Center	1,557,012	267	5,823,623	-	950,000	8,330,902
Convention Center Hotel	-	-	1,745,000	-	-	1,745,000
Water & Sewerage	-	2,543	1,687,100	-	-	1,687,100
Nonmajor enterprise	6,353,605	-	55,090	-	-	6,408,695
Total transfers	\$ 17,399,581	\$ 2,810	\$ 17,512,138	\$ 1,035,000	\$ 950,000	\$ 36,899,529

Transfers in and out do not agree with the financial statements due to a net transfer out of \$518,885 from the Information Technology Fund to the governmental activities consisting of capital assets of \$637,007 less compensated absences of \$118,122. Also, the Water and Sewerage Fund transferred \$107,402 in capital assets to the governmental activities.

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 previously entered into lease agreements in 2001, 2002, 2004, 2005, 2006, 2007, 2008 and 2010. The lease agreements qualify as capital leases for accounting purposes and, therefore, 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.

The assets acquired through the capital leases follow:

	Governmental Activities	Business-type Activities
Equipment	\$ 33,354,294	\$ 1,885,311
Less: accumulated depreciation	(13,085,908)	(793,077)
Total	\$ 20,268,386	\$ 1,599,775

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2011 were as follows:

<u>Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2012	\$ 3,638,388	\$ 248,611
2013	2,545,628	248,611
2014	689,923	-
2015	<u>689,923</u>	<u>-</u>
Total minimum lease payments	7,563,862	497,222
Less: amount representing interest	<u>(372,896)</u>	<u>(25,218)</u>
Present value of minimum lease payments	<u>\$7,190,966</u>	<u>\$472,004</u>

H. Long-term Liabilities

Long-term liability activity for the year ended December 31, 2011 was as follows:
(in thousands of dollars)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$ 142,810	\$ 81,500	\$ (15,995)	\$ 208,315	\$ 17,695
Less deferred amounts on refunding	(4,749)	-	655	(4,094)	(653)
Plus deferred premium	<u>5,420</u>	<u>7,603</u>	<u>(872)</u>	<u>12,151</u>	<u>1,094</u>
Total bonds payable	<u>143,481</u>	<u>89,103</u>	<u>(16,212)</u>	<u>216,372</u>	<u>18,136</u>
Certificate of indebtedness	18,725	-	(4,745)	13,980	4,885
Less unamortized discount	(35)	-	4	(31)	(3)
Less deferred amounts on refunding	(331)	-	57	(274)	(57)
Plus deferred premium	<u>339</u>	<u>-</u>	<u>(59)</u>	<u>280</u>	<u>58</u>
Total certificates of indebtedness	<u>18,698</u>	<u>-</u>	<u>(4,743)</u>	<u>13,955</u>	<u>4,883</u>
Capital lease	<u>11,201</u>	<u>-</u>	<u>(4,010)</u>	<u>7,191</u>	<u>3,420</u>
Notes	32,050	-	(1,895)	30,155	1,000
Less deferred amounts on refunding	(1,983)	-	100	(1,883)	(100)
Plus deferred premium	<u>65</u>	<u>-</u>	<u>(3)</u>	<u>62</u>	<u>3</u>
Total notes	<u>30,132</u>	<u>-</u>	<u>(1,798)</u>	<u>28,334</u>	<u>903</u>
Net pension obligation	18,613	6,151	-	24,764	-
Net OPEB obligation	90,942	26,597	-	117,539	-
Landfill postclosure care	2,327	358	-	2,685	-
Claims and judgments	26,937	40,710	(34,132)	33,515	33,515
Compensated absences	<u>2,301</u>	<u>386</u>	<u>(273)</u>	<u>2,414</u>	<u>311</u>
Governmental activities (Excluding: Community Development notes)	<u>344,632</u>	<u>163,305</u>	<u>(61,168)</u>	<u>446,769</u>	<u>61,168</u>
Community Development notes	<u>5,205</u>	<u>-</u>	<u>(695)</u>	<u>4,510</u>	<u>700</u>
Total long-term liabilities	<u>\$ 349,837</u>	<u>\$ 163,305</u>	<u>\$ (61,863)</u>	<u>\$ 451,279</u>	<u>\$ 61,868</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activity					
Municipal and Regional Airports:					
Revenue bonds and notes	\$ 38,440	\$ -	\$ (1,160)	\$ 37,280	\$ 1,235
Less deferred amounts on refunding	(1,181)	-	83	(1,098)	-
Total revenue bonds and notes	37,259	-	(1,077)	36,182	1,235
Net OPEB obligation	2,199	532	-	2,731	-
Compensated absences	206	-	(29)	177	21
Total	39,664	532	(1,106)	39,090	1,256
Water and Sewerage:					
Revenue bonds and notes	207,231	4,139	(17,341)	194,029	13,194
Unamortized discount	(218)	-	218	-	-
Less deferred amounts on refunding	(2,314)	-	580	(1,734)	(437)
Plus deferred premium	1,301	-	(337)	964	228
Total bonds payable	206,000	4,139	(16,880)	193,259	12,985
Capital lease	696	-	(224)	472	231
Net OPEB obligation	8,323	2,016	-	10,339	-
Compensated absences	628	15	(16)	627	91
Accrued liability	2,553	129	(300)	2,382	300
Derivative instrument liability	8,298	6,418	-	14,716	-
Total	226,498	12,717	(17,420)	221,795	13,607
Convention Center Hotel					
Notes	42,605	-	(301)	42,304	566
Less deferred amounts on refunding	(3,323)	-	137	(3,186)	-
Total	39,282	-	(164)	39,118	566
Other business-type activities:					
Net OPEB obligation	722	175	-	897	-
Compensated absences	348	270	(305)	313	270
Total	1,070	445	(305)	1,210	270
Business-type activity					
long-term activities	\$ 306,514	\$ 13,694	\$ (18,995)	\$ 301,213	\$ 15,699

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, \$3,083 of internal service funds compensated absences are included in the above amounts. For the governmental activities, the balance of compensated absences is generally liquidated by the General Fund. Net pension obligation, Net OPEB obligation and landfill post-closure care will also be liquidated by the General Fund.

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

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 \$277,913,018 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$1,389,222,910 pursuant to the 35% limitation. Included in the total assessed valuation of property within the City is \$13,287,860 of assessed valuation which has been adjudicated to

Caddo and Bossier Parish. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 2011.

	<u>Debt limit - 10% of assessed value for any one purpose</u>	<u>Deduct - Amount of debt applicable to debt limit</u>	<u>Legal Debt margin</u>
Street Improvements	\$138,922,291	\$57,358,589	\$ 81,563,702
Police and Fire	138,922,291	10,148,992	128,773,299
Water and Sewer Improvements	138,922,291	37,612,250	101,310,041
Parks and Recreation	138,922,291	34,619,179	104,303,112
Public Buildings	138,922,291	47,220,000	91,702,291
Drainage	138,922,291	18,705,388	120,216,903
Sanitation and Incinerator	138,922,291	-	138,922,291
Industrial Bond	138,922,291	-	138,922,291
Airports	138,922,291	-	138,922,291
Sportran	138,922,291	338,131	138,584,161
Riverfront Park	138,922,291	2,312,474	136,609,818

The annual requirements to amortize all debt outstanding as of December 31, 2011, including interest requirements are as follows:

	Maturities				
	(thousands of dollars)				
	Total	2012	2013	2014	2015
PRINCIPAL REQUIREMENTS:					
GENERAL OBLIGATION DEBT:					
General Obligation Bonds Applicable to:					
All Purposes other than Water and Sewerage:					
1999 Refunding Issue - 4.00-5.00%	\$ 2,535	\$ 1,235	\$ 1,300	\$ -	\$ -
2003A Refunding Issue - 2.375-5.00%	2,830	1,385	1,445		-
Less: Deferred Amount on Refunding	(100)	(50)	(50)		-
Plus Unamortized Premium	37	19	18	-	-
	<u>2,767</u>	<u>1,354</u>	<u>1,413</u>	<u>-</u>	<u>-</u>
2003B Refunding Issue - 2.00-5.25%	5,615	1,015	1,065	1,115	1,175
Less: Deferred Amount on Refunding	(297)	(70)	(70)	(70)	(70)
Plus: Unamortized Premium	194	46	46	46	56
	<u>5,512</u>	<u>991</u>	<u>1,041</u>	<u>1,091</u>	<u>1,161</u>
2003A Issue - 3.00-6.00%	25,900	1,680	1,755	1,830	1,915
Plus: Unamortized Premium	64	32	32	-	-
	<u>25,964</u>	<u>1,712</u>	<u>1,787</u>	<u>1,830</u>	<u>1,915</u>
2004A Refunding Issue - 3.00-4.50%	10,795	1,610	1,680	1,750	1,830
Less: Deferred Amount on Refunding	(499)	(92)	(92)	(92)	(92)
Plus: Unamortized Premium	93	17	17	17	17
	<u>10,389</u>	<u>1,535</u>	<u>1,605</u>	<u>1,675</u>	<u>1,755</u>
2005A Refunding Issue - 2.50 - 5.00%	47,220	4,905	5,165	5,430	5,725
Less: Deferred Amount on Refunding	(2,599)	(354)	(354)	(354)	(354)
Plus: Unamortized Premium	2,744	374	374	374	374
	<u>47,365</u>	<u>4,925</u>	<u>5,185</u>	<u>5,450</u>	<u>5,745</u>
2005B Refunding Issue - 2.8 - 5.25%	19,930	2,065	2,175	2,290	2,405
Less: Deferred Amount on Refunding	(473)	(66)	(66)	(66)	(66)
Plus: Unamortized Premium	1,283	179	179	179	179
	<u>20,740</u>	<u>2,178</u>	<u>2,288</u>	<u>2,403</u>	<u>2,518</u>
2008 Refunding Issue - 4.00%	11,990	1,465	1,545	1,620	1,705
Less: Deferred Amount on Refunding	(126)	(21)	(21)	(21)	(21)
Plus: Unamortized Premium	291	47	47	47	47
	<u>12,155</u>	<u>1,491</u>	<u>1,571</u>	<u>1,646</u>	<u>1,731</u>
2011 Issue - 2.00-5.00%	81,500	2,335	2,465	2,600	2,745
Plus: Unamortized Premium	7,445	380	380	380	380
	<u>88,945</u>	<u>2,715</u>	<u>2,845</u>	<u>2,980</u>	<u>3,125</u>
Total General Obligation Bonds	<u>216,372</u>	<u>18,136</u>	<u>19,035</u>	<u>17,075</u>	<u>17,950</u>

Maturities
(thousands of dollars)

2016	2017- 2021	2022- 2026	2027- 2031	2032- 2036
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,245	-	-	-	-
(17)	-	-	-	-
-	-	-	-	-
<u>1,228</u>	-	-	-	-
2,000	11,415	5,305	-	-
-	-	-	-	-
<u>2,000</u>	<u>11,415</u>	<u>5,305</u>	-	-
1,920	2,005	-	-	-
(92)	(39)	-	-	-
17	8	-	-	-
<u>1,845</u>	<u>1,974</u>	-	-	-
6,035	19,960	-	-	-
(354)	(829)	-	-	-
374	874	-	-	-
<u>6,055</u>	<u>20,005</u>	-	-	-
2,535	8,460	-	-	-
(66)	(143)	-	-	-
179	388	-	-	-
<u>2,648</u>	<u>8,705</u>	-	-	-
1,790	3,865	-	-	-
(21)	(21)	-	-	-
47	56	-	-	-
<u>1,816</u>	<u>3,900</u>	-	-	-
2,895	17,050	22,285	29,125	-
380	1,900	1,900	1,745	-
<u>3,275</u>	<u>18,950</u>	<u>24,185</u>	<u>30,870</u>	-
<u>18,867</u>	<u>64,949</u>	<u>29,490</u>	<u>30,870</u>	-

Maturities
(thousands of dollars)

	Total	2012	2013	2014	2015
General Obligation Notes					
2000A LCDA Convention Center Hotel - Variable	1,934	101	108	114	121
2004 Certificate of Indebtedness - 2.00-4.20%	3,545	300	310	320	330
Less: Unamortized Discount	(31)	(3)	(3)	(3)	(3)
	3,514	297	307	317	327
2008 LCDA Independence Stadium - 4.00-5.25%	30,155	1,000	1,040	1,095	1,150
Less: Deferred Amount on Refunding	(1,883)	(100)	(100)	(100)	(100)
Plus: Unamortized Premium	62	3	3	3	3
	28,334	903	943	998	1,053
2008A LCDA Convention Center Hotel - Variable	40,370	465	305	540	590
Less: Deferred Amount on Refunding	(3,186)	-	(274)	(137)	(137)
	37,184	465	31	403	453
2010A Refunding Certificate of Indebtedness - 2.00-4.00%	9,895	4,500	1,300	1,310	1,355
Less: Deferred Amount on Refunding	(274)	(57)	(57)	(57)	(57)
Plus: Unamortized Premium	280	58	58	58	58
	9,901	4,501	1,301	1,311	1,356
2010B Refunding Certificate of Indebtedness - 4.58%	540	85	90	130	130
Community Bank Lease/Purchase - 4.373%	695	162	170	177	186
Chase Lease Purchase - 3.734%	614	614	-	-	-
Chase Lease Purchase - 3.370%	1,356	897	459	-	-
Chase Lease Purchase 4.230%	2,636	1,290	1,346	-	-
Capital Lease - Water & Sewer	472	231	241	-	-
Suntrust Lease Purchase - 2.20%	1,890	457	467	477	489
	7,663	3,651	2,683	654	675
Total General Obligation Debt	305,442	28,139	24,498	21,002	22,065
Municipal and Regional Airports					
2008A LCDA Refunding Issue - (5.811 - 5.875%)	9,160	-	-	-	-
Less: Deferred Amount on Refunding	(405)	-	(50)	(25)	(25)
	8,755	-	(50)	(25)	(25)
2008B LCDA Refunding Issue - (5.250 - 5.625%)	15,305	850	890	940	990
Less: Deferred Amount on Refunding	(693)	-	(116)	(58)	(58)
	14,612	850	774	882	932
2008C LCDA Issue - (6.750 - 7.000%)	9,325	-	-	-	-
2008D LCDA Issue - (7.000%)	3,490	385	405	440	470
Total Municipal and Regional Airports - NOTES	36,182	1,235	1,129	1,297	1,377
Water and Sewerage					
1993B Issue - 4.25-9.00%	1,670	810	860	-	-
2001A Issue - 3.95%	4,505	335	350	360	375
2001B Issue - 3.95%	4,505	335	350	360	375
2001C Issue - 3.95%	3,565	265	275	285	300
2002A Issue - 3.95%	12,786	-	-	-	1,390
2002B Issue - 3.95%	8,569	644	669	696	723
2003A Issue - 3.95%	12,421	681	708	736	765
2003B Issue - 3.95%	3,727	256	266	276	287
2004A Issue - 3.95%	11,363	762	792	823	856
2009A Revenue Bonds RLF - 3.45%	961	40	41	42	44
2009B Revenue Bonds RLF - 3.45%	6,809	287	293	301	308
2010D Revenue Bonds RLF - .95%	870	40	41	41	41
2003A Refunding Issue - 4.00-5.00%	9,055	2,745	3,020	3,290	-
Less: Deferred Amount on Refunding	(734)	(245)	(245)	(244)	-
Plus: Unamortized Reoffer Call Premium	212	103	72	37	-
	8,533	2,603	2,847	3,083	-

Maturities
(thousands of dollars)

2016	2017- 2021	2022- 2026	2027- 2031	2032- 2036
127	759	604	-	-
345	1,940	-	-	-
(3)	(16)	-	-	-
342	1,924	-	-	-
1,205	6,975	8,845	8,845	-
(100)	(499)	(499)	(485)	-
3	17	17	16	-
1,108	6,493	8,363	8,376	-
820	5,280	8,480	11,905	11,985
(137)	(685)	(685)	(685)	(446)
683	4,595	7,795	11,220	11,539
1,430	-	-	-	-
(46)	-	-	-	-
48	-	-	-	-
1,432	-	-	-	-
105	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
22,664	78,720	46,252	50,466	11,539
-	390	5,395	3,375	-
(25)	(125)	(125)	(30)	-
(25)	265	5,270	3,345	-
1,040	6,075	4,520	-	-
(58)	(286)	(117)	-	-
982	5,789	4,403	-	-
-	1,775	3,530	3,310	710
500	1,290	-	-	-
1,457	9,119	13,203	6,655	710
-	-	-	-	-
390	2,200	495	-	-
390	2,200	495	-	-
310	1,740	390	-	-
1,445	8,128	1,823	-	-
752	4,226	859	-	-
796	4,476	4,259	-	-
298	1,677	667	-	-
890	5,004	2,236	-	-
45	240	269	240	-
315	1,695	1,910	1,700	-
42	213	222	230	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

Maturities
(thousands of dollars)

	Total	2012	2013	2014	2015
2003B Refunding Issue - 2.00-5.00%	6,285	2,025	2,095	2,165	-
Less: Deferred Amount on Refunding	(401)	(134)	(134)	(133)	-
Plus: Unamortized Reoffer Call Premium	75	34	25	16	-
	<u>5,959</u>	<u>1,925</u>	<u>1,986</u>	<u>2,048</u>	<u>-</u>
2003C Refunding Issue - 4.00%	3,800	1,220	1,265	1,315	-
Less: Deferred Amount on Refunding	(22)	(7)	(7)	(8)	-
Plus: Unamortized Reoffer Call Premium	43	23	14	6	-
	<u>3,821</u>	<u>1,236</u>	<u>1,272</u>	<u>1,313</u>	<u>-</u>
2005 LCDA Note - Variable	<u>50,000</u>	<u>-</u>	<u>763</u>	<u>670</u>	<u>1,513</u>
2006A Refunding Issue - 4.00%	8,435	780	805	845	485
Less: Deferred Amount on Refunding	(577)	(51)	(51)	(51)	(34)
Plus: Unamortized Reoffer Call Premium	74	11	10	9	8
	<u>7,932</u>	<u>740</u>	<u>764</u>	<u>803</u>	<u>459</u>
2007 LCDA Revenue Bonds - 4.00%	22,800	1,005	1,045	1,085	1,130
Plus: Unamortized Reoffer Premium	560	57	55	53	51
	<u>23,360</u>	<u>1,062</u>	<u>1,100</u>	<u>1,138</u>	<u>1,181</u>
2008 LCDA Biosolid Disposal Project - 6.125%	6,903	339	6,564	-	-
2010C Revenue Bonds	<u>15,000</u>	<u>625</u>	<u>625</u>	<u>625</u>	<u>625</u>
Total Revenue Bonds -- Water and Sewerage	<u>193,259</u>	<u>12,985</u>	<u>20,566</u>	<u>13,600</u>	<u>9,242</u>
Total Principal	<u>534,883</u>	<u>42,359</u>	<u>46,193</u>	<u>35,899</u>	<u>32,684</u>
INTEREST REQUIREMENTS:					
General Obligation Debt	94,937	11,551	10,620	9,693	8,802
Revenue Bonds and Notes					
Convention Center Hotel	30,670	1,841	1,822	1,809	1,786
Water and Sewerage	61,449	8,081	7,290	6,653	5,676
Municipal and Regional Airports	25,487	2,321	2,250	2,173	2,092
Total Interest Requirements	<u>212,543</u>	<u>23,794</u>	<u>21,982</u>	<u>20,328</u>	<u>18,356</u>
Total Future Debt Requirements	<u>\$ 747,426</u>	<u>\$ 66,153</u>	<u>\$ 68,175</u>	<u>\$ 56,227</u>	<u>\$ 51,040</u>

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 August 2011, the City issued \$81,500,000 in General Obligation Bonds, Series 2011. Included in the proceeds was a reoffering premium of \$7,603,061. The Bonds are being 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 therefore, 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 furnishing 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%.

Community Development Notes

The City has four HUD loans received in prior years. The loans are 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. An allowance for doubtful accounts has been provided for one note originally made for \$2,200,000 and still outstanding for the full amount. Another note originally made for \$5,000,000 is not collectible. An amount of \$1,438,000 has been recorded as due from HUD at December 31, 2011 in relation to this note as well as \$476,889 for interest paid but not drawn down at this date.

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

<u>Year Ending</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>
2012	700,000	100,797
2013	705,000	99,257
2014	705,000	90,173
2015	717,000	79,686
2016	363,000	67,568
2017-2021	1,047,000	199,440
2022-2023	<u>273,000</u>	<u>23,467</u>
Total	<u>\$4,510,000</u>	<u>\$660,357</u>

Municipal and Regional Airports Revenue Bonds

The resolutions applicable to the Municipal and Regional Airports Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Municipal and Regional Airport fund. Net assets of the Municipal and Regional Airport fund have been restricted in accordance with the provisions of the respective bond indentures in the amount of \$3,958,848 at December 31, 2011, 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.

Restricted assets on the balance sheet 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, 2011 follows:

<u>Fund</u>	
Debt Service Reserve Funds	\$3,850,882
Other Miscellaneous Restricted Funds	2,409,343
Bond and Interest Sinking Funds	<u>2,469,033</u>
Total restricted assets	<u>\$8,729,258</u>

Water and Sewerage Revenue Bonds

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. The estimated debt maturity schedule is for principal payments of \$536,000 to \$622,000 for the years 2012 through 2031. The amounts drawn down in 2011 were \$382,173 and the total to date is \$870,261.

In October 2010, the City entered into a Loan Agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority. The Authority issued \$15,000,000 of Utility Revenue Bonds (Shreveport Water Improvement Project), Series 2010C for the purpose of financing the costs of the acquisition and construction of improvements, extensions and replacements to the drinking water portion of the City's combined revenue producing water and sewer utility systems, and pay the costs of issuance. In November 2010, the bonds were purchased by Capital One Public Funding, LLC. The bonds bear an initial rate of 4.59% for five years. At the end of the first five years, the bond purchaser has the right to remarket the bonds or hold them for four additional five year periods subject to a mutually agreeable interest rate and such other terms upon which all parties agree and also the right to remarket the bonds at each five year interval. The bonds have maturity dates of 2012 through 2035 and principal payments of \$625,000 or each maturity date.

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. In 2011, \$258,305 of the 2009A bonds was received for a total to date of \$2,000,000 of which \$1,000,000 has been forgiven through the American Recovery and Investment Act of 2009. Also in 2011, \$2,994,682 was received on the 2009B bonds for a total to date of \$7,089,182.

In prior years, the City has issued Water and Sewer Revenue Bonds for system upgrades through a series of Loan and Pledge Agreements with the Louisiana Department of Environmental Quality (DEQ). The DEQ, as the initial purchaser of the bonds, purchases the bonds in increments as project costs are incurred, and interest is payable only on the amount purchased from the date of purchase. At December 31, 2011, the bonds authorized and the amount purchased to date are the 2002B \$13,000,000 (\$12,910,405), 2003A \$16,000,000 (\$15,999,906), 2003B \$6,000,000 (\$5,099,462), 2004A \$16,000,000 (\$15,974,788). The amounts drawn down and issued in 2011 were 2003B for \$632,599.

In September 2005, the City entered into a Loan Agreement for \$75,000,000 with the Louisiana Local Governmental Environmental Facilities and Community Development Authority. The Authority issued \$75,000,000 of its Revenue Bonds (Shreveport Utility System Project) Series 2005. In June 2009, the City redeemed \$25,000,000 of the \$75,000,000 Revenue Bonds Series 2005 with funds remaining in the Project Fund. At the same time, the remaining \$50,000,000 of the Revenue Bonds Series 2005 were purchased by Capital One Public Funding, LLC ("COPF") and are being held by COPF as purchased bonds. The Bonds carry a fluctuating

interest rate per annum equal to sixty-five (65%) percent of LIBOR for a one month interest period (resetting weekly) plus 3.30%.

The City entered into a Substitute Standby Bond Purchase Agreement with COPF effective June 23, 2009 for a period of five years from June 23, 2009 for the purchased bonds. The commitment is equal to the sum of (a) \$50,000,000 constituting the principal face amount of the Bonds and (b) \$558,904.11 equal to 34 days interest on the Bonds at 12% percent interest. COPF expressly reserves the right to directly sell the purchased bonds on or after the expiration date of the Substitute Standby Bond Purchase Agreement. Upon notice from COPF, the City shall have the right to obtain a substitute standby bond purchase agreement or a standby letter of credit or to obtain a bond purchaser for all of the Purchased Bonds owned by COPF. If the City fails to obtain a substitute bond purchaser and COPF fails to sell or remarket the Bonds, the outstanding principal will be subject to mandatory redemption over a five year period with principal payable in equal semi-annual installments, bearing interest at the highest of (1) the Overnight Federal Funds Rate plus 2.00%; (2) the Prime Rate plus 1.50%; or (3) 8.50%. If the balance of the issue was converted to a five-year semi-annual installment loan, the semi-annual payments would be \$12,415,061 assuming a 8.50% interest rate.

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.

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

Restricted assets on the balance sheet of the 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, 2011 follows:

<u>Fund</u>	
1990A and B Bonds Construction Funds	\$ 491
Debt Service Reserve Funds	3,421,268
Bond and Interest Sinking Funds	717,500
2000A Bond Construction Fund	1,396,033
2001B Bond Construction Fund	241,223
2001C Bond Construction Fund	35,165
2005 LCDA Loan Agreement	3,066,967
2007 LCDA Revenue Bonds	1,103,408
Miscellaneous Bond Construction Fund	<u>4,297,279</u>
Total restricted assets	\$ <u>14,279,334</u>

Convention Center Hotel

In May 2010, the City remarketed the \$40,575,000 remaining principal balance of the \$40,980,000 Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008. The bonds were placed with Wells Fargo Bank, N.A. by Loop Capital Markets LLC as Remarketing Agent. The placement is for a four year period from May 27, 2010 to May 31, 2014 and shall bear interest at a variable rate, which shall be applicable for the entire period, equal to the greater of: (1) the Thompson Financial's Municipal Market Data scale for "AAA" municipal yields with a scale date of May 26, 2010 plus 3.00% per annum or (2) 4.125%. At May 26, 2010 the "AAA" rate was 1.22% which when added to the 3.00%, gave a rate of 4.22%. The City removed Morgan Keegan and Company as remarketing agent and the bonds were remarketed without credit enhancement or rating.

Restricted assets on the balance sheet of the Convention Center Hotel Fund primarily represent amounts required to be maintained in accordance with the trust indenture and loan agreement. A summary of restricted assets at December 31, 2011 follows:

<u>Fund</u>	
Bond Interest Sinking Fund	\$ 493,360
Miscellaneous Restricted Funds	<u>1,407,194</u>
Total Restricted Assets	\$ <u>1,900,554</u>

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, 2011, the principal outstanding on the 2004 bonds was \$3,890,000.

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.

The Shreveport Home Mortgage has debt that is significant in proportion to the total debt of all component units.

The annual requirements to amortize all debt outstanding as of December 31, 2011 including interest requirements are as follows:

<u>Year Ending December 31,</u>	<u>Total to be Paid</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 796,384	\$ 388,630	\$ 407,754
2013	794,233	404,062	390,171
2014	798,033	430,265	367,768
2015	800,807	457,278	343,529
2016	797,394	479,331	318,063
2017-2021	3,210,689	2,023,469	1,187,220
2022-2026	3,076,825	2,810,000	266,825
2027-2031	754,200	660,000	94,200
2032-2036	<u>105,117</u>	<u>101,074</u>	<u>4,043</u>
Total	<u>\$11,133,682</u>	<u>\$7,754,109</u>	<u>\$3,379,573</u>

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). 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 single-employer defined benefit plan.

Summary of Significant Accounting Policies

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.

Concentration of Investments

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

Plan Descriptions and Contribution Information

Membership of each plan consisted of the following at December 31, 2011:

	<u>FPRF</u>	<u>PPRF</u>	<u>ERS</u>
Retirees and beneficiaries receiving benefits	388	200	933
Active plan members:			
Vested	14	-	620
Nonvested	<u>-</u>	<u>-</u>	<u>747</u>
Total	<u>402</u>	<u>200</u>	<u>2,300</u>
Number of participating employers	1	1	5

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.

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

Firemen’s Pension and Relief Fund

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

Until January 1, 1983, the Firemen’s Pension and Relief Fund provided the primary retirement benefits for two groups of employees. Firefighters hired before July 12, 1977 were covered under an “Old Plan”. Firefighters hired on or after July 12, 1977 were covered by a “New Plan”. Under the Old Plan, a firefighter was eligible to retire at any age with 20 years of service. Benefits are payable monthly for life equal to 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.

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 service and may receive a benefit at age 50 with twenty years service or at age 55 with a minimum of twelve years service. Benefits are established and may be amended by State statutes.

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.

Funding Policy - 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 is currently 122.1% of annual covered payroll.

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

Annual required contribution	\$ 2,310,932
Interest on net pension obligation	368,793
Adjustment to annual required contribution	<u>(1,154,583)</u>
Annual pension cost	1,525,142
Contributions made	<u>(1,462,207)</u>
Increase in net pension obligation	62,935
Net pension obligation beginning of year	<u>4,609,916</u>
Net pension obligation end of year	<u>\$ 4,672,851</u>

The net pension obligation is \$4,672,851 at December 31, 2011, and it is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2011 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7% investment rate of return and (b) projected salary increases of 5% and cost-of-living adjustments of 3.5%. An inflation factor of 3.5% was used. The actuarial value of assets was determined using market value. The

unfunded actuarial liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at December 31, 2011 was 4 years.

Year Ended	Three-Year Trend Information		Net Pension Obligation
	Annual Pension Cost	Percentage of APC Contributed	
12/31/09	\$2,421,391	58.1	\$3,670,009
12/31/10	2,347,111	60.0	4,609,916
12/31/11	1,525,142	95.9	4,672,851

The funded status of the plan as of December 31, 2011, the most recent actuarial valuation date is as follows:

(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2-1)	Funded Ratio (1/2)	Covered Payroll	UAAL as a Percentage of Covered Payroll 3/5
\$13,942,436	\$26,492,284	\$12,549,848	52.6%	\$1,197,330	1,048.2%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Policemen's Pension and Relief Fund

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

Until July 12, 1977, all police officers hired became participants in the plan as a condition of employment. After July 12, 1977, all new policemen were placed directly into the State's Municipal Police Employees' Retirement System (MPERS). Currently only policemen who retire after January 1, 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.

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.

Funding Policy - 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.

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

Annual required contribution	\$ 1,373,266
Interest on net pension obligation	24,360
Adjustment to annual required contribution	<u>(76,265)</u>
Annual pension cost	1,321,361
Contributions made	<u>(1,373,266)</u>
Decrease in net pension obligation	(51,905)
Net pension obligation beginning of year	<u>304,503</u>
Net pension obligation end of year	<u>\$ 252,598</u>

The net pension obligation is \$252,598 at December 31, 2011, and it is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2011 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7% investment rate of return and (b) projected salary increases of 5% and cost-of-living adjustments of 3.5%. An inflation factor of 3.5% was used. The actuarial value of assets was determined using market value. The unfunded actuarial liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at December 31, 2011 was 4 years.

Three-Year Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/09	\$1,875,256	75.0	\$109,972
12/31/10	1,601,827	87.9	304,503
12/31/11	1,373,266	100.0	252,598

The funded status of the plan as of December 31, 2011, the most recent actuarial valuation date is as follows:

(1)	(2)	(3)	(4)	(5)	(6)
<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u> <u>(2-1)</u>	<u>Funded Ratio</u> <u>(1/2)</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u> <u>3/5</u>
\$14,035,147	\$21,538,850	\$7,503,703	65.2%	-0-	N/A

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Employees' Retirement System (ERS)

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

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

Prior to October 1, 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 10 years of creditable service. Benefit provisions are established and may be amended by City ordinance.

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. An early retirement provision has been implemented for any member who has at least 10 years 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 until termination. At December 31, 2011, there is \$5,912,938 being held for members in the Deferred Retirement Option Plan.

Funding Policy - 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%. Contributions are made from the fund that the employee is paid from or from the organizations noted above. The contribution rate is currently 13.15% of annual covered payroll.

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 percent 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 five percent.

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

Annual required contribution	\$ 12,202,624
Interest on net pension obligation	1,164,367
Adjustment to annual required contribution	<u>(1,223,700)</u>
Annual pension cost	12,143,291
Contributions made	<u>(6,003,545)</u>
Increase in net pension obligation	6,139,746
Net pension obligation beginning of year	<u>13,698,430</u>
Net pension obligation end of year	<u>\$ 19,838,176</u>

The net pension obligation is \$19,838,176 at December 31, 2011, and is recorded in the governmental activities of the government-wide statement of net assets.

The annual required contribution for the current year was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumption included (a) 7.75% investment rate of return and (b) projected salary increases of 4% for classified employees with less than 12 years of service and 3% for non-classified employees plus age-related merit and seniority increases. An inflation factor of 3% was used. Cost-of-living adjustments are contingent on funding levels and overall rate of return on investments. The actuarial value of investments was determined using market value. The unfunded actuarial liability is being amortized as a level dollar amount on an open 30-year basis.

Three-Year Trend Information

Year Ended	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
12/31/09	\$ 12,026,136	55.1	\$8,759,091
12/31/10	11,200,943	55.9	13,698,430
12/31/11	12,143,291	49.4	19,838,176

The funded status of the plan as of December 31, 2011, the most recent actuarial valuation date is as follows:

(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
<u>Assets</u>	<u>(AAL)</u>	<u>(2-1)</u>	<u>(1/2)</u>	<u>Payroll</u>	<u>3/5</u>
\$170,080,000	\$344,769,000	\$174,689,000	49.3%	\$45,538,000	383.6%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Other Postemployment Benefits (OPEB)

Plan Description - In addition to providing pension benefits, the City provides medical, dental and life insurance coverage through a 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. The plan is not accounted for as a trust fund.

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.

Funding Policy - The City contributes 58% and retirees 42% of the required contribution rate as determined annually by the Health Care Board of the self-insured pay-as-you go plan.

Membership at December 31, 2011 consisted of:

Retirees and beneficiaries currently receiving benefits	1,048
Terminated employees entitled to but not yet receiving benefits	675
Active employees	<u>1,910</u>
Total	3,633

Number of participating employers 5

Annual OPEB costs and Net OPEB Obligation - The City's annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation for 2011 and the prior year are as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB cost Contributed</u>	<u>Net Obligation</u>
12/31/09	\$34,455,958	6,182,063	17.9	\$76,264,265
12/31/10	32,361,074	6,439,697	19.9	102,185,642
12/31/11	36,777,052	7,456,906	20.3	131,505,780

The net OPEB obligation as of December 31, 2011, was calculated as follows:

Annual required contribution	\$ 38,181,849
Interest on net OPEB obligation	4,598,354
Adjustment to annual required contribution	<u>(6,003,151)</u>
Annual OPEB cost	36,777,052
Contributions made	<u>(7,456,906)</u>
Increase in net OPEB obligation	29,320,146
Net OPEB obligation beginning of year	<u>102,185,642</u>
Net OPEB obligation end of year	<u>\$ 131,505,788</u>

The funded status of the plan as of December 31, 2011, the most recent actuarial valuation date is as follows:

(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
<u>-</u>	<u>(AAL)</u>	<u>(2-1)</u>	<u>(1/2)</u>	<u>Payroll</u>	<u>3/5</u>
-	\$383,067,955	\$383,067,995	0.0%	\$124,078,623	308.7%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan

and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2011, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 4.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.0% for 2011 declining gradually to 6.8% by 2016. An inflation rate of 3.2% was used. The actuarial value of assets was not determined as the City has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar open amortization. The remaining amortization period at December 31, 2011, was 25 years.

Statewide Firefighters' Retirement System (SFRS)

Plan Description - The City of Shreveport contributes to the Statewide Firefighters' Retirement System Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Firefighters' Retirement System. SFRS covers firefighters employed by any municipality, parish, or fire protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2251 through 2269 effective January 1, 1980. Benefits are established and may be amended by State statutes. The SFRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees, Firefighters' Retirement System, 2051 Silverside Drive, Suite 210, Baton Rouge, Louisiana 70808-4136 or by calling 504-925-4060.

Funding Policy - Plan members are required to contribute 10% of their annual compensation and the City is currently required to contribute 26.5% of annual compensation, excluding overtime but including State supplemental pay. The contribution requirements of plan members and the City are established and may be amended by the SFRS Board of Trustees. The City's contributions to SFRS for the years ending December 31, 2011, 2010, and 2009, were \$6,737,767, \$5,267,313 and \$3,932,816, respectively, equal to the required contributions for each year.

Municipal Police Employees Retirement System (MPERS)

Plan Description - The City of Shreveport contributes to the Municipal Police Employees Retirement System Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Municipal Police Employees' Retirement System. MPERS covers any full-time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$375 per month excluding state supplemental pay, or an elected Chief of Police whose salary is at least \$100 per month, and any employee of this system may participate in the MPERS. Benefits are established and may be amended by State statutes. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Room 305, Baton Rouge, Louisiana 70806 or by calling 1-800-443-4248.

Funding Policy - Plan members are required to contribute 10.0% of their annual compensation and the City is currently required to contribute 23.25% of annual compensation, excluding overtime but including State supplemental pay. The contribution requirements of plan members and the City are established and may be amended by State statute. The City's contributions to MPERS for the years ended December 31, 2011, 2010 and 2009, were \$7,342,111, \$5,274,918, and \$2,826,959, respectively, equal to the required contributions for each year.

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, 2016. Based on terms of the agreement, management fees included in operating expenses were \$240,565. 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 \$6,176,557. Bossier City reimbursed the Transit System \$954,043.

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. 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 \$2,685,291 has been reported at December 31, 2011 for closure and post-closure care cost and represents the cumulative costs reported based on 55% of the capacity of the landfill having been used to date. The landfill has an estimated remaining life in excess of 14 years. This amount has been accrued in the government-wide financial statements within the governmental activities and has been reported as an assigned fund balance in the General Fund. The estimated total current cost of closure and post-closure care remaining to be recognized is \$2,197,057. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The estimated closure of the sludge facility is \$10,855. This amount has been accrued in the business-type activities as a liability in the Water and Sewerage Fund. 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.

E. Risk Management

The City is exposed to various risks of loss related to 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, \$1,000,000 for other employees and a \$750,000 self-insurance retention for auto liability, except for exposures related to Fire Department vehicles which have a \$1,000 deductible for collision and comprehensive. General liability aviation is insured with limits of \$200,000,000. The City's property coverage has a limit of \$650,000,000 subject to a \$25,000 deductible.

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.

Payments to the Retained Risk Fund are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the program. Payments in excess of actual expenses are recorded as transfers. At December 31, 2011, the total net assets of \$2,311,156 were designated for future catastrophic losses.

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage and subrogation. No other allocated or unallocated claim adjustment expenses are included. The claims liability of \$28,531,457 reported in the fund at December 31, 2011 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 2010 and 2011 were:

	<u>Retained Risk Fund</u>			
	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Year End</u>
2010	17,729,108	15,893,343	10,993,865	22,628,586
2011	22,628,586	16,942,951	11,040,080	28,531,457

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 2010 and 2011 were:

<u>Employees Health Care Fund</u>				
	Beginning of Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	<u>Claim Payments</u>	<u>Balance at Year End</u>
2010	3,749,801	22,573,213	22,194,330	4,308,684
2011	4,308,684	23,767,337	23,092,712	4,983,309

F. Compensation Paid to Council Members

<u>Council Member</u>	<u>Compensation</u>
Rose Wilson-McCulloch, District A	\$ 15,225
Jeff Everson, District B	15,225
Oliver Jenkins, District C	17,361
Michael Corbin, District D	15,225
Ron Webb, District E	15,225
Joe Shyne, District F	15,225
Sam Jenkins, District G	<u>15,489</u>
	\$ <u>108,975</u>

G. Subsequent Events

In March 2012, the City entered into a Lease – Purchase Agreement with JP Morgan Chase Bank, N.A. in the amount of \$3,214,540 for the purchase of equipment.

CITY OF SHREVEPORT, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYER CONTRIBUTIONS
YEARS ENDED DECEMBER 31, 2006 THROUGH DECEMBER 31, 2011
(UNAUDITED)

<u>Year Ended December 31,</u>	<u>Employer Contributions</u>								
	<u>FPRF</u>		<u>PPRF</u>		<u>ERS</u>		<u>OPEB</u>		
	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	
2006	2,046,177	68.8	1,398,435	100.0	7,375,855	57.8	-	-	%
2007	2,132,120	66.1	1,506,135	93.5	4,806,416	126.9	27,908,334	15.2	
2008	2,044,285	68.9	1,353,760	100.0	4,898,103	136.5	27,908,334	11.7	
2009	2,719,001	51.7	1,835,113	76.7	12,040,692	55.1	35,115,705	17.6	
2010	2,847,389	49.4	1,616,818	87.0	11,238,882	55.9	33,409,517	19.3	
2011	2,310,932	63.3	1,373,266	100.0	12,202,642	49.2	38,181,849	19.5	

**CITY OF SHREVEPORT, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS
YEARS ENDED DECEMBER 31, 2006 THROUGH DECEMBER 31, 2011
(UNAUDITED)**

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2-1)	Funded Ratio (1/2)	Covered Payroll	UAAL as a Percentage of Covered Payroll (3/5)
<u>FPRF</u>						
12/31/06	\$ 11,853,874	\$ 24,388,921	\$ 12,535,047	46.2%	\$ 4,125,853	303.8%
12/31/07	13,047,969	24,177,618	11,129,649	54.0	3,604,757	308.7
12/31/08	10,830,169	24,386,054	13,555,885	44.4	2,974,729	455.7
12/31/09	12,648,878	25,592,945	12,944,067	49.4	2,034,266	636.3
12/31/10	13,939,819	23,033,152	9,093,333	60.5	2,135,980	425.7
12/31/11	13,942,436	26,492,284	12,549,848	52.6	1,197,330	1,048.2
<u>PPRF</u>						
12/31/06	10,494,057	19,883,774	9,389,717	52.8	275,070	3413.6
12/31/07	11,765,770	19,530,236	7,764,466	60.2	275,070	2822.7
12/31/08	10,295,383	19,834,913	9,539,530	51.9	275,070	3468.0
12/31/09	12,097,018	19,571,373	7,474,355	61.8	-	N/A
12/31/10	13,592,761	19,075,814	5,483,053	71.3	-	N/A
12/31/11	14,035,147	21,538,850	7,503,703	65.2	-	N/A
<u>ERS</u>						
12/31/06	191,081,000	241,070,000	49,989,000	79.3	44,403,000	112.6
12/31/07	206,083,000	255,366,000	49,283,000	80.7	46,875,000	105.1
12/31/08	145,808,000	280,691,000	134,883,000	51.9	51,761,000	260.6
12/31/09	165,121,000	286,615,000	121,494,000	57.6	49,021,000	247.8
12/31/10	178,685,000	306,529,000	127,844,000	58.3	45,226,000	282.7
12/31/11	178,080,000	344,769,000	174,689,000	49.3	45,538,000	383.6
<u>OPEB</u>						
12/31/07	-	278,620,464	278,620,464	0.0	109,948,000	253.4
12/31/08	-	278,620,464	278,620,464	0.0	116,170,000	239.8
12/31/09	-	360,308,412	360,308,412	0.0	117,498,000	306.7
12/31/10	-	343,176,409	343,176,409	0.0	117,034,000	293.2
12/31/11	-	383,067,995	383,067,995	0.0	124,078,623	308.7

Nonmajor Governmental Funds Special Revenue Funds

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

Community Development Fund – This fund accounts for programs to increase opportunities, assist in the creation of employment and develop business expansion.

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.

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 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.

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

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.

CITY OF SHREVEPORT, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

Special Revenue Funds

	Community Development	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment
ASSETS							
Cash and cash equivalents	\$ 200	\$ 479,571	\$ 737,657	\$ -	\$ -	\$ 577,517	\$ 113,170
Investments	-	290,842	447,361	-	-	350,242	68,634
Accounts receivable, net	153,014	1,471,784	-	1,085,352	333,767	-	-
Due from other governments	3,357,221	-	-	-	1,064,607	-	-
Due from other funds	-	-	-	-	-	-	-
Notes receivable	10,591,280	-	-	-	-	-	-
Assets held for resale	876,324	-	-	-	-	-	196,066
Total assets	<u>\$ 14,978,039</u>	<u>\$ 2,242,197</u>	<u>\$ 1,185,018</u>	<u>\$ 1,085,352</u>	<u>\$ 1,398,374</u>	<u>\$ 927,759</u>	<u>\$ 377,870</u>
LIABILITIES AND FUND BALANCES (DEFICIT)							
Liabilities:							
Accounts payable	\$ 558,394	\$ -	\$ 32,631	\$ 70,744	\$ 12,424	\$ -	\$ -
Due to other funds	219,642	-	-	1,475,370	1,126,866	-	-
Deferred revenue	7,544,281	-	-	-	-	-	-
Due to other governments	168,560	-	-	-	-	-	-
Items held in escrow	1,626	-	-	-	-	-	-
Notes payable	4,510,000	-	-	-	-	-	-
Total liabilities	<u>\$ 13,002,503</u>	<u>\$ -</u>	<u>\$ 32,631</u>	<u>\$ 1,546,114</u>	<u>\$ 1,139,290</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance (Deficit):							
Restricted	1,975,536	2,242,197	1,152,387	-	259,084	927,759	377,870
Unassigned	-	-	-	(460,762)	-	-	-
Total fund balance (Deficit)	<u>1,975,536</u>	<u>2,242,197</u>	<u>1,152,387</u>	<u>(460,762)</u>	<u>259,084</u>	<u>927,759</u>	<u>377,870</u>
Total liabilities and fund balance (Deficit)	<u>\$ 14,978,039</u>	<u>\$ 2,242,197</u>	<u>\$ 1,185,018</u>	<u>\$ 1,085,352</u>	<u>\$ 1,398,374</u>	<u>\$ 927,759</u>	<u>\$ 377,870</u>

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

		Capital Project Funds						
Environmental Grants	Total	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	1999 General Obligation Bond Fund	2003A General Obligation Bond Fund	Total	Total Nonmajor Governmental Funds	
\$ 329,879	\$ 2,237,994	\$ 3,357,370	\$ 854,057	\$ 3,986,387	\$ 3,291,399	\$ 11,489,213	\$ 13,727,207	
-	1,157,079	2,036,119	517,947	2,417,595	1,996,110	6,967,771	8,124,850	
-	3,043,917	-	165,070	-	-	165,070	3,208,987	
1,037,720	5,459,548	165,507	481,264	-	-	646,771	6,106,319	
-	-	-	2,917,737	24,957	-	2,942,694	2,942,694	
166,465	10,757,745	-	-	-	-	-	10,757,745	
-	1,072,390	-	-	-	-	-	1,072,390	
<u>\$ 1,534,064</u>	<u>\$ 23,728,673</u>	<u>\$ 5,558,996</u>	<u>\$ 4,936,075</u>	<u>\$ 6,428,939</u>	<u>\$ 5,287,509</u>	<u>\$ 22,211,519</u>	<u>\$ 45,940,192</u>	
\$ 164,665	\$ 838,858	\$ 467,627	\$ 828,457	\$ -	\$ 110,815	\$ 1,406,899	\$ 2,245,757	
258,302	3,080,180	16,125	-	-	-	16,125	3,096,305	
166,465	7,710,746	-	-	-	-	-	7,710,746	
-	168,560	-	-	-	-	-	168,560	
-	1,626	-	-	-	-	-	1,626	
-	4,510,000	-	-	-	-	-	4,510,000	
<u>\$ 589,432</u>	<u>\$ 16,309,970</u>	<u>\$ 483,752</u>	<u>\$ 828,457</u>	<u>\$ -</u>	<u>\$ 110,815</u>	<u>\$ 1,423,024</u>	<u>\$ 17,732,994</u>	
944,632	7,879,465	5,075,244	4,107,618	6,428,939	5,176,694	20,788,495	28,667,960	
-	(460,762)	-	-	-	-	-	(460,762)	
<u>944,632</u>	<u>7,418,703</u>	<u>5,075,244</u>	<u>4,107,618</u>	<u>6,428,939</u>	<u>5,176,694</u>	<u>20,788,495</u>	<u>28,207,198</u>	
<u>\$ 1,534,064</u>	<u>\$ 23,728,673</u>	<u>\$ 5,558,996</u>	<u>\$ 4,936,075</u>	<u>\$ 6,428,939</u>	<u>\$ 5,287,509</u>	<u>\$ 22,211,519</u>	<u>\$ 45,940,192</u>	

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Special Revenue Funds

	Community Development	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment
REVENUES							
Intergovernmental	\$ 8,109,327	\$ -	\$ -	\$ -	\$ 2,966,071	\$ -	\$ -
Gaming	-	-	-	12,326,597	-	-	-
Investment earnings	7,378	777	7,105	9,493	2,554	3,908	998
Miscellaneous	205,642	2,241,420	585,730	912,876	333,767	228,048	-
Total revenues	<u>8,322,347</u>	<u>2,242,197</u>	<u>592,835</u>	<u>13,248,966</u>	<u>3,302,392</u>	<u>231,956</u>	<u>998</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	536,233	-	3,783,506	-	-
Culture and recreation	372,321	-	86,686	-	-	-	-
Health and welfare	319,316	-	-	-	-	-	-
Community development	5,375,401	-	-	-	-	-	-
Economic opportunity	2,448,233	-	-	-	-	-	-
Economic development	1,954,642	-	-	1,403,552	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>10,469,913</u>	<u>-</u>	<u>622,919</u>	<u>1,403,552</u>	<u>3,783,506</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,147,566)</u>	<u>2,242,197</u>	<u>(30,084)</u>	<u>11,845,414</u>	<u>(481,114)</u>	<u>231,956</u>	<u>998</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	1,813,415	-	-	-	160,912	-	-
Transfers out	-	-	-	(12,451,571)	-	-	-
Total other financing sources and uses	<u>1,813,415</u>	<u>-</u>	<u>-</u>	<u>(12,451,571)</u>	<u>160,912</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(334,151)	2,242,197	(30,084)	(606,157)	(320,202)	231,956	998
Fund balances-beginning	2,309,687	-	1,182,471	145,395	579,286	695,803	376,872
Fund balances (deficit)-ending	<u>\$ 1,975,536</u>	<u>\$ 2,242,197</u>	<u>\$ 1,152,387</u>	<u>\$ (460,762)</u>	<u>\$ 259,084</u>	<u>\$ 927,759</u>	<u>\$ 377,870</u>

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

Capital Project Funds

Environmental Grants	Total	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	1999 General Obligation Bond Fund	2003A General Obligation Bond Fund	Total	Total Nonmajor Governmental Funds
\$ 1,666,853	\$ 12,742,251	\$ 43,461	\$ 962,603	\$ 65,250	\$ -	\$ 1,071,314	\$ 13,813,565
-	12,326,597	-	-	-	-	-	12,326,597
3,400	35,613	26,813	235	40,246	31,985	99,279	134,892
48,413	4,555,896	-	305,361	-	-	305,361	4,861,257
<u>1,718,666</u>	<u>29,660,357</u>	<u>70,274</u>	<u>1,268,199</u>	<u>105,496</u>	<u>31,985</u>	<u>1,475,954</u>	<u>31,136,311</u>
619,762	619,762	-	-	-	-	-	619,762
-	4,319,739	-	-	-	-	-	4,319,739
-	459,007	-	-	-	-	-	459,007
-	319,316	-	-	-	-	-	319,316
-	5,375,401	-	-	-	-	-	5,375,401
-	2,448,233	-	-	-	-	-	2,448,233
-	3,358,194	-	-	-	-	-	3,358,194
-	-	2,355,777	3,177,842	88,377	1,514,754	7,136,750	7,136,750
<u>619,762</u>	<u>16,899,652</u>	<u>2,355,777</u>	<u>3,177,842</u>	<u>88,377</u>	<u>1,514,754</u>	<u>7,136,750</u>	<u>24,036,402</u>
<u>1,098,904</u>	<u>12,760,705</u>	<u>(2,285,503)</u>	<u>(1,909,643)</u>	<u>17,119</u>	<u>(1,482,769)</u>	<u>(5,660,796)</u>	<u>7,099,909</u>
-	1,974,327	2,015,128	2,821,830	4,863	1,514,754	6,356,575	8,330,902
<u>(718,640)</u>	<u>(13,170,211)</u>	<u>(700,184)</u>	<u>-</u>	<u>(1,901,318)</u>	<u>(1,740,425)</u>	<u>(4,341,927)</u>	<u>(17,512,138)</u>
<u>(718,640)</u>	<u>(11,195,884)</u>	<u>1,314,944</u>	<u>2,821,830</u>	<u>(1,896,455)</u>	<u>(225,671)</u>	<u>2,014,648</u>	<u>(9,181,236)</u>
380,264	1,564,821	(970,559)	912,187	(1,879,336)	(1,708,440)	(3,646,148)	(2,081,327)
<u>564,368</u>	<u>5,853,882</u>	<u>6,045,803</u>	<u>3,195,431</u>	<u>8,308,275</u>	<u>6,885,134</u>	<u>24,434,643</u>	<u>30,288,525</u>
<u>\$ 944,632</u>	<u>\$ 7,418,703</u>	<u>\$ 5,075,244</u>	<u>\$ 4,107,618</u>	<u>\$ 6,428,939</u>	<u>\$ 5,176,694</u>	<u>\$ 20,788,495</u>	<u>\$ 28,207,198</u>

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 36,500,000	\$ 36,500,000	\$ 36,528,518	\$ 28,518
Investment earnings	400,000	400,000	194,450	(205,550)
Intergovernmental	<u>2,700,000</u>	<u>2,700,000</u>	<u>2,177,256</u>	<u>(522,744)</u>
Total revenues	<u>39,600,000</u>	<u>39,600,000</u>	<u>38,900,224</u>	<u>(699,776)</u>
EXPENDITURES				
Principal	26,800,000	26,800,000	26,645,341	154,659
Interest and other charges	<u>8,900,000</u>	<u>8,900,000</u>	<u>8,848,980</u>	<u>51,020</u>
Total expenditures	<u>35,700,000</u>	<u>35,700,000</u>	<u>35,494,321</u>	<u>205,679</u>
Excess of revenues under expenditures	<u>3,900,000</u>	<u>3,900,000</u>	<u>3,405,903</u>	<u>(494,097)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>10,883,000</u>	<u>10,883,000</u>	<u>10,471,649</u>	<u>(411,351)</u>
Total other financing sources	<u>10,883,000</u>	<u>10,883,000</u>	<u>10,471,649</u>	<u>(411,351)</u>
Net change in fund balances	14,783,000	14,783,000	13,877,552	(905,448)
Fund balances - beginning	<u>46,292,318</u>	<u>46,292,318</u>	<u>46,292,318</u>	<u>-</u>
Fund balances - ending	<u>\$ 61,075,318</u>	<u>\$ 61,075,318</u>	<u>\$ 60,169,870</u>	<u>\$ (905,448)</u>

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

**CITY OF SHREVEPORT, LOUISIANA
COMMUNITY DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Intergovernmental	\$ 9,801,200	\$ 9,426,200	\$ 8,109,327	\$ (1,316,873)
Miscellaneous	563,400	539,900	213,020	(326,880)
Total revenues	<u>10,364,600</u>	<u>9,966,100</u>	<u>8,322,347</u>	<u>(1,643,753)</u>
EXPENDITURES				
Administration:				
Salaries, wages and employee benefits	676,124	676,124	655,764	20,360
Materials and supplies	16,446	16,446	15,216	1,230
Contractual services	264,694	197,194	198,730	(1,536)
Improvements and equipment	40,519	40,519	39,463	1,056
Total administration	<u>997,783</u>	<u>930,283</u>	<u>909,173</u>	<u>21,110</u>
Community development projects:				
Grants	2,964,005	3,037,205	2,273,970	763,235
Total community development projects	<u>2,964,005</u>	<u>3,037,205</u>	<u>2,273,970</u>	<u>763,235</u>
Housing and business development:				
Salaries, wages, and employee benefits	-	-	501	(501)
Materials and supplies	4,000	4,000	4,000	-
Other charges	8,616,694	8,450,494	3,935,160	4,515,334
Improvements and equipment	-	-	(247,815)	247,815
Total housing and business development	<u>8,620,694</u>	<u>8,454,494</u>	<u>3,691,846</u>	<u>4,762,648</u>
Housing and business development administration:				
Salaries, wages and employee benefits	701,827	701,827	629,128	72,699
Materials and supplies	25,748	25,748	19,823	5,925
Contractual services	227,010	159,510	153,065	6,445
Improvements and equipment	7,342	7,342	6,962	380
Total housing and business development administration	<u>961,927</u>	<u>894,427</u>	<u>808,978</u>	<u>85,449</u>
Workforce development:				
Salaries, wages and employee benefits	1,455,816	1,444,716	1,246,495	198,221
Materials and supplies	59,563	58,463	41,734	16,729
Contractual services	2,023,252	1,946,952	934,081	1,012,871
Other charges	123,300	103,300	7,867	95,433
Improvements and equipment	21,600	21,600	70,857	(49,257)
Total workforce development	<u>3,683,531</u>	<u>3,575,031</u>	<u>2,301,034</u>	<u>1,273,997</u>

(continued)

(continued)

CITY OF SHREVEPORT, LOUISIANA
COMMUNITY DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Workforce development administration:				
Salaries, wages and employee benefits	210,300	210,300	280,063	(69,763)
Materials and supplies	8,612	8,612	5,310	3,302
Contractual services	235,060	173,060	199,539	(26,479)
Improvements and equipment	<u>2,800</u>	<u>2,800</u>	<u>-</u>	<u>2,800</u>
Total workforce development administration	<u>456,772</u>	<u>394,772</u>	<u>484,912</u>	<u>(90,140)</u>
 Total Expenditures	 <u>17,684,712</u>	 <u>17,286,212</u>	 <u>10,469,913</u>	 <u>6,816,299</u>
 Deficiency of revenues under expenditures	 <u>(7,320,112)</u>	 <u>(7,320,112)</u>	 <u>(2,147,566)</u>	 <u>5,172,546</u>
 OTHER FINANCING SOURCES				
Transfers in	<u>1,196,100</u>	<u>1,196,100</u>	<u>1,813,415</u>	<u>617,315</u>
Total other financing sources	<u>1,196,100</u>	<u>1,196,100</u>	<u>1,813,415</u>	<u>617,315</u>
 Net change in fund balances	 (6,124,012)	 (6,124,012)	 (334,151)	 5,789,861
 Fund balances - beginning	 <u>2,309,687</u>	 <u>2,309,687</u>	 <u>2,309,687</u>	 <u>-</u>
 Fund balances - ending	 <u>\$ (3,814,325)</u>	 <u>\$ (3,814,325)</u>	 <u>\$ 1,975,536</u>	 <u>\$ 5,789,861</u>

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

CITY OF SHREVEPORT, LOUISIANA
STREETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 777	\$ 777
Miscellaneous	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,241,420</u>	<u>241,420</u>
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,242,197</u>	<u>242,197</u>
 Net change in fund balances	 2,000,000	 2,000,000	 2,242,197	 242,197
 Fund balances -beginning	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund balances-ending	 <u>\$ 2,000,000</u>	 <u>\$ 2,000,000</u>	 <u>\$ 2,242,197</u>	 <u>\$ 242,197</u>

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

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Gaming	\$ 12,935,000	\$ 12,935,000	\$ 12,326,597	\$ (608,403)
Investment earnings	60,000	60,000	9,493	(50,507)
Miscellaneous	<u>912,900</u>	<u>912,900</u>	<u>912,876</u>	<u>(24)</u>
Total revenues	<u>13,907,900</u>	<u>13,907,900</u>	<u>13,248,966</u>	<u>(658,934)</u>
EXPENDITURES				
Current:				
Economic development:				
Salaries, wages and employee benefits	125,500	125,500	130,539	(5,039)
Materials and supplies	5,500	5,500	804	4,696
Contractual services	155,400	155,400	171,486	(16,086)
Other charges	<u>1,132,300</u>	<u>1,162,300</u>	<u>1,100,723</u>	<u>61,577</u>
Total expenditures	<u>1,418,700</u>	<u>1,448,700</u>	<u>1,403,552</u>	<u>45,148</u>
Excess of revenues over expenditures	<u>12,489,200</u>	<u>12,459,200</u>	<u>11,845,414</u>	<u>(613,786)</u>
OTHER FINANCING SOURCES				
Transfers out	<u>(12,482,100)</u>	<u>(12,482,100)</u>	<u>(12,451,571)</u>	<u>30,529</u>
Total other financing uses	<u>(12,482,100)</u>	<u>(12,482,100)</u>	<u>(12,451,571)</u>	<u>30,529</u>
Net change in fund balances	7,100	(22,900)	(606,157)	(583,257)
Fund balances -beginning	<u>145,395</u>	<u>145,395</u>	<u>145,395</u>	<u>-</u>
Fund balances (deficit)-ending	<u>\$ 152,495</u>	<u>\$ 122,495</u>	<u>\$ (460,762)</u>	<u>\$ (583,257)</u>

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

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Intergovernmental	\$ 7,433,400	\$ 3,461,100	\$ 2,966,071	\$ (495,029)
Investment earnings	6,900	6,900	2,554	(4,346)
Miscellaneous	<u>486,300</u>	<u>133,000</u>	<u>333,767</u>	<u>200,767</u>
Total revenues	<u>7,926,600</u>	<u>3,601,000</u>	<u>3,302,392</u>	<u>(298,608)</u>
EXPENDITURES				
Current:				
Public Safety				
Salaries, wages and employee benefits	4,157,900	3,456,616	3,059,259	397,357
Materials and supplies	90,790	84,490	3,933	80,557
Contractual services	679,469	516,869	55,909	460,960
Other charges	553,511	427,089	161,944	265,145
Improvements and equipments	<u>3,544,563</u>	<u>968,007</u>	<u>502,461</u>	<u>465,546</u>
Total expenditures	<u>9,026,233</u>	<u>5,453,071</u>	<u>3,783,506</u>	<u>1,669,565</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,099,633)</u>	<u>(1,852,071)</u>	<u>(481,114)</u>	<u>1,370,957</u>
OTHER FINANCING SOURCES				
Transfers in	<u>178,400</u>	<u>178,400</u>	<u>160,912</u>	<u>(17,488)</u>
Total other financing sources	<u>178,400</u>	<u>178,400</u>	<u>160,912</u>	<u>(17,488)</u>
Net change in fund balances	(921,233)	(1,673,671)	(320,202)	1,353,469
Fund balances -beginning	<u>579,286</u>	<u>579,286</u>	<u>579,286</u>	<u>-</u>
Fund balances-ending	<u>\$ (341,947)</u>	<u>\$ (1,094,385)</u>	<u>\$ 259,084</u>	<u>\$ 1,353,469</u>

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

CITY OF SHREVEPORT, LOUISIANA
DOWNTOWN ENTERTAINMENT ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ 4,000	\$ 4,000	\$ 3,908	\$ (92)
Land rent	126,900	126,900	-	(126,900)
Miscellaneous	<u>150,000</u>	<u>200,000</u>	<u>228,048</u>	<u>28,048</u>
Total revenues	<u>280,900</u>	<u>330,900</u>	<u>231,956</u>	<u>(98,944)</u>
EXPENDITURES				
Current:				
Other charges	<u>1,081,700</u>	<u>956,700</u>	<u>-</u>	<u>956,700</u>
Total expenditures	<u>1,081,700</u>	<u>956,700</u>	<u>-</u>	<u>956,700</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(800,800)</u>	<u>(625,800)</u>	<u>231,956</u>	<u>(857,756)</u>
Net change in fund balances	(800,800)	(625,800)	231,956	857,756
Fund balances-beginning	<u>695,803</u>	<u>695,803</u>	<u>695,803</u>	<u>-</u>
Fund balances-ending	<u>\$ (104,997)</u>	<u>\$ 70,003</u>	<u>\$ 927,759</u>	<u>\$ 857,756</u>

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

CITY OF SHREVEPORT, LOUISIANA
REDEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ 1,300	\$ 1,300	\$ 998	\$ (302)
Total revenues	<u>1,300</u>	<u>1,300</u>	<u>998</u>	<u>(302)</u>
EXPENDITURES				
Current:				
Economic development				
Other charges	<u>182,800</u>	<u>182,800</u>	<u>-</u>	<u>182,800</u>
Total expenditures	<u>182,800</u>	<u>182,800</u>	<u>-</u>	<u>182,800</u>
Net change in fund balances	(181,500)	(181,500)	998	182,498
Fund balances -beginning	<u>376,872</u>	<u>376,872</u>	<u>376,872</u>	<u>-</u>
Fund balances-ending	<u>\$ 195,372</u>	<u>\$ 195,372</u>	<u>\$ 377,870</u>	<u>\$ 182,498</u>

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

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	<u>Variance With</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 718,640	\$ 1,666,853	\$ 948,213
Investment earnings	-	-	3,400	3,400
Miscellaneous	-	-	48,413	48,413
Total revenues	<u>-</u>	<u>718,640</u>	<u>1,718,666</u>	<u>1,000,026</u>
EXPENDITURES				
Current:				
General government				
Salaries, wages and employee benefits	-	-	67,396	(67,396)
Other charges	-	-	552,366	(552,366)
Total expenditures	<u>-</u>	<u>-</u>	<u>619,762</u>	<u>(619,762)</u>
Excess of revenues over expenditures	<u>-</u>	<u>718,640</u>	<u>1,098,904</u>	<u>1,619,788</u>
OTHER FINANCING SOURCES				
Transfers out	-	(718,640)	(718,640)	-
Total other financing sources (uses)	<u>-</u>	<u>(718,640)</u>	<u>(718,640)</u>	<u>-</u>
Net change in fund balances	-	-	380,264	380,264
Fund balances-beginning	<u>564,368</u>	<u>564,368</u>	<u>564,368</u>	<u>-</u>
Fund balances-ending	<u>\$ 564,368</u>	<u>\$ 564,368</u>	<u>\$ 944,632</u>	<u>\$ 380,264</u>

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



Nonmajor Enterprise Funds

Enterprise funds are used to account for the acquisition, operation, and maintenance of facilities and services which are 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.

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

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2011

	<u>Shreveport Area Transit System</u>	<u>Golf</u>	<u>Downtown Parking</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 731,344	\$ 44,391	\$ 38,280	\$ 814,015
Investments	56,041	24,799	23,216	104,056
Receivables, net	233,464	-	22,558	256,022
Due from other funds	286,581	-	-	286,581
Due from other governments	788,181	-	-	788,181
Inventories	785,910	10,650	-	796,560
Prepaid items	286,049	-	-	286,049
Total current assets	<u>3,167,570</u>	<u>79,840</u>	<u>84,054</u>	<u>3,331,464</u>
Noncurrent Assets:				
Capital Assets:				
Land	1,940,408	-	-	1,940,408
Buildings	11,094,811	268,840	-	11,363,651
Improvements other than buildings	-	868,530	-	868,530
Equipment	21,024,733	519,105	-	21,543,838
Construction in progress	54,265	-	-	54,265
Less accumulated depreciation	(13,661,195)	(1,089,072)	-	(14,750,267)
Total noncurrent assets	<u>20,453,022</u>	<u>567,403</u>	<u>-</u>	<u>21,020,425</u>
Total assets	<u>23,620,592</u>	<u>647,243</u>	<u>84,054</u>	<u>24,351,889</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	705,115	4,125	32,780	742,020
Accrued liabilities	125,891	8,649	-	134,540
Deferred revenue	-	47,881	-	47,881
Compensated absences	250,872	18,996	-	269,868
Total current liabilities	<u>1,081,878</u>	<u>79,651</u>	<u>32,780</u>	<u>1,194,309</u>
Noncurrent Liabilities:				
Compensated absences	-	42,706	-	42,706
Net OPEB obligation	-	896,995	-	896,995
Total noncurrent liabilities	<u>-</u>	<u>939,701</u>	<u>-</u>	<u>939,701</u>
Total liabilities	<u>1,081,878</u>	<u>1,019,352</u>	<u>32,780</u>	<u>2,134,010</u>
NET ASSETS (DEFICIT)				
Invested in capital assets, net of related debt	20,453,022	567,403	-	21,020,425
Unrestricted (Deficit)	2,085,692	(939,512)	51,274	1,197,454
Total Net Assets (Deficit)	<u>\$ 22,538,714</u>	<u>\$ (372,109)</u>	<u>\$ 51,274</u>	<u>\$ 22,217,879</u>

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Shreveport Area Transit System	Golf	Downtown Parking	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 2,671,040	\$ 1,010,625	\$ 613,524	\$ 4,295,189
Miscellaneous	24,630	-	-	24,630
Total operating Revenues	<u>2,695,670</u>	<u>1,010,625</u>	<u>613,524</u>	<u>4,319,819</u>
OPERATING EXPENSES				
Personal services	7,449,546	804,740	-	8,254,286
Contractual services and other expenses	2,266,553	149,676	417,809	2,834,038
Utilities	158,194	172,304	-	330,498
Repairs and maintenance	146,504	5,480	-	151,984
Materials and supplies	3,543,842	186,574	-	3,730,416
Depreciation	1,675,552	54,306	-	1,729,858
Total operating expenses	<u>15,240,191</u>	<u>1,373,080</u>	<u>417,809</u>	<u>17,031,080</u>
Operating income (loss)	<u>(12,544,521)</u>	<u>(362,455)</u>	<u>195,715</u>	<u>(12,711,261)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	443	1,502	1,945
Intergovernmental	4,485,424	-	-	4,485,424
Loss on disposal of capital assets	(512)	(659)	-	(1,171)
Net nonoperating revenues (expenses)	<u>4,484,912</u>	<u>(216)</u>	<u>1,502</u>	<u>4,486,198</u>
Income (loss) before contributions and transfers	(8,059,609)	(362,671)	197,217	(8,225,063)
Capital contributions	5,334,534	-	-	5,334,534
Transfers in	6,338,695	70,000	-	6,408,695
Transfers out	-	-	(950,000)	(950,000)
Change in net assets	<u>3,613,620</u>	<u>(292,671)</u>	<u>(752,783)</u>	<u>2,568,166</u>
Total net assets (deficit)-beginning	<u>18,925,094</u>	<u>(79,438)</u>	<u>804,057</u>	<u>19,649,713</u>
Total net assets (deficit)-ending	<u>\$ 22,538,714</u>	<u>\$ (372,109)</u>	<u>\$ 51,274</u>	<u>\$ 22,217,879</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, 2011**

	Shreveport Area Transit System	Golf	Downtown Parking	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Receipts from operations	\$ 2,828,824	\$ 994,713	\$ 608,683	\$ 4,432,220
Payments to suppliers	(5,978,466)	(452,349)	(416,855)	(6,847,670)
Payments to employees	(7,459,542)	(643,914)	-	(8,103,456)
Other receipts	24,630	-	-	24,630
Other payments	-	(57,000)	-	(57,000)
Net cash provided by (used in) operating activities	(10,584,554)	(158,550)	191,828	(10,551,276)
Cash flows from noncapital financing activities:				
Intergovernmental	4,697,159	-	-	4,697,159
Transfers in	6,996,087	70,000	-	7,066,087
Transfers out	-	-	(950,000)	(950,000)
Net cash provided by (used in) noncapital financing activities	11,693,246	70,000	(950,000)	10,813,246
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(6,054,440)	-	-	(6,054,440)
Capital grants	5,237,050	-	-	5,237,050
Transfers in	55,090	-	-	55,090
Contributed capital by others	80,172	-	-	80,172
Net cash provided by (used in) capital and related financing activities	(682,128)	-	-	(682,128)
Cash flows from investing activities:				
Purchase of investments	(56,041)	-	-	(56,041)
Proceeds from sale and maturity of investments	-	31,701	277,354	309,055
Interest on investments	-	444	1,502	1,946
Net cash provided by (used in) investing activities	(56,041)	32,145	278,856	254,960
Net increase (decrease) in cash and cash equivalents	370,523	(56,405)	(479,316)	(165,198)
Cash and cash equivalents - beginning of year	360,821	100,796	517,596	979,213
Cash and cash equivalents - end of year	\$ 731,344	\$ 44,391	\$ 38,280	\$ 814,015

	<u>Shreveport Area Transit System</u>	<u>Golf</u>	<u>Downtown Parking</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (12,544,521)	\$ (362,455)	\$ 195,715	\$ (12,711,261)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,675,552	54,306	-	1,729,858
(Increase)Decrease in assets:				
Receivables	51,331	-	(4,841)	46,490
Due from other funds	106,453	-	-	106,453
Inventories	(40,454)	2,585	-	(37,869)
Prepaid items	(148,376)	-	-	(148,376)
Increase(Decrease) in liabilities:				
Accounts payable	325,457	4,064	954	330,475
Accrued liabilities	9,838	(2,163)	-	7,675
Deferred revenue	-	(13,820)	-	(13,820)
Compensated absences	(19,834)	(15,977)	-	(35,811)
Accrued OPEB	-	174,910	-	174,910
Total adjustments	<u>1,959,967</u>	<u>203,905</u>	<u>(3,887)</u>	<u>2,159,985</u>
Net cash provided by (used in) operating activities	<u>\$ (10,584,554)</u>	<u>\$ (158,550)</u>	<u>\$ 191,828</u>	<u>\$ (10,551,276)</u>

Non-cash investing, capital and financing activities:

The Shreveport Area Transit System had a loss on disposal of capital assets of \$512.

The Golf Fund had a loss on disposal of capital assets of \$659.

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.

Information Technology Fund – This fund was used to account for servicing all City departments computing activities and maintaining the City's internal telephone system, cell phones, cable network, and the City's internet/intranet websites. This fund's operations were transferred to the General Fund as of January 1, 2011. Final closeout of the fund will occur in 2012.

**CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2011**

	Employees Health Care	Retained Risk	Information Technology	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 5,766,887	\$ 18,249,097	\$ -	\$ 24,015,984
Investments	4,994,614	11,067,393	-	16,062,007
Receivables, net	3,218,128	-	-	3,218,128
Due from other funds	-	1,171,019	-	1,171,019
Prepaid items	-	423,964	-	423,964
Total current assets	<u>13,979,629</u>	<u>30,911,473</u>	<u>-</u>	<u>44,891,102</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	72,088	65,777	-	137,865
Due to other funds	1,435,573	-	111,811	1,547,384
Compensated absences	-	356	-	356
Claims and judgments	<u>4,983,309</u>	<u>28,531,457</u>	<u>-</u>	<u>33,514,766</u>
Total current liabilities	<u>6,490,970</u>	<u>28,597,590</u>	<u>111,811</u>	<u>35,200,371</u>
Noncurrent Liabilities:				
Compensated absences	<u>-</u>	<u>2,727</u>	<u>-</u>	<u>2,727</u>
Total noncurrent liabilities	<u>-</u>	<u>2,727</u>	<u>-</u>	<u>2,727</u>
NET ASSETS				
Unrestricted (deficit)	<u>7,488,659</u>	<u>2,311,156</u>	<u>(111,811)</u>	<u>9,688,004</u>
Total net assets	<u>\$ 7,488,659</u>	<u>\$ 2,311,156</u>	<u>\$ (111,811)</u>	<u>\$ 9,688,004</u>

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Information Technology</u>	<u>Total Internal Service Funds</u>
OPERATING REVENUES				
Charges for services	\$ 27,134,405	\$ 8,635,262	\$ -	\$ 35,769,667
Miscellaneous	<u>879,738</u>	<u>295,621</u>	<u>-</u>	<u>1,175,359</u>
Total operating revenues	<u>28,014,143</u>	<u>8,930,883</u>	<u>-</u>	<u>36,945,026</u>
OPERATING EXPENSES				
Personal services	82,384	104,104	-	186,488
Contractual services and other expenses	2,226,913	2,525,803	-	4,752,716
Materials and supplies	4,521	2,060	-	6,581
Claims	<u>23,767,337</u>	<u>16,942,951</u>	<u>-</u>	<u>40,710,288</u>
Total operating expenses	<u>26,081,155</u>	<u>19,574,918</u>	<u>-</u>	<u>45,656,073</u>
Operating income (loss)	<u>1,932,988</u>	<u>(10,644,035)</u>	<u>-</u>	<u>(8,711,047)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	<u>34,479</u>	<u>133,214</u>	<u>-</u>	<u>167,693</u>
Net nonoperating revenues	<u>34,479</u>	<u>133,214</u>	<u>-</u>	<u>167,693</u>
Income (loss) before transfers	1,967,467	(10,510,821)	-	(8,543,354)
Transfers out	<u>-</u>	<u>-</u>	<u>(518,885)</u>	<u>(518,885)</u>
Change in net assets	1,967,467	(10,510,821)	(518,885)	(9,062,239)
Total net assets-beginning	<u>5,521,192</u>	<u>12,821,977</u>	<u>407,074</u>	<u>18,750,243</u>
Total net assets (deficit)-ending	<u>\$ 7,488,659</u>	<u>2,311,156</u>	<u>\$ (111,811)</u>	<u>\$ 9,688,004</u>

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, 2011**

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Information Technology</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:				
Receipts from operations	\$ 26,375,981	\$ 21,005,715	\$ -	\$ 47,381,696
Payments to suppliers	(2,310,627)	(2,463,766)	(4,184)	(4,778,577)
Payments to employees	(82,384)	(103,626)	-	(186,010)
Other receipts	-	-	3,364	3,364
Claims	<u>(23,092,712)</u>	<u>(11,040,080)</u>	<u>-</u>	<u>(34,132,792)</u>
Net cash provided by (used in) operating activities	<u>890,258</u>	<u>7,398,243</u>	<u>(820)</u>	<u>8,287,681</u>
Cash flows from investing activities:				
Purchase of investments	(5,063,680)	(3,064,215)	-	(8,127,895)
Proceeds from sale and maturity of investments	4,975,419	-	301	4,975,720
Interest on investments	<u>108,629</u>	<u>133,214</u>	<u>-</u>	<u>241,843</u>
Net cash provided by (used in) investing activities	<u>20,368</u>	<u>(2,931,001)</u>	<u>301</u>	<u>(2,910,332)</u>
Net increase (decrease) in cash and cash equivalents	910,626	4,467,242	(519)	5,377,349
Cash and cash equivalents - beginning of year	<u>4,856,261</u>	<u>13,781,855</u>	<u>519</u>	<u>18,638,635</u>
Cash and cash equivalents (deficit) - end of year	<u>\$ 5,766,887</u>	<u>\$ 18,249,097</u>	<u>\$ -</u>	<u>\$ 24,015,984</u>

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Information Technology</u>	<u>Total Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,932,988	\$ (10,644,035)	\$ -	\$ (8,711,047)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase)Decrease in assets:				
Receivables	(1,638,162)	-	-	(1,638,162)
Due from other funds	-	12,074,832	-	12,074,832
Inventories	-	-	3,364	3,364
Prepaid items	-	109,421	-	109,421
Increase(Decrease) in liabilities:				
Accounts payable	34,737	(45,324)	(115,995)	(126,582)
Accrued liabilities	674,625	5,902,871	-	6,577,496
Due to other funds	(113,930)	-	111,811	(2,119)
Compensated absences	-	478	-	478
Total adjustments	<u>(1,042,730)</u>	<u>18,042,278</u>	<u>(820)</u>	<u>16,998,728</u>
Net cash provided by (used in) operating activities	<u>\$ 890,258</u>	<u>\$ 7,398,243</u>	<u>\$ (820)</u>	<u>\$ 8,287,681</u>

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



Fiduciary Funds
Pension Trust Funds

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

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

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2011

	<u>Firemen's Pension and Relief</u>	<u>Policemen's Pension and Relief</u>	<u>Employees' Retirement System</u>	<u>Total Employee Retirement Funds</u>
ASSETS				
Cash and cash equivalents	\$ 459,974	\$ 677,489	\$ 11,368,425	\$ 12,505,888
Receivables:				
Interest and dividends receivable	34,000	30,174	307,620	371,794
Accounts receivable	-	119,160	14,686	133,846
Prepaid items	290,115	236,646	-	526,761
Investments, at fair value:				
U.S. government obligations	2,207,123	1,834,681	11,569,949	15,611,753
Investment pool	-	-	955,999	955,999
Mutual funds	1,500,134	1,991,679	34,994,198	38,486,011
Domestic corporate bonds	1,421,423	1,538,497	10,307,539	13,267,459
Domestic equities	3,417,066	3,204,073	109,046,046	115,667,185
International equities	662,337	618,273	-	1,280,610
Municipal bonds	-	-	9,939,236	9,939,236
Total investments	<u>9,208,083</u>	<u>9,187,203</u>	<u>176,812,967</u>	<u>195,208,253</u>
Other assets:				
Cash surrender value of life insurance policies	<u>4,392,597</u>	<u>3,784,475</u>	-	<u>8,177,072</u>
Total assets	<u>14,384,769</u>	<u>14,035,147</u>	<u>188,503,698</u>	<u>216,923,614</u>
LIABILITIES				
Due to other funds	442,333	-	12,510,662	12,952,995
Employees' deposits held in escrow	<u>-</u>	<u>-</u>	<u>5,912,938</u>	<u>5,912,938</u>
Total liabilities	<u>442,333</u>	<u>-</u>	<u>18,423,600</u>	<u>18,865,933</u>
NET ASSETS				
Held in trust for pension benefits	<u>\$ 13,942,436</u>	<u>\$ 14,035,147</u>	<u>\$ 170,080,098</u>	<u>\$ 198,057,681</u>

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Firemen's Pension and Relief</u>	<u>Policemen's Pension and Relief</u>	<u>Employees' Retirement System</u>	<u>Total Employee Retirement Funds</u>
ADDITIONS				
Contributions:				
Employer	\$ 1,462,207	\$ 1,373,266	\$ 6,003,545	\$ 8,839,018
Plan members	<u>-</u>	<u>-</u>	<u>4,452,258</u>	<u>4,452,258</u>
Total contributions	<u>1,462,207</u>	<u>1,373,266</u>	<u>10,455,803</u>	<u>13,291,276</u>
Investment earnings:				
Net depreciation				
in fair value of investments	(193,547)	(277,092)	(2,313,369)	(2,784,008)
Interest	75,476	63,514	2,207,607	2,346,597
Dividends	<u>100,759</u>	<u>125,215</u>	<u>2,270,526</u>	<u>2,496,500</u>
Total investment earnings (loss)	(17,312)	(88,363)	2,164,764	2,059,089
Less investment expense	<u>15,550</u>	<u>15,552</u>	<u>1,105,371</u>	<u>1,136,473</u>
Net investment earnings (loss)	<u>(32,862)</u>	<u>(103,915)</u>	<u>1,059,393</u>	<u>922,616</u>
Life insurance proceeds	220,000	650,000	-	870,000
Miscellaneous	<u>32</u>	<u>27</u>	<u>45,032</u>	<u>45,091</u>
Total additions	<u>1,649,377</u>	<u>1,919,378</u>	<u>11,560,228</u>	<u>15,128,983</u>
DEDUCTIONS				
Benefits	1,199,060	1,054,210	19,005,445	21,258,715
Refund of member contribution	-	-	815,410	815,410
Administrative expenses	27,257	25,250	344,012	396,519
Life insurance premiums	<u>420,442</u>	<u>397,531</u>	<u>-</u>	<u>817,973</u>
Total deductions	<u>1,646,759</u>	<u>1,476,991</u>	<u>20,164,867</u>	<u>23,288,617</u>
Change in net assets	2,618	442,387	(8,604,639)	(8,159,634)
Net assets - beginning	<u>13,939,818</u>	<u>13,592,760</u>	<u>178,684,737</u>	<u>206,217,315</u>
Net assets - ending	<u>\$ 13,942,436</u>	<u>\$ 14,035,147</u>	<u>\$ 170,080,098</u>	<u>\$ 198,057,681</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, 2011

ASSETS

Cash and cash equivalents	\$ 81,213
Total assets	<u>81,213</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	13,003
Due to other governments	<u>68,210</u>
Total liabilities	<u>81,213</u>

Fund balance -

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

Capital assets reported in governmental activities are not financial assets and, therefore, are not reported in governmental funds. 873,370

Net assets \$ 873,370

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, 2011**

REVENUES

Intergovernmental	\$ 210,346
Miscellaneous	260,814
Total revenues	471,160

EXPENDITURES

General government	1,373,219
Total expenditures	1,373,219

Deficiency of revenues under expenditures	(902,059)
---	-----------

OTHER FINANCING SOURCES

Payment from City of Shreveport	902,059
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Net change in fund balance	-
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Fund balance - beginning	-
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Fund balance - ending	-
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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.

Capital outlay	50,346
Depreciation expense	(19,919)

Change in net assets	\$ 30,427
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The accompanying notes are an integral part of the financial statements.



Statistical Section

This part of the City of Shreveport's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	133
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	141
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	148
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	154
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	156

CITY OF SHREVEPORT, LOUISIANA
NET ASSETS BY COMPONENT,
LAST TEN YEARS
(accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities										
Invested in capital assets, net of related debt	\$ 401,451,485	\$ 429,187,376	\$ 444,476,123	\$ 483,359,022	\$ 495,015,044	\$ 506,744,193	\$ 507,132,856	\$ 518,394,035	\$ 540,238,387	\$ 507,856,245
Restricted	40,223,848	44,544,140	46,843,692	43,179,343	48,021,783	52,517,433	61,409,857	66,374,435	52,008,888	66,131,354
Unrestricted(Deficit)	<u>(3,327,268)</u>	<u>(4,662,353)</u>	<u>(15,914,897)</u>	<u>(10,485,180)</u>	<u>(5,981,760)</u>	<u>(28,935,041)</u>	<u>(46,402,145)</u>	<u>(66,220,992)</u>	<u>(87,144,658)</u>	<u>(174,840,905)</u>
Total governmental activities net assets	<u>\$ 438,348,065</u>	<u>\$ 469,069,163</u>	<u>\$ 475,404,918</u>	<u>\$ 516,053,185</u>	<u>\$ 537,055,067</u>	<u>\$ 530,326,585</u>	<u>\$ 522,140,568</u>	<u>\$ 518,547,478</u>	<u>\$ 505,102,617</u>	<u>\$ 399,146,694</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 266,393,949	\$ 285,700,991	\$ 299,719,309	\$ 313,801,300	\$ 332,708,732	\$ 351,253,030	\$ 361,928,742	\$ 368,705,299	\$ 372,834,742	\$ 485,342,461
Restricted	1,935,948	1,770,036	1,771,797	5,257,124	3,930,459	3,166,944	3,751,501	2,769,016	3,958,325	3,958,848
Unrestricted(Deficit)	<u>12,997,293</u>	<u>4,397,075</u>	<u>5,300,077</u>	<u>5,385,880</u>	<u>5,666,173</u>	<u>51,301</u>	<u>(8,587,822)</u>	<u>(3,750,025)</u>	<u>(5,874,101)</u>	<u>(16,495,186)</u>
Total business-type activities net assets	<u>\$ 281,327,190</u>	<u>\$ 291,868,102</u>	<u>\$ 306,791,183</u>	<u>\$ 324,444,304</u>	<u>\$ 342,305,364</u>	<u>\$ 354,471,275</u>	<u>\$ 357,092,421</u>	<u>\$ 367,724,290</u>	<u>\$ 370,918,966</u>	<u>\$ 472,806,123</u>
Primary government										
Invested in capital assets, net of related debt	\$ 667,845,434	\$ 714,888,367	\$ 744,195,432	\$ 797,160,322	\$ 827,723,776	\$ 857,997,223	\$ 869,061,598	\$ 887,099,334	\$ 913,073,129	\$ 993,198,706
Restricted	42,159,796	46,314,176	48,615,489	48,436,467	51,952,242	55,684,377	65,161,358	69,143,451	55,967,213	70,090,202
Unrestricted(Deficit)	<u>9,670,025</u>	<u>(265,278)</u>	<u>(10,614,820)</u>	<u>(5,099,300)</u>	<u>(315,587)</u>	<u>(28,883,740)</u>	<u>(54,989,967)</u>	<u>(69,971,017)</u>	<u>(93,018,759)</u>	<u>(191,336,091)</u>
Total primary government net assets	<u>\$ 719,675,255</u>	<u>\$ 760,937,265</u>	<u>\$ 782,196,101</u>	<u>\$ 840,497,489</u>	<u>\$ 879,360,431</u>	<u>\$ 884,797,860</u>	<u>\$ 879,232,989</u>	<u>\$ 886,271,768</u>	<u>\$ 876,021,583</u>	<u>\$ 871,952,817</u>

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
 CHANGES IN NET ASSETS, LAST TEN YEARS
 (accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Governmental activities:										
General government	\$ 26,399,777	\$ 27,937,299	\$ 35,556,332	\$ 31,642,982	\$ 41,202,664	\$ 35,773,877	\$ 32,327,417	\$ 36,368,232	\$ 45,631,827	\$ 50,522,532
Public safety	69,823,550	77,375,851	84,274,805	83,788,205	86,563,843	106,967,208	112,101,951	114,755,487	120,370,342	128,009,588
Public works	36,793,698	38,137,157	41,031,932	41,698,053	47,526,978	50,734,669	54,436,508	49,697,351	54,493,585	55,707,874
Culture and recreation	13,117,753	13,448,883	15,353,039	15,773,260	22,528,381	23,458,242	24,552,571	24,444,194	24,340,798	22,601,155
Health and welfare	483,659	359,725	293,575	389,502	431,756	586,125	352,321	224,472	364,424	334,526
Community development	4,194,155	5,344,620	6,022,108	3,669,884	4,094,946	6,380,100	4,945,019	4,409,060	5,136,142	5,866,418
Economic development	4,703,913	4,770,448	5,073,823	6,151,081	6,823,742	7,098,377	7,752,605	6,585,469	5,763,806	3,441,846
Economic opportunity	3,481,716	2,940,163	4,596,238	5,075,413	3,613,591	3,049,514	3,501,904	6,850,646	3,689,216	2,714,400
Interest on long-term debt	19,415,444	17,811,208	17,540,449	15,152,212	15,539,408	14,476,239	12,803,169	13,421,295	10,923,435	9,910,030
Total governmental activities expenses	<u>178,413,665</u>	<u>188,125,354</u>	<u>209,742,301</u>	<u>203,340,592</u>	<u>228,325,309</u>	<u>248,524,351</u>	<u>252,773,465</u>	<u>256,756,206</u>	<u>270,713,575</u>	<u>279,108,369</u>
Business-type activities										
Municipal and Regional Airports	9,345,117	10,368,441	10,208,330	10,698,537	11,755,786	12,342,488	13,838,731	15,011,292	15,175,747	15,922,093
Water and Sewerage	39,320,447	39,781,854	43,058,325	44,707,461	54,485,362	54,903,981	56,098,592	54,476,538	53,055,547	54,096,547
Convention Center	-	-	-	-	-	-	-	-	-	6,694,097 (1)
Convention Center Hotel	-	-	-	485,540	1,967,861	7,781,837	13,085,201	12,931,427	13,535,949	13,424,358
Shreveport Area Transit System	8,565,331	8,907,815	9,728,821	10,581,217	11,293,961	12,562,076	14,155,118	13,993,824	13,843,465	15,240,703
Golf	1,497,866	1,419,103	1,334,610	1,572,192	1,699,369	1,934,772	1,885,373	1,727,208	1,489,766	1,373,739
Downtown Parking	391,404	400,008	433,000	417,800	425,666	436,200	451,000	466,000	419,280	417,809
Total business-type activities expenses	<u>59,120,165</u>	<u>60,877,221</u>	<u>64,763,086</u>	<u>68,462,747</u>	<u>81,628,005</u>	<u>89,961,354</u>	<u>99,514,015</u>	<u>98,606,289</u>	<u>97,519,754</u>	<u>107,169,346</u>
Total primary government expenses	<u>\$ 237,533,830</u>	<u>\$ 249,002,575</u>	<u>\$ 274,505,387</u>	<u>\$ 271,803,339</u>	<u>\$ 309,953,314</u>	<u>\$ 338,485,705</u>	<u>\$ 352,287,480</u>	<u>\$ 355,362,495</u>	<u>\$ 368,233,329</u>	<u>\$ 386,277,715</u>

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

(continued)

(continued)

CITY OF SHREVEPORT, LOUISIANA
CHANGES IN NET ASSETS, LAST TEN YEARS
(accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Program Revenues										
Governmental Activities										
Charges for services:										
Public safety	\$ 7,320,162	\$ 7,258,684	\$ 7,579,210	\$ 8,434,247	\$ 9,203,269	\$ 9,026,836	\$ 8,473,486	\$ 9,220,566	\$ 10,053,128	\$ 10,026,553
Public works	9,004,094	10,257,092	11,570,980	12,738,976	11,585,956	11,861,491	11,371,166	13,832,164	15,737,329	17,439,141
Other activities	614,299	818,910	923,166	952,331	1,149,882	795,440	677,024	309,938	480,671	308,550
Operating grants and contributions	15,529,060	15,579,961	17,894,434	15,862,194	15,634,442	17,268,873	19,503,074	23,733,763	19,440,207	20,941,429
Capital grants and contributions	5,711,584	13,521,203	7,199,579	27,165,717	12,399,644	9,200,892	4,403,430	3,022,403	2,079,020	6,727,297
Total governmental activities program revenues	38,179,199	47,435,850	45,167,369	65,153,465	49,973,193	48,153,532	44,428,180	50,118,834	47,790,355	55,442,970
Business-type activities										
Charges for services:										
Municipal and Regional Airports	6,183,233	6,635,056	7,103,457	7,555,898	7,967,886	9,091,820	9,833,275	8,564,049	9,533,588	10,117,819
Water and Sewerage	36,894,698	38,420,146	45,695,302	56,108,108	58,589,864	56,502,400	58,517,927	58,177,800	63,361,068	66,775,465
Convention Center	-	-	-	-	-	-	-	-	-	2,262,319 (2)
Convention Center Hotel	-	-	-	-	-	4,674,048 (1)	11,018,851	11,141,947	11,934,328	11,631,259
Shreveport Area Transit System	2,060,173	1,987,715	1,968,562	2,050,464	2,179,884	2,380,408	2,545,666	2,583,705	2,601,316	2,695,670
Golf	1,307,630	1,197,848	989,289	1,383,371	1,446,980	1,372,161	1,374,572	1,196,859	1,148,443	1,010,625
Downtown Parking	657,619	676,890	598,239	551,857	577,620	596,426	630,648	623,988	613,876	613,524
Operating grants and contributions	3,014,352	2,861,410	3,824,635	2,750,760	4,288,852	3,489,645	5,068,237	5,490,761	6,077,306	5,169,564
Capital grants and contributions	6,868,899	15,724,693	14,793,291	9,044,417	14,997,350	13,301,924	8,477,153	13,796,684	9,771,827	14,080,038
Total business-type activities program revenues	56,986,604	67,503,758	74,972,775	79,444,875	90,048,436	91,408,832	97,466,329	101,575,793	105,041,752	114,356,283
Total primary government program revenues	\$ 95,165,803	\$ 114,939,608	\$ 120,140,144	\$ 144,598,340	\$ 140,021,629	\$ 139,562,364	\$ 141,894,509	\$ 151,694,627	\$ 152,832,107	\$ 169,799,253
Net(Expense) Revenue										
Governmental activities	\$ (140,234,466)	\$ (140,689,504)	\$ (164,574,932)	\$ (138,187,127)	\$ (178,352,116)	\$ (200,370,819)	\$ (208,345,285)	\$ (206,637,372)	\$ (222,923,220)	\$ (223,665,399)
Business-type activities	(2,133,561)	6,626,537	10,209,689	10,982,128	8,420,431	1,447,478	(2,533,242)	2,969,504	7,521,998	7,186,937
Total primary government net expense	\$ (142,368,027)	\$ (134,062,967)	\$ (154,365,243)	\$ (127,204,999)	\$ (169,931,685)	\$ (198,923,341)	\$ (210,878,527)	\$ (203,667,868)	\$ (215,401,222)	\$ (216,478,462)

(1) Opened in 2007

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

CITY OF SHREVEPORT, LOUISIANA
CHANGES IN NET ASSETS, LAST TEN YEARS
(accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	\$ 47,838,744	\$ 48,929,547	\$ 51,007,550	\$ 51,498,165	\$ 54,196,554	\$ 54,192,772	\$ 57,452,405	\$ 58,542,857	\$ 60,397,983	\$ 61,892,794
Sales taxes	75,971,486	82,343,007	87,911,418	93,713,711	109,163,966	105,404,839	109,226,148	105,947,678	113,990,284	117,161,088
Franchise taxes	6,351,685	6,858,781	6,924,341	7,648,385	7,635,287	7,749,311	7,914,581	7,290,551	7,780,000	7,822,649
Occupational licenses	5,872,509	5,752,899	5,892,082	6,233,140	6,276,736	6,597,061	6,549,432	6,659,033	6,760,523	7,005,960
Gaming	15,052,411	13,754,595	12,891,549	11,617,496	12,273,760	12,366,888	12,931,726	12,931,910	12,457,759	12,326,597
Unrestricted grants and contributions	1,697,191	1,614,228	2,932,256	3,246,134	3,878,809	3,677,032	3,368,399	3,961,292	3,641,977	3,510,589
Investment earnings	6,145,817	5,094,309	3,840,636	4,289,082	5,124,099	5,568,888	4,115,495	1,163,022	435,482	550,198
Miscellaneous	4,269,479	10,004,905	3,493,196	4,495,820	4,133,123	3,554,655	3,653,651	10,833,738	7,578,232	8,252,475
Transfers	(2,900,527)	(2,941,669)	(3,982,341)	(3,906,539)	(3,328,336)	(5,469,109)	(5,052,569)	(4,285,799)	(3,563,881)	(100,815,874) (1)
Total governmental activities	<u>160,298,795</u>	<u>171,410,602</u>	<u>170,910,687</u>	<u>178,835,394</u>	<u>199,353,998</u>	<u>193,642,337</u>	<u>200,159,268</u>	<u>203,044,282</u>	<u>209,478,359</u>	<u>117,706,476</u>
Business-type activities:										
Investment earnings (loss)	1,642,281	972,706	731,051	2,764,454	6,112,293	5,249,324	101,819	2,580,624	(2,528,522)	(6,115,654)
Miscellaneous	-	-	-	-	-	-	-	795,942	2,170	-
Transfers	2,900,527	2,941,669	3,982,341	3,906,539	3,328,336	5,469,109	5,052,569	4,285,799	3,563,881	100,815,874 (1)
Total business-type activities	<u>4,542,808</u>	<u>3,914,375</u>	<u>4,713,392</u>	<u>6,670,993</u>	<u>9,440,629</u>	<u>10,718,433</u>	<u>5,154,388</u>	<u>7,662,365</u>	<u>1,037,529</u>	<u>94,700,220</u>
Total primary government	<u>\$ 164,841,603</u>	<u>\$ 175,324,977</u>	<u>\$ 175,624,079</u>	<u>\$ 185,506,387</u>	<u>\$ 208,794,627</u>	<u>\$ 204,360,770</u>	<u>\$ 205,313,656</u>	<u>\$ 210,706,647</u>	<u>\$ 210,515,888</u>	<u>\$ 212,406,696</u>
Change in Net Assets										
Governmental activities	\$ 20,064,329	\$ 30,721,098	\$ 6,355,755	\$ 40,648,267	\$ 21,001,882	\$ (6,728,482)	\$ (8,186,017)	\$ (3,593,090)	\$ (13,444,861)	\$ (105,955,923)
Business-type activities	<u>2,409,247</u>	<u>10,540,912</u>	<u>14,923,081</u>	<u>17,653,121</u>	<u>17,861,060</u>	<u>12,165,911</u>	<u>2,621,146</u>	<u>10,631,869</u>	<u>8,559,527</u>	<u>101,887,157</u>
Total primary government	<u>\$ 22,473,576</u>	<u>\$ 41,262,010</u>	<u>\$ 21,278,836</u>	<u>\$ 58,301,388</u>	<u>\$ 38,862,942</u>	<u>\$ 5,437,429</u>	<u>\$ (5,564,871)</u>	<u>\$ 7,038,779</u>	<u>\$ (4,885,334)</u>	<u>\$ (4,068,766)</u>

(1) Included in the transfers was \$93,061,016 for the Convention Center to a separate enterprise fund.

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Nonspendable	\$ 860,865	\$ 976,754	\$ 860,317	\$ 971,248	\$ 1,095,980	\$ 1,268,611	\$ 1,267,226	\$ 1,529,818	\$ 1,302,722	\$ 1,521,316
Assigned	4,279,118	4,228,443	6,403,177	4,995,935	8,406,811	6,341,925	6,242,982	5,192,490	9,001,311	6,672,603
Unassigned	<u>6,694,088</u>	<u>7,824,635</u>	<u>7,912,573</u>	<u>11,509,416</u>	<u>10,327,081</u>	<u>5,224,682</u>	<u>3,009,981</u>	<u>13,930,927</u>	<u>11,458,224</u>	<u>9,805,320</u>
Total General Fund	<u>\$ 11,834,071</u>	<u>\$ 13,029,832</u>	<u>\$ 15,176,067</u>	<u>\$ 17,476,599</u>	<u>\$ 19,829,872</u>	<u>\$ 12,835,218</u>	<u>\$ 10,520,189</u>	<u>\$ 20,653,235</u>	<u>\$ 21,762,257</u>	<u>\$ 17,999,239</u>
All Other Governmental Funds										
Restricted	\$ 199,990,605	\$ 225,031,205	\$ 166,139,065	\$ 117,017,731	\$ 106,847,013	\$ 101,381,672	\$ 99,830,365	\$ 97,498,999	\$ 76,580,843	\$ 177,217,086
Unassigned	-	-	-	-	-	-	-	-	-	(460,762)
Total all other governmental funds	<u>\$ 199,990,605</u>	<u>\$ 225,031,205</u>	<u>\$ 166,139,065</u>	<u>\$ 117,017,731</u>	<u>\$ 106,847,013</u>	<u>\$ 101,381,672</u>	<u>\$ 99,830,365</u>	<u>\$ 97,498,999</u>	<u>\$ 76,580,843</u>	<u>\$ 176,756,324</u>

Unaudited - see accompanying independent accountants' report.



CITY OF CITY OF SHREVEPORT, LOUISIANA
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 129,350,141	\$ 138,588,656	\$ 144,861,587	\$ 153,389,462	\$ 170,919,781	\$ 168,009,381	\$ 173,109,183	\$ 171,405,070	\$ 182,891,465	\$ 187,282,626
Licenses and permits	7,024,635	6,905,770	7,600,397	8,211,268	8,144,443	8,755,409	8,379,559	8,591,789	8,945,467	9,126,196
Intergovernmental	17,202,092	18,066,364	25,172,181	26,272,456	22,112,233	21,710,733	24,240,070	27,747,701	24,073,617	25,510,000
Charges for services	16,481,825	17,706,972	19,241,503	20,635,745	20,184,618	19,251,533	18,681,539	21,992,151	24,381,786	25,562,367
Fines and forfeitures	2,533,660	2,839,434	2,799,844	3,231,362	3,555,633	3,462,609	3,319,902	3,460,862	3,553,996	3,832,276
Gaming	15,052,411	13,754,595	12,891,549	11,617,496	12,273,760	12,366,888	12,931,726	12,931,910	12,457,759	12,326,597
Investment earnings	5,793,620	4,953,583	3,694,378	3,938,911	4,423,360	4,780,092	3,257,053	949,243	324,785	395,837
Miscellaneous	4,269,479	10,004,905	3,642,621	4,495,820	4,133,123	3,554,655	3,653,651	10,833,738	7,578,232	8,252,475
Total revenues	<u>197,707,863</u>	<u>212,820,279</u>	<u>219,904,060</u>	<u>231,792,520</u>	<u>245,746,951</u>	<u>241,891,300</u>	<u>247,572,683</u>	<u>257,912,464</u>	<u>264,207,107</u>	<u>272,288,374</u>
Expenditures										
General government	24,971,584	27,759,577	33,072,046	32,393,215	38,900,339	37,204,737	34,638,892	30,099,483	40,898,671	33,670,983
Public safety	68,731,189	72,337,147	82,694,307	84,754,554	90,574,313	91,446,018	96,639,536	94,952,030	104,102,246	109,360,999
Public works	28,580,522	25,992,785	33,005,430	30,502,540	34,062,025	36,218,897	37,036,813	35,257,799	40,134,184	43,626,714
Culture and recreation	11,350,929	10,780,702	11,096,644	12,417,996	12,998,481	14,158,892	15,840,773	14,609,505	15,214,547	15,576,293
Health and welfare	483,659	359,725	293,575	389,502	431,756	573,832	339,700	209,710	350,176	319,316
Community development	3,851,432	5,141,498	4,814,883	3,444,802	3,477,313	4,766,654	4,138,744	3,881,994	4,593,147	5,375,401
Economic development	4,703,913	4,770,448	5,073,823	6,151,081	6,823,742	7,030,767	7,670,569	6,504,277	5,678,318	3,358,194
Economic opportunity	3,481,716	2,940,163	4,596,238	5,075,413	3,613,591	2,834,390	3,281,038	6,592,309	3,439,875	2,448,233
Capital outlay	24,117,279	27,194,815	72,154,435	57,465,679	24,414,447	17,058,735	14,117,197	7,210,328	6,645,730	7,188,534
Debt service										
Principal	26,100,991	28,233,630	28,278,794	29,908,186	26,517,782	28,128,374	28,764,098	32,309,943	50,311,347	26,645,341
Interest	16,811,211	15,606,416	15,778,900	14,013,453	14,648,081	13,975,345	12,187,938	13,765,069	11,421,559	8,848,980
Bond issuance cost	2,762	750,216	1,048,354	2,584,664	-	52,735	833,170	-	358,682	701,646
Total expenditures	<u>213,187,187</u>	<u>221,867,122</u>	<u>291,907,429</u>	<u>279,101,085</u>	<u>256,461,870</u>	<u>253,449,376</u>	<u>255,488,468</u>	<u>245,392,447</u>	<u>283,148,482</u>	<u>257,120,634</u>
Excess(deficiency) of revenues over (under) expenditures	<u>(15,479,324)</u>	<u>(9,046,843)</u>	<u>(72,003,369)</u>	<u>(47,308,565)</u>	<u>(10,714,919)</u>	<u>(11,558,076)</u>	<u>(7,915,785)</u>	<u>12,520,017</u>	<u>(18,941,375)</u>	<u>15,167,740</u>

(continued)

CITY OF SHREVEPORT, LOUISIANA
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Other Financing Sources(Uses)										
Bonds issued	-	37,000,000	-	-	-	-	-	-	-	81,500,000
Refunding bonds issued	-	28,035,000	24,715,000	80,515,000	-	-	52,850,000	-	-	-
Premium on debt issued	-	1,095,891	588,117	7,702,353	-	-	534,977	-	379,132	7,603,061
Certificate of indebtedness issued	-	-	5,375,000	-	-	-	-	-	14,995,000	-
Discount on certificate of indebtedness issued	-	-	(53,910)	-	-	-	-	-	-	-
Loan proceeds	-	182,949	1,295,025	-	-	-	-	-	-	-
Capital leases	5,730,000	-	6,107,126	1,973,508	6,185,810	4,292,190	6,187,239	-	2,337,440	-
Payments to refunded bond escrow agent	-	(28,088,967)	(24,637,089)	(86,423,980)	-	-	(49,170,198)	-	(15,015,450)	-
Swap termination payment	-	-	-	-	-	-	(1,300,000)	-	-	-
Transfers in	28,425,251	34,055,629	39,902,243	31,898,342	32,148,537	31,249,879	31,923,157	27,020,204	28,100,857	27,056,191
Transfers out	(31,325,778)	(36,997,298)	(37,884,623)	(35,326,885)	(35,436,873)	(36,443,988)	(36,975,726)	(31,738,541)	(31,664,738)	(34,914,529)
Total other financing sources(uses)	<u>2,829,473</u>	<u>35,283,204</u>	<u>15,406,889</u>	<u>338,338</u>	<u>2,897,474</u>	<u>(901,919)</u>	<u>4,049,449</u>	<u>(4,718,337)</u>	<u>(867,759)</u>	<u>81,244,723</u>
Net change in fund balances	<u>\$ (12,906,267)</u>	<u>\$ 19,803,880</u>	<u>\$ 6,360,046</u>	<u>\$ (71,665,031)</u>	<u>\$ (7,817,445)</u>	<u>\$ (12,459,995)</u>	<u>\$ (3,866,336)</u>	<u>\$ 7,801,680</u>	<u>\$ (19,809,134)</u>	<u>\$ 96,412,463</u>
Debt service as a percentage of noncapital expenditures	<u>22.7%</u>	<u>22.9%</u>	<u>20.5%</u>	<u>21.0%</u>	<u>17.7%</u>	<u>17.8%</u>	<u>17.3%</u>	<u>19.3%</u>	<u>22.5%</u>	<u>14.5%</u>

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</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2002	345,120	593,431	946,648	51.30	8,137,516	11.63%
2003	357,203	601,009	964,939	51.30	8,253,849	11.69
2004	455,083	641,799	1,105,691	46.64	9,637,710	11.47
2005	468,149	641,769	1,118,623	46.64	9,787,609	11.43
2006	486,846	673,164	1,169,282	46.64	10,244,280	11.41
2007	501,981	671,729	1,182,038	46.64	10,363,476	11.41
2008	571,963	729,434	1,311,664	44.54	11,589,120	11.32
2009	582,832	735,357	1,330,039	44.54	11,781,298	11.19
2010	593,873	761,099	1,368,984	44.54	12,119,017	11.30
2011	621,666	767,556	1,389,222 (1)	44.54	12,371,084	11.12

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 roll of January 1, 2008. The next revaluation will be completed as of January 1, 2012 for the 2012 tax roll. Tax rates are per \$1,000 of assessed value.

(1) Included in the total assessed value of property within the City is \$13,288 of assessed value that has been adjudicated to Caddo and Bossier parish.

Unaudited - see accompanying independent accountants' 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 (3)	Salary & Wage Schedule (3)	Street Improvements (3)	Employee Benefits (3)	Parks and Recreational Facilities (3)	Total Direct Debt	School Board	Parish	Total
2002	\$30.54	\$12.13	\$1.73	\$1.31	\$1.31	\$1.31	\$1.99	\$0.98	\$ 51.30	\$87.27	\$40.40	\$ 178.97
2003	30.54	12.13	1.73	1.31	1.31	1.31	1.99	0.98	51.30	87.27	40.40	178.97
2004	27.82	10.99	1.57	1.19	1.19	1.19	1.80	0.89	46.64	87.27	36.58	170.49
2005	27.82	10.99	1.57	1.19	1.19	1.19	1.80	0.89	46.64	81.73	37.31	165.68
2006	27.82	10.99	1.57	1.19	1.19	1.19	1.80	0.89	46.64	81.73	37.31	165.68
2007	27.82	10.99	1.57	1.19	1.19	1.19	1.80	0.89	46.64	80.65	37.31	164.60
2008	26.56	10.49	1.50	1.14	1.14	1.14	1.72	0.85	44.54	82.81	35.14	162.49
2009	26.56	10.49	1.50	1.14	1.14	1.14	1.72	0.85	44.54	78.20	35.14	157.88
2010	26.56	10.49	1.50	1.14	1.14	1.14	1.72	0.85	44.54	78.20	35.14	157.88
2011	26.56	10.49	1.50	1.14	1.14	1.14	1.72	0.85	44.54	78.20	35.14	157.88

(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 April 12, 2008).

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
Principal Property Taxpayers
Current Year and Nine Years Ago

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Taxpayer	2011			2002		
	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	\$ 36,707,190	1	2.7%	\$ 37,568,300	1	4.1%
Bell South	18,577,100	2	1.3	24,897,520	2	2.6
Sam's Town	12,892,790	3	0.9	19,098,020	3	2.0
Centerpoint Energy	12,275,360	4	0.9	5,046,190	10	0.5
Calumet Lubricants	12,094,540	5	0.9	6,466,830	8	0.7
Capital One	9,376,690	6	0.7	12,973,800	4	1.4
Schlumberger	8,983,890	7	0.7	-	-	-
Verizon Wireless	8,547,530	8	0.6	-	-	-
Regions Bank	8,088,140	9	0.6	12,185,100	5	1.3
Walmart	7,565,500	10	0.5	8,071,590	7	0.7
BankOne	-	-	-	8,904,650	6	0.9
First Cellular	-	-	-	5,082,530	9	0.5
	<u>\$ 135,108,730</u>		<u>9.8%</u>	<u>\$ 140,294,530</u>		<u>14.8%</u>

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
Property Tax Levies and Collections
Last Ten Years

Year Ended December 31,	Taxes Levied for the Year	Collected within the Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 48,563,087	\$ 36,601,835	75.4%	\$ 10,877,573	\$ 47,479,408	97.8%
2003	49,501,452	37,818,593	76.4	10,882,652	48,701,245	98.4
2004	51,569,430	36,169,905	70.1	13,464,778	49,634,683	96.2
2005	52,172,566	36,329,211	69.6	14,812,227	51,141,438	98.0
2006	54,535,297	41,076,693	75.3	12,235,741	53,312,435	97.8
2007	55,130,275	44,426,316	80.6	9,797,511	54,223,827	98.4
2008	58,421,540	41,480,921	71.0	15,338,615	56,819,536	97.3
2009	59,236,967	41,889,578	70.7	15,875,672	57,765,250	97.5
2010	60,974,524	43,965,388	72.1	15,104,553	59,069,941	96.9
2011	61,875,991	48,969,445	79.1	-	48,969,445	79.1

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
TAXABLE SALES BY CATEGORY
LAST TEN YEARS
(dollars in thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Motor vehicle dealers	\$ 325,579	\$ 340,389	\$ 351,422	\$ 339,595	\$ 355,024	\$ 355,111	\$ 352,186	\$ 296,797	\$ 338,048	\$ 355,903
Restaurant, food services and drinking places	239,940	248,425	262,048	291,080	304,988	324,109	350,012	349,599	368,846	387,584
Discount stores	257,443	255,244	260,352	275,136	278,608	298,463	344,308	344,958	337,130	329,741
Grocery stores	265,961	234,162	237,239	263,986	348,106	303,178	311,557	313,897	339,339	347,203
Department stores	111,484	115,458	109,464	120,492	125,978	131,233	129,234	125,391	130,370	133,183
Miscellaneous general merchandise stores	80,087	98,653	103,400	115,262	121,428	126,020	132,498	134,135	141,453	145,860
Drug stores	109,505	102,311	103,356	112,727	133,956	125,768	122,707	121,495	123,124	122,653
Lumber and other building materials dealers	84,181	84,413	85,399	107,622	116,530	119,006	122,095	116,038	122,498	124,232
Wholesale - machinery, equipment and supplies	87,683	80,867	97,386	99,437	116,671	138,445	141,943	135,353	163,050	162,277
Wholesale - professional and commercial equipment	83,457	78,290	93,883	89,856	96,333	111,632	119,797	124,317	120,942	127,079
All others	1,428,663	1,340,388	1,420,858	1,564,908	1,906,431	1,791,539	1,793,876	1,830,375	1,938,100	2,062,456
Total	\$ 3,073,983	\$ 2,978,600	\$ 3,124,807	\$ 3,380,101	\$ 3,904,053	\$ 3,824,504	\$ 3,920,213	\$ 3,892,355	\$ 4,122,900	\$ 4,298,171
City sales tax rate	2.50%	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 accountants' 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>
2002	2.50%	1.50%	0.25%	4.00%	8.25%
2003	2.75	1.50	0.35	4.00	8.60
2004	2.75	1.50	0.35	4.00	8.60
2005	2.75	1.50	0.35	4.00	8.60
2006	2.75	1.50	0.35	4.00	8.60
2007	2.75	1.50	0.35	4.00	8.60
2008	2.75	1.50	0.35	4.00	8.60
2009	2.75	1.50	0.35	4.00	8.60
2010	2.75	1.50	0.35	4.00	8.60
2011	2.75	1.50	0.35	4.00	8.60

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 accountants' report.

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

	2005		2006		2007		2008		2009		2010		2011	
	Tax Liability	Percent of Total	Tax Liability	Percent of Total	Tax Liability	Percent of Total	Tax Liability	Percent of Total	Tax Liability	Percent of Total	Tax Liability	Percent of Total	Tax Liability	Percent of Total
Retail trade	\$ 60,578,674	64.73%	\$ 66,506,787	61.33%	\$ 66,868,050	62.85%	\$ 69,134,367	63.23%	\$ 67,052,000	62.64%	\$ 70,424,851	62.64%	\$ 72,388,451	61.24%
Services	13,917,994	14.87	20,304,523	18.73	15,769,308	14.82	16,295,689	14.90	16,273,181	15.20	17,554,911	15.20	18,370,738	15.54
Wholesale Trade	14,067,681	15.03	15,349,862	14.16	16,838,019	15.83	17,444,320	15.95	16,311,724	15.24	18,516,602	15.24	19,624,037	16.60
Transportation, communications, electric, and gas	1,432,004	1.53	1,888,073	1.74	1,324,469	1.24	1,435,385	1.31	1,412,211	1.32	1,540,652	1.32	1,742,285	1.47
Manufacturing	1,462,985	1.56	1,882,685	1.74	3,091,773	2.91	1,705,805	1.56	1,548,868	1.45	1,452,756	1.45	1,491,183	1.26
Other	1,025,558	1.10	1,167,014	1.08	926,510	0.87	1,015,865	0.93	2,438,234	2.28	998,816	2.28	907,987	0.77
Construction	648,660	0.69	784,227	0.71	860,171	0.80	1,064,320	0.97	1,111,438	1.04	1,434,632	1.04	1,146,763	0.97
Mining	118,994	0.13	210,743	0.19	378,032	0.36	901,043	0.82	555,957	0.52	1,124,557	0.52	2,189,999	1.85
Finance, insurance, and real estate	210,709	0.23	205,302	0.19	190,785	0.18	192,309	0.18	184,351	0.17	167,256	0.17	180,255	0.15
Agricultural	79,894	0.09	83,760	0.08	93,873	0.09	104,004	0.10	100,890	0.09	113,984	0.09	113,060	0.10
Government	38,735	0.04	45,990	0.04	50,178	0.05	50,545	0.05	50,907	0.05	50,712	0.05	44,963	0.04
Total	\$ 93,581,888	100.00%	\$ 108,428,966	100.00%	\$ 106,391,168	100.00%	\$ 109,343,652	100.00%	\$ 107,039,761	100.00%	\$ 113,379,729	100.00%	\$ 118,199,721	100.00%

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. Years 2005 through 2011 are the most recent years for which data are available.

Unaudited - see accompanying independent accountants' 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 Revenue Bonds	Municipal and Regional Airports Loan	Water and Sewerage Revenue Bonds	Water and Sewerage Loan	Convention Center Hotel Loan	Capital Leases				
2002	\$ 286,717	\$ 43,225	\$ 41,501	\$ 7,698	\$ 24,175	\$ -	\$ 114,726	\$ -	\$ -	\$ 255	\$ 518,297	7.5%	\$ 2,577	
2003	306,186	38,785	36,173	5,476	23,665	-	129,201	-	181	210	539,877	7.5	2,671	
2004	285,465	41,136	35,306	9,886	23,135	-	154,325	-	1,470	162	550,885	7.2	2,716	
2005	263,520	37,884	34,394	9,778	22,580	-	155,107	75,000	42,479	1,170	641,912	8.2	3,163	
2006	244,913	34,382	33,437	13,410	22,000	859	153,785	75,000	42,365	845	620,996	7.3	3,061	
2007	225,414	30,681	32,430	14,379	21,278	848	179,320	75,000	42,288	602	622,240	6.7	3,063	
2008	205,408	26,794	33,580	17,447	-	38,194	166,283	75,000	39,591	1,564	603,861	6.4	3,019	
2009	183,830	22,722	31,852	12,692	-	37,176	152,641	50,000	39,543	1,153	531,609	5.1	2,652	
2010	143,481	18,698	30,132	11,201	-	37,259	156,000	50,000	39,282	696	486,749	N/A	2,442	
2011	216,372	13,955	28,334	7,191	-	36,182	143,259	50,000	39,118	472	534,883	N/A	N/A	

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 accountants' 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>
2002	\$ 286,717	\$ 37,298	\$ 249,419	3.07%	\$ 1,240
2003	306,186	42,480	263,706	3.19	1,305
2004	285,465	44,616	240,849	2.50	1,187
2005	263,520	40,239	223,281	2.28	1,100
2006	244,913	44,276	200,637	1.96	989
2007	225,414	48,460	176,954	1.71	871
2008	205,408	55,879	149,529	1.29	748
2009	183,830	58,867	124,963	1.06	623
2010	143,481	46,292	97,189	0.80	488
2011	216,372	60,170	156,202	1.26	N/A

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.
N/A - Statistical information is not available.

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
 (dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Caddo Parish Commission	\$ 28,930	71.7%	\$ 20,743
Caddo Parish School Board	106,480	71.7	76,346
Subtotal, Overlapping Debt			97,089
City direct debt			265,852
Total direct and overlapping debt			\$ 362,941

Sources: Assessed value data used to estimate applicable percentages provided by the Caddo Parish Tax Assessor.
 Debt outstanding data 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 accountants' report.

CITY OF SHREVEPORT, LOUISIANA
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(dollars in thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 331,330	\$ 337,729	\$ 386,992	\$ 391,518	\$ 409,249	\$ 413,713	\$ 459,083	\$ 465,514	\$ 479,144	\$ 486,228
Total debt applicable to limit	<u>264,673</u>	<u>287,762</u>	<u>272,730</u>	<u>254,487</u>	<u>237,602</u>	<u>220,716</u>	<u>202,147</u>	<u>183,110</u>	<u>142,810</u>	<u>208,315</u>
Legal debt margin	<u>\$ 66,657</u>	<u>\$ 49,967</u>	<u>\$ 114,262</u>	<u>\$ 137,031</u>	<u>\$ 171,647</u>	<u>\$ 192,997</u>	<u>\$ 256,936</u>	<u>\$ 282,404</u>	<u>\$ 336,334</u>	<u>\$ 277,913</u>
Total debt applicable to the limit as a percentage of debt limit	79.88%	85.21%	70.47%	65.00%	58.06%	53.35%	44.03%	39.34%	29.81%	42.84%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed value	\$ 1,389,222
Debt limit (35% of total assessed value)	486,228
Debt applicable to limit:	
General obligation bonds	<u>208,315</u>
Legal debt margin	<u>\$ 277,913</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 accountants' report.

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

Year	Gross Revenues(1)	Less: Operating Expenses(2)(3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2002	\$ 38,582,686	\$ 27,804,941	\$ 10,777,745	\$ 5,267,979	\$ 2,275,652	\$ 7,543,631	1.43
2003	39,359,740	27,041,477	12,318,263	6,010,064	1,973,357	7,983,421	1.54
2004	47,331,098	28,726,157	18,604,941	7,065,796	2,401,669	9,467,465	1.97
2005	57,713,962	30,578,978	27,134,984	10,982,563	4,438,531	15,421,094	1.76
2006	63,131,449	36,874,335	26,257,114	11,782,506	4,766,703	16,549,209	1.59
2007	60,876,054	34,081,657	26,794,397	12,370,601	5,079,611	17,450,212	1.54
2008	60,944,320	36,200,116	24,744,204	12,755,277	4,759,719	17,514,996	1.41
2009	56,352,027	33,617,542	22,734,485	11,362,709	4,000,153	15,362,862	1.48
2010	60,803,198	33,688,533	27,114,665	8,478,772	3,025,458	11,504,230	2.36
2011	61,110,266	33,172,696	27,937,570	8,390,478	2,823,412	11,213,890	2.49

(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) Beginning in 2011, Other Post Employment Benefits (OPEB) costs were excluded in the calculation of the Rate Covenant Requirements for the debt service coverage computation. Years prior to 2011 were recalculated to reflect this change to exclude OPEB costs.

Unaudited - see accompanying independent accountants' report.

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

Year	Gross Revenues(1)	Less: Operating Expenses(2)(7)	Net Available Revenue	Unrestricted Operating Reserve (6)	Net Resources Available For Debt Service	Debt Service (3 & 4)			Coverage
						Principal	Interest	Total	
2002	\$ 6,756,147	\$ 5,648,894	\$ 1,107,253	\$ 4,362,500	\$ 5,469,753	\$ -	\$ 967,263	\$ 967,263	5.65
2003	7,120,564	6,363,397	757,167	1,869,700	2,626,867	-	596,097	596,097	4.41
2004	7,607,130	6,311,705	1,295,425	956,500	2,251,925	-	470,494	470,494	4.79
2005	8,053,251	6,822,081	1,231,170	138,400	1,369,570	-	478,020	478,020	2.87
2006	9,017,059	7,353,327	1,663,732	1,508,800	3,172,532	-	523,861	523,861	6.06
2007	9,781,072	7,599,917	2,181,155	1,277,800	3,458,955	-	438,199	438,199	7.89
2008	10,180,016 (5)	7,730,899	2,449,117	2,329,500	4,778,617	10,000	930,930	940,930	5.08
2009	8,970,640	7,577,770	1,392,870	3,315,900	4,708,770	335,000	2,310,257	2,645,257	1.78
2010	9,766,437	7,692,162	2,074,275	482,800	2,557,075	-	1,451,250	1,451,250	1.76
2011	10,349,559	8,193,481	2,156,078	1,002,400	3,158,478	355,000	2,050,319	2,405,319	1.31

(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) Beginning in 2003 the debt service coverage computation was changed to exclude passenger facility charges and associated PFC debt up to the amount of the charges. Years prior to 2003 were recalculated to reflect this change.

(4) Reflects current year debt service expenses.

(5) Excludes swap termination payment of \$3,563,000 and excludes Swaption receipt of \$809,321. These amounts are not normal operating revenue and expense items.

(6) Beginning in 2009, the Unrestricted Operating Reserve was used in the calculation of the Rate Covenant Requirement for the debt service coverage computation. Years prior to 2009 were recalculated to reflect this change to include current year's net revenues as well as the Unrestricted Operating Reserve at Year-Ending.

(7) Beginning in 2011, Other Post employment Benefits costs (OPEB) were excluded in the calculation of the Rate Covenant Requirement for the debt service coverage computation. Years prior to 2011 were recalculated to reflect this change to exclude OPEB costs.

Unaudited - see accompanying independent accountants' report.

CITY OF SHREVEPORT, LOUISIANA
Demographic and Economic Statistics
Last Ten Years

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<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>
2002	201,100	250,506	\$ 6,955,738	\$ 27,767	6.6%
2003	202,096	250,434	7,233,555	28,884	6.1
2004	202,851	250,158	7,626,067	30,485	5.7
2005	202,938	250,438	7,870,765	31,428	4.7
2006	202,851	251,577	8,501,158	33,539	4.0
2007	200,031	252,609	9,348,950	37,029	4.5
2008	199,379	252,895	9,427,392	37,319	6.8
2009	199,345	253,932	10,337,630	40,710	7.5
2010	199,311	254,969	N/A	N/A	6.6
2011	N/A	N/A	N/A	N/A	6.4

Sources: City population provided by the U.S. Census Bureau.
Population and personal income for Caddo Parish (which the City resides in) provided by the
Center for Business Research, Louisiana State University in Shreveport.
City unemployment rate provided by Louisiana Workforce Commission.

N/A Statistical information is not available.

Unaudited - see accompanying independent accountants' report.

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

Employer	2011 (1)			2002		
	Employees	Rank	Percentage of Area Employment	Employees	Rank	Percentage of Area Employment
State of Louisiana	9,338	1	5.40	8,127	2	4.86
Barksdale Air Force Base	8,655	2	5.01	8,743	1	5.23
Caddo Parish School Board	6,815	3	3.95	7,643	3	4.57
LSU Health Sciences Center	6,295	4	3.65	5,536	4	3.31
Willis Knighton Health System	5,725	5	3.32	4,536	5	2.71
Bossier Parish School System	2,831	6	1.64	2,524	9	1.51
City of Shreveport	2,717	7	1.57	3,069	6	1.84
Harrah's	2,000	8	1.16	2,554	7	1.53
Christus Schumpert Health System	1,900	9	1.10	2,200	10	1.32
U.S. Support	1,618	10	0.94	-	-	-
General Motors	-		-	2,541	8	1.52
Total	<u>47,894</u>		<u>27.74</u>	<u>47,473</u>		<u>28.40</u>

Source: Center for Business Research, Louisiana State University in Shreveport

(1) The year 2011 is the same as 2010. The Center is updating the information every two years.

Unaudited - see accompanying independent accountants' report.

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

Function/Program	Full-time Equivalent City Government Employees by Function as of December 31									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	274	268	264	265	265	274	272	276	269	278
Public safety	1,292	1,299	1,275	1,305	1,320	1,316	1,348	1,356	1,378	1,398
Public works	476	460	431	429	431	422	426	401	383	383
Culture and recreation	276	252	258	264	264	268	252	244	235	258
Health and welfare	2	2	2	2	2	2	2	2	2	2
Community development	16	13	10	10	10	10	10	9	9	9
Economic development	15	10	11	11	10	11	13	11	12	11
Economic opportunity	29	29	34	35	34	35	35	35	35	35
Municipal and Regional Airports	76	77	78	78	82	80	82	82	82	70
Water and Sewerage	279	287	303	303	303	310	320	317	289	265
Convention Center (1)	-	-	-	-	-	-	-	-	-	-
Convention Center Hotel (1)	-	-	-	-	-	-	-	-	-	-
Shreveport Area Transit System (1)	-	-	-	-	-	-	-	-	-	-
Golf	31	30	30	29	30	30	30	25	23	23
Downtown Parking (1)	-	-	-	-	-	-	-	-	-	-
Total	<u>2,766</u>	<u>2,727</u>	<u>2,696</u>	<u>2,731</u>	<u>2,751</u>	<u>2,758</u>	<u>2,790</u>	<u>2,758</u>	<u>2,717</u>	<u>2,732</u>

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

Unaudited - see accompanying independent accountants' report.

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

Function/Program	Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2,011
General government										
Property standards inspections made	27,000	39,360	43,021	46,000	46,000	30,600	30,800	28,172	30,810	32,000
Lots cut	14,701	11,182	11,182	10,000	10,000	6,739	9,700	9,223	9,220	10,000
Public safety										
Prisoners booked in City jail	9,500	9,668	5,421	11,000	12,400	12,721	13,500	13,628	13,160	16,784
Offense reports processed	49,583	46,635	46,900	47,300	29,678	30,000	30,000	32,189	29,340	30,310
Traffic citations issued	42,884	43,000	42,973	43,000	43,000	40,000	40,000	42,692	50,286	51,900
Fires reported	1,580	1,600	1,573	1,575	1,730	1,431	1,473	1,403	1,337	1,474
Fire responses	32,523	33,459	33,795	33,800	33,800	36,000	35,500	36,701	36,802	37,000
Fire inspections	14,691	15,160	11,998	15,000	14,484	10,174	9,700	17,000	9,811	10,000
EMS responses	24,288	23,214	23,214	24,300	25,000	25,573	25,506	26,308	29,167	29,599
Public works										
Refuse collected (tons)	137,400	136,600	137,400	135,600	141,000	135,600	137,400	137,400	137,400	135,600
Building permits issued	6,400	4,336	4,177	4,274	4,400	3,400	3,200	2,682	1,777	2,828
Asphalt repairs	2,000	2,000	2,000	2,000	1,564	2,000	1,564	2,000	2,000	2,453
Street resurfacing (miles)	52	52	55	52	52	74	40	52	52	10
Culture and recreation										
Events at all facilities	332	338	355	334	346	291	267	227	244	230
Acres of City parks maintained	21,171	21,171	21,171	21,171	21,171	23,450	23,450	22,315	22,315	23,450
Participants in team sports	6,500	8,331	8,967	9,500	10,000	9,000	8,935	8,935	8,935	10,400
Senior program participants	52,389	27,520	35,240	37,840	38,000	38,000	37,900	37,900	37,900	38,000
Community development										
Programs funded	N/A	N/A	68	58	52	67	66	54	54	66
Economic development										
Housing units assisted	295	252	245	198	170	169	176	209	209	117
Small business loans	N/A	N/A	11	10	12	3	-	-	1	1
Economic opportunity										
Participants served	1,955	1,894	1,879	2,130	4,854	11,943	12,098	14,180	19,987	18,135
Municipal and Regional Airports										
Capital projects managed	16	17	20	22	20	15	19	15	16	16
Contracts/leases monitored	N/A	N/A	251	255	251	261	280	300	300	310
Water and Sewerage										
Water treated and pumped per day (MGD)	35	35	36	39	36	37	37	37	37	37
Wastewater treated per day (MGD)	37	37	37	35	37	37	37	37	37	37
Water mains (miles)	1,040	1,050	1,060	1,096	1,089	1,100	1,144	1,104	1,104	1,135
Sewer mains (miles)	1,041	1,036	1,050	1,067	1,144	1,150	1,196	1,077	1,077	1,088
Fire hydrants	6,400	6,860	6,900	7,107	7,310	7,350	7,400	7,310	7,064	7,074
Shreveport Area Transit System										
Passenger trips (thousands)	2,852	2,863	2,838	2,932	3,145	3,383	3,400	3,400	3,400	3,400
Golf										
Golf rounds played	94,714	94,663	82,842	90,000	76,200	70,059	62,343	51,466	51,466	50,065
Downtown Parking										
Citations issued	42,000	40,104	42,470	42,000	42,000	42,000	42,000	43,000	25,000	21,440

Source: City of Shreveport Annual Budget Book

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

N/A - Statistical information is not available.

Unaudited - see accompanying independent accountants' report.

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

Functions:	Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety										
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	N/A	N/A	N/A	N/A	364	312	302	304	305	307
Fire Stations	21	21	21	21	21	22	22	22	22	22
Police and fire academy facility	1	1	1	1	1	1	1	1	1	1
City courts facility	1	1	1	1	1	1	1	1	1	1
Public Works:										
Collection Trucks	52	52	52	52	52	52	52	54	64	66
Streets (miles)	1,564	1,564	1,564	1,624	1,998	2,200	2,500	2,700	2,959	3,326
Street lights	29,433	30,125	30,013	29,990	30,085	30,085	30,085	30,100	30,100	30,100
Traffic signals	N/A	N/A	N/A	N/A	350	350	351	351	351	351
Culture and recreation										
Parks acreage	3,181	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,808
Number of playgrounds	43	46	46	46	46	46	46	46	46	53
Number of picnic areas	34	42	42	42	42	42	42	42	42	42
Swimming pools	11	11	11	11	11	11	10	10	10	9
Tennis courts	29	29	29	29	29	29	29	29	29	29
Community centers	19	19	19	20	20	20	21	21	21	16
Baseball park	1	1	1	1	1	1	1	1	1	1
Multipurpose stadium	1	1	1	1	1	1	1	1	1	1
Auditorium	1	1	1	1	1	1	1	1	1	1
Theater	1	1	1	1	1	1	1	1	1	1
Coliseum	1	1	1	1	1	1	1	1	1	1
Convention center	1	1	1	1	1	1	1	1	1	1
Softball and soccer complex	1	1	1	1	1	1	1	1	1	1
Stage works movie facility	-	-	-	-	1	1	1	1	1	1
Planetariums	1	1	2	2	2	2	2	2	1	1
Hotel	-	-	-	-	-	1	1	1	1	1
Municipal and Regional Airports:										
Number of airports	2	2	2	2	2	2	2	2	2	2
Water and Sewerage:										
Number of water accounts	65,000	66,000	66,000	66,500	67,050	67,465	68,000	68,435	68,989	69,300
Water mains (miles)	1,060	1,064	1,072	1,080	1,089	1,097	1,144	1,104	1,104	1,135
Fire Hydrants	7,170	7,200	7,230	7,270	7,310	7,350	7,400	7,310	7,350	7,350
Maximum daily capacity (thousands of gallons)	33,000	80,000	80,000	80,000	80,000	80,000	80,000 (2)	90,000	90,000	90,000
Number of water storage tanks	13	13	13	13	13	10 (1)	10	10	10	10
Capacity of water storage tanks	35,500,000	35,500,000	35,500,000	35,500,000	35,000,000	35,000,000	35,500,000	35,500,000	35,500,000	35,500,000
Number of sewerage accounts	63,000	63,000	63,000	63,500	63,701	63,987	64,000	64,300	64,854	65,165
Sanitary sewers (miles)	1,030	1,036	1,044	1,053	1,063	1,072	1,196	1,077	1,077	1,088
Storm sewers (miles)	229	230	231	231	232	233	233	233	233	233
Maximum daily treatment capacity (thousands of gallons)	80,000	80,000	80,000	80,000	100,000	100,000	100,000	100,000	100,000	100,000
Golf:										
Number of municipal golf courses	3	3	3	3	3	3	3	3	3	3
Shreveport Area Transit System:										
Number of transit buses	45	54	47	44	28	46	47	46	52	54
Number of transit lifeline vehicles	12	12	12	12	12	17	13	12	14	15

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 accountants' report.