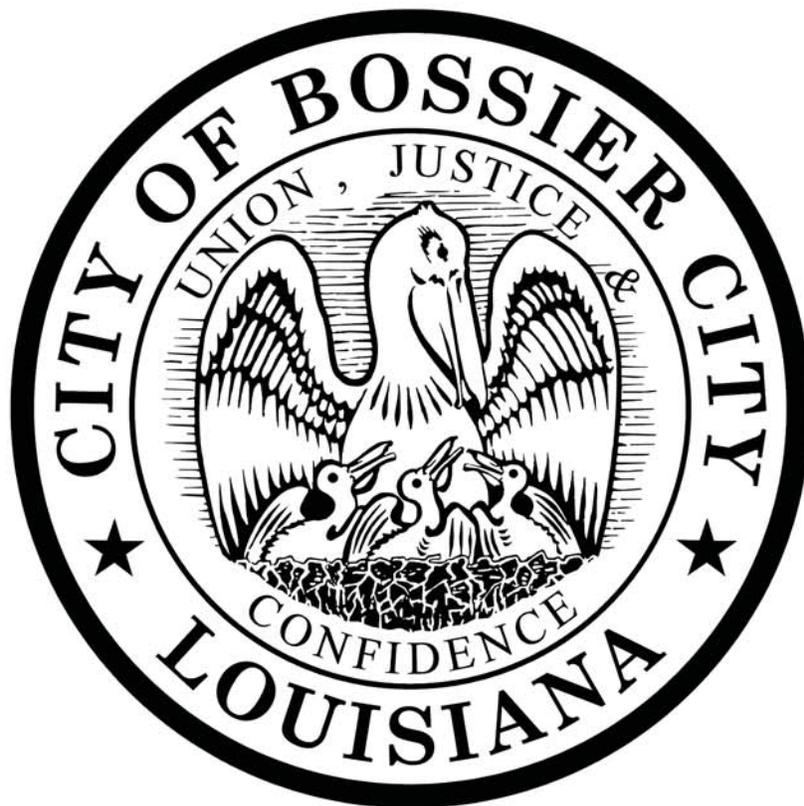


# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

*Of The  
City of  
Bossier City, Louisiana*



*For The  
Year Ended December 31, 2010*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

of the

**CITY OF BOSSIER CITY, LOUISIANA**

Year Ended December 31, 2010

Lorenz “Lo” Walker  
Mayor

William J. Buffington  
Director of Finance

Prepared by Department of Finance

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**INTRODUCTORY  
SECTION**

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**CITY OF BOSSIER CITY, LOUISIANA**

Comprehensive Annual Financial Report

Year ended December 31, 2010

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# CITY OF BOSSIER CITY

P.O. BOX 5337

BOSSIER CITY, LOUISIANA 71171-5337

June 10, 2011

The Honorable Lorenz "Lo" Walker, Mayor,  
and Members of the City Council  
City of Bossier City, Louisiana:

In accordance with Section 4.06, paragraph (7) of the City of Bossier City Charter, I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 2010. The financial statements were prepared in conformity with U.S. generally accepted accounting principles (GAAP) and audited 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, by a firm of licensed certified public accountants. I believe this report presents comprehensive information about the City of Bossier City's (the City) financial and operating activities during 2010 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 an internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the 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. 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 3.10 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 KPMG LLP was selected by the City to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2010 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2010 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The Honorable Lorenz “Lo” Walker, Mayor,  
and Members of the City Council  
June 10, 2011

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

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

## **PROFILE OF THE CITY OF BOSSIER CITY**

The City was incorporated in 1907. It is located on the east bank of the Red River in Northwest Louisiana, approximately 35 miles south of Arkansas and 20 miles east of Texas. The area dates back to the 1830s when it was the Elysian Groves Plantation of James and Mary Cane. Steamboat loads of cotton, corn, and sweet potatoes were shipped to markets in the south and east, from the plantation port known to many as “Canes Landing.” The current area of the City is approximately 43 square miles.

The City has been organized under a mayor-council form of government since 1977, when the current City Charter was adopted by the voters. The charter provides for a seven-member council, with five members selected for four-year terms from separate districts of the City and two members elected at large by all the qualified electors 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, culture and recreational activities, general government functions, and others.

These financial statements present the City (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 Bossier City Court, Bossier City Marshal, the Metropolitan Planning Commission, and the Bossier Public Trust Financing Authority. They are reported separately within the City’s financial statements to emphasize that they are legally separate from the City. Additional information on these legally separate entities can be found in the notes to the financial statements.

## **BUDGETARY CONTROL**

The annual budget serves as the foundation for the City’s financial planning and control. Prior to October 15, the Mayor files with the Bossier City Clerk 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.

The Honorable Lorenz “Lo” Walker, Mayor,  
and Members of the City Council  
June 10, 2011

Legal budgetary control for operating budgets is exercised at the department/object class. The ordinances provide lump-sum appropriation at the object level. 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. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

## **LOCAL ECONOMY**

The City is a dynamic growing area with a proud past and a future filled with the promise of continued growth. It is an area that continues to be defined by the Red River and major cultural features including Barksdale Air Force Base and riverboat casinos. Some of the key factors in the development of the area include its central location among major southern cities and its importance as a transportation hub. Barksdale Air Force Base is one of the largest military installations in the nation and by far the most significant employment generator in the area. The direct impact of Barksdale Air Force Base on the local economy is estimated to be in excess of \$430 million. The City and Bossier Parish have continued to gain in population in recent decades with both growing at a faster pace than statewide rates for Louisiana. The City added 19,850 residents between 1970 and 2010, and is currently estimated to have a population of 61,315.

The Bossier riverfront has undergone significant changes over the last decade. The area has seen the addition of Red River locks and dams stabilizing navigation channels, the Arthur Ray Teague Parkway extension, and riverboat casinos. Bossier’s Riverfront Development District is evolving into an entertainment area and is anchored by a new Louisiana Boardwalk Project adjacent to the Horseshoe Casino and Hotel, the top-grossing casino in Louisiana. It consists of entertainment, retail, hospitality, and restaurant elements. The approximate 56 acres of riverfront property is situated in the heart of the Bossier/Shreveport metropolitan area. The project includes a variety of live music, performance theaters, restaurants, a blend of retail specialty shops, a multiplex movie theater, and a hotel. It is not only a major attraction for the 14 million plus gaming tourist visitors annually, but also to residents of the metropolitan area and surrounding region’s growing population and was recently indicated as the top tourist attraction by the Shreveport Bossier Tourist Bureau, narrowly edging out the riverboat casinos. A recent independent feasibility study of the local market indicates that the “Louisiana Boardwalk” development will generate \$200 – \$300 million annually.

Also along the Riverfront District is the Bossier City CenturyTel Arena. The arena can house a variety of sporting and performance programs, as well as serve as a major assembly hall for the community. Since opening in late 2000, the Bossier City CenturyTel Center Arena has grown in national prominence within the event and entertainment industry, consistently placing in the top 100 venues in the world for ticket sales, according to Pollstar Magazine, the leading industry tracking firm.

The City and the Bossier Parish Police Jury, combined, issued bonds totaling \$50 million for the development of the Cyber Innovation Center (CIC) and National Cyber Research Park. The State of Louisiana has appropriated \$57 million to facilitate the development of these facilities and related infrastructure to support this development. Sixty-four acres of property was acquired in close proximity to Barksdale Air Force Base and close to the Louisiana Optical Network Initiative (LONI) line, which will provide access to high-speed computer capability and also provide a connection to all the major universities in the United States of America. Construction began in January of 2008. The Cyber Innovation Facility will support the activities at Barksdale Air Force Base, including the Air Force Network

The Honorable Lorenz “Lo” Walker, Mayor,  
 and Members of the City Council  
 June 10, 2011

Operations Center (AFNOC). The AFNOC makes Barksdale Air Force Base the traffic hub for all Air Force communication and the enterprise level organization in the Air Force for communications. Barksdale has been selected as the location for a larger unit, Global Strike Command. Global Strike Command began operations at Barksdale in September 2010 and employs about 900 people. The CIC has a distinguished list of academic research institutions serving as an academic advisory board. Currently, many of the major defense and technology companies have joined the CIC and are currently located at Bossier Parish Community College, the interim CIC location, until the facilities fully open in mid-2011.

Overall, the local economy is stable and the outlook is good.

### **LONG-TERM FINANCIAL PLANNING**

In accordance with Section 6.09 of the City Charter, the Mayor submitted the year 2011 – 2015 Capital Improvement Program to the City Council in the first quarter of 2010. There are 23 projects that total approximately \$200 million in progress as of December 31, 2010. There are 40 planned projects from year 2011 through 2015, which total approximately \$266 million. Some of the major projects and funding of these projects are summarized as follows:

<b>Project</b>	<b>Funding</b>	<b>Amount</b>
ART – Traffic Street	2007 Capital Bond Issue	\$ 11,000,000
ART – North	2007 Capital Bond Issue	24,000,000
ART – South	2007 Capital Bond Issue	5,000,000
Swan Lake Widening (Shed to I-220) Construction	2007 Capital Bond Issue	12,000,000
Swan Lake Road (U.S. 80 to Shed)	2007 Capital Bond Issue	9,500,000
Alternative Fuel Station and Hwy 71	Riverboat Capital Project Funds	2,500,000
Fire Station Number 5 (Meadowview)	Riverboat Gaming Capital Fund	3,500,000
20 Million Gallon Per Day Water Plant Expansion	2008 and 2010 Utility Bond Issue	72,000,000

The City’s administration plans to continue the process of looking ahead financially for its operational and capital needs.

### **FINANCIAL POLICIES**

The budget policy of the City can be found in the City Charter Ch. 6. Budgets, §§ 6.01 – 6.10.

The City Council may revise or amend the budget at its discretion during legally convened sessions. 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.

The City Council shall consider and adopt the capital budget within the first sixty (60) days of each fiscal year. The capital budget shall contain a program of capital improvement projects for the current fiscal year

The Honorable Lorenz "Lo" Walker, Mayor,  
and Members of the City Council  
June 10, 2011

and the succeeding four (4) years. It shall include estimates of the cost of each such improvement project and proposals as to the means of financing the same.

### **MAJOR INITIATIVES**

The City issued \$125,000,000 of Bonds in 2008 multiple Water and Sewer Projects with the major project being the expansion of the Water Treatment Plant and Rehabilitation of the Existing Water Plant to meet future water needs and incorporate new technologies that will provide safer and cleaner water for Bossier City residents for the future anticipated growth of Bossier City. It is anticipated that this project will have a total price of approximately \$72,000,000 and is scheduled to be complete in mid-2013.

In October 2009, the City Council passed an Ordinance #80 of 2009 to construct two alternative stations. These stations will provide CNG and E85 fuel for City vehicles as well as the general public. The first station opened in October 2010 and the second station is scheduled to open in July 2011. They employ proprietary accounting policies in a manner similar to the Water and Sewer department.

### **AWARDS AND ACKNOWLEDGMENTS**

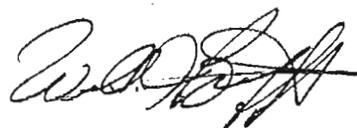
The Government Finance Officers Association of the United States and Canada (GFOA) awarded Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2009. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the City and its management. We are proud to have received this award each year for more than 25 years (beginning with our Comprehensive Annual Financial Report for the fiscal year ended December 31, 1981).

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe our current report continues to conform to Certificate of Achievement Program requirements, so 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 professional accounting staff whose dedicated and efficient services have made the timely preparation of this report possible. Thanks to the Mayor and City Council for your support of excellence in financial reporting and fiscal integrity.

Respectfully submitted,



William J. Buffington

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bossier City  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

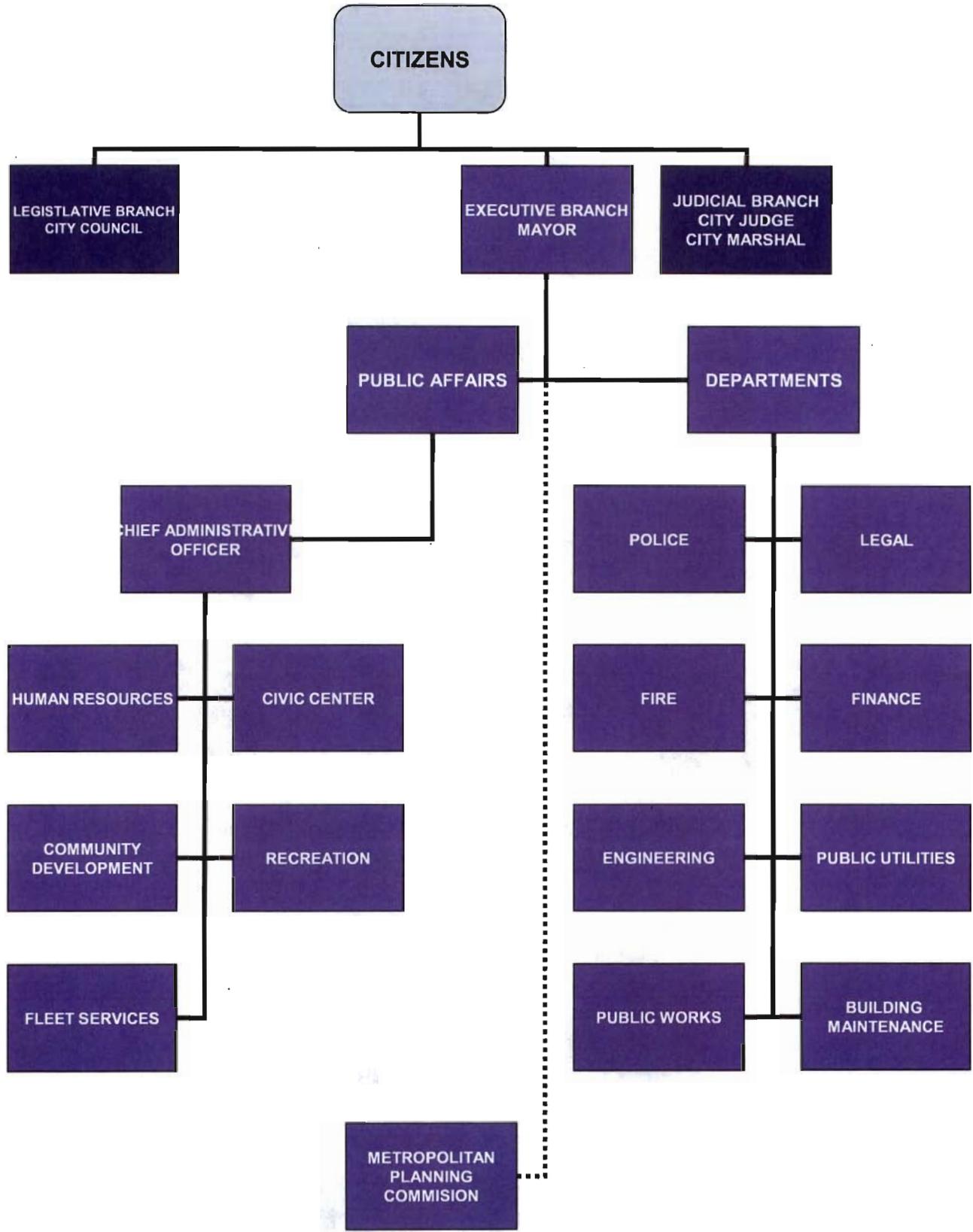
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

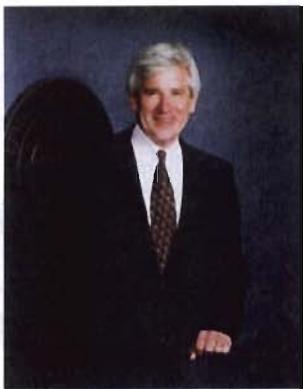
# ORGANIZATION CHART



# ELECTED OFFICIALS



MAYOR LORENZ "LO" WALKER



Council Member at Large  
TIMOTHY LARKIN



Council Member at Large  
DAVID MONTGOMERY, JR



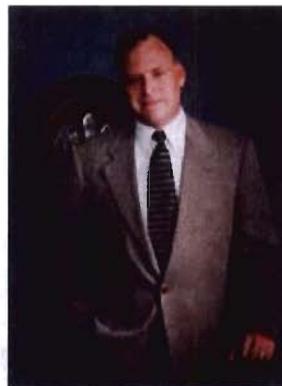
Council Member District 1  
SCOTT IRWIN



Council Member District 2  
JEFFERY DARBY



Council Member District 3  
DON WILLIAMS



Council Member District 4  
DAVID JONES



Council Member District 5  
JAMES "Chubby" KNIGHT

**FINANCIAL  
SECTION**

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

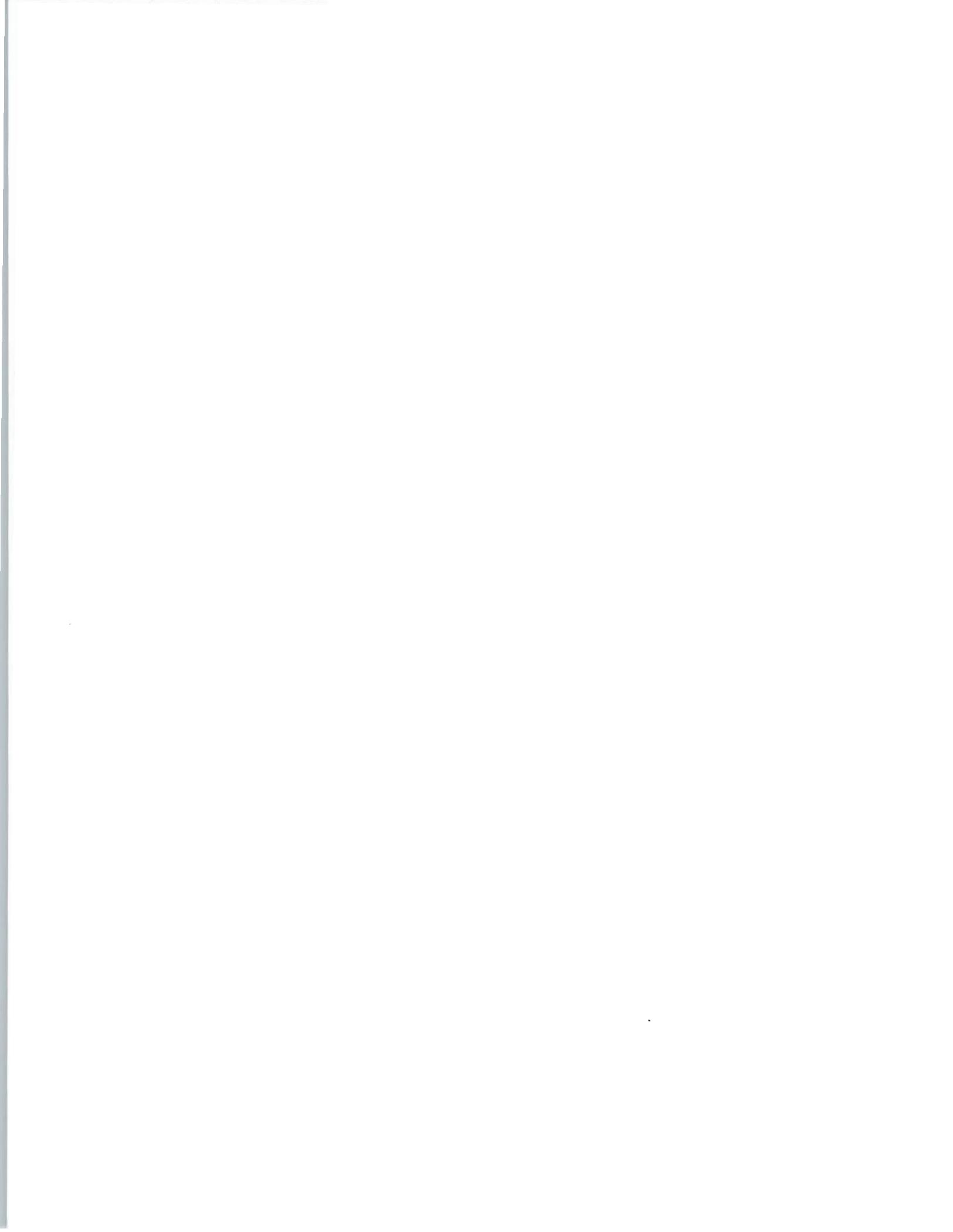
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## Independent Auditors' Report

The Honorable Members of the City Council and  
the Honorable Lorenz "Lo" Walker, Mayor  
City of Bossier City, 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 Bossier City, Louisiana (City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2010, 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 these financial statements based on our audit. We did not audit the financial statements of the Bossier Public Trust Financing Authority (Authority), the Bossier City Court (Court), and the Bossier City Marshal (Marshal), which represent 95%, 97%, and 62%, respectively, of the assets, net assets, and revenues 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 Authority, the Court, and the Marshal, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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. The financial statements of the Authority were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. 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.



In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bossier City, Louisiana as of December 31, 2010, and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended, in conformity with U.S. generally accepted accounting principles. 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 fund of the City of Bossier City, Louisiana as of December 31, 2010, and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

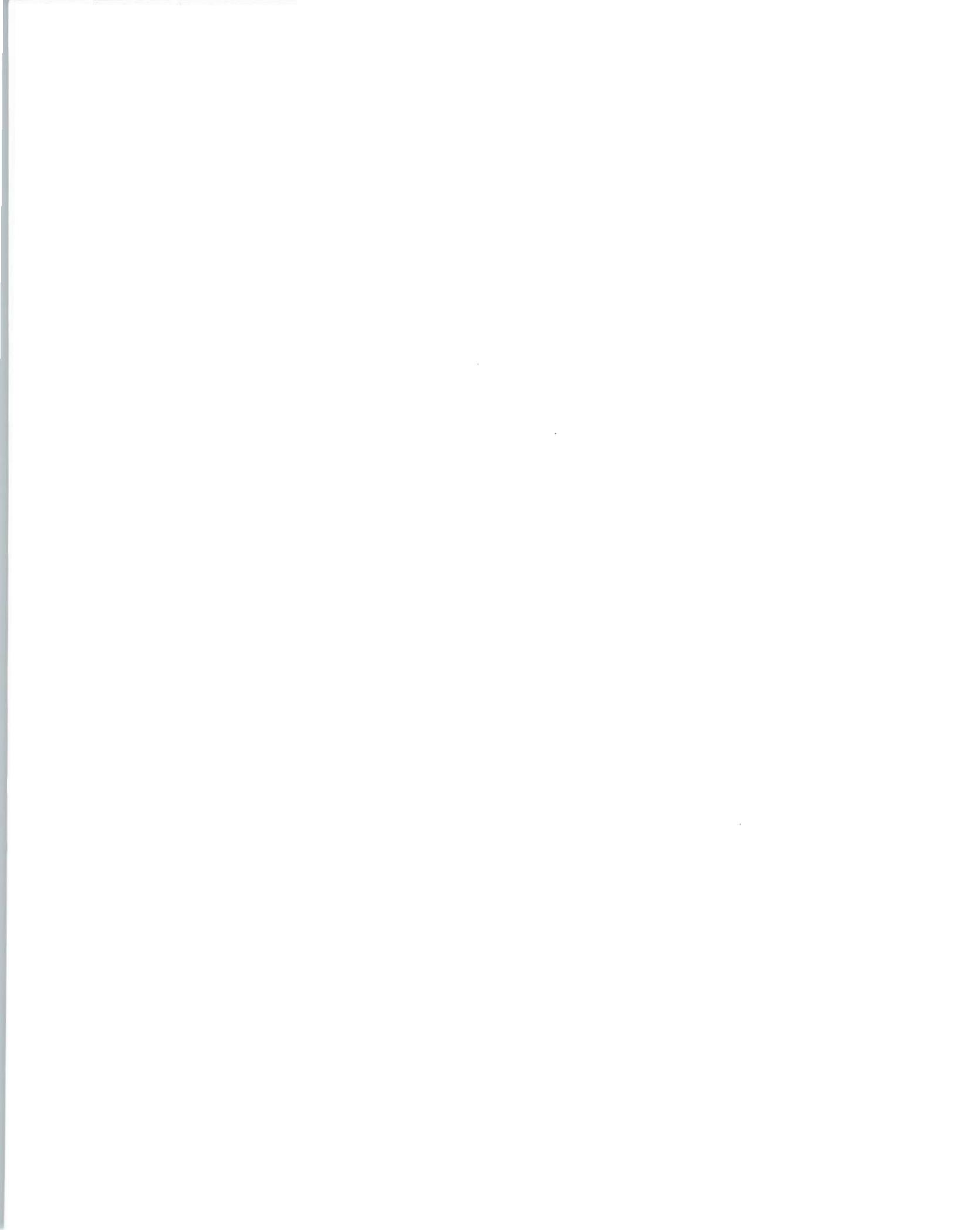
In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. 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.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the individual fund schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

KPMG LLP

June 10, 2011



## CITY OF BOSSIER CITY, LOUISIANA

### Management's Discussion and Analysis

December 31, 2010

We offer readers of the City of Bossier City's financial statements this narrative overview and analysis of the financial activities of the City of Bossier City for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

#### Financial Highlights

Key financial highlights for the 2010 fiscal year include the following:

- The assets of the City of Bossier City exceeded its liabilities at the close of the most recent fiscal year by \$445.9 million (net assets). Of this amount, approximately \$94.5 million (unrestricted net assets) may be used to meet the city's obligations to citizens and creditors.
- The total net assets of the City of Bossier City increased by \$32.4 million for the year ended December 31, 2010. Net assets of governmental activities increased by \$28.6 million and net assets of business-type activities increased by \$3.9 million.
- As of the close of the current fiscal year, the City of Bossier City's governmental funds reported combined ending fund balance of \$163.1 million, a decrease of \$3.4 million in comparison with the prior fiscal year. Of this amount, \$18.8 million was unreserved, undesignated, and available for spending; \$102.5 million was unreserved, but designated for subsequent years' expenditures; \$10.1 million was reserved for debt service, inventories, and prepaid items; \$13.7 million was reserved for encumbrances; and \$18 million is held in a permanent trust and may not be spent.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$8.3 million or 16% of total General Fund expenditures.

#### Overview of the Financial Statements

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City of Bossier City's basic financial statements. The City of Bossier City's basic financial statements comprise three components: (1) governmentwide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Governmentwide Financial Statements:** The governmentwide financial statements are designed to provide readers with a broad overview of the City of Bossier City's finances, in a manner similar to a private sector business.

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

## CITY OF BOSSIER CITY, LOUISIANA

### Management's Discussion and Analysis

December 31, 2010

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

The statement of net assets and the statement of activities distinguish functions of the City of Bossier City that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City of Bossier City's governmental activities include general government, public safety, highways and streets, cultural and recreation, and Bossier City Court and Bossier City Marshal. The business-type activities of the City of Bossier City include water and sewerage, Emergency Medical Services (EMS), sanitation, and alternative fuel.

**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 of Bossier City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Bossier City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the governmentwide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmentwide financial statements. By doing so, readers may better understand the long-term impact of the City of Bossier City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Bossier City maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Riverboat Gaming Special Revenue Fund, Arena Special Revenue Fund, Riverboat Gaming Capital Projects Fund, 2007 Bond Issue Capital Projects Fund, and Public Health and Safety Permanent Fund, all of which are considered to be major funds. Data for the other 17 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

## CITY OF BOSSIER CITY, LOUISIANA

### Management's Discussion and Analysis

December 31, 2010

*Proprietary funds* – The City of Bossier City maintains three different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmentwide financial statements, only in more detail. The City of Bossier City uses enterprise funds to account for its water and sewerage, EMS, sanitation, and alternative fuel services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Bossier City's various functions. The City of Bossier City uses internal service funds to account for its dental healthcare and workers' compensation benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the governmentwide financial statements.

Proprietary fund financial statements provide separate information for the water and sewerage operations, which is considered to be a major fund of the City of Bossier City. Data for the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

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

*Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the City of Bossier City. Fiduciary funds are not reflected in the governmentwide financial statements because the resources of those funds are not available to support the City of Bossier City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

*Other information* – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Bossier City's progress in funding its obligation to provide pension benefits to its employees and compliance with budgets for its major funds.

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

### **Financial Analysis of Governmentwide Activities**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Bossier City, assets exceed liabilities by \$445.9 million at the close of the most recent fiscal year.

The largest portion of the City of Bossier City's net assets totaling approximately \$311.2 million (70%) is invested in capital assets.

**CITY OF BOSSIER CITY, LOUISIANA**

Management's Discussion and Analysis

December 31, 2010

**City of Bossier City's Net Assets**

December 31, 2010 and 2009

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 180,915,526	188,347,274	161,555,636	127,904,129	342,471,162	316,251,403
Capital assets	362,408,356	336,305,330	128,825,750	94,110,504	491,234,106	430,415,834
Total assets	<u>543,323,882</u>	<u>524,652,604</u>	<u>290,381,386</u>	<u>222,014,633</u>	<u>833,705,268</u>	<u>746,667,237</u>
Current and other liabilities	6,062,668	9,622,000	12,042,748	5,077,533	18,105,416	14,699,533
Long-term liabilities	166,187,621	172,540,803	203,471,657	145,931,403	369,659,278	318,472,206
Total liabilities	<u>172,250,289</u>	<u>182,162,803</u>	<u>215,514,405</u>	<u>151,008,936</u>	<u>387,764,694</u>	<u>333,171,739</u>
Net assets:						
Invested in capital assets, net of related debt	265,878,613	239,215,616	45,322,279	44,012,271	311,200,892	283,227,887
Restricted	27,739,942	29,535,031	12,449,487	14,424,421	40,189,429	43,959,452
Unrestricted	77,455,038	73,739,154	17,095,215	12,569,106	94,550,253	86,308,260
Total net assets	<u>\$ 371,073,593</u>	<u>342,489,801</u>	<u>74,866,981</u>	<u>71,005,798</u>	<u>445,940,574</u>	<u>413,495,599</u>

There were 9.0% of net assets, which represent resources that are subject to external restrictions on how they may be used. Restrictions for debt service account for \$22.2 million of the total of restricted net assets. The remaining balance is moneys restricted for public health and safety. State law requires the proceeds from the sale of the Bossier Medical Center be held in perpetuity; however, the investment earnings may be spent each year for purposes of public health and safety. As of December 31, 2010, the nonexpendable portion was \$18.0 million.

The remaining balance of unrestricted net assets of \$94.5 million is used to meet the City of Bossier City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Bossier City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

**CITY OF BOSSIER CITY, LOUISIANA**

Management's Discussion and Analysis

December 31, 2010

The City of Bossier City's net assets increased by \$32,444,975 during the current fiscal year. Key elements of this increase are as follows:

**City of Bossier City's Changes in Net Assets**

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 7,619,757	8,697,244	33,737,649	29,389,994	41,357,406	38,087,238
Operating grants and contributions	5,997,747	5,689,136	—	—	5,997,747	5,689,136
Capital grants and contributions	16,712,265	10,247,430	—	—	16,712,265	10,247,430
General revenues:						
Sales taxes	43,939,781	43,953,832	—	—	43,939,781	43,953,832
Other taxes	15,372,593	12,822,799	—	—	15,372,593	12,822,799
Gaming	12,373,348	12,635,907	—	—	12,373,348	12,635,907
Other general revenues	3,589,605	4,439,999	1,615,174	1,385,557	5,204,779	5,825,556
Total revenues	105,605,096	98,486,347	35,352,823	30,775,551	140,957,919	129,261,898
Expenses:						
General government	17,170,564	21,007,788	—	—	17,170,564	21,007,788
Public safety	39,271,725	38,244,353	—	—	39,271,725	38,244,353
Highways and streets	2,648,297	3,945,076	—	—	2,648,297	3,945,076
Culture and recreation	7,415,268	7,812,740	—	—	7,415,268	7,812,740
City Court and Marshal	2,019,156	2,154,362	—	—	2,019,156	2,154,362
Interest on long-term debt	7,720,642	7,737,372	—	—	7,720,642	7,737,372
Water and sewerage	—	—	22,773,218	22,208,437	22,773,218	22,208,437
EMS	—	—	5,497,689	4,718,672	5,497,689	4,718,672
Sanitation	—	—	3,827,973	4,319,725	3,827,973	4,319,725
Alternative fuel station	—	—	168,412	—	168,412	—
Total expenses	76,245,652	80,901,691	32,267,292	31,246,834	108,512,944	112,148,525
Excess before transfers	29,359,444	17,584,656	3,085,531	(471,283)	32,444,975	17,113,373
Transfers	(775,652)	12,324,112	775,652	(12,324,112)	—	—
Change in net assets	28,583,792	29,908,768	3,861,183	(12,795,395)	32,444,975	17,113,373
Net assets, beginning of year	342,489,801	312,581,033	71,005,798	83,801,193	413,495,599	396,382,226
Net assets, end of year	\$ 371,073,593	342,489,801	74,866,981	71,005,798	445,940,574	413,495,599

# CITY OF BOSSIER CITY, LOUISIANA

## Management's Discussion and Analysis

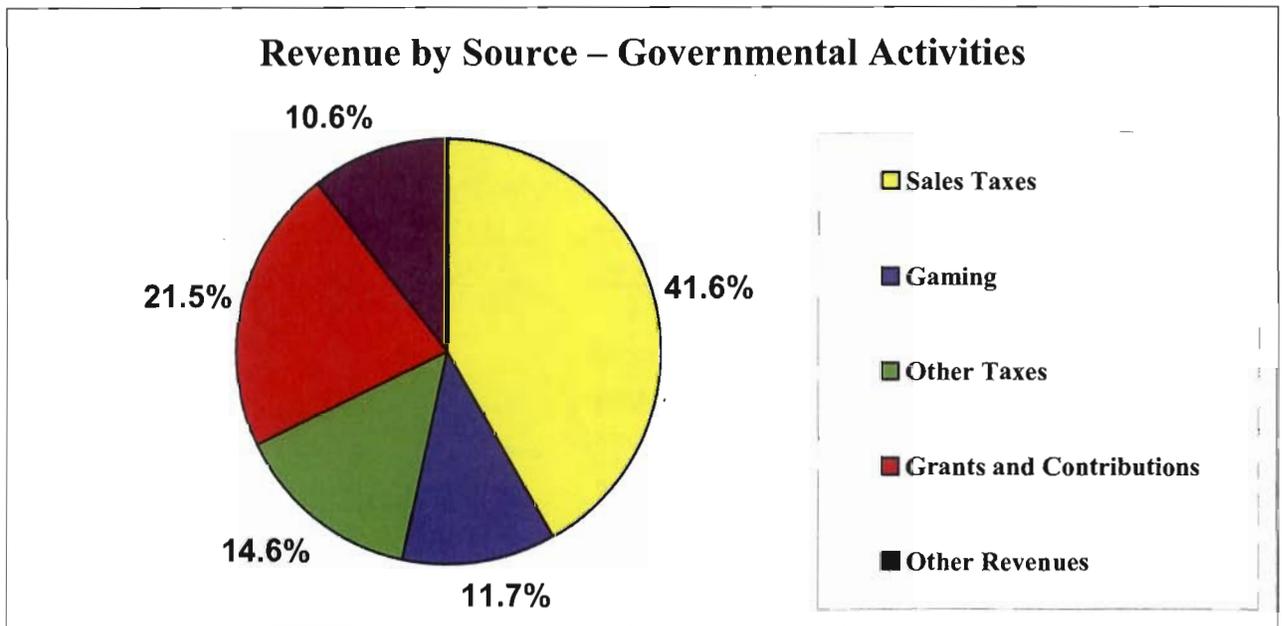
December 31, 2010

### Governmental Activities

Revenues for the City of Bossier City's governmental activities for the year ended December 31, 2010 were \$105.6 million, compared to \$98.5 million in 2009.

Program revenues for governmental activities increased by \$5.7 million in 2010. The increase is primarily attributable to the capital grant received from the state of Louisiana for construction of the Cyber Innovation Center.

In total, general revenues increased by \$1.4 million. This increase is primarily attributable to increases in franchise taxes due to the passing of Ordinance #8 of 2010, which increased SWEPCO franchise tax from 2% to 5%.



The cost of all governmental activities in 2010 was \$76.2 million, a decrease of \$4.7 million. The key components of the decrease were:

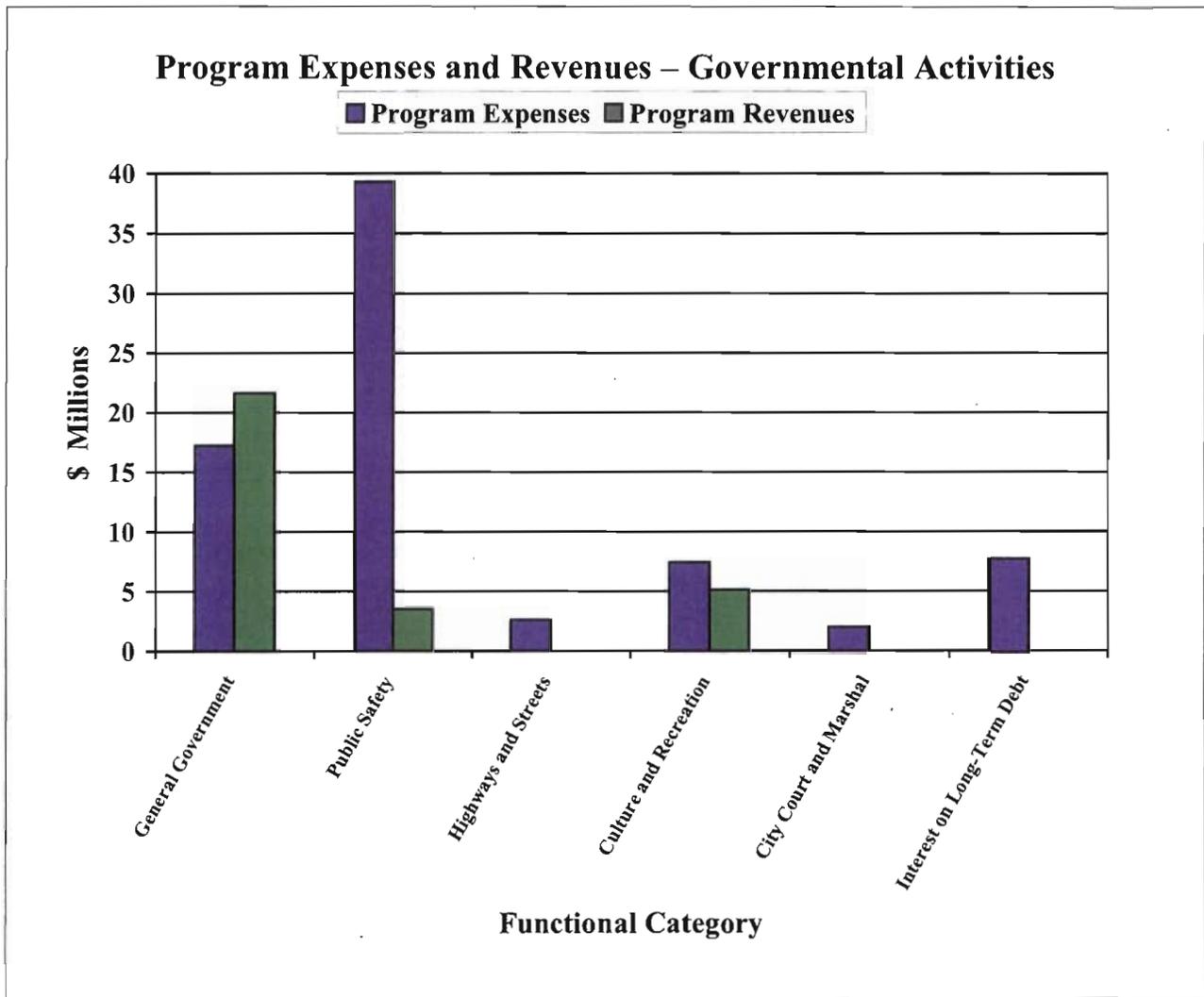
- Other post-retirement benefit and pension cost decreased by \$2.0 million.
- Remaining decrease due to personnel cuts.

# CITY OF BOSSIER CITY, LOUISIANA

## Management's Discussion and Analysis

December 31, 2010

The City of Bossier City's largest programs are public safety, general government, highways and streets, culture and recreation, and City Court and Marshal. The graph below shows the expenses and program revenues generated by governmental activities:



### Business-Type Activities

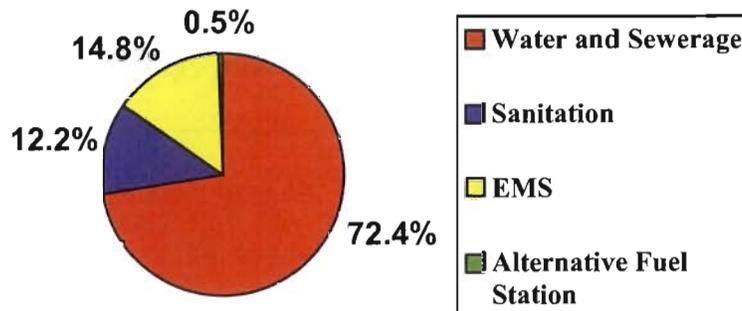
Charges for services for the City of Bossier City's business-type activities were \$33.7 million in 2010 an increase of \$4.3 million. All business-type activities had increases in charges for services.

**CITY OF BOSSIER CITY, LOUISIANA**

Management's Discussion and Analysis

December 31, 2010

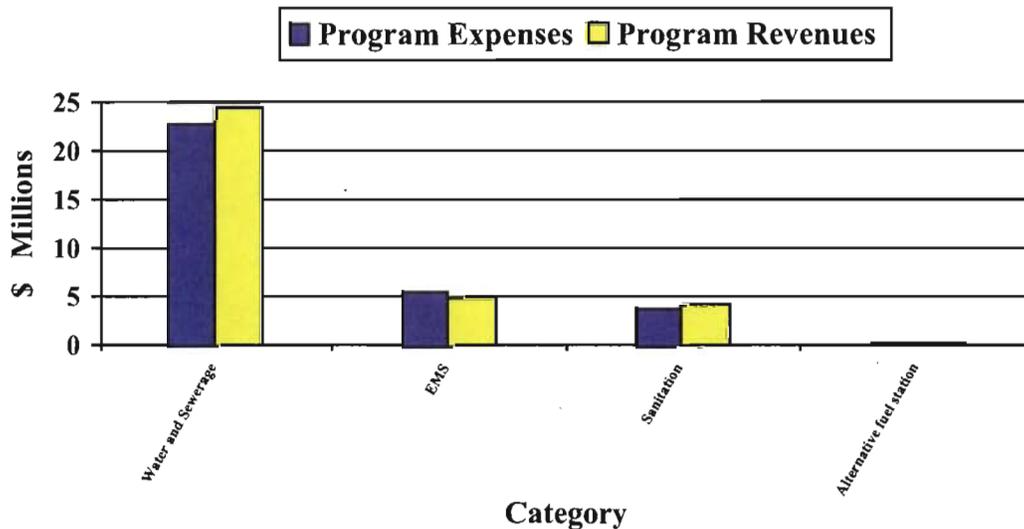
**Revenue by Source – Business-Type Activities**



**Expenses and Program Revenues – Business-Type Activities**

The costs of these activities were \$32.3 million in 2010, an increase of \$1.0 million. All business-type activities had increases in costs, except sanitation, which had a \$0.5 million decrease.

**Program Expenses and Revenues – Business-Type Activities**



## CITY OF BOSSIER CITY, LOUISIANA

### Management's Discussion and Analysis

December 31, 2010

#### Financial Analysis of the City of Bossier City's Funds

##### Governmental Funds

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

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

- As of the close of the current fiscal year, the City of Bossier City's governmental funds reported a combined ending fund balance of \$163.1 million, a decrease of \$3.4 million in comparison with the prior fiscal year. Of this amount, \$18.8 million, or 11.5%, was unreserved, undesignated, and available for spending. The amount of \$102.5 million, or 62.8%, was unreserved, but designated for subsequent years' expenditures. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed: (1) to liquidate contracts and purchase orders of the prior period (\$13.7 million), (2) to pay debt service (\$9.7 million), (3) to generate income to fund public health and safety expenses (\$18 million), or (4) for other restricted purposes (\$322,000).
- The General Fund is the chief operating fund of the City of Bossier City. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8.3 million. The total (undesignated) is available for spending at the City Council's discretion. The fund balance of the City of Bossier City's General Fund increased by \$1.8 million. The key factor in the increase was a decrease in spending.
- The Riverboat Gaming Special Revenue Fund has a total fund balance of \$30.1 million, all of which is unreserved but designated for subsequent years' expenditures. Riverboat gaming revenues collected prior to 1999 were accumulated in this fund until a base amount of \$30 million was attained, as required by city ordinance. A net decrease of \$147,000 occurred during the current fiscal year.
- The Arena Special Revenue Fund accounts for the operations of the Bossier City CenturyTel Arena (Arena). The Arena has a fund deficit of \$261,000, which reflected a decrease of \$267,000 in 2010. Operations of the Arena in 2010 were consistent with those in 2009. The decrease was attributable to a decrease in number of events held compared to 2009.
- The Riverboat Gaming Capital Projects Fund has a total fund balance of \$11.6 million, of which \$2.2 million is reserved to liquidate contracts and purchase orders. A net increase of \$1.0 million occurred during the current fiscal year due to a decrease in spending.
- The 2007 Bond Issue Capital Projects Fund has a total fund balance of \$65.4 million, of which \$9.6 million is reserved to liquidate contracts and purchase orders. The remaining balance is unreserved but designated for subsequent years' expenditures. This fund was created in 2007 to account for the proceeds and expenditure of the City's \$100 million of bonds issued in 2007. The bonds were issued for the purpose of various capital projects.

## CITY OF BOSSIER CITY, LOUISIANA

### Management's Discussion and Analysis

December 31, 2010

- The Public Health and Safety Permanent Fund has a total fund balance of \$18.3 million, of which \$18.0 million is restricted for public health and safety. The fund experienced a net increase in fund balance of \$30,000.
- Other Governmental Funds had a total fund balance of \$29.2 million, which reflected a decrease of \$6.0 million primarily due to a fund transfer per Ordinance 91 of 2010 to be used for the Riverfront Development Projects (i.e., Traffic Street, Fire Station No. 6, and Arthur Ray Teague Parkway).

#### **General Fund Budgetary Highlights**

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

The original budget for the General Fund of the City of Bossier City was adopted on December 1, 2009. For the year ended December 31, 2010, three amendments were made to the General Fund. The first amendment was to increase public affairs salaries. The second amendment was to correct technical errors in police department budget. The third amendment was to provide consulting fee for hazard mitigation plan update.

Differences between the budget and the actual results of the General Fund are as follows:

#### *Revenues*

- Utility taxes were \$1,693,748 higher than the budget due to the passing of Ordinance #8 of 2010 increasing SWEPCO from 2% to 5%.
- Fines and penalties were \$742,686 lower than the budget due to decreased activity in City Court proceedings.
- Other income was \$476,790 higher than the budget due to reimbursement for disaster relief.

#### *Expenditures*

- Police department expenditures were less than budget by \$243,835 due to lower head count and related salaries expenses and benefit cost.
- Fire department expenses were less than budget by \$143,159 due to lower head count and related salaries expenses and benefit cost.
- Payments to other governmental agencies were less than budget by \$195,312 primarily due to lower than expected payments to Sportran for bus services.

#### **Capital Assets and Debt Administration**

Capital Assets: The City of Bossier City's investment in capital assets as of December 31, 2010 amounts to \$491.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, and improvements, streets, drainage, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year:

**CITY OF BOSSIER CITY, LOUISIANA**

Management's Discussion and Analysis

December 31, 2010

**City of Bossier City's Capital Assets  
(Net of depreciation)**

	<u>Governmental activities</u>		<u>Business-type activities</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land and land improvements	\$ 92,528,612	88,086,189	861,184	861,184
Buildings and structures	89,903,609	83,640,695	—	—
Equipment and vehicles	7,033,255	8,181,391	3,227,063	3,484,623
Water and reservoir treatment plant	—	—	43,213,120	42,631,080
Transmission and distribution system	—	—	36,099,654	35,116,645
Infrastructure	101,580,671	101,171,676	—	—
Construction in progress – buildings	71,362,209	55,225,379	45,424,729	12,016,972
Total	\$ <u>362,408,356</u>	<u>336,305,330</u>	<u>128,825,750</u>	<u>94,110,504</u>

Major capital asset events during the current fiscal year included the following:

- Cyber Innovation Center
- Water Treatment Plant Expansion
- Hwy 80 Alternative Fuel Station

Long-term debt: At the end of the current fiscal year, the City of Bossier City had total debt outstanding of \$358,167,437. The City of Bossier City has no general bonded debt outstanding. The following table summarizes bonds outstanding at December 31, 2010 and 2009:

**City of Bossier City's  
Outstanding Debt**

	<u>Governmental activities</u>		<u>Business-type activities</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenue bonds	\$ 155,246,000	163,472,440	202,921,437	145,401,367

In September 2010, the City authorized the issuance of \$60,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds for the purpose of making additions, improvements, extensions, renewals, replacements, or repairs to the waterworks plant and system and the sewer utility system, funding a debt service reserve fund, and paying the costs of issuance of the Bonds. Moody's Investors assigned an Aa3 rating and Standard & Poor's assigned an A+ rating to the City of Bossier City related to this issue.

## **CITY OF BOSSIER CITY, LOUISIANA**

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

December 31, 2010

In November 2010, the City issued \$21,810,000 Public Improvement Sales and Use Tax Refunding Bonds to advance refund a portion of the 2002 Public Improvement Sales Tax Bonds and to pay for the costs of issuance. Moody's Investors assigned an Aa3 rating and Standard & Poor's assigned an AA+ rating to the City of Bossier City related to this issue.

In November 2010, the City entered into a Loan and Pledge Agreement with the Louisiana Department of Environmental in connection with the authorization of the issuance of \$22,000,000 Utility Revenue Bonds Series 2010, for the purpose of constructing a waste system (the project). This is a revolving loan program with the Louisiana DEQ and is not rated.

In December 2010, the City issued \$13,500,000 Utility Revenue Refunding Bonds to advance refund \$12,180,000 of the 2002 Utility Revenue Refunding Bonds and to pay for the costs of issuance. This was an institutional placement by Capital One and not rated.

There were no changes in the ratings of the City's bonds. Moody's Investors assigned an A2 rating to the City of Bossier City related to the 2006 refunding.

For additional information regarding capital assets and long-term debt, see notes 5 and 6, respectively, in the notes to the basic financial statements.

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

The following economic factors were considered when the budget for fiscal year 2010 was presented to the City Council:

The plan is designed to continue supporting the following broadly stated objectives: (1) improve current level of services to our citizens; (2) continue improving City facilities and infrastructure; (3) provide continuous support of residential expansion and economic development; and (4) to maintain and improve the quality of life for our citizens.

For the year 2011, the City has budgeted a 1.3% increase in sales tax dollars over 2010 actual. This increase is the continued success of the Boardwalk and Stirling Property Shopping Center. Preliminary 2011 figures reflect an increase of 0.6% for the first quarter. In 2010, the assessed value of property with the City increased by 3.5%. Actual licenses and permits collected during 2010 were 5.6% lower than 2009, and are budgeted 7.2% higher in 2011 due to multiple new subdivisions that are being planned and designed in addition to other planned developments.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City of Bossier City's finances for all those with an interest in the City of Bossier City's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to: Director of Finance of the City of Bossier City, 620 Benton Road, Bossier City, LA 71111, or by calling 318-741-8525.

**BASIC FINANCIAL  
STATEMENTS**

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**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Net Assets

December 31, 2010

Assets	Primary government			Component units
	Governmental activities	Business-type activities	Total	
Cash and cash equivalents	\$ 104,939,368	75,256,444	180,195,812	3,299,907
Investments	55,325,006	75,076,429	130,401,435	749,000
Receivables, net	10,451,296	4,646,410	15,097,706	119,228
Due from other fund	245,829	—	245,829	—
Prepaid items and other assets	353,927	340,674	694,601	4,570
Inventories	309,874	168,039	477,913	—
Net pension asset	6,750,113	—	6,750,113	—
Bond issue costs, net	2,540,113	6,067,640	8,607,753	—
Capital assets:				
Land and construction in progress	129,801,521	46,285,913	176,087,434	—
Other capital assets, net of depreciation	232,606,835	82,539,837	315,146,672	360,565
<b>Total assets</b>	<b>543,323,882</b>	<b>290,381,386</b>	<b>833,705,268</b>	<b>4,533,270</b>
<b>Liabilities</b>				
Accounts payable	3,376,410	9,233,005	12,609,415	76,823
Accrued liabilities	425,781	125,023	550,804	—
Accrued interest payable	684,058	2,183,491	2,867,549	2,348
Due to other fund	—	245,829	245,829	—
Deposits and deferred charges	1,576,419	255,400	1,831,819	—
Noncurrent liabilities:				
Due within one year	9,806,791	4,397,206	14,203,997	—
Due in more than one year	156,380,830	199,074,451	355,455,281	115,000
<b>Total liabilities</b>	<b>172,250,289</b>	<b>215,514,405</b>	<b>387,764,694</b>	<b>194,171</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	265,878,613	45,322,279	311,200,892	360,565
Restricted for:				
Debt service – expendable	9,739,942	12,449,487	22,189,429	—
Public health and safety – nonexpendable	18,000,000	—	18,000,000	—
Victims of juvenile crime	—	—	—	3,487
Facility expenses	—	—	—	1,124,447
Unrestricted	77,455,038	17,095,215	94,550,253	2,850,600
<b>Total net assets</b>	<b>\$ 371,073,593</b>	<b>74,866,981</b>	<b>445,940,574</b>	<b>4,339,099</b>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**  
**Statement of Activities**  
Year ended December 31, 2010

Functions/programs	Program revenues			Net (expenses) revenues and changes in net assets			Component units	
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government			
					Governmental activities	Business-type activities		Total
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 17,170,564	3,304,311	1,547,892	16,712,265	4,393,904	—	4,393,904	—
Public safety	39,271,725	1,524,510	1,993,284	—	(35,753,931)	—	(35,753,931)	—
Highways and streets	2,648,297	127,128	—	—	(2,521,169)	—	(2,521,169)	—
Cultural and recreation	7,415,268	2,663,808	2,456,571	—	(2,294,889)	—	(2,294,889)	—
City Court and City Marshal	2,019,156	—	—	—	(2,019,156)	—	(2,019,156)	—
Interest on long-term debt	7,720,642	—	—	—	(7,720,642)	—	(7,720,642)	—
Total governmental activities	76,245,652	7,619,757	5,997,747	16,712,265	(45,915,883)	—	(45,915,883)	—
Business-type activities:								
Water and sewerage	22,773,218	24,448,986	—	—	—	1,675,768	1,675,768	—
EMS	5,497,689	4,886,758	—	—	—	(610,931)	(610,931)	—
Sanitation	3,827,973	4,212,731	—	—	—	384,758	384,758	—
Alternative fuel station	168,412	189,174	—	—	—	20,762	20,762	—
Total business-type activities	32,267,292	33,737,649	—	—	—	1,470,357	1,470,357	—
Total primary government	\$ 108,512,944	41,357,406	5,997,747	16,712,265	(45,915,883)	1,470,357	(44,445,526)	—
<b>Component units:</b>								
Bossier Public Trust Financing Authority	\$ 16,968	31,732	—	—	—	—	—	14,764
City Court	215,132	438,507	—	—	—	—	—	223,375
City Marshal	545,559	448,154	—	—	—	—	—	(97,405)
Metropolitan Planning Commission	493,872	255,499	—	—	—	—	—	(238,373)
Total component units	\$ 1,271,531	1,173,892	—	—	—	—	—	(97,639)
<b>General revenues:</b>								
Taxes:								
Property taxes levied for general purposes					\$ 11,209,485	—	11,209,485	—
Sales taxes levied for general purposes					15,347,513	—	15,347,513	—
Sales taxes levied for capital projects					12,212,198	—	12,212,198	—
Sales taxes levied for debt service					7,626,376	—	7,626,376	—
Sales taxes levied for pension plans					8,753,694	—	8,753,694	—
Franchise taxes					4,163,108	—	4,163,108	—
Gaming					12,373,348	—	12,373,348	—
Grants and contributions not restricted to specific purposes					282,261	—	282,261	—
Investment earnings					1,184,513	553,267	1,737,780	13,611
Payments from City of Bossier City					—	—	—	313,932
Miscellaneous					2,122,831	1,061,907	3,184,738	5,414
Transfers					(775,652)	775,652	—	—
Total general revenues and transfers					74,499,675	2,390,826	76,890,501	332,957
Change in net assets					28,583,792	3,861,183	32,444,975	235,318
Net assets, beginning					342,489,801	71,005,798	413,495,599	4,103,781
Net assets, ending					\$ 371,073,593	74,866,981	445,940,574	4,339,099

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Balance Sheet

Governmental Funds

December 31, 2010

Assets	General	Riverboat	Arena	Riverboat	2007 Bond	Public Health	Other	Total
		Gaming Special	Special	Gaming Capital	Issue Capital	and Safety	governmental	governmental
		Revenue Fund	Revenue Fund	Projects Fund	Projects Fund	Permanent Fund	funds	funds
Cash and cash equivalents	\$ 2,161,598	13,399,262	506,422	4,929,868	61,907,687	8,155,875	12,832,913	103,893,625
Investments	2,477,132	16,634,842	—	6,120,305	3,962,079	10,125,310	14,607,075	53,926,743
Receivables, net	5,699,022	418,766	253,394	950,427	536,913	46,450	2,433,820	10,338,792
Due from other funds	355,688	—	—	—	—	—	—	355,688
Prepaid items and other assets	—	—	12,461	—	—	—	—	12,461
Inventories, at cost	309,874	—	—	—	—	—	—	309,874
Investments – restricted	—	—	—	—	—	100,000	—	100,000
<b>Total assets</b>	<b>\$ 11,003,314</b>	<b>30,452,870</b>	<b>772,277</b>	<b>12,000,600</b>	<b>66,406,679</b>	<b>18,427,635</b>	<b>29,873,808</b>	<b>168,937,183</b>
<b>Liabilities and Fund Balance</b>								
Liabilities:								
Accounts payable	\$ 650,247	342,864	337,929	425,425	1,017,367	28	479,374	3,253,234
Accrued liabilities	322,232	—	—	—	—	100,000	3,549	425,781
Due to other funds	—	—	—	—	—	—	109,859	109,859
Deferred revenue	1,258,388	—	335,734	—	—	—	49,319	1,643,441
Deposits and deferred charges	—	—	359,898	—	—	—	—	359,898
<b>Total liabilities</b>	<b>2,230,867</b>	<b>342,864</b>	<b>1,033,561</b>	<b>425,425</b>	<b>1,017,367</b>	<b>100,028</b>	<b>642,101</b>	<b>5,792,213</b>
Fund balance:								
Reserved for:								
Debt service	—	—	—	—	—	—	9,739,942	9,739,942
Encumbrances	157,288	—	—	2,221,015	9,625,646	—	1,759,319	13,763,268
Inventories	309,874	—	—	—	—	—	—	309,874
Prepaid items	—	—	12,461	—	—	—	—	12,461
Public health and safety	—	—	—	—	—	18,000,000	—	18,000,000
Unreserved, designated for subsequent years' expenditures	—	30,110,006	—	9,354,160	55,763,666	327,607	6,923,295	102,478,734
Unreserved:								
Undesignated	8,305,285	—	(273,745)	—	—	—	—	8,031,540
Undesignated, reported in nonmajor special revenue funds	—	—	—	—	—	—	10,809,151	10,809,151
<b>Total fund balance (deficit)</b>	<b>8,772,447</b>	<b>30,110,006</b>	<b>(261,284)</b>	<b>11,575,175</b>	<b>65,389,312</b>	<b>18,327,607</b>	<b>29,231,707</b>	<b>163,144,970</b>
<b>Total liabilities and fund balance (deficit)</b>	<b>\$ 11,003,314</b>	<b>30,452,870</b>	<b>772,277</b>	<b>12,000,600</b>	<b>66,406,679</b>	<b>18,427,635</b>	<b>29,873,808</b>	<b>168,937,183</b>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

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

December 31, 2010

Fund balances – total governmental funds		\$ 163,144,970
Amounts reported for governmental activities in the statement of net assets are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	\$ 442,788,731	
Less accumulated depreciation	<u>(80,380,375)</u>	362,408,356
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Unamortized bond issuance costs		2,540,113
Net pension assets represent the excess cumulative contributions to pension plans and are not considered as financial resources for governmental funds		
Policemen’s Pension and Relief Fund	4,250,649	
Firemen’s Pension and Relief Fund	<u>2,499,464</u>	6,750,113
Some of the City of Bossier City’s property taxes and other revenues 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		
		426,920
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Deferred loss on refunding	3,095,937	
Accrued interest payable	(684,058)	
Compensated absences	(1,276,306)	
Claims	(2,706,000)	
Bonds, notes, and loans payable	(158,341,937)	
Net other post-employment benefit obligation – unfunded actuarial accrued liability	<u>(5,174,860)</u>	(165,087,224)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities		
		<u>890,345</u>
Net assets of governmental activities		<u>\$ 371,073,593</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**Year ended December 31, 2010**

Revenues	General	Riverboat Gaming Special Revenue Fund	Arena Special Revenue Fund	Riverboat Gaming Capital Projects Fund	2007 Bond Issue Capital Projects Fund	Public Health and Safety Permanent Fund	Other governmental funds	Total governmental funds
Taxes	\$ 39,530,233	—	—	—	—	—	19,838,574	59,368,807
Licenses and permits	3,304,311	—	—	—	—	—	—	3,304,311
Intergovernmental	2,275,545	—	—	44,500	25,006,648	—	4,004,463	31,331,156
Video poker fees	395,068	—	—	—	—	—	—	395,068
Fees and rentals	3,900	—	2,307,965	127,128	—	—	355,843	2,794,836
Fines and penalties	1,457,314	—	—	—	—	—	67,196	1,524,510
Racing commission – Louisiana Downs	695,631	—	—	—	—	—	—	695,631
Gaming	—	—	—	11,282,649	—	—	—	11,282,649
Investment earnings	24,991	353,387	—	122,825	9,122	221,082	453,106	1,184,513
Miscellaneous	1,880,764	—	—	—	—	9,711	228,458	2,118,933
<b>Total revenues</b>	<b>49,567,757</b>	<b>353,387</b>	<b>2,307,965</b>	<b>11,577,102</b>	<b>25,015,770</b>	<b>230,793</b>	<b>24,947,640</b>	<b>114,000,414</b>
<b>Expenditures</b>								
Current:								
General government	11,022,423	—	—	—	—	—	895,328	11,917,751
Public safety	36,620,144	—	—	—	—	—	—	36,620,144
Highways and streets	479,968	—	—	—	—	—	—	479,968
Culture and recreation	2,183,171	—	2,885,425	—	—	—	722,505	5,791,101
City Court and City Marshal	1,869,575	—	—	—	—	—	63,200	1,932,775
Debt service:								
Principal	—	—	—	—	—	—	7,511,083	7,511,083
Bond issuance costs	—	—	—	—	—	—	577,650	577,650
Interest and other charges	—	—	—	—	—	—	7,154,032	7,154,032
Advance refunding escrow	—	—	—	—	—	—	1,565,301	1,565,301
Capital outlay	—	—	—	3,598,164	32,423,447	308	7,329,251	43,351,170
Metropolitan planning – payments to component units	313,932	—	—	—	—	—	—	313,932
<b>Total expenditures</b>	<b>52,489,213</b>	<b>—</b>	<b>2,885,425</b>	<b>3,598,164</b>	<b>32,423,447</b>	<b>308</b>	<b>25,818,350</b>	<b>117,214,907</b>
Excess (deficiency) of revenues over (under) expenditures	(2,921,456)	353,387	(577,460)	7,978,938	(7,407,677)	230,485	(870,710)	(3,214,493)
Other financing sources (uses):								
Refunding bond issued	—	—	—	—	—	—	21,180,000	21,180,000
Premium on refunding bonds	—	—	—	—	—	—	1,568,771	1,568,771
Payment to refunded bond escrow agent	—	—	—	—	—	—	(22,171,120)	(22,171,120)
Transfers in	4,693,622	—	310,000	—	7,500,000	—	7,187,372	19,690,994
Transfers out	—	(500,000)	—	(6,920,505)	—	(200,000)	(12,846,141)	(20,466,646)
<b>Total other financing sources and uses</b>	<b>4,693,622</b>	<b>(500,000)</b>	<b>310,000</b>	<b>(6,920,505)</b>	<b>7,500,000</b>	<b>(200,000)</b>	<b>(5,081,118)</b>	<b>(198,001)</b>
<b>Net change in fund balances</b>	<b>1,772,166</b>	<b>(146,613)</b>	<b>(267,460)</b>	<b>1,058,433</b>	<b>92,323</b>	<b>30,485</b>	<b>(5,951,828)</b>	<b>(3,412,494)</b>
Fund balances, beginning	7,000,281	30,256,619	6,176	10,516,742	65,296,989	18,297,122	35,183,535	166,557,464
Fund balances (deficit), ending	\$ 8,772,447	30,110,006	(261,284)	11,575,175	65,389,312	18,327,607	29,231,707	163,144,970

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

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

Year ended December 31, 2010

Net change in fund balances – total governmental funds		\$	(3,412,494)
Amounts reported for governmental activities in the statement of activities are different because of the following:			
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 (net of \$8,338,883 pass through to another governmental entity and retirements)	\$	35,671,425	
Depreciation expense		<u>(9,568,399)</u>	26,103,026
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, which includes property taxes and other miscellaneous revenues			(56,433)
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 and related items is as follows:			
Principal payments			7,511,083
Bond issue costs paid			577,650
Refunding bond issued			(21,180,000)
Payments to escrow agent			22,171,120
Advance refunding escrow			1,565,301
Premium on refunding bonds			<u>(1,568,771)</u>
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:			
Policemen's Pension and Relief Fund net asset		(886,400)	
Firemen's Pension and Relief Fund net obligation		(48,857)	
Net other post-employment benefit obligation		<u>(1,088,392)</u>	(2,023,649)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			
Amortization of deferred loss on refunding		(488,574)	
Amortization of bond issue costs		(189,727)	
Amortization of bond premium and discount		156,044	
Decrease in compensated absences		149,873	
Claims		(744,500)	
Increase in accrued interest		<u>(44,352)</u>	(1,161,236)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities			<u>58,195</u>
Change in net assets of governmental activities		\$	<u><u>28,583,792</u></u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Net Assets

Proprietary Funds

December 31, 2010

Assets	Business-type activities enterprise funds			Governmental activities internal service funds
	Water and sewerage	Other enterprise funds	Total	
<b>Current assets:</b>				
Cash and cash equivalents	\$ 1,900	1,011,210	1,013,110	1,045,743
Investments	14,652,642	1,255,389	15,908,031	1,298,263
Receivables, net	2,876,546	1,697,470	4,574,016	112,504
Prepaid items	—	—	—	341,466
Inventories	168,039	—	168,039	—
Other assets	204,167	—	204,167	—
Restricted:				
Cash and cash equivalents	2,441,387	—	2,441,387	—
Accrued interest receivable	72,394	—	72,394	—
Total current assets	<u>20,417,075</u>	<u>3,964,069</u>	<u>24,381,144</u>	<u>2,797,976</u>
<b>Noncurrent assets:</b>				
Restricted:				
Cash and cash equivalents	71,801,947	—	71,801,947	—
Investments	59,168,398	—	59,168,398	—
Capital assets:				
Land and land improvements	861,184	—	861,184	—
Construction in process	45,424,729	—	45,424,729	—
Water reservoir and treatment plant	66,797,201	—	66,797,201	—
Transmission and distribution system	59,036,349	—	59,036,349	—
Equipment	11,707,241	—	11,707,241	—
Less accumulated depreciation	(55,000,954)	—	(55,000,954)	—
Total capital assets (net of accumulated depreciation)	<u>128,825,750</u>	<u>—</u>	<u>128,825,750</u>	<u>—</u>
Deferred bond costs, net	6,067,640	—	6,067,640	—
Other deferred charges	136,507	—	136,507	—
Total other assets	<u>6,204,147</u>	<u>—</u>	<u>6,204,147</u>	<u>—</u>
Total noncurrent assets	<u>266,000,242</u>	<u>—</u>	<u>266,000,242</u>	<u>—</u>
Total assets	<u>286,417,317</u>	<u>3,964,069</u>	<u>290,381,386</u>	<u>2,797,976</u>
<b>Liabilities</b>				
<b>Current liabilities (payable from current assets):</b>				
Accounts payable	8,928,556	304,450	9,233,006	123,176
Accrued liabilities	78,434	46,589	125,023	—
Due to other fund	245,829	—	245,829	—
Customer deposits	255,400	—	255,400	—
Accrued claims	—	—	—	1,784,455
Compensated absences	207,229	264,977	472,206	—
Total current liabilities (payable from current assets)	<u>9,715,448</u>	<u>616,016</u>	<u>10,331,464</u>	<u>1,907,631</u>
<b>Current liabilities (payable from restricted assets):</b>				
Accrued interest on revenue bonds	2,183,491	—	2,183,491	—
Current portion of long-term debt	3,925,000	—	3,925,000	—
Total current liabilities (payable from restricted assets)	<u>6,108,491</u>	<u>—</u>	<u>6,108,491</u>	<u>—</u>
Total current liabilities	<u>15,823,939</u>	<u>616,016</u>	<u>16,439,955</u>	<u>1,907,631</u>
<b>Noncurrent liabilities:</b>				
Compensated absences	7,759	70,254	78,013	—
Bonds and notes payable	198,996,437	—	198,996,437	—
Total noncurrent liabilities	<u>199,004,196</u>	<u>70,254</u>	<u>199,074,450</u>	<u>—</u>
Total liabilities	<u>214,828,135</u>	<u>686,270</u>	<u>215,514,405</u>	<u>1,907,631</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	45,322,279	—	45,322,279	—
Restricted for debt service	12,449,487	—	12,449,487	—
Unrestricted	13,817,416	3,277,799	17,095,215	890,345
Total net assets	<u>\$ 71,589,182</u>	<u>3,277,799</u>	<u>74,866,981</u>	<u>890,345</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Revenues, Expenses, and Changes in Net Assets

Proprietary Funds

Year ended December 31, 2010

	Business-type activities enterprise funds			Governmental activities internal service funds
	Water and sewerage	Other enterprise funds	Total	
<b>Operating revenues</b>				
Charges for services pledged as security for revenue bonds (net of allowance of \$91,861)	\$ 24,448,986	—	24,448,986	2,427,308
Charges for services (net of allowance of \$388,639)	—	9,288,663	9,288,663	265,535
Miscellaneous	629,146	432,761	1,061,907	93,000
<b>Total operating revenues</b>	<b>25,078,132</b>	<b>9,721,424</b>	<b>34,799,556</b>	<b>2,785,843</b>
<b>Operating expenses</b>				
Personal services	5,573,204	5,964,292	11,537,496	—
Supplies	1,383,559	523,588	1,907,147	—
Administrative	474,000	80,000	554,000	—
Utilities	968,823	135,066	1,103,889	—
Repairs and maintenance	1,422,226	241,842	1,664,068	—
Travel and training	20,505	21,547	42,052	—
Professional services	113,024	2,520	115,544	—
Insurance	181,510	220,000	401,510	867,382
Contractual expenses	62,886	2,223,828	2,286,714	—
Miscellaneous	157,971	81,391	239,362	631,729
Claims	—	—	—	1,255,167
Depreciation	3,463,856	—	3,463,856	—
<b>Total operating expenses</b>	<b>13,821,564</b>	<b>9,494,074</b>	<b>23,315,638</b>	<b>2,754,278</b>
<b>Operating income (loss)</b>	<b>11,256,568</b>	<b>227,350</b>	<b>11,483,918</b>	<b>31,565</b>
<b>Nonoperating revenues (expenses)</b>				
Investment earnings	525,982	27,285	553,267	26,630
Interest expense	(8,424,621)	—	(8,424,621)	—
Amortization	(282,998)	—	(282,998)	—
Fiscal charges	(244,035)	—	(244,035)	—
<b>Total nonoperating revenues (expenses)</b>	<b>(8,425,672)</b>	<b>27,285</b>	<b>(8,398,387)</b>	<b>26,630</b>
<b>Income (loss) before transfers</b>	<b>2,830,896</b>	<b>254,635</b>	<b>3,085,531</b>	<b>58,195</b>
Transfers in	775,652	—	775,652	—
Transfers out	—	—	—	—
	<b>775,652</b>	<b>—</b>	<b>775,652</b>	<b>—</b>
<b>Change in net assets</b>	<b>3,606,548</b>	<b>254,635</b>	<b>3,861,183</b>	<b>58,195</b>
Total net assets, beginning	67,982,634	3,023,164	71,005,798	832,150
Total net assets, ending	\$ <b>71,589,182</b>	<b>3,277,799</b>	<b>74,866,981</b>	<b>890,345</b>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2010

	Business-type activities enterprise funds			Governmental activities internal service funds
	Water and sewerage	Other enterprise funds	Total	
Cash flows from operating activities:				
Receipts from operations	\$ 23,538,228	9,195,180	32,733,408	2,782,591
Payments to suppliers	(4,468,712)	(3,316,916)	(7,785,628)	(739,832)
Payments to employees	(5,573,950)	(5,945,507)	(11,519,457)	—
Claims paid	—	—	—	(1,696,656)
Other receipts (payments)	629,146	372,464	1,001,610	30,574
Net cash provided by operating activities	<u>14,124,712</u>	<u>305,221</u>	<u>14,429,933</u>	<u>376,677</u>
Cash flows from noncapital financing activities:				
Transfers in	775,652	—	775,652	—
Advance from other fund	(338,108)	—	(338,108)	—
Net cash provided by noncapital financing activities	<u>437,544</u>	<u>—</u>	<u>437,544</u>	<u>—</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(31,670,301)	—	(31,670,301)	—
Bond proceeds	72,424,086	—	72,424,086	—
Bond issuance cost	(1,781,153)	—	(1,781,153)	—
Principal paid on debt	(14,615,000)	—	(14,615,000)	—
Interest paid	(8,111,709)	—	(8,111,709)	—
Fiscal charges	(244,035)	—	(244,035)	—
Net cash provided by capital and related financing activities	<u>16,001,888</u>	<u>—</u>	<u>16,001,888</u>	<u>—</u>
Cash flows from investing activities:				
Sale (purchase) of investments	(61,268,102)	(131,765)	(61,399,867)	(178,307)
Interest received	835,125	51,982	887,107	49,235
Net cash used in investing activities	<u>(60,432,977)</u>	<u>(79,783)</u>	<u>(60,512,760)</u>	<u>(129,072)</u>
Net increase (decrease) in cash and cash equivalents	(29,868,833)	225,438	(29,643,395)	247,605
Cash and cash equivalents, beginning of year	104,114,067	785,772	104,899,839	798,138
Cash and cash equivalents, end of year	<u>\$ 74,245,234</u>	<u>1,011,210</u>	<u>75,256,444</u>	<u>1,045,743</u>

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2010

	Business-type activities enterprise funds			Governmental activities internal service funds
	Water and sewerage	Other enterprise funds	Total	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 11,256,568	227,350	11,483,918	31,565
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	3,463,856	—	3,463,856	—
Provision for bad debts	91,861	388,639	480,500	—
Decrease (increase) in assets:				
Accounts receivable	(845,662)	(542,418)	(1,388,080)	(13,184)
Inventories	70,286	—	70,286	—
Prepaid items	—	—	—	67,482
Other assets	(204,167)	—	(204,167)	—
Increase (decrease) in liabilities:				
Accounts payable	245,507	193,890	439,397	100,574
Accrued liabilities	19,247	(2,416)	16,831	—
Compensated absences	(19,994)	40,176	20,182	—
Customer deposits	47,210	—	47,210	—
Accrued claims	—	—	—	190,240
Total adjustments	<u>2,868,144</u>	<u>77,871</u>	<u>2,946,015</u>	<u>345,112</u>
Net cash provided by operating activities	\$ <u>14,124,712</u>	<u>305,221</u>	<u>14,429,933</u>	<u>376,677</u>
Noncash items:				
Amortization	\$ 282,998	—	282,998	—
Change in fair value of investments	75,947	139	76,086	3,096
Acquisition of capital assets included in accounts payable	6,508,801	—	6,508,801	—
Deferred on refunding	1,571,625	—	1,571,625	—
Write-off of prior bond cost on refunding	(363,249)	—	(363,249)	—

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Fiduciary Net Assets

Fiduciary Funds

December 31, 2010

<b>Assets</b>	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
Cash and cash equivalents	\$ 13,058,940	150,093
Receivables:		
Interest receivable	275,136	850
Other	—	471,945
Investments, at fair value:		
U.S. government securities	49,676,126	186,212
Certificates of deposit	496,624	—
Total investments	<u>50,172,750</u>	<u>186,212</u>
Total assets	<u>63,506,826</u>	<u>809,100</u>
<b>Liabilities</b>		
Accounts payable	—	47,769
Accrued liabilities	—	5,017
Taxes paid under protest	—	602,559
Refundable deposits	—	103,870
Due to other governmental units	—	49,885
Due to other funds	240,885	—
Total liabilities	<u>240,885</u>	<u>809,100</u>
<b>Net assets</b>		
Held in trust for pension benefits	\$ <u>63,265,941</u>	<u>—</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**  
Statement of Changes in Fiduciary Net Assets  
Pension Trust Funds  
Year ended December 31, 2010

**Additions**

Contributions from the City:		
Sales taxes, net	\$	8,753,686
Fire insurance premiums		201,810
City court fines		308,779
City liquor licenses		6,921
Total contributions		<u>9,271,196</u>
Investment earnings		<u>3,104,469</u>
Total additions		<u>12,375,665</u>

**Deductions**

Pensions and benefits		6,455,401
Administrative expenses		65,801
Total deductions		<u>6,521,202</u>
Change in net assets		5,854,463
Net assets, beginning		<u>57,411,478</u>
Net assets, ending	\$	<u><u>63,265,941</u></u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Net Assets

Component Units

December 31, 2010

Assets	<u>Bossier Public Trust Financing Authority</u>	<u>Bossier City Court</u>	<u>Bossier City Marshal</u>	<u>Metropolitan Planning Commission</u>	<u>Total</u>
Cash and cash equivalents	\$ 16,227	3,083,796	108,592	91,292	3,299,907
Investments	435,081	150,181	50,650	113,088	749,000
Receivables, net	—	2,962	4,290	406	7,658
Prepaid expenses	—	—	4,570	—	4,570
Accrued interest	2,266	—	—	516	2,782
Due from other governments	—	—	108,788	—	108,788
Capital assets:					
Other capital assets, net of depreciation	—	—	360,565	—	360,565
<b>Total assets</b>	<b>453,574</b>	<b>3,236,939</b>	<b>637,455</b>	<b>205,302</b>	<b>4,533,270</b>
<b>Liabilities</b>					
Accounts payable	—	14,194	8,463	54,166	76,823
Accrued interest payable	2,348	—	—	—	2,348
Noncurrent liabilities:					
Due in more than one year	115,000	—	—	—	115,000
<b>Total liabilities</b>	<b>117,348</b>	<b>14,194</b>	<b>8,463</b>	<b>54,166</b>	<b>194,171</b>
<b>Net assets</b>					
Invested in capital assets	—	—	360,565	—	360,565
Restricted for:					
Victims of juvenile crime	—	3,487	—	—	3,487
Facility expenses	—	1,124,447	—	—	1,124,447
Unrestricted	336,226	2,094,811	268,427	151,136	2,850,600
<b>Total net assets</b>	<b>\$ 336,226</b>	<b>3,222,745</b>	<b>628,992</b>	<b>151,136</b>	<b>4,339,099</b>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Statement of Activities

Component Units

Year ended December 31, 2010

	Program revenues		Net (expenses) revenues and changes in net assets					Total
	Expenses	Charges for services	Bossier Public Trust Financing Authority	Bossier City Court	Bossier City Marshal	Metropolitan Planning Commission		
Bossier Public Trust Financing Authority								
Mortgage operations	\$ 16,968	31,732	14,764	—	—	—	14,764	
Bossier City Court								
Judicial	215,132	438,507	—	223,375	—	—	223,375	
Bossier City Marshal								
Judicial	545,559	448,154	—	—	(97,405)	—	(97,405)	
Metropolitan Planning Commission								
Planning and zoning	493,872	255,499	—	—	—	(238,373)	(238,373)	
	<u>1,271,531</u>	<u>1,173,892</u>						
General revenues:								
Investment earnings			—	10,946	1,402	1,263	13,611	
Payment from the City of Bossier City			—	—	—	313,932	313,932	
Miscellaneous			—	3,715	207	1,492	5,414	
Total general revenues			—	14,661	1,609	316,687	332,957	
Change in net assets			14,764	238,036	(95,796)	78,314	235,318	
Net assets, beginning			321,462	2,984,709	724,788	72,822	4,103,781	
Net assets, ending			<u>\$ 336,226</u>	<u>3,222,745</u>	<u>628,992</u>	<u>151,136</u>	<u>4,339,099</u>	

See accompanying notes to basic financial statements.

# CITY OF BOSSIER CITY, LOUISIANA

## Notes to Basic Financial Statements

December 31, 2010

### (1) Summary of Significant Accounting Policies

The City of Bossier City, Louisiana (the City) was incorporated in 1907 and operates under a City Charter dated July 1, 1977, which provides for a strong Mayor-Council form of government. The City provides the following services as authorized by its charter: public safety, highways and streets, sanitation, water and sewerage, culture and recreation, and general administrative services. Education and welfare are administered by other governmental entities.

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for 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 that is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the City (the primary government) and its component units. The 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.

#### **Discretely Presented Component Units**

The component unit columns in the basic 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.

#### **Metropolitan Planning Commission**

The Metropolitan Planning Commission (Commission) is responsible for the orderly physical development of the City and the surrounding planning area. The Commission makes recommendations to the City Council and the Bossier Parish Police Jury. The Commission consists of nine members with four appointed by both the City and the Bossier Parish Police Jury, and one member is elected by joint action of the governing authorities. Although the Commission is legally separate, the City acts as its fiscal agent and has the ability to modify and approve its budget. The Commission serves the citizenry of the City and parish. The Commission does not issue separate financial statements.

#### **Bossier City Court**

The Bossier City Court (City Court) was created by the special legislative act. Its jurisdiction includes the incorporated area of the City. The City judge is elected and cannot be removed by City officials. The City Court is fiscally dependent on the City. The City has the ability to modify or approve its budget, which comes from the General Fund. There are certain funds collected by the City Court, pursuant to state statute, which are under the control of the City Court. The City Court serves the citizenry of the City. The financial statements of the City Court included in the accompanying financial statements are as of and for the fiscal year ended December 31, 2010.

## **CITY OF BOSSIER CITY, LOUISIANA**

### **Notes to Basic Financial Statements**

December 31, 2010

#### **Bossier City Marshal**

The Bossier City Marshal (City Marshal) is an elected official. The City Marshal is fiscally dependent on the City. The City has the ability to modify or approve the budget, which comes from the General Fund. There are certain funds collected 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. The financial statements of the City Marshal included in the accompanying financial statements are as of and for the fiscal year ended December 31, 2010.

#### **Bossier Public Trust Financing Authority**

The Bossier Public Trust Financing Authority was created by a trust indenture, pursuant to state enabling legislation, which made the City the beneficiary. There are five trustees appointed by the City Council for terms of five years. In accordance with 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 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 Bossier Public Trust Financing Authority. The Bossier Public Trust Financing Authority serves the citizenry of the City. The financial statements of the Bossier Public Trust Financing Authority included in the accompanying financial statements are as of and for the fiscal year ended November 30, 2010.

The Commission does not issue separate financial statements and consists of only one fund. Their financial statements are included in this report and these financial statements can be obtained from the Finance Department, P. O. Box 5337, Bossier City, LA 71171. Complete financial statements of the other individual component units may be obtained at the following addresses:

Bossier City Court  
P.O. Box 5337  
Bossier City, LA 71171

Bossier City Marshal  
P.O. Box 5337  
Bossier City, LA 71171

Bossier Public Trust Financing Authority  
333 Texas Street  
Regions Bank Building, Floor 15  
Shreveport, LA 71101

# CITY OF BOSSIER CITY, LOUISIANA

## Notes to Basic Financial Statements

December 31, 2010

### **Other Related Organizations**

#### **Bossier Housing Authority**

The Bossier Housing 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 Bossier Housing Authority since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the commissioners. The Bossier Housing Authority is fiscally independent, and there is no financial benefit or burden relationship with the City. Therefore, it is not included in the City's financial statements.

### **Accounting Policies**

The accounting policies of the City conform to U.S. generally accepted accounting principles as applicable to governmental units. The accounting policies of the discretely presented component units are consistent with those of the City. The following is a summary of the more significant policies:

#### **(a) *Governmentwide and Fund Financial Statements***

The governmentwide financial statements (GWFS) (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, 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 net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

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

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

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

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

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

#### **Governmental Funds**

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

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

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

*Riverboat Gaming Special Revenue Fund* – This fund accounts for the moneys received from the riverboats prior to 1999 and the earnings on those moneys. City ordinance required the riverboat moneys be accumulated in this fund until a base amount of \$30 million was attained. The funds will be used for capital and other undetermined projects.

*Arena Special Revenue Fund* – This fund accounts for the revenues received and operating expenses incurred in the operations of the City's CenturyTel Center Arena Fund (the Arena).

*Riverboat Gaming Capital Projects Fund* – This fund is used to account for expenditures associated with downtown development, major park improvements, and other major capital projects, and is funded by a percentage of gross gaming receipts and the initial payments made by three riverboat casinos and related interest earnings.

*2007 Bond Issue Capital Projects Fund* – This fund accounts for the proceeds and expenditures of the 2007 bonds that were issued for the purpose of constructing the Cyber Innovation Center and various other capital projects.

*Public Health and Safety Permanent Fund* – This fund was created to account for the proceeds from the sale of the Bossier Medical Center. The proceeds from the sale of \$18,000,000 may not be spent. Earnings on the principal may only be spent for the purpose of public health and safety.

Additionally, the City reports the following governmental fund types:

*Special Revenue Funds* – Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

*Debt Service Funds* – The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The debt service funds receive a portion of all ad valorem and sales taxes paid to the City.

*Capital Project Funds* – Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

### **Proprietary Funds**

Proprietary funds are used to account for the City's ongoing organizations and activities, which are similar to those often found in the private sector. All proprietary funds and the pension trust funds are accounted for on a capital maintenance measurement focus; that is, the measurement focus is upon determination of the change in net assets. The City reports the following major proprietary fund:

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

*Department of Water and Sewerage Enterprise Fund* – Operated as a self-sustaining utility of the City and is responsible for providing the residents of the City with water and sewerage treatment.

Additionally, the City reports the following proprietary fund types:

*Enterprise Funds* – Enterprise funds are used to account for activities in which established fees and charges are designed to recover its costs, including capital costs such as depreciation and debt service.

*Internal Service Funds* – Internal service funds are used to account for the financing of services provided by one department of the City to other departments on a cost-reimbursement basis. The City maintains two internal service funds for workmen's compensation and general insurance coverage.

#### **Fiduciary Funds**

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

*Pension Trust Funds* – The City maintains two retirement funds, which are accounted for and reported as fiduciary funds since economic resources are critical. These funds are the Firemen's Pension and Relief Fund (Firemen's Fund) and the Policemen's Pension and Relief Fund (Policemen's Fund).

*Agency Funds* – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The Consolidated Sales Tax Fund accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board and various municipalities within the parish. The Riverboat Gaming Agency Fund accounts for the receipt and distribution of funds received from the riverboats and paid to other local government agencies under the terms of the agreements with the riverboats.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the GWFS and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board (GASB). 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 GWFS. Exceptions to this general rule are charges between the government's water and sewer 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. Transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the City, such as routine employer contributions from the General Fund to the pension trust funds, are accounted for as revenues and expenditures or expenses in the funds involved.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 City's enterprise and internal funds are charges to customers for sales and services. Operating expenses for enterprise 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, and then unrestricted resources as they are needed.

Unbilled service receivables of the Department of Water and Sewerage Fund, EMS Fund, and Public Service and Sanitation Fund are reflected in the accompanying financial statements at \$977,756, \$106,207, and \$129,151, respectively, at December 31, 2010.

#### (c) *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the GWFS. Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. The City maintains a threshold level for capitalization of assets except land and construction in progress. All land and construction in progress are capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of \$25,000 for land improvements, \$50,000 for buildings and building improvements, \$5,000 for furniture, equipment, and vehicles, and \$250,000 for infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are not reported in the governmental fund financial statements.

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

# CITY OF BOSSIER CITY, LOUISIANA

## Notes to Basic Financial Statements

December 31, 2010

Land improvements	20 – 30 years
Infrastructure	40 years
Buildings	40 years
Building improvements	40 years
Water reservoir and treatment plant	10 – 60 years
Transmission and distribution system	10 – 50 years
Furniture and equipment	5 – 10 years
Vehicles	5 years

**(d) Long-Term Liabilities**

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

In the FFS, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**(e) Investments**

For all funds, investments are stated at fair value based on quoted market prices. The investments at December 31, 2010 were primarily U.S. government instrumentalities (see note 2 for the City's investment policy).

**(f) Prepaid Items**

Prepaid items consist of items such as prepaid insurance and other prepaid expenditures. The cost is recorded as an asset at the time such items are purchased in both governmentwide and fund financial statements. The reserve for prepaid expenditures in governmental fund types is equal to the amount of prepaid expenditures to indicate a portion of the fund balance is not available for future expenditures.

**(g) Inventories**

Inventories are valued at cost (first-in, first-out). Inventories in the General Fund consist of expendable supplies held for consumption. The cost is recorded as an asset at the time individual inventory items are purchased and charged as an expenditure when used in both governmentwide and fund financial statements. The reserve for inventories in governmental fund type is equal to the amount of inventories to indicate a portion of fund balance is not available for future expenditures. Inventories in the enterprise funds consist of repair materials and spare parts.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

**(h) Refundable Deposits**

The Department of Water and Sewerage of the City requires that its first time water and sewer customers or customers not in good standing place a deposit before service is rendered. If customers maintain the status of good standing for one year, the deposits are returned. These moneys are not restricted by law and are generally used by the Department of Water and Sewerage in meeting current operating cash requirements.

The Sales Tax Department requires deposits of certain establishments involved in special events and before being allowed to sell alcohol. The deposits are used to offset delinquent tax bills or are returned upon the respective activity ceasing.

Proceeds from ticket sales for Arena events sold in advance are reflected as a deposit until the event occurs and settlement with the event promoter is complete.

**(i) Deferred Revenues**

Taxes not collected within 60 days after year-end are deferred in the governmental fund financial statements. Certain licenses are collected in advance; therefore, the recognition of revenue is deferred until the following year. Rental fees for luxury boxes and advertising at the Arena are collected in advance. The revenue is recognized over the term of the agreements.

In the GWFS, revenues that are not yet earned are deferred.

**(j) Vacation and Sick Leave**

City employees are granted vacation and sick leave in varying amounts. The maximum allowable accumulation of vacation and sick leave is up to 40 days and 100 days, respectively. In the event of termination, an employee is reimbursed for accumulated vacation days up to the maximum allowable accumulation. The City does not accrue vacation until matured in the governmental fund financial statements. Vacation and sick leave are recorded as an expenditure when paid in governmental funds. The estimated liability for unused vacation for governmental funds is recorded in the GWFS. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as it is earned by the employees.

**(k) Pension Plans**

The City and the State of Louisiana collectively have five pension plans, which cover substantially all employees who meet certain length of service requirements. See note 8 for details of these plans.

**(l) Restricted Assets**

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

**(m) Fund Equity**

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

**(n) Interfund Receivables and Payables**

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

**(o) Property Taxes**

Property taxes attach as an enforceable lien on property when the assessment is approved by the Louisiana Tax Commission. Taxes are normally levied in November of each year and are due on or before December 31. The City bills and collects its own property taxes. Historically, 95% of the taxes have been collected within 60 days after the due date.

The City currently levies the maximum tax allowed by state statutes and the Louisiana Constitution for general governmental services other than taxes for special purposes (such as the funds designated for the Fire and Police Departments) or the payment of long-term debt. The City is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose for the payment of principal and interest on long-term debt after approval by the voters of the City.

**(p) Grants from Other Governmental Agencies**

Federal and state governmental agencies represent an important source of supplementary funding to finance housing, employment, construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General Fund, special revenue funds, capital projects funds, and enterprise funds. The grants normally specify the purpose for which the funds may be used and are subject to audit by the granting agency or its representative.

**(q) Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers each fund's equity investment in the pooled cash account and all highly liquid debt instruments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

**(r) Self-Insurance Claims**

The City is self-insured up to \$250,000 for noncivil service employees and \$350,000 for civil service employees for workmen's compensation coverage. Self-insured claims are recorded in the City's internal service funds in accordance with GASB Statement No. 10.

Incurred but not reported claims are recorded as liabilities in the Insurance Fund and Liability Insurance Fund. An estimate for these claims is provided by a third-party administrator based on historical experience.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

**(2) Cash and Investments**

**City of Bossier City (Primary Government)**

The City maintains a consolidated cash management pool that is available for use by all funds except the Pension Trust Funds. Each fund type's portion of the consolidated cash pool is displayed in the statement of net assets as "cash and cash equivalents" or "investments."

**(a) Deposits**

**Primary government, including agency funds and excluding pension trust funds**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2010 for the City are summarized as follows:

<u>Carrying amount</u>	<u>Bank balance</u>
\$25,019,097	\$26,939,776

Certificates of deposit with a maturity of three months or more are classified in the statement of net assets as "investments" (\$100,000).

The City's bank balance of deposits at December 31, 2010 is not exposed to any custodial credit risk. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. All City deposits are covered by FDIC insurance or pledged securities.

The carrying amount of deposits does not include a cash on hand balance of \$14,368, which is not on deposit with a financial institution. Cash on hand includes petty cash and cash received but not yet deposited at year-end.

Money market funds of \$155,412,440 with original maturities of three months or less are classified as a cash equivalent in the statement of net assets but are an investment type.

**Pension Trust Funds**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2010 for the Fiduciary Funds are summarized as follows:

<u>Carrying amount</u>	<u>Bank balance</u>
\$13,555,564	\$13,568,814

Certificates of deposit with a maturity of three months or more are classified in the statement of net assets as "investments" (\$496,624). There were no certificates of deposits with a maturity of three months or less.

The Pension Trust Funds' bank balance of deposits at December 31, 2010 is not exposed to any custodial credit risk as all deposits are covered by FDIC insurance or pledged securities.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December-31, 2010

**(b) Investments**

**Primary government**

The primary government's investments are made in accordance with Louisiana Revised Statute (LSA R.S.) 33:2955. The state authorized investments are as follows:

- U.S. Treasury obligations
- U.S. government agencies
- U.S. government instrumentalities
- Collateralized repurchase agreements
- Collateralized certificates of deposit with Louisiana-domiciled institutions
- Collateralized interest-bearing bank accounts
- Mutual or trust funds that 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
- Guaranteed investment contracts having one of the two highest short-term rating categories of either Standard and Poor's Corporation (S&P) or Moody's Investors Service (Moody's)
- Investment grade (A-1/P-1) commercial paper of domestic U.S. corporations
- Louisiana Asset Management Pool (LAMP)
- Any other investments allowed by state statute for local governments

At December 31, 2010, investments for the primary government, including agency funds and excluding pension trust funds, were as follows:

	<u>Investment maturity in years</u>			<u>Fair value</u>
	<u>Less than 1 year</u>	<u>1 – 3 years</u>	<u>3 – 5 years</u>	
U.S. government instrumentalities	\$ 57,914,569	16,627,730	56,045,348	130,587,647
Money market	155,412,440	—	—	155,412,440
Total investments				\$ <u>286,000,087</u>

# CITY OF BOSSIER CITY, LOUISIANA

## Notes to Basic Financial Statements

December 31, 2010

The investments with original maturities of three months or more when purchased totaling \$130,510,091 are classified as "investments" in the statement of net assets. There were no investments with original maturities of three months or less when purchased that are classified as cash and cash equivalents in the statement of net assets.

*Interest Rate Risk:* The City's investment policy does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk:* State law limits investments in guaranteed investment contracts to those having one of the two highest short-term rating categories of either S&P (AAA or AA) or Moody's (Aaa or Aa). State law also limits investments in commercial paper of domestic U.S. corporations with investment grade (A-1/P-1). The City's investment policy does not further limit its investment choices. The City's investment in money market funds is unrated. The investments in U.S. government instrumentalities have ratings of either AAA by S&P or Aaa by Moody's.

*Concentration of Credit Risk:* The City places no limit on the amount the City may invest in any one issuer. More than 5.00% of the City's investments are in Federal Home Loan Bank, Dreyfus Money Market, Federated PRM Money Market, Capital One Money Market, and Fannie Mae. These investments are 30.10%, 21.97%, 20.44%, 11.75%, and 7.17%, respectively, of the City's total investments.

### **Pension Trust Funds**

The Pension Trust Funds are composed of two funds: the Firemen's Fund and the Policemen's Fund.

The Firemen's Fund investments are made in accordance with LSA R.S. 11:3509. Such investments shall be only in interest-bearing bonds or securities issued or backed by the United States of America, the State of Louisiana, or the City, or in certificates of deposit in banks of the United States of America and/or the State of Louisiana.

At December 31, 2010, the Pension Trust Funds' investments were all in U.S. government instrumentalities. Maturities of those investments were as follows:

Less than 1 year	\$	248,273
1 – 5 years		6,026,528
5 – 10 years		6,037,908
10 – 15 years		7,910,824
15 – 20 years		8,838,480
20 – 25 years		9,802,713
25 – 30 years		9,533,164
30 – 35 years		1,278,236
	\$	<u>49,676,126</u>

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

The investments with original maturities of three months or more when purchased totaling \$49,676,126 are classified as “investments” in the statement of net assets. There were no investments with an original maturity of three months or less when purchased.

*Interest Rate Risk:* The Pension Trust Funds do not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk:* The Pension Trust Funds’ investments are restricted by state law. State law does not restrict investments by rating. The Pension Trust Funds do not have an investment policy that further restricts investment choices by minimum ratings. At December 31, 2010, the Policemen’s Fund’s investments were corporate bonds with AAA ratings, municipal bonds with A+ and AA- ratings, and U.S. government instrumentalities with AAA ratings. The Firemen’s Fund investments as of December 31, 2010 were all in U.S. government instrumentalities, the ratings of which are summarized in the table below. All issuers with whom investments are held are rated AAA except municipal bonds, which are rated AA+, Financing Corporation CPN FICO Strips, Resolution Funding Corporation, Federal National Mortgage Association Strips, and Tennessee Valley Authority, which are unrated.

Unrated	\$	17,405,258
Moody’s AAA/S&P Aaa		27,547,404
Moody’s AA+		2,304,869
S&P A+		1,209,204
S&P AA-		<u>1,209,391</u>
	\$	<u>49,676,126</u>

*Concentration of Credit Risk:* The Pension Trust Funds place no limit on the amount they may invest in any one issuer. At December 31, 2010, the Pension Trust Funds had the following concentrations of investment of more than 5% of total investments in any one issuer:

Government National Mortgage Association	19%
Federal Home Loan Mortgage	17
Federal National Mortgage Association	11
Federal Farm Credit Bank	11
Tennessee Valley Authority	11
Federal Home Loan Bank	9

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Pension Trust Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2010, the Pension Trust Funds did not have any investments that were exposed to custodial credit risk. All investments were insured, registered in the name of the Pension Trust Funds, or held by a counterparty in the Pension Trust Funds’ name. The Pension Trust Funds do not have a policy with respect to custodial credit risk for investments.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

#### **Component Units**

##### *City Court of Bossier City (Court)*

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States of America, or under the laws of the United States of America.

At December 31, 2010, the Court, including its fiduciary funds, which are not part of this report, had cash, cash equivalents, and investments (book balances) totaling \$4,167,394. The portion attributable to fiduciary funds was \$792,645 in cash and cash equivalents and \$140,772 in investments.

These deposits with financial institutions are stated at cost, which approximates market value. At December 31, 2010, the carrying amount of the Court's deposits was \$4,167,394, and the collected bank balance was \$4,178,385. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Court in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2010, the Court held certificates of deposit totaling \$290,953 that were classified as investments since their maturity was in excess of 90 days subsequent to their initial purchase. These certificates of deposits are carried at cost, which approximates market value, and are secured by federal deposit insurance and the pledge of securities owned by the fiscal agent bank. Investments are limited by LSA R.S. 33:2955.

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. At year-end, bank balances of \$4,178,385 were protected by \$1,040,953 of federal depository insurance. The remaining bank balance of \$3,137,432 was exposed to custodial credit risk as uninsured deposits protected with pledged securities held by the custodial banks in the name of the Court.

*Interest Rate Risk:* The Court's certificates of deposit have maturities of two years or less, which limits exposure to fair value losses arising from rising interest rates.

*Credit Risk:* The Court's investments comply with LSA R.S. 33:2955. Under state law, the Court may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States of America. The Court may invest in U.S. bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

#### *Bossier City Marshal (Marshal)*

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Time deposits with original maturities in excess of 90 days are recorded as investments. Investments are stated at cost, which approximates market value.

The Marshal's investments comply with LSA R.S. 33:2955. Under state law, the Marshal may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States of America, or under the laws of the United States of America.

At December 31, 2010, the Marshal, including its fiduciary funds, which are not part of this report, had cash, cash equivalents, and investments (book balances) totaling \$191,063. The portion attributable to fiduciary funds was \$31,821 in cash and cash equivalents.

These deposits are stated at cost, which approximates market value. At December 31, 2010, the carrying amount of the Marshal's deposits was \$191,063, and the collected bank balance was \$206,877. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent bank.

At December 31, 2010, the Marshal held certificates of deposit totaling \$50,650 that was classified as investments since their maturity was in excess of ninety days subsequent to their initial purchase. These certificates of deposit are carried at cost which approximates market value and are secured by federal deposit insurance.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. At December 31, 2010, the Marshal's bank balance of \$206,877 was protected by \$115,721 of FDIC insurance and \$91,156 of NCUSIF insurance.

#### **(3) Ad Valorem 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 and Parish Tax Assessors and approved by the State of Louisiana Tax Commission. Total assessed value was \$522,348,920 and \$503,909,940 in 2010 and 2009, respectively. Property taxes are recorded as receivables and revenues in the year for which it was levied. The General Fund property tax receivable at December 31, 2010 and 2009 is shown net of an allowance for uncollectible taxes as of each year-end of \$65,000. The distribution of the City's levy (tax rate per \$1,000 assessed value) was as follows for 2010 and 2009:

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

	Levy	
	2010	2009
General Fund – unrestricted	\$ 5.59	5.59
General Fund – restricted for Fire and Police Departments	16.10	16.10
	\$ 21.69	21.69

A revaluation of all property is required to be completed no less than every four years. A revaluation was completed for the tax roll as of January 1, 2011.

**(4) Receivables**

Receivables as of year-end for the City’s individual governmental and enterprise major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are outlined below:

	Customers	Property taxes	Other taxes	Gaming fees	Accrued interest	Due from other governments	Other	Allowance for uncollectible accounts	Net receivables
Governmental funds:									
General Fund	\$ —	2,919,592	2,466,519	22,402	11,302	187,159	157,048	(65,000)	5,699,022
Riverboat Gaming Special Revenue Fund	—	—	—	342,864	75,902	—	—	—	418,766
Arena Special Revenue Fund	253,394	—	—	—	—	—	—	—	253,394
Riverboat Gaming Capital Projects Fund	—	—	—	922,501	27,926	—	—	—	950,427
2007 Bond Issue Capital Projects Fund	—	—	—	—	18,078	518,835	—	—	536,913
Public Health and Safety Permanent Fund	—	—	—	—	46,200	—	250	—	46,450
Nonmajor governmental funds	—	—	2,187,809	—	72,574	173,437	—	—	2,433,820
Total governmental funds	\$ 253,394	2,919,592	4,654,328	1,287,767	251,982	879,431	157,298	(65,000)	10,338,792
Enterprise funds:									
Water and Sewerage Fund	1,957,606	—	—	—	72,394	—	998,650	(79,710)	2,948,940
Nonmajor enterprise funds:									
EMS	1,432,006	—	—	—	1,598	—	121,283	(372,966)	1,181,921
Sanitation	344,305	—	—	—	4,066	34,555	132,949	(19,217)	496,658
Alternative fuel station	18,827	—	—	—	64	—	—	—	18,891
	1,795,138	—	—	—	5,728	34,555	254,232	(392,183)	1,697,470
Total enterprise funds	\$ 3,752,744	—	—	—	78,122	34,555	1,252,882	(471,893)	4,646,410

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

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (General Fund)	\$ 337,195	—
Other revenues not collected within 60 days of year-end (General Fund)	81,730	—
Licenses collected in advance (General Fund)	—	62,130
Civic center rental revenue collected in advance	—	49,319
Arena rental and advertising revenues collected in advance	—	335,734
Taxes paid in protest (General Fund)	—	3,066
Grant drawdowns prior to meeting all eligibility requirements – General Fund	—	774,267
<b>Total deferred revenue for governmental funds</b>	<b>\$ 418,925</b>	<b>1,224,516</b>

**(5) Capital Assets**

A summary of changes in capital assets is as follows:

	<u>Balance, December 31, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, December 31, 2010</u>
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 88,086,189	4,443,263	(840)	92,528,612
Construction in progress	55,225,379	25,329,817	(9,192,987)	71,362,209
Total capital assets not being depreciated	143,311,568	29,773,080	(9,193,827)	163,890,821
Capital assets being depreciated:				
Buildings and structures	113,996,430	9,345,951	—	123,342,381
Equipment and vehicles	30,211,714	2,246,924	(1,574,542)	30,884,096
Infrastructure	121,153,254	3,518,179	—	124,671,433
Total capital assets being depreciated	265,361,398	15,111,054	(1,574,542)	278,897,910
Less accumulated depreciation for:				
Buildings and structures	(30,355,735)	(3,083,037)	—	(33,438,772)
Equipment and vehicles	(22,030,323)	(3,376,178)	1,555,660	(23,850,841)
Infrastructure	(19,981,578)	(3,109,184)	—	(23,090,762)
Total accumulated depreciation	(72,367,636)	(9,568,399)	1,555,660	(80,380,375)
Total capital assets being depreciated, net	192,993,762	5,542,655	(18,882)	198,517,535
Capital assets, net	\$ 336,305,330	35,315,735	(9,212,709)	362,408,356

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

Construction in progress consisted of: \$57,868,985 for the Cyber Innovation Center Project; \$1,171,632 for the Bossier Railroad Bridge; \$4,045,717 for the Swan Lake Improvements; \$3,046,205 for Arthur Teague Parkway Improvements; \$1,193,233 for concrete and asphalt repairs; \$1,090,759 for Highway 511 widening; and \$2,945,688 related to many small various projects.

	<b>Balance, December 31, 2009</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance, December 31, 2010</b>
Business-type activities – water and sewerage:				
Capital assets not being depreciated:				
Land and land improvements	\$ 861,184	—	—	861,184
Construction in progress	12,016,972	40,092,979	(6,685,222)	45,424,729
Total capital assets not being depreciated	<u>12,878,156</u>	<u>40,092,979</u>	<u>(6,685,222)</u>	<u>46,285,913</u>
Capital assets being depreciated:				
Water reservoir and treatment plant	64,836,973	1,960,228	—	66,797,201
Transmission and distribution system	56,841,376	2,194,973	—	59,036,349
Equipment	11,152,394	616,144	(61,297)	11,707,241
Total capital assets being depreciated	<u>132,830,743</u>	<u>4,771,345</u>	<u>(61,297)</u>	<u>137,540,791</u>
Less accumulated depreciation for:				
Water reservoir and treatment plant	(22,205,893)	(1,378,188)	—	(23,584,081)
Transmission and distribution system	(21,724,731)	(1,211,964)	—	(22,936,695)
Equipment	(7,667,771)	(873,704)	61,297	(8,480,178)
Total accumulated depreciation	<u>(51,598,395)</u>	<u>(3,463,856)</u>	<u>61,297</u>	<u>(55,000,954)</u>
Total capital assets being depreciated, net	<u>81,232,348</u>	<u>1,307,489</u>	<u>—</u>	<u>82,539,837</u>
Capital assets, net	\$ <u>94,110,504</u>	<u>41,400,468</u>	<u>(6,685,222)</u>	<u>128,825,750</u>

Construction in progress consisted of: \$41,933,059 for the Water Treatment Plant Expansion; \$1,006,000 for the Wastewater Master Plan Project; \$592,681 for the Head Works Red River Plant; and \$1,892,989 related to smaller water and sewer projects.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

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

Governmental activities:	
General government	\$ 2,907,679
Public safety	2,033,301
Highways and streets	2,691,446
Culture and recreation	1,610,710
City court and marshal	86,381
Civic center	238,882
Total depreciation expense – governmental activities	<u>\$ 9,568,399</u>
Business-type activities:	
Water and sewerage	\$ 3,463,856
Total depreciation expense – business-type activities	<u>\$ 3,463,856</u>

**(6) Long-Term Debt**

**City of Bossier City (Primary Government)**

The following is a summary of the long-term obligation activity for the year ended December 31, 2010:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
Revenue bonds payable	\$ 161,905,000	21,810,000	29,325,000	154,390,000	7,055,000
Premium on bonds	3,004,012	1,568,771	611,396	3,961,387	—
Discount on bonds	(12,647)	—	(3,197)	(9,450)	—
Deferred on refunding	(1,423,925)	(2,160,586)	(488,574)	(3,095,937)	—
Claims and judgments payable	3,555,715	2,744,760	1,810,020	4,490,455	1,784,455
Net other post-employment benefit obligation	4,086,468	1,613,016	524,624	5,174,860	—
Compensated absences	1,426,180	817,462	967,336	1,276,306	967,336
Governmental activity long-term liabilities	<u>\$ 172,540,803</u>	<u>26,393,423</u>	<u>32,746,605</u>	<u>166,187,621</u>	<u>9,806,791</u>
Business-type activities – water and sewerage:					
Revenue bonds payable	\$ 146,487,792	73,632,463	14,615,000	205,505,255	3,925,000
Discount on bonds	(1,086,425)	—	(52,404)	(1,034,021)	—
Deferred on refunding	—	(1,571,625)	(21,828)	(1,549,797)	—
Compensated absences	234,982	187,234	207,229	214,987	207,229
Water and sewerage long-term liabilities	145,636,349	72,248,072	14,747,997	203,136,424	4,132,229
Other business-type activities:					
Compensated absences	295,054	307,154	266,977	335,231	264,977
Total business-type activities	<u>\$ 145,931,403</u>	<u>72,555,226</u>	<u>15,014,974</u>	<u>203,471,655</u>	<u>4,397,206</u>

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

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 Insurance Fund and Liability Insurance 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 76% of these costs. For the governmental activities, the balance of compensated absences is generally liquidated by the General Fund. The net pension obligation will also be liquidated by the General Fund.

The following is a summary of bond transactions (all revenue bonds) for the year ended December 31, 2010:

Bonds payable, January 1, 2010	\$ 308,873,807
New issue, net	93,279,023
Debt retired	(43,940,000)
Amortization of premium	(159,240)
Write-off of premium on refunded debt	(452,156)
Amortization of discount	55,601
Amortization of deferral on refunding bonds	510,402
Bonds payable, December 31, 2010	<u>\$ 358,167,437</u>

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

In addition to \$43,940,000 of bonds retired, the City paid \$15,009,218 in interest.

Bonds payable at December 31, 2010 comprise the following issues:

Revenue bonds – applicable to general city operations:

\$9,355,000 2001 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$845,000 to \$1,010,000 through 2012; maturing November 1 of each year; interest at 3.00% to 4.25%	\$	1,985,000
\$29,260,000 2002 Public Improvement Sales Tax Bonds due in annual installments of \$630,000 to \$2,620,000 through 2022; maturing December 1 of each year; interest at 3% to 5% (plus a premium of \$78,553)		3,368,553
\$7,160,000 Public Improvement Sales Tax Bonds due in annual installments of \$225,000 to \$545,000 through 2025; maturing December 1 of each year; interest at 4% to 7%		5,965,000
\$27,400,000 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$1,290,000 to \$2,465,000 through 2022; maturing December 1 of each year; interest at 4% to 5% (plus premium of \$144,435 and net of deferred amount on refunding \$904,461)		22,589,974
\$100,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds due in annual installments of \$1,570,000 to \$6,080,000 through 2037; maturing November 1 of each year; interest at 4.00% to 5.25% (plus premium of \$2,173,495)		97,136,257
\$4,250,000 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$510,000 to \$790,000 through 2014; maturing November 1 of each year; interest at 1.5% to 2.625% (less discount of \$9,450 and deferred amount on refunding of \$75,902)		2,956,891
\$21,810,000 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$140,000 to \$2,320,000 through 2022; maturing December 1 of each year; interest at 2% to 4% (plus debt premium of \$1,564,904 and deferred amount of \$2,115,574)		21,244,325
		<u>155,246,000</u>

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

Revenue bonds – applicable to water and sewerage operations:

\$6,500,000 Utility Revenue Bonds, Series 1997 due in annual installments of \$260,000 to \$415,000 through 2019; maturing October 1 of each year; interest at 3.45%	\$ 3,195,000
\$3,500,000 Utility Revenue Bonds, Series 2001 due in annual installments of \$140,000 to \$245,000 through 2022; maturing October 1 of each year; interest at 3.45%	2,242,732
\$16,410,000 Utility Revenue Refunding Bonds, Series 2002 due in annual installments of \$215,000 to \$1,510,000 through 2022; maturing October 1 of each year; interest at 3.5% to 5.0%	2,450,000
\$125,000,000 Utility Revenue Bonds, Series 2008 due in annual installments of \$145,000 to \$9,485,000 through 2038; maturing October 1 of each year; interest at 3.5% to 5.5% (less discount of \$1,034,021)	122,950,979
\$13,500,000 Utility Revenue Refunding Bonds, Series 2010 due in annual installments of \$155,000 to \$1,475,000 through 2022; maturing October 1 of each year; interest at 2.53% (less deferred amount of refunding of \$1,549,797)	11,950,243
\$60,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds due in annual installments of \$1,225,000 to \$3,235,000 through 2040; maturing November 1 of each year; interest at 1.23% to 6.27%	60,000,000
\$22,000,000 Louisiana Department of Environmental Quality Utility Revenue Bonds, Series 2010 due in annual installments based on defined percentages based on funds drawn through October 31, 2031; maturing October 1 of each year; interest at 0.45%	<u>132,483</u>
Total water and sewerage bonds	<u>202,921,437</u>
Total revenue bonds	<u>\$ 358,167,437</u>

In November 2010, the City issued \$21,810,000 Public Improvement Sales and Use Tax Refunding Bonds to advance refund a portion (\$21,810,000) of the 2002 Public Improvement Sales Tax Bonds and to pay for the costs of issuance. As a result, a portion of the 2002 bonds are considered defeased and the liability for those bonds has been removed from these financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$2,160,586. This amount is being netted against the new debt and amortized over the life of the new debt, which is the same as the old debt. Amortization for 2010 was \$45,012. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt and complete the refunding totaled \$1,120,776. An economic gain (difference between the present value of the old and new debt service payments) of \$477,440 resulted from the refunding.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

In December 2010, the City issued \$13,500,000 Utility Revenue Refunding Bonds to advance refund \$12,180,000 of the 2002 Utility Revenue Refunding Bonds and to pay for the costs of issuance. As a result, the 2002 bonds are considered defeased and the liability for those bonds has been removed from these financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$1,571,625. This amount is being netted against the new debt and amortized over the life of the new debt, which is the same as the old debt. Amortization for 2010 was \$21,828. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt and complete the refunding totaled \$857,088. An economic gain (difference between the present value of the old and new debt service payments) of \$736,493 resulted from the refunding.

In September 2010, the City authorized the issuance of \$60,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds for the purpose of making additions, improvements, extensions, renewals, replacements, or repairs to the waterworks plant and system and the sewer utility system, funding a debt service reserve fund, and paying the costs of issuance of the Bonds. The City paid \$1,568,711 in costs related to the issuance.

In November 2010, the City entered into a Loan and Pledge Agreement with the Louisiana Department of Environmental in connection with the authorization of the issuance of \$22,000,000 Utility Revenue Bonds Series 2010, for the purpose of constructing a waste system (the project). Under the Loan and Pledge Agreement, funds are drawn as expenditures on the project are incurred. As of December 31, 2010, \$132,483 had been drawn.

The annual requirements, excluding \$3,961,387 premium on bonds, \$1,043,471 discount on bonds, and deferral on refundings of \$4,645,734, to amortize all debt outstanding as of December 31, 2010 are as follows:

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
Year(s) ending December 31:					
2011	\$ 7,055,000	8,028,029	3,925,000	10,979,328	29,987,357
2012	8,850,000	7,680,449	4,245,000	10,775,508	31,550,957
2013	6,480,000	7,336,750	4,245,000	10,645,499	28,707,249
2014	6,630,000	6,984,163	4,435,000	10,471,078	28,520,241
2015 – 2019	33,455,000	29,582,677	24,305,000	49,255,628	136,598,305
2020 – 2024	31,270,000	19,207,160	29,022,792	42,630,117	122,130,069
2025 – 2029	19,455,000	13,140,815	36,330,000	34,310,547	103,236,362
2030 – 2034	23,855,000	8,129,750	46,332,463	23,253,033	101,570,246
2035 – 2039	17,340,000	1,851,938	52,665,000	8,734,167	80,591,105
2040 – 2044	—	—	—	—	—
2045 – 2049	—	—	—	—	—
2049 –	—	—	—	—	—
	<u>\$ 154,390,000</u>	<u>101,941,731</u>	<u>205,505,255</u>	<u>201,054,905</u>	<u>662,891,891</u>

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

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

Changes in the Department of Water and Sewerage assets restricted for debt service and unrestricted and invested in capital assets during the year ended December 31, 2010 were as follows:

Department of Water and Sewerage Fund:	
Restricted:	
Balance, beginning of year	\$ 14,424,421
Transfer to unreserved net assets	<u>(1,974,934)</u>
Balance, end of year	<u>12,449,487</u>
Invested in capital assets and unrestricted:	
Balance, beginning of year	53,558,213
Changes in net assets	3,606,548
Transferred from net assets	<u>1,974,934</u>
Balance, end of year	<u>59,139,695</u>
Total net assets	\$ <u><u>71,589,182</u></u>

Details of restricted assets at December 31, 2010 are as follows:

Department of Water and Sewerage:	
Water Division:	
Utility Revenue Bond Funds – 1997, 2001, 2002, 2008, and	
2010 Utility Revenue Serial Bonds Debt Service Fund:	
Cash and cash equivalents	\$ 72,699,756
Investments	59,168,398
Accrued interest receivable	<u>72,394</u>
	<u>131,940,548</u>
Water Capital Additions and Contingencies Fund:	
Cash and cash equivalents	<u>1,471,089</u>
Total restricted assets applicable to the	
Water Division	<u>1,471,089</u>
Sewerage Division – Sewerage Capital Additions and	
Contingencies Fund:	
Cash and cash equivalents	<u>72,489</u>
Total restricted assets applicable to the	
Sewerage Division	<u>72,489</u>
Total Department of Water and Sewerage	
restricted assets	\$ <u><u>133,484,126</u></u>

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

State law allows a maximum of 10% of assessed valuation of bonded debt for any one purpose or 35% of the total assessed value for all purposes. The City assessed property value at December 31, 2010 is \$522,348,920. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 2010 is \$52,234,892 and \$182,822,122, respectively. Therefore, at December 31, 2010, the City has a debt margin of \$182,822,122 available for issuance pursuant to the 35% limitation.

#### Component Units

The following is a summary of the long-term obligation activity for the year ended November 30, 2010:

Balance, November 30, 2009	\$	325,000
Additions		—
Reductions		<u>(210,000)</u>
Balance, November 30, 2010	\$	<u>115,000</u>

At November 30, 2010, bonds payable of \$115,000 consist of Single Family Mortgage Revenue Bonds, 1995 Series Term Bond, 6.0% interest, maturing on August 1, 2028.

The principal amount of bonds called for early redemption for the year ended November 30, 2010 was \$150,000.

Under provisions of the indenture, the City has the option to redeem remaining outstanding bonds in whole at any time on or after August 1, 2005 from available funds at an initial redemption price of 102% of par and subsequently at prices declining to par. The bonds are collateralized by the income derived from the mortgage loans and the funds and accounts held under or pledged to the program pursuant to the indenture.

#### (7) Sales Tax

The Consolidated Sales Tax Agency Fund accounts for the collection of a two and one-half cent City sales and use tax and the distribution of this tax to other funds of the City. This fund also accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board, Bossier Parish Police Jury, Bossier Parish Sheriff, and various municipalities within the parish. For financial reporting purposes, sales taxes are recorded as revenue in the individual funds, which account for operations or projects for which the taxes were levied and as approved for expenditure by ordinance of the City Council.

The original one-cent sales tax is used initially to pay operating expenses incurred in the administration and collection of sales taxes. Scheduled payments are made on a monthly basis into the Sales Tax Bond and Interest Sinking Funds for debt service requirements. After these payments, the amount, if any, up to one-half of the total monthly sales tax revenues (net of collection expense) is payable to the General Fund for Fire and Police Department operations and maintenance. The remaining amount, if any, is payable to the Sales Tax Capital Improvement Fund.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

A half-cent sales tax was approved by the voters in 1982. This revenue, net of expenses incurred in collecting the tax, is to be paid to the Firemen's and Policemen's Funds to liquidate the unfunded liabilities of the plans over 30 years. The remaining amount, if any, is payable to the General Fund for salaries of police, fire, and other city employees.

In 1987, a half-cent sales tax was approved by the voters. The additional revenue, net of expenses incurred in collecting the tax, is to be used for retirement of principal and payment of interest on sales tax bonds issued for the design and construction of a parkway adjacent to the Red River. During 2002, the voters approved a rededication of sales tax revenues, whereby any amounts in excess of debt service requirements are payable for the purpose of operating and maintaining fire, police, and other departments of the City and for previously authorized purposes, which would include payments to the Parkway Capital Projects Fund.

In 1991, an additional half-cent sales tax was approved by the voters for the purposes of constructing and operating two new fire stations and a training facility, operating and maintaining the city jail and municipal buildings, maintaining and upgrading streets and drainage, and for salaries for personnel other than firemen and policemen.

The cost associated with collecting and distributing the sales tax is funded by the City and the Bossier Parish School Board. The two entities fund the sales tax departmental expenditures on a pro rata basis. The various municipalities are charged a 1% commission on sales tax collected and distributed. The amounts recorded as sales tax revenue in the various funds are net of operating expenses of the sales tax department and includes other miscellaneous revenues related to the operation of the department and the collection of the tax.

#### **(8) Defined Benefit Pension Plans**

The City administers two defined benefit pension plans: the Firemen's Fund and the Policemen's Fund.

##### **A. Summary of Significant Accounting Policies**

**Basis of Accounting** – The two City-administered pension plans' financial statements are prepared using the accrual basis of accounting. Employer and plan members' contributions are recognized when due, pursuant to statutory requirements. 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.

##### **B. Concentration of Investments**

The Firemen's Fund and Policemen's Fund 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 and its agencies. There are no investments in loans to or leases with parties related to the pension plans.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

**C. Plan Descriptions and Contribution Information**

Membership of each plan consisted of the following at December 31, 2010:

	<u>Firemen's Fund</u>	<u>Policemen's Fund</u>
Retirees and beneficiaries receiving benefits	95	44

Administrative costs of the Firemen's Fund and Policemen's Fund are financed through the plan revenues. These plans do not have any legally required reserves.

**Firemen's Pension and Relief Fund (Firemen's Fund)**

**Plan Description** – The Firemen's Fund is a single-employer defined benefit pension plan that covers substantially all members of the City's Fire Department employed by the City before January 1, 1980. All firemen employed by the City on or after January 1, 1980 must join the Firefighter's Retirement System of Louisiana Plan.

**Pension Benefits** – Employees with 20 years of service are eligible to receive monthly retirement benefits. These benefits are equal to two-thirds (2/3) of average final compensation, as defined. The beneficiary receives an additional amount equal to 1% of such salary for each year of service after the member has reached the age of 50 years and has served 20 years, provided that the maximum benefit shall not exceed 75% of the salary. Benefits can only be paid out monthly and employee and employer contributions are forfeited upon termination of an employee without the required length of service.

**Death and Disability Benefits** – If an active employee or an employee eligible for or receiving benefits shall die from any cause, a monthly benefit shall be paid to the member's surviving spouse and children. The spouse, while remaining unmarried, shall receive 50% of the eligible benefits to which the deceased member would be entitled. Each surviving minor child under the age of 18 years shall receive 24% of said benefits until the age of 18 or until married, whichever is sooner. If there is no widow, but there are children, each child receives 30% until age 18 years or until married, whichever is sooner. These amounts paid to the family of the deceased will not exceed two-thirds (2/3) of the member's salary.

If an active employee becomes disabled by reason of serving the department, he or she shall receive monthly a sum that, with the benefits from the Workmen's Compensation Act, shall be equal to 75% of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he or she became disabled. The benefits shall continue as long as the disability shall continue or until he or she becomes eligible for retirement on a service basis, whichever is sooner. If an active member with at least 10 years of service becomes disabled by reason of causes not arising or developing directly from employment, with certain exceptions, the member shall receive monthly a sum equal to one-third (1/3) of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time he or she became disabled, plus an additional 2% of such salary for each year of active service rendered over 5 years. The maximum benefit shall not exceed two-thirds (2/3) of the monthly salary of the active member holding the position corresponding to that held by the beneficiary at the time the member became disabled.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

**Deferred Retirement Option Plan** – The Firemen’s Fund provides for a Deferred Retirement Option Plan (DROP). Under the DROP, any member who has at least 20 years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation begin being paid to the retiree. The participant may elect to receive payment in the form of one lump sum or an annuity based upon the account balance.

**Funding Sources** – The plan is funded from the following sources, as established and may be amended by city ordinance:

- Proceeds from the City’s portion of the State of Louisiana 2% Fire Insurance Tax Account
- The sale of condemned property owned and used by the Fire Department
- A matching 5% of employees’ salaries paid by the General Fund
- Reimbursement by the General Fund for the operating deficit, if any
- Income from investments owned by the Firemen’s Fund
- Amounts from the sales tax levy sufficient to liquidate the unfunded liability over a period not to exceed 30 years

**Funding Status** – The table below represents the most recent actuarial determined funding progress of the Plan, a historical schedule of funding progress can be found following the financial statement notes in the required supplementary information to be used to determine trend information about the funding status of the Plan.

	(1)	(2)	(3)	(4)	(5)	(6)
<u>Fiscal year</u>	<u>Actuarial value of assets</u>	<u>Actuarial accrued liability (AAL) - entry age</u>	<u>Unfunded AAL (UAAL) (2-1)</u>	<u>Funded ratio (1/2)</u>	<u>Covered payroll</u>	<u>UAAL as a percentage of covered payroll (3/5)</u>
2010	\$ 46,975,795	81,353,571	34,377,776	57.7%	\$ N/A	N/A

**Annual Pension Cost and Net Pension Obligation** – A pension liability at transition was determined in accordance with GASB Statement No. 27 (GASB 27), *Accounting for Pensions by State and Local Governmental Employers*, and equaled \$0 before and after transition. The City’s annual pension cost and net pension obligations to the Firemen’s Fund for the current year were as follows:

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

Annual required contribution	\$ 6,481,493
Amortization adjustment	440,400
Interest	<u>(127,416)</u>
Annual pension cost	6,794,477
Contributions made	<u>(6,745,620)</u>
Decrease in net pension obligation	48,857
Net pension asset, beginning of year	<u>(2,548,321)</u>
Net pension asset, end of year	\$ <u><u>(2,499,464)</u></u>

The annual required contribution (ARC) for the current year was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. Significant actuarial assumptions included: (a) 5.00% investment rate of return, compounded annually, including inflation of 3.75%; (b) cost of living adjustments of 3.75%; and (c) amortization method of level percentage of payroll over a 10-year closed period. The actuarial value of assets is based upon fair value.

**Three-Year Trend Information**

	<u>Annual pension cost</u>	<u>Percentage of annual pension cost contributed</u>	<u>Net pension asset (obligation)</u>
Fiscal year ended:			
12/31/08	\$ 4,913,028	110	\$ (214,769)
12/31/09	4,457,732	152	2,548,321
12/31/10	6,794,477	99	2,499,464

The Firemen's Fund issues a publicly available financial report that includes required supplementary information. That report may be obtained by writing to Mr. Joe Buffington, Director of Finance, City of Bossier City, P.O. Box 5337, Bossier City, LA 71171-5337.

**Policemen's Pension and Relief Fund (Policemen's Fund)**

**Plan description** – The Policemen's Fund is a single-employer defined benefit pension plan that covers a limited number of members of the City's Police Department not covered under the Municipal Police Employee Retirement System of Louisiana. All policemen employed on or after September 9, 1977 must join the Municipal Police Employee Retirement System of Louisiana Plan.

**Pension Benefits** – Employees with 20 years of service or employees with 18 consecutive years of service and that have reached 65 years of age are eligible for monthly retirement benefits. These benefits shall be two-thirds (2/3) of average final compensation, as defined, but not less than \$100 per month. Benefits can only be paid monthly and employee contributions are forfeited upon termination of an employee without the required length of service.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

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The Policemen's Plan provides for a joint and survivor benefit option. This option gives the recipient the choice of reducing the amount of retirement drawn and increases amounts paid to survivors upon death. This option is actuarially equivalent to the original service retirement benefit. Benefits paid, regardless of option, remain at two-thirds (2/3) of monthly salary, but not less than \$100 per month.

**Deferred Retirement Option Plan** – The Policemen's Plan provides for a DROP. Under the DROP, any member who has at least 20 years of creditable service and who is eligible for a service retirement allowance may elect to defer receipt of these benefits for a period of three years. The monthly retirement benefits that would have been payable had the member elected to cease employment and receive a service retirement allowance will be paid into the DROP account. Upon termination of employment at the end of the specified period of participation, the monthly benefits that were being paid into the DROP account during the period of participation will begin being paid to the retiree. The participant may elect to receive payment in the form of no more than two payments per year in increments of at least \$1,000 or an annuity based upon the account balance.

**Death and Disability Benefits** – All participants are either retired or under the DROP program. Therefore, if a member dies while receiving a pension and leaves a child or children under 18 years of age, a widow, or a dependent mother, these survivors should be paid as follows: dependent mother, \$100 per month; widow, survivor benefits based upon the election of the participant; each child under 18 years of age or who is attending college, \$150 per month, regardless of the number of children.

**Funding Sources** – The Policemen's Fund is funded from the following sources, as established by city ordinance:

- 20% of all amounts collected for City Court fines
- 10% of all funds collected by the City for taxes, licenses, or permits for the sale of alcoholic beverages
- Income from investments owned by the Policemen's Fund
- Reimbursement by the General Fund for the operating deficit of the prior year, if any
- Amounts from the 1982 sales tax levy sufficient to liquidate the unfunded liability over a period not to exceed 30 years.

**Funding Status** – The table below represents the most recent actuarial determined funding progress of the Plan, a historical schedule of funding progress can be found following the financial statement notes in the required supplementary information to be used to determine trend information about the funding status of the Plan.

Fiscal year	(1) Actuarial value of assets	(2) Actuarial accrued liability (AAL) - entry age	(3) Unfunded AAL (UAAL) (2-1)	(4) Funded ratio (1/2)	(5) Covered payroll	(6) UAAL as a percentage of covered payroll (3/5)
2010	\$ 16,290,146	31,962,248	15,672,102	51.0%	\$ N/A	N/A

**CITY OF BOSSIER CITY, LOUISIANA**

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December 31, 2010

**Annual Pension Cost and Net Pension Asset** – A pension liability at transition was determined in accordance with GASB 27 and equaled \$0 before and after transition. The City’s annual pension cost and net pension asset to the Policemen’s Fund for the current year were as follows:

Annual required contribution	\$ 2,759,592
Amortization adjustment	887,784
Interest	<u>(256,852)</u>
Annual pension cost	3,390,524
Contributions made	<u>(2,504,124)</u>
Decrease in net pension asset	886,400
Net pension asset, beginning of year	<u>(5,137,049)</u>
Net pension asset, end of year	<u>\$ (4,250,649)</u>

The ARC for the current year was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. Significant actuarial assumptions included: (a) 5.00% investment rate of return, compounded annually, including inflation of 3.75%; (b) cost of living adjustments of 3.75%; and (c) amortization method of level percentage of payroll over an eight-year closed period. The actuarial value of assets is based upon fair value.

**Three-Year Trend Information**

	<u>Annual pension cost</u>	<u>Percentage of annual pension cost contributed</u>	<u>Net pension asset</u>
Fiscal year ended:			
12/31/08	\$ 2,231,162	145	4,827,869
12/31/09	2,291,952	113	5,137,049
12/31/10	3,390,524	74	4,250,649

The Policemen’s Fund issues a publicly available financial report that includes required supplementary information. That report may be obtained by writing to Mr. Joe Buffington, Director of Finance, City of Bossier City, P. O. Box 5337, Bossier City, LA 71171-5337.

**Multiple-Employer Cost-Sharing Benefit Plans – Public Employee Retirement Systems**

**Municipal Employees’ Retirement System of Louisiana**

**Plan Description** – The City contributes to the Municipal Employees’ Retirement System of Louisiana (MERS), a cost-sharing multiple-employer defined benefit pension plan administered by the board of trustees of the MERS. MERS covers substantially all employees of the City not covered by the fire and police pension plans. Benefits are established and may be amended by state statutes. The MERS 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, Municipal Employees’

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809 or by calling 504-925-4810.

**Funding policy** – Plan members are required to contribute 5.0% of their annual compensation and the City is required to contribute 6.5% of annual compensation. The contribution requirements of plan members and the City are established and may be amended by state statute. The City's contributions to MERS for the years ended December 31, 2010, 2009, and 2008 were \$1,483,234, \$1,610,541, and \$1,428,595, respectively, equal to the required contributions for each year. The plan's net pension obligation was \$0 at December 31, 2010.

The City's pension liability at transition was determined in accordance with GASB 27 and equaled \$0 before and after transition.

#### **Municipal Police Employees' Retirement System of Louisiana**

**Plan Description** – The City contributes to the Municipal Police Employees' Retirement System of Louisiana (MPERS) Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the MPERS. 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, LA 70806 or by calling 1-800-443-4248.

**Funding Policy** – Plan members are required to contribute 7.5% of their annual compensation. The City was required to contribute 15.5% of annual compensation, excluding overtime but including state supplemental pay in 2010. 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, 2010, 2009, and 2008 were \$2,456,123, \$1,852,938, and \$1,827,694, respectively, equal to the required contributions for each year. The plan's net pension obligation was \$0 at December 31, 2010.

The City's pension liability at transition was determined in accordance with GASB 27 and equaled \$0 before and after transition.

#### **Statewide Firefighters' Retirement System**

**Plan Description** – The City contributes to the Statewide Firefighters' Retirement System (SFRS) Pension Plan, a cost-sharing, multiple-employer defined benefit pension plan administered by the SFRS. SFRS covers firefighters employed by any municipality, parish, or fire protection district of the state of Louisiana under the provisions of LSA R.S. 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, LA 70808-4136 or by calling 504-925-4060.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

**Funding Policy** – The contribution requirements of plan members and the City are established and may be amended by the SFRS board of trustees. Plan members are required to contribute 8.0% of their annual compensation. The City was required to contribute 15.5% of annual compensation, excluding overtime, but including state supplemental pay. The City's contributions to SFRS for the years ended December 31, 2010, 2009, and 2008 were \$2,772,266, \$2,492,482, and \$2,244,273, respectively, equal to the required contributions for each year prior to the settlement discussed above. The plan's net pension obligation was \$0 at December 31, 2010.

The City's pension liability at transition was determined in accordance with GASB 27 and equaled \$0 before and after transition.

#### (9) Post-Employment Benefits

**Plan Description** – The City's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

The employees are covered by one of six retirement systems: the Municipal Employees' Retirement System of Louisiana, the Municipal Police Retirement System of Louisiana, Parochial Employees' Retirement system of Louisiana, Firefighters' Retirement System, each of which are cost-sharing multiple-employer plans and two self-funded systems for Fire and Police, which are single-employer plans. The City has assumed retirement eligibility (D.R.O.P. entry) according to the Municipal Employees' Retirement System of Louisiana, as follows: 30 years of service at any age; or, age 60 and 10 years of service. Complete plan provisions are included in the official plan documents.

**Contribution Rates** – Employees do not contribute to their post-employment benefits (PEB) costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents. Premiums for retirees are determined by the plan.

**Fund Policy** – Until 2008, the City recognized the cost of providing post-employment medical benefits (the City of Bossier City's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs. In 2010, the City of Bossier City's portion of healthcare funding cost for retired employees totaled \$524,624.

**Annual Required Contribution** – The City's ARC is an amount actuarially determined in accordance with GASB No. 45. The ARC is the sum of the normal cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning January 1, 2010 is \$1,685,878, as set forth below:

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

	<b>Medical</b>	
Normal cost	\$	555,196
30-year UAL amortization amount		<u>1,130,682</u>
Annual required contribution	\$	<u><u>1,685,878</u></u>

**Net Post-employment Benefit Obligation (Asset)** – The table below shows the City’s net Other Post-employment Benefit (OPEB) obligation for fiscal year ended December 31, 2010:

	<b>Medical</b>	
Net OPEB obligation as of January 1, 2010	\$	4,086,468
Annual required contribution		1,685,878
Interest on net OPEB obligation		163,459
ARC adjustment		<u>(236,321)</u>
OPEB cost		1,613,016
Contribution		—
Current year retiree premium		<u>(524,624)</u>
Net OPEB obligation as of December 31, 2010	\$	<u><u>5,174,860</u></u>

The following table shows the City’s annual PEB cost, percentage of the cost contributed, and the net unfunded PEB liability (asset):

<u>Post- employment benefit</u>	<u>Fiscal year ended</u>	<u>Annual OPEB cost</u>	<u>Percentage of annual cost contributed</u>	<u>Net OPEB obligation (Asset)</u>
Medical	December 31, 2010	\$ 1,613,016	32.52%	\$ 5,174,860
Medical	December 31, 2009	2,661,261	29.99	4,086,468

**Funded Status and Funding Progress** – In the fiscal year ended December 31, 2010, the City made no contributions to its PEB plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of January 1, 2010, the most recent actuarial valuation, the AAL was \$19,552,050, which is defined as that portion, as determined by a particular actuarial cost method (the City uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses that is not provided by normal cost. Since the plan was not funded in fiscal year 2010, the entire AAL of \$19,552,050 was unfunded. The plan does not issue stand-alone financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

	<u>Medical</u>	
Actuarial accrued liability (AAL)	\$	19,552,050
Actuarial value of plan assets		—
Unfunded actuarial accrued liability (UAAL)		<u>19,552,050</u>
Funded ratio (actuarial valuation of assets/AAL)		0%
Covered payroll (active plan members)	\$	33,072,374
UAAL as a percentage of covered payroll		59%

**Actuarial Methods and Assumptions** – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) healthcare cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the City and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the City and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the City and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method** – The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Actuarial Value of Plan Assets** – There are currently no assets as the plan has been on a pay-as-you-go basis. It is anticipated that in future valuations a smoothed market value will be utilized consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB 45.

**Turnover Rate** – An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

<u>Age</u>	<u>Percent turnover</u>
18 – 25	20.0%
26 – 40	12.0
41 – 54	8.0
55+	6.0

**Post-employment Benefit Plan Eligibility Requirements** – Based on past experience, it has been assumed that entitlement to benefits will commence four years after retirement eligibility (D.R.O.P. entry), as described above under “Plan Description.” Medical benefits are provided to employees upon actual retirement. The employees are covered by one of two retirement systems: the Municipal Employees’ Retirement System of Louisiana and the Municipal Police Retirement System of Louisiana. The City has assumed retirement eligibility (D.R.O.P. entry) according to the Municipal Employees’ Retirement System of Louisiana, as follows: 30 years of service at any age; or, age 60 and 10 years of service. Entitlement to benefits continue through Medicare to death.

**Investment Return Assumption (Discount Rate)** – GASB 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long-term return of a balanced and conservative investment portfolio under professional management.

**Health Care Cost Trend Rate** – The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare and Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990 – 2013, released in January 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). “State and Local” rates for 2010 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

**Mortality Rate** – The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table that the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of “unblended” rates, the City has used the 94GAR mortality table described above to “unblend” the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

**Method of Determining Value of Benefits** – The “value of benefits” has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The retiree ostensibly pays 100% of the coverage for medical benefits, but it is based on subsidized premiums. Thus, the employer pays the remainder of the cost of the medical benefits for the retiree through the subsidy. Since GASB 45 mandates that “unblended” rates applicable to the coverage provided to retirees be used,

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

the City has estimated these “unblended” rates for two broad groups: retired before Medicare eligibility, and retired after Medicare eligibility. It has been assumed that the retiree rate before Medicare eligibility is 130% of the blended active rate and that the retiree rate after Medicare eligibility is 80% of the blended active rate.

**(10) Lease Commitments**

The City has commitments under several operating lease agreements for equipment, land, and a water supply reservoir. With the exception of the water supply reservoir, these lease agreements are cancelable by the City at any time. City management does feel, however, that such leases will generally be renewed or replaced each year. The City’s lease agreement for the water supply reservoir calls for fixed annual payments of \$1,000 for the next 12 years.

Total rental expense for 2010 for all City operating leases was \$434,210.

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

**(a) Interfund Receivables and Payables**

Interfund balances at December 31, 2010 were as follows:

<u>Due from</u>	<u>Due to</u>		<u>Total</u>
	<u>Nonmajor governmental funds</u>	<u>Business-type activities enterprise funds</u>	
General Fund	\$ 109,859	245,829	355,688

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

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

**(b) Transfers**

Transfers for the year ended December 31, 2010 were as follows:

Transfers in	Transfers out				Total
	Riverboat Gaming Special Revenue Fund	Riverboat Gaming Capital Projects Fund	Public Health and Safety Permanent Fund	Nonmajor governmental activities	
General Fund	\$ 500,000	—	200,000	3,993,622	4,693,622
Water and Sewerage Enterprise Fund	—	517,102	—	258,550	775,652
CenturyTel Center Arena Special Revenue Fund	—	—	—	310,000	310,000
Riverboat Gaming Capital Project Fund	—	—	—	—	—
Riverboat Gaming Special Revenue Fund	—	—	—	—	—
Public Health and Safety Permanent Fund	—	—	—	—	—
2007 Bond Issue – Cap Project Fund	—	—	—	7,500,000	7,500,000
Nonmajor governmental activities	—	6,403,403	—	783,969	7,187,372
	<u>\$ 500,000</u>	<u>6,920,505</u>	<u>200,000</u>	<u>12,846,141</u>	<u>20,466,646</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) return revenues from an enterprise fund to the capital projects fund from which amounts were originally transferred to support capital projects, in accordance with council authorization.

**(12) 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 and Special Revenue 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 as mandated by the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Basic Financial Statements

December 31, 2010

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. For 2010, the state paid supplemental salaries to the following groups of employees: Fire Department employees, \$791,945; EMS employees, \$339,405; Police Department employees, \$1,147,084; and City Marshal employees (a component unit), \$54,255.

#### (13) Commitments and Contingencies

##### *Construction Projects*

There are certain construction projects in progress at December 31, 2010. The largest project under construction is the Cyber Innovation Center. The Cyber Innovation Center is located adjacent to Bossier Parish Community College, where a tract of land was purchased for \$4.7 million in 2007. The project, which is a part of a joint economic development initiative, is jointly owned by the City (2/3) and the Bossier Parish Police Jury (1/3) with the total cost estimated to be \$107 million. The City's share of the Cyber Innovation Center is approximately \$35 million, \$25 million being funded by the Riverboat Gaming Capital Improvement Fund and the remaining \$10 million to be funded by the 2007 Bond Issue. The state of Louisiana's Department of Economic Development has also appropriated \$50 million from the Mega Fund as part of the Cyber Innovation development project. The state contribution is recorded through the 2007 Bond Issue Fund. As of December 31, 2010, the City had recorded approximately \$58 million in construction in progress, related to this project. In 2010, sections of the facility began being opened with the first tenant being the United States 8<sup>th</sup> Air Force Global Strike Command. The building will be under the control of the Cyber Research Park Foundation, which will be responsible for all operating decisions and maintenance of the facility.

There are also several transportation improvement projects under way, all funded from the 2007 Transportation Improvement Bond Issue, including the widening of Hamilton Road, Swan Lake Road, and Traffic Street and the extension of Arthur Ray Teague both north and south. Other projects under construction are improvements to the North Bossier Recreation Facility and other City's parks, construction on a second alternative fuel station, and new fire station #5.

##### *Pension Funds*

According to existing legislative acts of the State of Louisiana, the City is required to reimburse the Firemen's Fund and the Policemen's Fund for operating deficits that may occur in any fiscal year.

##### *Insurance Funds*

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. The Insurance and Liability Insurance Funds are used to account for self-insured activities involving workmen's compensation coverage, group dental coverage, and the self-insured retention for automobile, general liability, and property claims.

Payments are made from the operating funds to the Insurance Fund and the Liability Insurance Fund, which are accounted for as internal service funds. Payments are accounted for as revenues by the receiving fund and expenditures/expense by the paying funds. The City maintains stop-loss coverage with an insurance company of \$250,000 per occurrence related to noncivil service employees and \$350,000 related

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Basic Financial Statements

December 31, 2010

to civil service employees for workmen's compensation coverage with an aggregate limit of \$1,000,000. Employee life insurance premiums are also paid from the Insurance Fund.

Liability policies are maintained by the City with third-party insurance carriers for its automobile, general liability, and property damage exposures. These policies are subject to a \$1,000,000 per occurrence limit with a \$100,000 per occurrence retention for claims involving third parties. The City maintained property insurance during 2010 on approximately \$245 million in city property, subject to a \$100,000 per occurrence retention for property claims. The maximum cumulative amount of self-insured retentions related to automobile and general liability claims is \$750,000.

There were no reductions in insurance coverage from coverage in the prior year. No claims exceeded the City's insurance coverage for each of the past four fiscal years.

A reconciliation of changes in the aggregate liabilities for claims for the self-insurance funds is as follows:

	<u>Accrued claims, January 1</u>	<u>Claims incurred</u>	<u>Claims paid</u>	<u>Accrued claims, December 31</u>
Insurance Fund:				
2009	\$ 31,186	455,851	487,037	—
2010	—	450,027	450,027	—
Liability Insurance Fund:				
2009	933,676	1,899,482	1,238,943	1,594,215
2010	1,594,215	1,550,232	1,359,992	1,784,455
General liability claims (GWFS):				
2009	1,121,500	840,000	—	1,961,500
2010	1,961,500	744,500	—	2,706,000

***Post-Retirement Benefits***

As an established practice, the City provides for a portion of the healthcare costs and life insurance costs of all retirees that meet the minimum service requirements of the retirement plan (as described in note 9) in which the employee participates. The City participates in a health management organization (HMO). As a result, the cost of providing benefits to the eligible retirees consists of the portion of the monthly premiums paid for coverage applicable to the retirees. These costs are accounted for on a pay-as-you-go basis. At December 31, 2010, 146 retirees are currently eligible to receive or are receiving benefits under the plan.

## **CITY OF BOSSIER CITY, LOUISIANA**

### **Notes to Basic Financial Statements**

December 31, 2010

#### ***Litigation***

The City is the defendant in a number of legal actions, most of which are partially covered by insurance. There are certain suits, including employee discrimination and civil rights violations suits, which are in the early stages of discovery and for which the availability of insurance coverage or estimates of the ultimate liability of the City cannot be determined. Resolution of some of these cases could involve liability to the City in excess of insurance limits if the courts find in favor of the various plaintiffs. The City evaluates the existing litigation and accrues appropriate amounts in accordance with Financial Accounting Standards Board Statement No. 5 as liabilities become probable and can be estimated. It is the policy of the City to pay uninsured judgments against the City on a current basis from the excess of revenues over expenditures.

#### ***Grant Disallowances***

The City participates in federally assisted grant programs, principally 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.

#### ***Revenues from the State of Louisiana***

The General Fund receives various revenues from the State of Louisiana including beer tax, mowing, video poker, and traffic signalization revenues. The continuation of these revenues at these amounts is contingent on a variety of factors at the state level.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION  
(Unaudited)**

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**CITY OF BOSSIER CITY, LOUISIANA**

Required Supplementary Information

Schedules of Funding Progress

Fiscal years ended December 31, 2004 through December 31, 2010  
(unaudited)

Fiscal year	(1) Actuarial value of assets	(2) Actuarial liability (AAL) – entry age	(3) Unfunded AAL (UAAL) (2-1)	(4) Funded ratio (1/2)	(5) Covered payroll	(6) UAAL as a percentage of covered payroll (3/5)
<b>Firemen’s Fund:</b>						
2010	\$ 46,975,795	81,353,571	34,377,776	57.7%	N/A	N/A
2009	41,740,584	83,653,310	41,912,726	49.9%	N/A	N/A
2008	39,435,830	69,127,943	29,692,113	57.0%	N/A	N/A
2007	36,099,790	71,549,456	35,449,666	50.5%	N/A	N/A
2006	32,281,519	66,163,569	33,882,050	48.8%	N/A	N/A
2005	29,831,582	67,148,190	37,316,609	44.4%	N/A	N/A
2004	28,581,426	68,862,434	40,281,008	41.5%	N/A	N/A
<b>Policemen’s Fund:</b>						
2010	16,290,146	31,962,248	15,672,102	51.0%	N/A	N/A
2009	15,670,894	33,506,725	17,835,831	46.8%	N/A	N/A
2008	14,524,751	27,124,542	12,599,791	53.5%	N/A	N/A
2007	12,866,064	26,872,777	14,006,713	47.9%	N/A	N/A
2006	11,118,623	26,900,101	15,781,479	41.3%	N/A	N/A
2005	9,480,354	26,181,258	16,700,904	36.2%	N/A	N/A
2004	8,588,567	25,732,656	17,144,089	33.4%	N/A	N/A
<b>Post-Employment Medical Benefits:</b>						
2010	—	19,552,050	19,552,050	0%	33,072,374	59.0%
2009	—	30,752,231	30,752,231	0%	38,088,002	81.0%
2008	—	29,004,443	29,004,443	0%	35,427,386	82.0%

See accompanying notes to required supplementary information and independent auditors’ report.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Required Supplementary Information

Year ended December 31, 2010  
(unaudited)

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

	<u>Firemen's Fund</u>	<u>Policemen's Fund</u>
Valuation date	1/1/11	1/1/11
Actuarial cost method	Entry age normal cost	Entry age normal cost
Amortization method	Level percentage (closed basis)	Level percentage (closed basis)
Remaining amortization period	10 years (minimum)	10 years (minimum)
Asset valuation method	Fair value	Fair value
Actuarial assumptions:		
Investment rate of return	5.0%	5.0%
Projected salary increases	N/A	N/A
Cost of living adjustments	3.75%	3.75%
Amortization increase rate	2.65%	3.40%

**CITY OF BOSSIER CITY, LOUISIANA**

General Fund

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

Year ended December 31, 2010  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual on a budgetary basis</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Taxes:				
Sales, net	\$ 15,603,608	15,603,608	15,347,512	(256,096)
Ad valorem	11,106,900	11,106,900	11,265,917	159,017
Utility	1,600,000	1,600,000	3,293,748	1,693,748
Telephone	175,000	175,000	130,312	(44,688)
Franchise:				
Cable television	575,000	575,000	650,567	75,567
Chain store	85,000	85,000	88,481	3,481
Taxi	—	—	—	—
	<u>29,145,508</u>	<u>29,145,508</u>	<u>30,776,537</u>	<u>1,631,029</u>
Licenses and permits	3,535,000	3,535,000	3,304,332	(230,668)
Intergovernmental:				
Grants	100,000	100,000	166,684	66,684
State and parish revenues:				
Supplemental pay	2,099,500	2,099,500	1,993,284	(106,216)
Beer tax	110,000	110,000	113,906	3,906
Tobacco tax	—	—	—	—
Special funds from State of Louisiana	161,040	161,040	110,497	(50,543)
	<u>2,470,540</u>	<u>2,470,540</u>	<u>2,384,371</u>	<u>(86,169)</u>
Fines and penalties	2,200,000	2,200,000	1,457,314	(742,686)
Racing commission – Louisiana Downs	950,000	950,000	695,631	(254,369)
Video poker	615,000	615,000	395,068	(219,932)
Investment earnings	190,000	190,000	24,991	(165,009)
Miscellaneous:				
Payment in lieu of taxes – Federal Housing Authority	41,000	41,000	57,857	16,857
Parks and recreation	250,000	250,000	251,651	1,651
Engineering fees	50,000	50,000	106,820	56,820
Enterprise funds and Civic Center Fund pro rata share of general and administrative expenses	500,000	500,000	495,000	(5,000)
Police department revenues	275,000	275,000	254,338	(20,662)
Other income	300,000	300,000	776,790	476,790
Total miscellaneous	<u>1,416,000</u>	<u>1,416,000</u>	<u>1,942,456</u>	<u>526,456</u>
Total revenues	<u>40,522,048</u>	<u>40,522,048</u>	<u>40,980,700</u>	<u>458,652</u>

**CITY OF BOSSIER CITY, LOUISIANA**

General Fund

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

Year ended December 31, 2010  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual on a budgetary basis</u>	<u>Variance with final budget positive (negative)</u>
Expenditures:				
Current:				
General government:				
Administration	\$ 546,820	559,832	559,303	529
Municipal building	1,784,519	1,784,519	1,820,010	(35,491)
Finance	857,649	857,649	773,987	83,662
City garage	1,052,621	1,052,621	1,011,251	41,370
Traffic engineering and safety	1,023,421	1,023,421	1,005,015	18,406
Purchasing	208,625	208,625	204,805	3,820
Engineering	768,852	817,102	783,170	33,932
Personnel	476,064	476,064	466,610	9,454
Permits and inspections	1,211,809	1,211,809	1,148,382	63,427
City attorney	365,646	365,646	352,859	12,787
Public works	269,104	269,104	258,059	11,045
City council	260,061	260,061	252,464	7,597
Community development	201,933	201,933	200,013	1,920
Information services	605,448	605,448	577,467	27,981
Payments to other governmental agencies	1,920,994	1,920,994	1,725,682	195,312
Election	50,000	50,000	49,983	17
	<u>11,603,566</u>	<u>11,664,828</u>	<u>11,189,060</u>	<u>475,768</u>
Public safety:				
Fire	11,431,806	11,431,806	11,288,647	143,159
Police	16,914,939	16,821,639	16,577,804	243,835
	<u>28,346,745</u>	<u>28,253,445</u>	<u>27,866,451</u>	<u>386,994</u>
Highways and streets	638,392	638,392	479,968	158,424
Culture and recreation	2,268,238	2,268,238	2,183,171	85,067
City Court and Marshal:				
City Court	873,674	873,674	801,319	72,355
Marshal's office	1,195,975	1,195,975	1,068,256	127,719
	<u>2,069,649</u>	<u>2,069,649</u>	<u>1,869,575</u>	<u>200,074</u>
Total expenditures	<u>44,926,590</u>	<u>44,894,552</u>	<u>43,588,225</u>	<u>1,306,327</u>
Excess of expenditures over revenues	(4,404,542)	(4,372,504)	(2,607,525)	1,764,979
Other financing sources (uses):				
Transfers in	4,693,482	4,693,482	4,693,623	141
Transfer to component unit	(313,932)	(313,932)	(313,932)	—
	<u>4,379,550</u>	<u>4,379,550</u>	<u>4,379,691</u>	<u>141</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(24,992)	7,046	1,772,166	1,765,120
Fund balance, beginning of year	<u>7,000,281</u>	<u>7,000,281</u>	<u>7,000,281</u>	<u>—</u>
Fund balance, end of year	\$ <u><u>6,975,289</u></u>	<u><u>7,007,327</u></u>	<u><u>8,772,447</u></u>	<u><u>1,765,120</u></u>

See accompanying notes to budgetary comparison schedules and independent auditors' report.

**CITY OF BOSSIER CITY, LOUISIANA**

Special Revenue Fund  
Arena Fund

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

Year ended December 31, 2010  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Direct event income	\$ 364,524	137,383	(227,141)
Ancillary income	1,289,374	928,098	(361,276)
Advertising	775,000	631,019	(143,981)
Luxury box income	493,620	469,579	(24,041)
Other income	<u>229,300</u>	<u>141,886</u>	<u>(87,414)</u>
Total revenues	<u>3,151,818</u>	<u>2,307,965</u>	<u>(843,853)</u>
Expenditures – current – culture and recreation:			
Executive	236,098	201,508	34,590
Finance	200,850	182,603	18,247
Operations	1,386,714	1,241,432	145,282
Marketing	193,794	180,718	13,076
Box office	136,304	113,645	22,659
Facility overhead	<u>992,078</u>	<u>965,519</u>	<u>26,559</u>
Total expenditures	<u>3,145,838</u>	<u>2,885,425</u>	<u>260,413</u>
Excess (deficiency) of revenues over (under) expenditures	5,980	(577,460)	(583,440)
Other financing sources:			
Transfers in	<u>250,000</u>	<u>310,000</u>	<u>60,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	255,980	(267,460)	(523,440)
Fund balance, beginning of year	<u>6,176</u>	<u>6,176</u>	<u>—</u>
Fund balance (deficit), end of year	\$ <u><u>262,156</u></u>	<u><u>(261,284)</u></u>	<u><u>(523,440)</u></u>

See accompanying notes to budgetary comparison schedules and independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

### Notes to Budgetary Comparison Schedules

December 31, 2010  
(unaudited)

#### **Budget and Budgetary Accounting**

The City of Bossier City (the City) utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to October 15, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 15, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department and by principal object of expenditure. The City Charter provides that expenditures may not legally exceed appropriations on a departmental basis after considering fund surpluses or deficits. The City Council may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. For the year ended December 31, 2010, three amendments were made to the General Fund. The first amendment was to increase public affairs salaries. The second amendment was to correct technical errors in police department budget. The third amendment was to provide consulting fee for hazard mitigation plan update.
- (5) Comparison of budgeted and actual amounts, as shown in the accompanying financial statements, includes the General Fund and those special revenue funds, which are included in the annual operating budget (Civic Center, Hotel/Motel Taxes, Fire Improvements and Operations, Jail and Municipal Buildings, Streets and Drainage, and Arena). Annual operating budgets are not prepared for the State and Federal grant, Court Witness Fee, Public Safety Pension Reserve, and Riverboat Gaming Special Revenue Fund, but rather these funds are budgeted on a project basis. The capital budget ordinances, which encompass the capital projects funds, present cumulative as opposed to annual budget amounts, and thus, budget and actual comparisons are not reported in the accompanying financial statements for these funds. Budgetary control for the debt service funds is achieved through general bond indenture provisions.
- (6) All budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles (GAAP), except that payments to the Firemen's and Policemen's Pension and Relief Funds are not budgeted in the General Fund and administrative expenditures allocated to the State and Federal Grant Special Revenue Fund are budgeted in the General Fund. Appropriations, which are not expended lapse at year-end, except appropriations for capital improvements, which do not lapse until the purpose of the appropriation, has been accomplished or abandoned.
- (7) The City is legally required to prepare annual operating budgets for the Department of Water and Sewerage, Sanitation, Emergency Medical Services, and Alternative Fuel operations. The City is not, however, required to present an actual-to-budget comparison for the enterprise funds. Budgets are not prepared for the internal service funds.

**CITY OF BOSSIER CITY, LOUISIANA**

Notes to Budgetary Comparison Schedules

December 31, 2010  
(unaudited)

**Reconciliation of the Budgetary Basis and the GAAP Basis**

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

	<u><b>General Fund</b></u>
Budgetary basis expenses	\$ 43,588,225
Administrative costs of State and Federal Grant	
Special Revenue Fund	(166,638)
Sales taxes dedicated to Firemen's and Policemen's	
Pension and Relief Funds	8,753,694
Payments to component units	<u>313,932</u>
GAAP basis expenses	\$ <u><u>52,489,213</u></u>

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

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

<b>Fund</b>	<u><b>Budget</b></u>	<u><b>Actual on a budgetary basis</b></u>	<u><b>Negative variance</b></u>
General Fund:			
General government:			
Municipal building	\$ 1,784,519	1,820,010	(35,491)

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# NONMAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds

**State and Federal Grant** – This fund accounts for the receipt and disbursement of funds received under the Community Development Block Grant and other grant programs.

**Court Witness Fee** – This fund accounts for the proceeds of a special case charge on criminal matters. The revenues generated are dedicated to the payment of a special witness fee to law officers who are called to testify in City Court.

**Civic Center** – This fund accounts for the revenues received and operating expenses incurred in the operations of the City's Civic Center Complex.

**Hotel/Motel Taxes** – This fund accounts for the revenues received from taxes levied on the occupancy of hotel/motel rooms and related facilities. The revenues can only be used for riverboat/downtown development and the operation and maintenance of the Civic Center and multipurpose arena.

**Fire Improvements and Operations** – This fund accounts for the revenues received and operating expenses incurred in the construction and operation of two new fire stations and a new training facility.

**Jail and Municipal Buildings** – This fund accounts for the revenues received and the operating expenses incurred to operate and maintain the City Jail in accordance with Federally Mandated Standards and to operate and maintain City buildings.

**Streets and Drainage** – This fund accounts for the revenues received and the operating expenses incurred in maintaining and upgrading streets and drainage.

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### **Debt Service Funds**

**Sales Tax Bond Sinking and Reserve Fund** – Used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs of the 1998, 2002, and 2003 bond series.

**Parkway Sales Tax Bond Sinking and Reserve Fund** – Used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs of the 1997 and 2001 bond series.

**Hotel/Motel Bond Sinking and Reserve Fund** – Used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs of the 2001 bond series.

**2007 Capital Projects Bond Issue Sinking and Reserve Fund** – Used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs of the 2007 bond series.

### **Capital Projects Funds**

**Sales Tax Capital Improvement Fund** – This fund is used to account for expenditures associated with capital projects as presented and approved by Council Ordinance, and is funded by the excess one-half cent sales tax after payment of debt service sales tax revenue bond issues and interest earned.

**Parkway Capital Projects Fund** – This fund is used to account for miscellaneous capital expenditures, as budgeted by the City Council, and is funded by the excess one-half cent sales tax after payment of debt service on the Parkway Bond Issue and interest earned.

**Sales Tax Bond Capital Projects Fund** – This fund was established in 2002 to account for the proceeds received from the Public Improvement Sales Tax Bonds, Series 2002 and the expenditures of the bond moneys.

**2006 Sales Tax Bond Fund** – This fund was established in 2006 to account for the proceeds received from the Public Improvement Sales Tax Bonds and the expenditures of the bond moneys.

**Equipment Replacement Fund** – This fund was established to account for purchases and sales of various equipment not associated with bond issue-related expenditures.

**Land Acquisition Fund** – This fund is used to account for special land purchases and sales not associated with bond issue-related expenditures.

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**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Governmental Funds

Combining Balance Sheet – By Fund Type

December 31, 2010

<b>Assets</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Projects Funds</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 5,161,647	4,640,707	3,030,559	12,832,913
Investments	6,406,811	4,437,900	3,762,364	14,607,075
Receivables, net:				
Taxes – other	660,521	641,085	886,203	2,187,809
Accrued interest	29,234	20,250	17,168	66,652
Due from other governmental units	171,362	—	7,997	179,359
<b>Total assets</b>	<b>\$ 12,429,575</b>	<b>9,739,942</b>	<b>7,704,291</b>	<b>29,873,808</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 422,776	—	56,598	479,374
Accrued liabilities	3,549	—	—	3,549
Due to other funds	109,859	—	—	109,859
Deferred revenue	49,319	—	—	49,319
<b>Total liabilities</b>	<b>585,503</b>	<b>—</b>	<b>56,598</b>	<b>642,101</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Fund balances:</b>				
<b>Reserved:</b>				
Debt service	—	9,739,942	—	9,739,942
Encumbrances	1,034,921	—	724,398	1,759,319
<b>Unreserved:</b>				
Designated for subsequent year's expenditure	—	—	6,923,295	6,923,295
Undesignated	10,809,151	—	—	10,809,151
<b>Total fund balances</b>	<b>11,844,072</b>	<b>9,739,942</b>	<b>7,647,693</b>	<b>29,231,707</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total liabilities and     fund balances</b>	<b>\$ 12,429,575</b>	<b>9,739,942</b>	<b>7,704,291</b>	<b>29,873,808</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances – By Fund Type  
 Year ended December 31, 2010

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<b>Revenues:</b>				
Taxes	\$ 6,245,530	7,626,376	5,966,668	19,838,574
Intergovernmental	3,369,542	—	634,921	4,004,463
Fees and rentals	355,843	—	—	355,843
Fines and penalties	67,196	—	—	67,196
Investment earnings	224,352	161,080	67,674	453,106
Miscellaneous	42	—	228,416	228,458
Total revenues	<u>10,262,505</u>	<u>7,787,456</u>	<u>6,897,679</u>	<u>24,947,640</u>
<b>Expenditures:</b>				
Current:				
General government	895,328	—	—	895,328
Culture and recreation	722,505	—	—	722,505
City Court and City Marshal	63,200	—	—	63,200
Capital outlay	2,021,865	—	5,307,386	7,329,251
Debt service:				
Principal retirement	—	7,511,083	—	7,511,083
Interest and fiscal charges	—	7,154,032	—	7,154,032
Advance refunding escrow	—	1,565,301	—	1,565,301
Bond issue cost	—	577,650	—	577,650
Total expenditures	<u>3,702,898</u>	<u>16,808,066</u>	<u>5,307,386</u>	<u>25,818,350</u>
Excess (deficiency) of revenues over (under) expenditures	6,559,607	(9,020,610)	1,590,293	(870,710)
<b>Other financing sources (uses):</b>				
Refunding bond issued	—	21,180,000	—	21,180,000
Premium on refunding bonds	—	1,568,771	—	1,568,771
Payment to refunded bond escrow agent	—	(22,171,120)	—	(22,171,120)
Transfers in	539,502	6,647,870	—	7,187,372
Transfers out	(12,846,000)	—	(141)	(12,846,141)
Total other financing sources (uses)	<u>(12,306,498)</u>	<u>7,225,521</u>	<u>(141)</u>	<u>(5,081,118)</u>
Net change in fund balances	(5,746,891)	(1,795,089)	1,590,152	(5,951,828)
Fund balances, beginning of year	<u>17,590,963</u>	<u>11,535,031</u>	<u>6,057,541</u>	<u>35,183,535</u>
Fund balances, end of year	<u>\$ 11,844,072</u>	<u>9,739,942</u>	<u>7,647,693</u>	<u>29,231,707</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2010

Assets	State and federal grant	Court witness fee	Civic center	Hotel/motel taxes	Fire improvements and operations	Jail and municipal buildings	Streets and drainage	Total
Cash and cash equivalents	\$ —	1,544	447,206	540,028	86,615	2,731,588	1,354,666	5,161,647
Investments	—	1,918	553,953	670,430	107,531	3,391,196	1,681,783	6,406,811
Tax receivables – other	—	—	—	—	260,487	186,062	213,972	660,521
Interest receivables	—	9	2,527	3,059	491	15,474	7,674	29,234
Due from other government agencies	149,995	3,867	—	17,500	—	—	—	171,362
Total assets	\$ 149,995	7,338	1,003,686	1,231,017	455,124	6,324,320	3,258,095	12,429,575
<b>Liabilities and Fund Balances</b>								
Liabilities:								
Accounts payable	\$ 7,545	—	26,266	80,690	—	—	308,275	422,776
Accrued liabilities	—	—	3,549	—	—	—	—	3,549
Due to other funds	109,859	—	—	—	—	—	—	109,859
Deferred revenue	—	—	49,319	—	—	—	—	49,319
Total liabilities	117,404	—	79,134	80,690	—	—	308,275	585,503
Fund balances:								
Reserved for encumbrances	17,064	—	10,083	170,672	—	20,000	817,102	1,034,921
Unreserved – undesignated	15,527	7,338	914,469	979,655	455,124	6,304,320	2,132,718	10,809,151
Total fund balances	32,591	7,338	924,552	1,150,327	455,124	6,324,320	2,949,820	11,844,072
Total liabilities and fund balances	\$ 149,995	7,338	1,003,686	1,231,017	455,124	6,324,320	3,258,095	12,429,575

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Special Revenue Funds

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

Year ended December 31, 2010

	State and federal grant	Court witness fee	Civic center	Hotel/motel taxes	Fire improvements and operations	Jail and municipal buildings	Streets and drainage	Total
Revenues:								
Sales tax, net	\$ —	—	—	—	2,463,024	1,759,304	2,023,202	6,245,530
Fees and rentals	—	—	355,843	—	—	—	—	355,843
Intergovernmental:								
U.S. government grants and entitlements	912,970	—	—	—	—	—	—	912,970
State and parish-shared revenues	—	—	—	2,456,572	—	—	—	2,456,572
Total intergovernmental	912,970	—	—	2,456,572	—	—	—	3,369,542
Fines and penalties	—	67,196	—	—	—	—	—	67,196
Investment earnings	—	—	7,454	93,751	4,181	74,308	44,658	224,352
Miscellaneous	—	—	42	—	—	—	—	42
Total revenues	912,970	67,196	363,339	2,550,323	2,467,205	1,833,612	2,067,860	10,262,505
Expenditures:								
Current:								
General government	895,328	—	—	—	—	—	—	895,328
Culture and recreation	—	—	722,505	—	—	—	—	722,505
City Court and Marshal	—	63,200	—	—	—	—	—	63,200
Capital outlay	—	—	81,901	312,063	—	—	1,627,901	2,021,865
Total expenditures	895,328	63,200	804,406	312,063	—	—	1,627,901	3,702,898
Excess (deficiency) of revenues over (under) expenditures	17,642	3,996	(441,067)	2,238,260	2,467,205	1,833,612	439,959	6,559,607
Other financing sources (uses):								
Transfers in	—	—	500,000	39,502	—	—	—	539,502
Transfers out	—	—	—	(8,852,518)	(2,518,482)	(875,000)	(600,000)	(12,846,000)
Net change in fund balances	17,642	3,996	58,933	(8,813,016)	(2,518,482)	(875,000)	(600,000)	(12,306,498)
Fund balances, beginning of year	14,949	3,342	865,619	7,725,083	(51,277)	958,612	3,109,861	17,590,963
Fund balances, end of year	\$ 32,591	7,338	924,552	1,150,327	455,124	6,324,320	2,949,820	11,844,072

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2010

Assets	Sales Tax Bond Sinking and Reserve Fund	Parkway Sales Tax Bond Sinking and Reserve Fund	Hotel/Motel Bond Sinking and Reserve Fund	2007		Total
				Capital Projects Bond Issue Sinking and Reserve Fund		
Cash and cash equivalents	\$ 2,527,046	1,047,657	—	1,066,004	4,640,707	
Investments	3,137,261	1,300,639	—	—	4,437,900	
Accounts receivable – taxes	486,713	154,372	—	—	641,085	
Accrued interest	14,315	5,935	—	—	20,250	
Total assets	\$ 6,165,335	2,508,603	—	1,066,004	9,739,942	
<b>Fund Balances</b>						
Fund balances – reserved for debt service	\$ 6,165,335	2,508,603	—	1,066,004	9,739,942	

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year ended December 31, 2010

	Sales Tax Bond Sinking and Reserve Fund	Parkway Sales Tax Bond Sinking and Reserve Fund	Hotel/Motel Bond Sinking and Reserve Fund	2007 Capital Projects Bond Issue Sinking and Reserve Fund	Total
Revenues:					
Sales taxes, net	\$ 5,788,834	1,837,542	—	—	7,626,376
Investment earnings	111,432	38,681	10,967	—	161,080
Total revenues	5,900,266	1,876,223	10,967	—	7,787,456
Expenditures – debt service:					
Principal retirement	2,991,083	1,635,000	1,115,000	1,770,000	7,511,083
Interest and fiscal charges	2,277,839	201,684	40,384	4,634,125	7,154,032
Advance refunding escrow	1,565,301	—	—	—	1,565,301
Bond issue cost	577,650	—	—	—	577,650
Total expenditures	7,411,873	1,836,684	1,155,384	6,404,125	16,808,066
Excess (deficiency) of revenues over (under) expenditures	(1,511,607)	39,539	(1,144,417)	(6,404,125)	(9,020,610)
Other financing sources:					
Refunding bond issued	21,180,000	—	—	—	21,180,000
Premium on refunding bonds	1,568,771	—	—	—	1,568,771
Payment to refunded bond escrow agent	(22,171,120)	—	—	—	(22,171,120)
Transfers in	—	—	244,467	6,403,403	6,647,870
Transfers out	—	—	—	—	—
Total other financing sources	577,651	—	244,467	6,403,403	7,225,521
Net change in fund balances	(933,956)	39,539	(899,950)	(722)	(1,795,089)
Fund balances, beginning of year	7,099,291	2,469,064	899,950	1,066,726	11,535,031
Fund balances, end of year	\$ 6,165,335	2,508,603	—	1,066,004	9,739,942

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Capital Projects Funds

Combining Balance Sheet

December 31, 2010

Assets	Sales Tax Capital Improvement Fund	Parkway Capital Projects Fund	Sales Tax Bond Capital Projects Fund	2006 Sales Tax Bond Fund	Equipment Replacement Fund	Land Acquisition Fund	Total
Cash and cash equivalents	\$ 1,700,902	948,649	—	83,492	204,733	92,783	3,030,559
Investments	2,111,627	1,177,723	—	103,653	254,171	115,190	3,762,364
Taxes receivable – other	443,598	442,605	—	—	—	—	886,203
Due from other government agencies	7,997	—	—	—	—	—	7,997
Accrued interest	9,635	5,374	—	473	1,160	526	17,168
Total assets	<u>\$ 4,273,759</u>	<u>2,574,351</u>	<u>—</u>	<u>187,618</u>	<u>460,064</u>	<u>208,499</u>	<u>7,704,291</u>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts payable	\$ 24,907	31,691	—	—	—	—	56,598
Total liabilities	<u>24,907</u>	<u>31,691</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>56,598</u>
Fund balances:							
Reserved for encumbrances	325,555	398,843	—	—	—	—	724,398
Unreserved – designated for subsequent years' expenditures	3,923,297	2,143,817	—	187,618	460,064	208,499	6,923,295
Total fund balances	<u>4,248,852</u>	<u>2,542,660</u>	<u>—</u>	<u>187,618</u>	<u>460,064</u>	<u>208,499</u>	<u>7,647,693</u>
Total liabilities and fund balances	<u>\$ 4,273,759</u>	<u>2,574,351</u>	<u>—</u>	<u>187,618</u>	<u>460,064</u>	<u>208,499</u>	<u>7,704,291</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year ended December 31, 2010

	Sales Tax Capital Improvement Fund	Parkway Capital Projects Fund	Sales Tax Bond Capital Projects Fund	2006 Sales Tax Bond Fund	Equipment Replacement Fund	Land Acquisition Fund	Total
Revenues:							
Sales taxes, net	\$ 3,007,687	2,958,981	—	—	—	—	5,966,668
Intergovernmental	634,921	—	—	—	—	—	634,921
Investment earnings	35,009	23,414	—	2,205	4,989	2,057	67,674
Other income	—	—	—	—	176,726	51,690	228,416
Total revenues	3,677,617	2,982,395	—	2,205	181,715	53,747	6,897,679
Expenditures:							
Capital outlay – project expenditures and engineering fees	2,745,892	2,557,660	—	—	—	3,834	5,307,386
Total expenditures	2,745,892	2,557,660	—	—	—	3,834	5,307,386
Excess (deficiency) of revenues over (under) expenditures	931,725	424,735	—	2,205	181,715	49,913	1,590,293
Other financing sources (uses):							
Transfers in	—	—	—	—	—	—	—
Transfers out	—	—	(141)	—	—	—	(141)
Total other financing sources (uses)	—	—	(141)	—	—	—	(141)
Net change in fund balances	931,725	424,735	(141)	2,205	181,715	49,913	1,590,152
Fund balances, beginning of year	3,317,127	2,117,925	141	185,413	278,349	158,586	6,057,541
Fund balances, end of year	\$ 4,248,852	2,542,660	—	187,618	460,064	208,499	7,647,693

See accompanying notes to basic financial statements.

**NONMAJOR  
ENTERPRISE  
FUNDS**

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**EMS Fund** – Operated as a self-sustaining service of the City and is responsible for providing the residents of the City with emergency medical services. This fund was created in 2006, and previously, these activities were reported in the General Fund of the City.

**Public Service and Sanitation Fund** – Operated as a self-sustaining service of the City and is responsible for providing the residents of the City sanitation services.

**Alternative Fuel Station** – Operated as a self-sustaining service of the City and is providing the residents with access to CNG and E85 Fuel.

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**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Enterprise Funds  
 Combining Statement of Net Assets  
 December 31, 2010

Assets	EMS Fund	Public Service and Sanitation Fund	Alternative Fuel Station Fund	Total
Cash and cash equivalents	\$ 282,123	717,728	11,359	1,011,210
Investments	350,248	891,040	14,101	1,255,389
Receivables	1,181,922	496,657	18,891	1,697,470
Total assets	<u>\$ 1,814,293</u>	<u>2,105,425</u>	<u>44,351</u>	<u>3,964,069</u>
<b>Liabilities</b>				
Current liabilities (payable from current assets):				
Accounts payable	\$ 24,183	256,749	23,518	304,450
Accrued liabilities	3,365	43,224	—	46,589
Compensated absences	216,937	48,040	—	264,977
Total current liabilities	<u>244,485</u>	<u>348,013</u>	<u>23,518</u>	<u>616,016</u>
Noncurrent liabilities:				
Compensated absences	66,116	4,138	—	70,254
Total noncurrent liabilities	<u>66,116</u>	<u>4,138</u>	<u>—</u>	<u>70,254</u>
Total liabilities	<u>310,601</u>	<u>352,151</u>	<u>23,518</u>	<u>686,270</u>
<b>Net Assets</b>				
Net assets – unrestricted	<u>1,503,692</u>	<u>1,753,274</u>	<u>20,833</u>	<u>3,277,799</u>
Total liabilities and net assets	<u>\$ 1,814,293</u>	<u>2,105,425</u>	<u>44,351</u>	<u>3,964,069</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Enterprise Funds

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

Year ended December 31, 2010

	<b>EMS Fund</b>	<b>Public Service and Sanitation Fund</b>	<b>Alternative Fuel Station Fund</b>	<b>Total</b>
Operating revenues:				
Charges for services (net of allowance of \$382,666 and \$15,973, respectively)	\$ 4,886,758	4,212,731	189,174	9,288,663
Miscellaneous revenue	339,405	93,356	—	432,761
Total operating revenues	<u>5,226,163</u>	<u>4,306,087</u>	<u>189,174</u>	<u>9,721,424</u>
Operating expenses:				
Personal services	4,833,019	1,131,273	—	5,964,292
Supplies	199,267	168,918	155,403	523,588
Administrative	50,000	30,000	—	80,000
Utilities	95,851	35,312	3,903	135,066
Repairs and maintenance	48,558	184,178	9,106	241,842
Travel and training	16,575	4,972	—	21,547
Professional services	2,520	—	—	2,520
Insurance	156,000	64,000	—	220,000
Contractual expenses	65,016	2,158,812	—	2,223,828
Miscellaneous	30,883	50,508	—	81,391
Total operating expenses	<u>5,497,689</u>	<u>3,827,973</u>	<u>168,412</u>	<u>9,494,074</u>
Operating income (loss)	<u>(271,526)</u>	<u>478,114</u>	<u>20,762</u>	<u>227,350</u>
Nonoperating revenues – Investment earnings	9,687	17,527	71	27,285
Change in net assets	<u>(261,839)</u>	<u>495,641</u>	<u>20,833</u>	<u>254,635</u>
Net assets, beginning of year	1,765,531	1,257,633	—	3,023,164
Net assets, end of year	<u><u>1,503,692</u></u>	<u><u>1,753,274</u></u>	<u><u>20,833</u></u>	<u><u>3,277,799</u></u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Nonmajor Enterprise Funds

Combining Statement of Cash Flows

Year ended December 31, 2010

	<u>EMS Fund</u>	<u>Public Service and Sanitation Fund</u>	<u>Alternative Fuel Station Fund</u>	<u>Total</u>
Cash flows from operating activities:				
Receipts from operations	\$ 4,819,733	4,205,164	170,283	9,195,180
Payments to suppliers	(638,067)	(2,533,955)	(144,894)	(3,316,916)
Payments to employees	(4,810,728)	(1,134,779)	—	(5,945,507)
Other receipts	300,390	72,074	—	372,464
Net cash provided by (used in) operating activities	<u>(328,672)</u>	<u>608,504</u>	<u>25,389</u>	<u>305,221</u>
Cash flows from noncapital financing activity:				
Transfers in	—	—	—	—
Net cash provided by noncapital financing activity	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Cash flows from investing activities:				
Sale (purchase) of investments	203,545	(321,141)	(14,169)	(131,765)
Interest received	20,866	30,977	139	51,982
Net cash provided by (used in) investing activities	<u>224,411</u>	<u>(290,164)</u>	<u>(14,030)</u>	<u>(79,783)</u>
Net increase (decrease) in cash	(104,261)	318,340	11,359	225,438
Cash and cash equivalents, beginning of year	<u>386,384</u>	<u>399,388</u>	<u>—</u>	<u>785,772</u>
Cash and cash equivalents, end of year	<u>\$ 282,123</u>	<u>717,728</u>	<u>11,359</u>	<u>1,011,210</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (271,526)	478,114	20,762	227,350
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Provision for bad debts	382,666	5,973	—	388,639
Increase (decrease) in assets:				
Accounts receivables	(488,705)	(34,822)	(18,891)	(542,418)
Increase (decrease) in liabilities:				
Accounts payable	4,282	166,090	23,518	193,890
Accrued liabilities	(983)	(1,433)	—	(2,416)
Compensated absences	45,594	(5,418)	—	40,176
Net cash provided by (used in) operating activities	<u>\$ (328,672)</u>	<u>608,504</u>	<u>25,389</u>	<u>305,221</u>
Noncash item:				
Change in fair value of investments	\$ 139	2,675	68	2,882

See accompanying notes to basic financial statements.

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## FIDUCIARY FUNDS

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**Pension Trust Funds** – The pension trust funds are used to account for assets held by the City in a trustee capacity. The pension trust funds reported in this section are the Firemen’s Pension and Relief Fund and the Policemen’s Pension and Relief Fund.

**Agency Funds** – The Consolidated Sales Tax Fund accounts for the collection of a two-cent city sales and use tax and the distribution of this tax to the various funds, which account for operations and projects for which the tax was levied. This fund also accounts for the collection and distribution of sales taxes levied by the Bossier Parish School Board and various municipalities within the parish. The Riverboat Gaming Agency Fund accounts for the receipt and disbursement of funds from the riverboats that the City receives and disburses to other local government agencies in accordance with the contractual provisions.

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**CITY OF BOSSIER CITY, LOUISIANA**

Pension Trust Funds

Combining Statement of Plan Net Assets

December 31, 2010

<b>Assets</b>	<b>Firemen's Pension and Relief Fund</b>	<b>Policemen's Pension and Relief Fund</b>	<b>Total</b>
Cash	\$ 1,444,562	11,614,378	13,058,940
Investments, at fair value:			
U.S. Treasury bonds and U.S. government and agency obligations	45,071,107	4,605,019	49,676,126
Certificates of deposit	396,947	99,677	496,624
	<u>45,468,054</u>	<u>4,704,696</u>	<u>50,172,750</u>
Accrued interest receivables	243,843	31,293	275,136
Total assets	<u>\$ 47,156,459</u>	<u>16,350,367</u>	<u>63,506,826</u>
 <b>Liabilities and Fund Balances</b>			
Liabilities – due to other funds	\$ 180,664	60,221	240,885
Fund balances reserved for employees' retirement system	46,975,795	16,290,146	63,265,941
Total liabilities and fund balances	<u>\$ 47,156,459</u>	<u>16,350,367</u>	<u>63,506,826</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Pension Trust Funds

Combining Statement of Changes in Plan Net Assets

Year ended December 31, 2010

<b>Additions</b>	<b>Firemen's Pension and Relief Fund</b>	<b>Policemen's Pension and Relief Fund</b>	<b>Total</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Contributions from the City:			
Sales taxes, net	\$ 6,565,262	2,188,424	8,753,686
Fire insurance premiums	201,810	—	201,810
City court fines	—	308,779	308,779
City liquor licenses	—	6,921	6,921
Total contributions	<u>6,767,072</u>	<u>2,504,124</u>	<u>9,271,196</u>
Investment earnings	<u>3,092,506</u>	<u>11,963</u>	<u>3,104,469</u>
Total additions	<u>9,859,578</u>	<u>2,516,087</u>	<u>12,375,665</u>
<b>Deductions</b>			
Pensions and benefits	4,588,183	1,867,218	6,455,401
Administrative expenses	<u>36,184</u>	<u>29,617</u>	<u>65,801</u>
Total deductions	<u>4,624,367</u>	<u>1,896,835</u>	<u>6,521,202</u>
Change in net assets	5,235,211	619,252	5,854,463
Net assets, beginning of year	<u>41,740,584</u>	<u>15,670,894</u>	<u>57,411,478</u>
Net assets, ending of year	<u>\$ 46,975,795</u>	<u>16,290,146</u>	<u>63,265,941</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year ended December 31, 2010

	<u>Balance, January 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, December 31, 2010</u>
<b>Consolidated Sales Tax Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 224,352	128,092,944	128,167,203	150,093
Investments	321,492	187,106	322,386	186,212
Other receivable	241,906	471,945	241,906	471,945
Accrued interest receivable	24,153	850	24,153	850
Total assets	<u>\$ 811,903</u>	<u>128,752,845</u>	<u>128,755,648</u>	<u>809,100</u>
<b>Liabilities</b>				
Accounts payable	\$ 79,700	44,604,445	44,636,376	47,769
Accrued liabilities	3,345	5,017	3,345	5,017
Taxes paid under protest	585,789	118,277	101,507	602,559
Refundable deposits	94,470	18,201	8,801	103,870
Due to other governmental units	48,599	1,286	—	49,885
Total liabilities	<u>\$ 811,903</u>	<u>44,747,226</u>	<u>44,750,029</u>	<u>809,100</u>
<b>Riverboat Gaming</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ —	4,590,308	4,590,308	—
<b>Liabilities</b>				
Due to other governmental units	\$ —	—	—	—
<b>Total all Agency Funds</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 224,352	132,683,252	132,757,511	150,093
Investments	321,492	187,106	322,386	186,212
Other receivable	241,906	471,945	241,906	471,945
Accrued interest receivable	24,153	850	24,153	850
Total assets	<u>\$ 811,903</u>	<u>133,343,153</u>	<u>133,345,956</u>	<u>809,100</u>
<b>Liabilities</b>				
Accounts payable	\$ 79,700	44,604,445	44,636,376	47,769
Accrued liabilities	3,345	5,017	3,345	5,017
Taxes paid under protest	585,789	118,277	101,507	602,559
Refundable deposits	94,470	18,201	8,801	103,870
Due to other governmental units	48,599	1,286	—	49,885
Total liabilities	<u>\$ 811,903</u>	<u>44,747,226</u>	<u>44,750,029</u>	<u>809,100</u>

See accompanying notes to basic financial statements.

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## INTERNAL SERVICE FUNDS

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The internal service funds are used to account for the costs of providing insurance coverage for the City. The City has two internal service funds.

**Insurance Fund** – This fund is used to account for contributions from city departments and withholdings from employee’s payroll used to pay the costs of providing group dental coverage for city employees.

**Liability Insurance Fund** – This fund is used to account for contributions from city departments for the payment of workmen’s compensation and liability insurance claims.

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**CITY OF BOSSIER CITY, LOUISIANA**

Internal Service Funds

Combining Statement of Net Assets

December 31, 2010

<b>Assets</b>	<b>Insurance Fund</b>	<b>Liability Insurance Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 37,908	1,007,835	1,045,743
Investments	47,062	1,251,201	1,298,263
Prepaid items	—	341,466	341,466
Accrued interest receivable	215	5,709	5,924
Receivable – expense reimbursement	3,251	103,329	106,580
Total assets	<u>\$ 88,436</u>	<u>2,709,540</u>	<u>2,797,976</u>
 <b>Liabilities and Net Assets</b>			
Accounts payable	\$ —	123,176	123,176
Accrued claims	—	1,784,455	1,784,455
Total liabilities	—	1,907,631	1,907,631
Net assets – unrestricted	<u>88,436</u>	<u>801,909</u>	<u>890,345</u>
Total liabilities and net assets	<u>\$ 88,436</u>	<u>2,709,540</u>	<u>2,797,976</u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Internal Service Funds

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

Year ended December 31, 2010

	<u>Insurance Fund</u>	<u>Liability Insurance Fund</u>	<u>Total</u>
Revenues:			
Employers' contributions/premiums	\$ 238,547	2,188,761	2,427,308
Employees' contributions	265,535	—	265,535
Refunds and reimbursements	—	93,000	93,000
Total revenues	<u>504,082</u>	<u>2,281,761</u>	<u>2,785,843</u>
Expenses:			
Claims	450,027	805,140	1,255,167
Employee insurance premiums	122,289	745,093	867,382
Other	—	631,729	631,729
Total expenses	<u>572,316</u>	<u>2,181,962</u>	<u>2,754,278</u>
Operating income (loss)	(68,234)	99,799	31,565
Nonoperating revenues – investment earnings	<u>794</u>	<u>25,836</u>	<u>26,630</u>
Change in net assets	(67,440)	125,635	58,195
Net assets, beginning of year	<u>155,876</u>	<u>676,274</u>	<u>832,150</u>
Net assets, end of year	\$ <u><u>88,436</u></u>	<u><u>801,909</u></u>	<u><u>890,345</u></u>

See accompanying notes to basic financial statements.

**CITY OF BOSSIER CITY, LOUISIANA**

Internal Service Funds

Combining Statement of Cash Flows

Year ended December 31, 2010

	<u>Insurance Fund</u>	<u>Liability Insurance Fund</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from operations	\$ 500,830	2,281,761	2,782,591
Payments to suppliers	(122,289)	(617,543)	(739,832)
Claims paid	(450,027)	(1,246,629)	(1,696,656)
Other receipts (payments)	<u>40,507</u>	<u>(9,933)</u>	<u>30,574</u>
Net cash provided by (used in) operating activities	<u>(30,979)</u>	<u>407,656</u>	<u>376,677</u>
Cash flows from investing activities:			
Sale (purchase) of investments	11,134	(189,441)	(178,307)
Interest received	<u>2,341</u>	<u>46,894</u>	<u>49,235</u>
Net cash provided by (used in) investing activities	<u>13,475</u>	<u>(142,547)</u>	<u>(129,072)</u>
Net increase (decrease) in cash	(17,504)	265,109	247,605
Cash and cash equivalents, beginning of year	<u>55,412</u>	<u>742,726</u>	<u>798,138</u>
Cash and cash equivalents, end of year	\$ <u><u>37,908</u></u>	\$ <u><u>1,007,835</u></u>	\$ <u><u>1,045,743</u></u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (68,234)	99,799	31,565
Decrease (increase) in assets:			
Receivables	(3,251)	(9,933)	(13,184)
Prepaid items	40,506	26,976	67,482
Increase (decrease) in liabilities:			
Accounts payable	—	100,574	100,574
Accrued claims	—	190,240	190,240
Net cash provided by (used in) operating activities	\$ <u><u>(30,979)</u></u>	\$ <u><u>407,656</u></u>	\$ <u><u>376,677</u></u>
Noncash item:			
Change in fair value of investments	\$ 63	3,033	3,096

See accompanying notes to basic financial statements.

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**INDIVIDUAL FUND  
SCHEDULES**

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## CITY OF BOSSIER CITY, LOUISIANA

Special Revenue Fund  
Civic Center FundSchedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and ActualDecember 31, 2010  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Rental fees	\$ 372,200	372,200	355,885	(16,315)
Investment earnings	10,000	10,000	7,454	(2,546)
Total revenues	<u>382,200</u>	<u>382,200</u>	<u>363,339</u>	<u>(18,861)</u>
Expenditures:				
Culture and recreation:				
Salaries, fringe benefits, and payroll taxes	399,343	399,343	384,658	14,685
Insurance	21,850	21,850	21,850	—
Professional services	2,000	2,000	2,000	—
Contract services	1,100	1,100	1,041	59
Utilities	227,700	227,700	210,294	17,406
Office and operating supplies	45,450	45,450	38,443	7,007
Administrative expenses	29,400	29,400	29,400	—
Travel and training	2,000	2,000	594	1,406
Maintenance	20,000	20,000	20,691	(691)
Other	13,450	13,450	13,534	(84)
Capital outlay	130,000	130,000	81,901	48,099
Total expenditures	<u>892,293</u>	<u>892,293</u>	<u>804,406</u>	<u>87,887</u>
Deficiency of revenues under expenditures	<u>(510,093)</u>	<u>(510,093)</u>	<u>(441,067)</u>	<u>69,026</u>
Other financing sources:				
Transfer in	500,000	500,000	500,000	—
Net change in fund balance	(10,093)	(10,093)	58,933	69,026
Fund balance, beginning of year	865,619	865,619	865,619	—
Fund balance, end of year	<u>\$ 855,526</u>	<u>855,526</u>	<u>924,552</u>	<u>69,026</u>

See accompanying independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

Special Revenue Fund  
Hotel/Motel TaxesSchedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and ActualDecember 31, 2010  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Intergovernmental – state and parish-shared revenues	\$ 2,350,000	2,350,000	2,456,572	106,572
Investment earnings	160,000	160,000	93,751	(66,249)
Total revenues	<u>2,510,000</u>	<u>2,510,000</u>	<u>2,550,323</u>	<u>40,323</u>
Expenditures:				
Capital outlay	350,000	350,000	312,063	37,937
Total expenditures	<u>350,000</u>	<u>350,000</u>	<u>312,063</u>	<u>37,937</u>
Excess of revenues over expenditures	2,160,000	2,160,000	2,238,260	78,260
Other financing sources (uses):				
Transfer in	—	—	39,502	39,502
Transfer out	(1,589,055)	(1,589,055)	(8,852,518)	(7,263,463)
Total other financing uses	<u>(1,589,055)</u>	<u>(1,589,055)</u>	<u>(8,813,016)</u>	<u>(7,223,961)</u>
Net change in fund balance	570,945	570,945	(6,574,756)	(7,145,701)
Fund balance, beginning of year	<u>7,725,083</u>	<u>7,725,083</u>	<u>7,725,083</u>	—
Fund balance, end of year	<u>\$ 8,296,028</u>	<u>8,296,028</u>	<u>1,150,327</u>	<u>(7,145,701)</u>

See accompanying independent auditors' report.

**CITY OF BOSSIER CITY, LOUISIANA**  
Special Revenue Fund  
Fire Improvements and Operations Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual  
December 31, 2010  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Sales tax, net	\$ 2,518,482	2,463,024	(55,458)
Investment earnings	<u>5,000</u>	<u>4,181</u>	<u>(819)</u>
Total revenues	<u>2,523,482</u>	<u>2,467,205</u>	<u>(56,277)</u>
Expenditures:			
Capital outlay	<u>—</u>	<u>—</u>	<u>—</u>
Excess of revenues over expenditures	<u>2,523,482</u>	<u>2,467,205</u>	<u>(56,277)</u>
Other financing uses:			
Transfer out	<u>(2,518,482)</u>	<u>(2,518,482)</u>	<u>—</u>
Net change in fund balance	5,000	(51,277)	(56,277)
Fund balance, beginning of year	<u>506,401</u>	<u>506,401</u>	<u>—</u>
Fund balance, end of year	<u>\$ 511,401</u>	<u>455,124</u>	<u>56,277</u>

See accompanying independent auditors' report.

**CITY OF BOSSIER CITY, LOUISIANA**  
Special Revenue Fund  
Jail and Municipal Buildings Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual  
December 31, 2010  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Sales tax, net	\$ 1,798,916	1,759,304	(39,612)
Investment earnings	100,000	74,308	(25,692)
Total revenues	<u>1,898,916</u>	<u>1,833,612</u>	<u>(65,304)</u>
Expenditures:			
Capital outlay	850,000	—	850,000
Excess of revenues over expenditures	<u>1,048,916</u>	<u>1,833,612</u>	<u>784,696</u>
Other financing uses:			
Transfer out	(875,000)	(875,000)	—
Net change in fund balance	173,916	958,612	784,696
Fund balance, beginning of year	5,365,708	5,365,708	—
Fund balance, end of year	<u>\$ 5,539,624</u>	<u>6,324,320</u>	<u>784,696</u>

See accompanying independent auditors' report.

## CITY OF BOSSIER CITY, LOUISIANA

Special Revenue Fund  
Streets and Drainage FundSchedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and ActualDecember 31, 2010  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Sales tax, net	\$ 2,068,753	2,023,202	(45,551)
Investment earnings	70,000	44,658	(25,342)
Total revenues	<u>2,138,753</u>	<u>2,067,860</u>	<u>(70,893)</u>
Expenditures:			
Capital outlay	<u>2,500,000</u>	<u>1,627,901</u>	<u>872,099</u>
Excess (deficiency) of revenues over (under) expenditures	(361,247)	439,959	801,206
Other financing uses:			
Transfer out	<u>(600,000)</u>	<u>(600,000)</u>	<u>—</u>
Net change in fund balance	(961,247)	(160,041)	801,206
Fund balance, beginning of year	<u>3,109,861</u>	<u>3,109,861</u>	<u>—</u>
Fund balance, end of year	<u>\$ 2,148,614</u>	<u>2,949,820</u>	<u>801,206</u>

See accompanying independent auditors' report.

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**STATISTICAL  
SECTION**

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**City of Bossier City, Louisiana  
Statistical Section  
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2002; therefore, accrual basis financial information for the City as a whole is only available from then.



Table 1

## CITY OF BOSSIER CITY, LOUISIANA

Net Assets by Component

Last Nine Fiscal Years  
(accrual basis of accounting)

	Fiscal year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Governmental activities:</b>									
Invested in capital assets, net of related debt	\$ 265,878,613	239,215,616	126,330,795	186,465,732	167,545,977	151,362,489	144,172,168	140,330,985	115,340,957
Restricted	27,739,942	29,535,031	29,296,109	29,680,277	29,925,688	27,479,073	27,793,422	29,963,514	28,662,311
Unrestricted	77,455,038	73,739,154	156,954,129	80,280,912	78,192,477	73,971,538	72,489,133	65,452,825	75,657,667
Total governmental activities net assets	371,073,593	342,489,801	312,581,033	296,426,921	275,664,142	252,813,100	244,454,723	235,747,324	219,660,935
<b>Business-type activities:</b>									
Invested in capital assets, net of related debt	45,322,279	44,012,271	54,173,137	60,466,449	59,278,622	55,314,909	57,275,837	48,742,367	43,209,460
Restricted	11,478,661	14,424,421	13,804,234	3,798,355	2,631,727	2,760,263	3,420,135	3,338,741	1,666,172
Unrestricted	18,066,041	12,569,106	15,823,822	9,655,288	10,154,557	11,281,191	7,184,147	15,069,856	22,365,596
Total business-type activities net assets	74,866,981	71,005,798	83,801,193	73,920,092	72,064,906	69,356,363	67,880,119	67,150,964	67,241,228
<b>Primary government:</b>									
Invested in capital assets, net of related debt	311,200,892	283,227,887	180,503,932	246,932,181	226,824,599	206,677,398	201,448,005	189,073,352	158,550,417
Restricted	39,218,603	43,959,452	43,100,343	33,478,632	32,557,415	30,239,336	31,213,557	33,302,255	30,328,483
Unrestricted	95,521,079	86,308,260	172,777,951	89,936,200	88,347,034	85,252,729	79,673,280	80,522,681	98,023,263
Total primary government net assets	\$ 445,940,574	413,495,599	396,382,226	370,347,013	347,729,048	322,169,463	312,334,842	302,898,288	286,902,163

Source: Audited Comprehensive Annual Financial Reports

Unaudited — see accompanying independent auditors' report.

Table 2

CITY OF BOSSIER CITY, LOUISIANA

Changes in Net Assets  
Last Nine Fiscal Years  
(accrual basis of accounting)

	Fiscal year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Expenses:</b>									
Governmental activities:									
General government	\$ 17,170,564	21,007,788	17,767,245	13,589,188	12,491,347	12,122,863	11,084,501	10,883,770	9,555,803
Public safety	39,271,725	38,244,353	37,344,859	34,262,793	34,206,159	39,309,494	37,711,185	28,026,913	25,678,549
Highways and streets	2,648,297	3,945,076	106,506	1,953,798	5,120,181	11,079,601	6,710,590	7,028,600	3,997,047
Cultural and recreation	7,415,268	7,812,740	7,945,002	7,595,275	7,165,222	7,104,623	7,297,540	6,998,869	7,155,218
City court and City marshal	2,019,156	2,154,362	1,987,939	1,746,396	1,843,893	1,635,432	1,384,667	1,299,469	1,073,671
Interest on long-term debt	7,720,642	7,737,372	7,629,482	4,515,805	3,299,376	3,736,672	3,886,658	4,121,524	3,262,080
Total governmental activities expenses	76,245,652	80,901,691	72,781,033	63,663,255	64,126,178	74,988,685	68,075,141	58,359,145	50,722,368
Business-type activities:									
Water and sewerage	22,773,218	22,208,437	14,658,211	13,041,663	12,932,577	12,485,709	11,611,928	11,391,493	10,885,174
Sanitation	5,497,689	4,718,672	4,167,053	4,010,269	3,526,361	2,819,565	2,733,210	2,375,756	2,364,900
Emergency medical services (1)	3,827,973	4,319,725	4,464,185	3,763,097	4,093,140	—	—	3,918,759	3,337,955
Alternative fuel station	168,412	—	—	—	—	—	—	—	—
Total business-type activities expense	32,267,292	31,246,834	23,289,449	20,815,029	20,552,078	15,305,274	14,345,138	17,686,008	16,588,029
Total primary government expenses	108,512,944	112,148,525	96,070,482	84,478,284	84,678,256	90,293,959	82,420,279	76,045,153	67,310,397
<b>Program revenues:</b>									
Governmental activities:									
Charges for services:									
General government	3,304,311	3,488,725	3,400,648	2,863,463	2,592,047	2,580,024	2,648,743	2,540,673	2,045,831
Public safety	1,524,510	2,031,369	2,238,270	1,595,615	1,452,048	5,640,922	5,083,818	1,094,032	1,154,814
Highways and streets	127,128	127,128	127,128	127,128	127,128	127,128	—	—	—
Culture and recreation	2,663,808	3,050,022	3,413,212	3,072,417	3,491,358	2,331,776	3,136,892	3,041,961	3,326,942
Operating grants and contributions	5,997,747	5,689,136	4,595,741	4,610,709	3,891,436	3,441,130	3,061,774	3,367,825	3,044,346
Capital grants and contributions	16,712,265	10,247,430	321,000	1,428,093	1,750,000	3,753,364	2,161,654	3,527,399	1,031,367
Total governmental activities program revenues	30,329,769	24,633,810	14,095,999	13,697,425	13,304,017	17,874,344	16,092,881	13,571,890	10,603,300

(continued)

Table 2

## CITY OF BOSSIER CITY, LOUISIANA

Changes in Net Assets  
Last Nine Fiscal Years  
(accrual basis of accounting)

	Fiscal year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Business-type activities:									
Charges for services:									
Water and sewerage	24,448,986	21,273,196	20,638,433	12,272,210	11,999,790	12,109,022	10,939,409	10,322,962	10,041,818
Sanitation	4,212,731	4,079,758	3,851,255	4,114,354	3,830,934	2,865,466	2,713,140	2,597,772	2,608,353
Emergency medical services (1)	4,886,758	4,037,040	4,811,893	3,943,608	4,013,383	—	—	3,472,242	3,313,671
Alternative fuel station	189,174	—	—	—	—	—	—	—	—
Total business-type activities	33,737,649	29,389,994	29,301,581	20,330,172	19,844,107	14,974,488	13,652,549	16,392,976	15,963,842
Total primary government									
program revenues	64,067,418	54,023,804	43,397,580	34,027,597	33,148,124	32,848,832	29,745,430	29,964,866	26,567,142
Net expense:									
Governmental activities	(45,915,883)	(56,267,881)	(58,685,034)	(49,965,830)	(50,822,161)	(57,114,341)	(51,982,260)	(44,787,255)	(40,119,068)
Business-type activities	1,470,357	(1,856,840)	6,012,132	(484,857)	(707,971)	(330,786)	(692,589)	(1,293,032)	(624,187)
Total primary government	(44,445,526)	(58,124,721)	(52,672,902)	(50,450,687)	(51,530,132)	(57,445,127)	(52,674,849)	(46,080,287)	(40,743,255)
General revenues and other changes in									
net assets:									
Governmental activities:									
Taxes:									
Property	\$ 11,209,485	10,569,446	10,692,762	9,290,483	9,536,827	8,497,236	8,362,284	8,490,128	8,246,066
Sales	43,939,781	43,953,832	40,259,787	39,171,981	37,743,177	35,249,876	31,910,135	30,117,504	29,341,705
Franchise	4,163,108	2,253,353	2,405,471	2,345,230	2,191,128	2,117,698	1,874,451	1,912,121	1,808,469
Gaming	12,373,348	12,635,907	14,476,406	14,721,787	15,626,932	14,842,388	14,932,147	15,261,464	15,234,198
Grants and contributions not									
restricted to specific purposes	282,261	371,407	266,813	345,144	342,918	356,841	303,029	191,579	323,047
Investment earnings	1,184,513	2,293,144	6,961,169	5,742,915	5,399,404	2,445,567	1,398,490	2,283,448	3,449,466
Miscellaneous	2,122,831	1,775,448	1,516,458	1,769,656	5,102,834	2,602,015	2,494,794	3,001,169	1,831,093
Transfers	(775,652)	12,324,112	(1,739,720)	(1,211,684)	(2,270,017)	(638,903)	(585,671)	(383,769)	(499,164)
Total governmental activities	74,499,675	86,176,649	74,839,146	72,175,512	73,673,203	65,472,718	60,689,659	60,873,644	59,734,880

(continued)

Table 2

## CITY OF BOSSIER CITY, LOUISIANA

Changes in Net Assets  
Last Nine Fiscal Years  
(accrual basis of accounting)

	Fiscal year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Business-type activities:</b>									
Intergovernmental	553,267	642,752	1,383,336	510,194	706,728	380,564	254,916	380,599	29,548
Investment earnings	1,061,907	742,805	745,913	618,165	439,769	787,563	581,157	438,400	609,442
Miscellaneous	775,652	(12,324,112)	1,739,720	1,211,684	2,270,017	638,903	585,671	383,769	535,682
Transfers									499,164
Total business-type activities	2,390,826	(10,938,555)	3,868,969	2,340,043	3,416,514	1,807,030	1,421,744	1,202,768	1,673,836
<b>general revenues</b>									
Total primary government	76,890,501	75,238,094	78,708,115	74,515,555	77,089,717	67,279,748	62,111,403	62,076,412	61,408,716
<b>general revenues</b>									
Changes in net assets:									
Governmental activities	28,583,792	29,908,768	16,154,112	22,209,682	22,851,042	8,358,377	8,707,399	16,086,389	19,615,812
Business-type activities	3,861,183	(12,795,395)	9,881,101	1,855,186	2,708,543	1,476,244	729,155	(90,264)	1,049,649
Total primary government,	\$ 32,444,975	17,113,373	26,035,213	24,064,868	25,559,585	9,834,621	9,436,554	15,996,125	20,665,461
net revenue									

Source: Audited Comprehensive Annual Financial Reports

Notes:

(1) In 2004, the City began recording emergency medical services in the General Fund. Those activities had previously been reported in an enterprise fund. In 2006, the City moved the activities back to an enterprise fund.

Unaudited – see accompanying independent auditors' report.

Table 3

## CITY OF BOSSIER CITY, LOUISIANA

## Fund Balances of Governmental Funds

## Last Nine Fiscal Years

(modified accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:									
Reserved	\$ 467,162	434,883	412,744	358,052	373,425	312,690	192,388	242,467	152,647
Unreserved	8,305,285	6,565,398	9,881,520	11,843,893	12,263,707	10,779,879	8,089,045	6,039,756	5,759,394
Total General Fund	8,772,447	7,000,281	10,294,264	12,201,945	12,637,132	11,092,569	8,281,433	6,282,223	5,912,041
All other governmental funds (1):									
Reserved	41,358,383	40,942,401	34,195,755	34,968,880	34,206,545	28,527,580	34,060,781	36,634,759	30,701,620
Unreserved, reported in:									
Special revenue funds	40,645,412	47,583,410	46,306,263	46,331,656	43,531,004	40,308,080	40,017,760	42,185,299	41,102,309
Capital projects funds	72,041,121	70,734,250	94,112,554	110,624,569	16,689,888	23,077,994	22,588,892	43,565,715	53,897,426
Permanent fund	327,607	297,122	—	781,082	1,651,913	754,028	1,404,774	2,239,161	877,215
Total all other governmental funds	\$ 154,372,523	159,557,183	174,614,572	192,705,987	96,079,350	92,667,682	98,072,207	124,624,934	126,578,570

Source: Audited Comprehensive Annual Financial Reports

Note:

(1) Includes Special Revenue, Capital Projects, Permanent, and Debt Service Funds.  
All fund balances in Debt Service funds are reserved to pay future debt service.

Unaudited – see accompanying independent auditors' report.

Table 4

## CITY OF BOSSIER CITY, LOUISIANA

## Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>Revenues:</b>										
Taxes	\$ 59,368,807	56,909,103	53,436,902	51,203,381	49,394,168	45,885,819	42,226,759	40,489,486	39,327,341	38,319,143
Licenses and permits	3,304,311	3,488,725	3,400,648	2,863,463	2,592,047	2,580,024	2,648,743	2,540,673	2,045,831	1,958,687
Intergovernmental	31,331,156	20,960,553	5,183,554	6,383,946	5,984,354	5,488,296	4,612,553	5,229,031	4,398,760	4,008,321
Video poker	395,068	396,763	444,492	478,251	573,602	527,424	563,119	562,293	544,952	496,226
Fees and rentals	2,794,836	3,180,457	3,543,340	3,199,545	3,618,486	2,458,904	3,136,892	3,041,961	3,326,942	2,662,997
Fines and penalties	1,524,510	2,031,369	2,238,270	1,595,615	1,452,048	1,342,813	1,217,773	1,094,032	1,154,814	1,195,284
Charges for services	—	—	—	—	—	4,298,109	3,866,045	—	—	1,628,997
Racing commission – Louisiana Downs	695,631	716,076	843,268	884,557	969,207	1,008,173	816,756	412,977	188,639	195,125
Gaming	11,282,649	11,523,068	13,188,646	13,358,979	14,084,123	13,306,791	13,552,272	14,286,194	14,500,607	14,279,098
Investment earnings	1,184,513	2,293,144	6,961,169	5,742,915	5,399,404	2,445,567	1,398,490	2,283,448	3,449,466	3,455,941
Miscellaneous	2,118,933	1,772,141	1,513,458	1,619,375	5,044,656	2,602,015	3,819,854	4,074,947	1,527,641	1,489,305
Total revenues	114,000,414	103,271,399	90,753,747	87,330,027	89,112,095	81,943,935	77,859,256	74,015,042	70,464,993	69,689,124
<b>Expenditures</b>										
<b>Current:</b>										
General government	11,917,751	13,570,968	13,170,891	12,440,412	11,014,551	10,568,293	9,824,916	10,180,498	8,709,063	8,063,723
Solid waste	—	—	—	—	—	—	—	—	—	2,164,617
Public safety	36,620,144	39,032,409	37,524,546	35,413,709	34,003,642	38,122,172	35,997,291	27,082,705	24,383,866	22,989,537
Highways and streets	479,968	795,480	668,129	578,771	542,007	1,367,818	1,405,612	1,221,209	1,049,714	933,967
Culture and recreation	5,791,101	6,279,240	6,236,045	5,723,448	5,634,206	5,249,668	5,395,122	5,396,409	4,868,631	4,845,111
City Court and City Marshal	1,932,775	2,063,419	1,910,343	1,680,395	1,558,173	1,598,150	1,355,885	1,273,338	1,046,967	997,004
Miscellaneous	—	—	—	—	—	—	—	—	—	402,268
Debt service:										
Principal	7,511,083	6,700,000	6,485,000	4,605,000	4,415,000	4,015,000	3,860,000	3,965,000	3,750,000	3,060,000
Interest and other charges	7,154,032	7,694,159	7,954,903	3,646,252	3,160,039	3,725,706	3,874,375	4,183,872	3,237,558	3,363,392
Bond issuance costs	577,650	118,426	244,952	1,606,761	583,522	—	—	—	—	—
Advance refunding escrow	1,565,301	301,333	—	—	619,793	—	—	—	—	—
Capital outlay	43,351,170	57,338,228	34,657,110	26,642,232	27,860,105	19,090,140	39,998,502	21,765,986	17,321,508	16,174,548
Metropolitan planning – payments to component units	313,932	172,960	161,204	152,830	165,000	161,474	115,399	145,710	132,650	87,528
Total expenditures	117,214,907	134,066,622	109,013,123	92,489,810	89,556,038	83,898,421	101,827,102	75,214,727	64,499,957	63,081,695
Excess (deficiency) of revenues over (under) expenditures	(3,214,493)	(30,795,223)	(18,259,376)	(5,159,783)	(443,943)	(1,954,486)	(23,967,846)	(1,199,685)	5,965,036	6,607,429

(continued)

Table 4

**CITY OF BOSSIER CITY, LOUISIANA**  
 Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	Fiscal year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Other financing sources (uses):										
Transfers in	\$ 19,690,994	26,900,942	28,848,262	13,202,876	19,006,801	24,362,118	16,659,145	16,090,030	8,605,270	6,803,374
Transfers out	(20,466,646)	(14,576,830)	(30,587,982)	(14,414,560)	(21,276,818)	(25,001,021)	(17,244,816)	(16,473,799)	(9,104,434)	(5,703,576)
Debt issuance	—	—	—	100,000,000	7,160,000	—	—	—	30,292,952	4,880,000
Premium on debt issuance	—	—	—	2,561,524	—	—	—	—	—	—
Premium on refunded bonds	—	—	—	—	279,564	—	—	—	—	—
Refunding bonds issued	21,180,000	4,250,000	—	—	27,400,000	—	—	—	—	—
Premium (discount) on refunding bonds	1,568,771	(12,647)	—	—	—	—	—	—	—	—
Payment to refunded bond escrow agent	(22,171,120)	(4,117,614)	—	—	(27,169,373)	—	—	—	—	—
Total other financing sources (uses)	(198,001)	12,443,851	(1,739,720)	101,349,840	5,400,174	(638,903)	(585,671)	(383,769)	29,793,788	5,979,798
Net change in fund balances \$	(3,412,494)	(18,351,372)	(19,999,096)	96,190,057	4,956,231	(2,593,389)	(24,553,517)	(1,583,454)	35,758,824	12,587,227
Debt services as a percentage of noncapital expenditures	21%	19%	20%	15%	13%	11%	12%	14%	14%	N/A

Source: Audited Comprehensive Annual Financial Reports

Notes:

Beginning in 2002, sanitation activities were reported in an enterprise fund. Prior to 2002, those activities were reported in the General Fund.  
 Beginning in 2004, emergency medical services activities were reported in the General Fund. Prior to 2004, those activities were reported in an enterprise fund.

Unaudited – see accompanying independent auditors' report.

**Table 5****CITY OF BOSSIER CITY, LOUISIANA**

## Governmental Activities Tax Revenues by Source

Last Nine Fiscal Years  
(accrual basis of accounting)

	<b>Property taxes</b>	<b>Sales taxes</b>	<b>Franchise taxes</b>	<b>Total</b>
2010	\$ 11,209,485	43,939,781	4,163,108	59,312,374
2009	10,569,446	43,953,832	2,253,353	56,776,631
2008	10,692,762	40,259,788	2,405,471	53,358,021
2007	9,290,483	39,171,981	2,345,230	50,807,694
2006	9,536,827	37,743,177	2,191,128	49,471,132
2005	8,497,236	35,249,876	2,117,698	45,864,810
2004	8,362,284	31,910,135	1,874,451	42,146,870
2003	8,490,128	30,117,504	1,912,121	40,519,753
2002	8,246,066	29,341,705	1,808,469	39,396,240

Unaudited – see accompanying independent auditors' report.

Table 6

**CITY OF BOSSIER CITY, LOUISIANA**  
 Tax Revenues by Source – Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	<b>Property taxes</b>	<b>Sales taxes</b>	<b>Utility taxes</b>	<b>Telephone taxes</b>	<b>Franchise taxes</b>	<b>Total</b>
2010	\$ 11,265,918	43,939,781	3,293,748	130,312	739,048	59,368,807
2009	10,569,446	43,953,832	1,407,646	148,191	697,516	56,776,631
2008	10,771,643	40,259,788	1,594,551	169,829	641,091	53,436,902
2007	9,686,170	39,171,981	1,548,109	184,704	612,417	51,203,381
2006	9,459,863	37,743,177	1,453,763	189,858	547,507	49,394,168
2005	8,518,245	35,249,876	1,466,908	157,395	493,395	45,885,819
2004	8,442,173	31,910,135	1,166,447	185,836	522,168	42,226,759
2003	8,459,861	30,117,504	1,189,796	200,467	521,858	40,489,486
2002	8,177,167	29,341,705	1,026,894	233,904	547,671	39,327,341
2001	7,664,819	28,795,515	1,187,201	240,608	431,000	38,319,143

Source: Audited Comprehensive Annual Financial Reports

Unaudited – see accompanying independent auditors' report.

Table 7

## CITY OF BOSSIER CITY, LOUISIANA

## Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal year	Bossier Parish			Caddo Parish			Total taxable assessed value	Total direct tax rate	Estimated actual value	Ratio of total assessed value to estimated actual value
	Real estate	Public service/rolling stock	Movable	Mobile homes	Real estate	Movable				
2001	(1)						\$ 296,288,890	26.77	2,690,417,219	11.01%
2002	(1)						309,006,730	26.77	2,776,340,791	11.13%
2003	\$	202,288,690	15,106,160	84,952,440	1,691,710	5,329,350	314,566,810	26.77	2,821,226,996	11.15%
2004		247,284,290	15,693,370	90,745,970	1,172,480	3,604,660	363,852,350	23.37	3,263,249,776	11.15%
2005		264,595,660	17,286,650	95,952,370	1,490,850	3,492,310	387,762,750	23.37	3,391,817,696	11.43%
2006		279,702,960	18,105,920	105,749,880	1,565,580	3,492,310	413,424,940	23.37	3,673,948,427	11.25%
2007		289,391,600	17,576,760	108,493,450	1,315,590	3,649,870	424,688,760	23.37	3,657,672,047	11.61%
2008		342,275,100	17,570,630	121,347,220	1,089,210	3,645,710	489,850,770	21.69	4,375,789,387	11.19%
2009		351,639,110	15,785,670	127,836,740	1,175,020	3,652,650	503,909,940	21.69	4,505,967,747	11.18%
2010		361,299,790	15,133,510	137,415,220	1,193,710	3,652,650	522,348,920	21.69	4,663,708,074	11.20%

Source: Bossier Parish Tax Assessor and the Caddo Parish Tax Assessor

## Note:

Assessed values are established by the Bossier Parish Tax Assessor on January 1 of each year at approximately 10% – 15% 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, 2010.

(1) Detail of assessed value for 2001 through 2002 was not available.

Unaudited – see accompanying independent auditors' report.

Table 8

CITY OF BOSSIER CITY, LOUISIANA

Property Tax Rates and Tax Levies – Direct and Overlapping Governments  
Last Ten Fiscal Years

Fiscal Year	City rates			Overlapping rates				Total direct/overlapping rates	Tax levies			
	Unrestricted	Fire and Police Departments	Total City millage	School	Parish	Recreational districts	City		School	Parish	Recreational districts	Total
2001	\$ 6.90	19.87	26.77	54.64	42.69	1.54	7,929,897	20,162,108	14,953,886	464,671	43,510,562	
2002	6.90	19.87	26.77	53.14	42.11	1.54	8,272,141	20,468,369	15,722,021	481,802	44,944,333	
2003	6.90	19.87	26.77	53.14	42.11	1.54	8,544,055	20,920,480	16,073,035	490,411	46,027,981	
2004	6.02	17.35	23.37	56.53	37.10	1.54	8,503,249	26,298,710	16,822,476	570,752	52,195,187	
2005	6.02	17.35	23.37	56.53	38.98	1.54	9,062,015	28,504,976	20,144,592	611,053	58,322,636	
2006	6.02	17.35	23.37	56.53	40.14	1.54	9,706,514	31,063,862	26,385,231	661,740	67,817,347	
2007	6.02	17.35	23.37	56.53	40.14	1.54	9,740,110	32,928,803	22,116,985	681,067	65,466,965	
2008	5.59	16.10	21.69	52.26	36.88	1.41	10,460,688	38,034,456	26,841,002	744,275	76,080,421	
2009	5.59	16.10	21.69	52.26	36.88	1.41	10,951,497	41,934,137	29,593,016	785,108	83,263,758	
2010	5.59	16.10	21.69	52.26	38.22	1.41	11,333,813	44,913,739	32,847,361	819,323	89,914,236	

Source: Bossier Tax Assessor Grand Recapitulation Report

Unaudited – see accompanying independent auditors' report.

Table 9

## CITY OF BOSSIER CITY, LOUISIANA

Principal Property Taxpayers  
Current Year and Ten Years Ago

Taxpayer	2010			2000		
	Assessed valuation	Rank	Percentage of total assessed valuation	Assessed valuation	Rank	Percentage of total assessed valuation
Horseshoe Entertainment	\$ 28,931,180	1	5.54%	\$ 33,078,590	1	11.16%
Halliburton Energy Services	13,373,580	2	2.56%	—	—	0.00%
Louisiana Riverboat Gaming	11,617,100	3	2.22%	—	—	0.00%
Southwestern Electric Power Company	8,052,430	4	1.54%	7,809,250	4	2.64%
Harrah's Louisiana Downs	7,828,160	5	1.50%	—	—	0.00%
Louisiana Riverwalk, LLC	5,576,310	6	1.07%	—	—	0.00%
H & E Equipment Services	4,274,330	7	0.82%	—	—	0.00%
Louisiana Machinery Co., LLC	3,939,960	8	0.75%	2,588,460	8	0.87%
USCC Purchase Co. (dba: CellXion)	3,594,890	9	0.69%	—	—	0.00%
Stirling Bossier LLC	2,990,210	10	0.57%	—	—	0.00%
Isle of Capri	—	—	—	12,882,330	2	4.35%
Casino Magic	—	—	—	10,166,320	3	3.43%
AT&T	—	—	—	5,478,850	5	1.85%
Louisiana Downs, Inc.	—	—	—	3,351,360	6	1.13%
Hibernia Bank	—	—	—	3,332,730	7	1.12%
Wal-Mart	—	—	—	2,470,830	9	0.83%
Bank One	—	—	—	2,240,530	10	0.76%
Total amount for ten principal taxpayers	90,178,150		17.26%	83,399,250		28.14%
Total for remaining taxpayers	432,170,770		82.74%	212,937,530		71.86%
Total amount for all taxpayers	\$ 522,348,920		100.00%	\$ 296,336,780		100.00%

Source: Bossier Parish Tax Assessor's Office

Unaudited — see accompanying independent auditors' report.

Table 10

## CITY OF BOSSIER CITY, LOUISIANA

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal year	Total tax levy (1)	Collected within the fiscal year of levy		Percentage of levy collected	Collections in subsequent years	Total taxes collected	Percentage of total tax collections to tax levy
		Amount	Percentage of levy collected				
2001	\$ 7,834,442	5,430,702	69.32%	\$ 2,374,348	7,805,050	99.62%	
2002	8,244,332	5,657,331	68.62%	2,553,076	8,210,407	99.59%	
2003	8,431,989	5,701,105	67.61%	2,709,710	8,410,815	99.75%	
2004	8,504,896	5,051,656	59.40%	3,438,915	8,490,571	99.83%	
2005	9,032,729	5,373,553	59.49%	3,649,409	9,022,962	99.89%	
2006	9,585,298	6,699,610	69.89%	2,864,843	9,564,453	99.78%	
2007	9,916,216	6,126,932	61.79%	3,776,910	9,903,842	99.88%	
2008	10,600,825	7,908,427	74.60%	2,673,264	10,581,691	99.82%	
2009	10,936,845	8,996,966	82.26%	1,913,294	10,910,260	99.76%	
2010	11,333,813	8,520,130	75.17%	—	8,520,130	75.17%	

Source: Bossier City Tax Division – Tax Collectors Report

Note:

(1) Does not include adjustments from Louisiana Tax Commission

Unaudited – see accompanying independent auditors' report.

Table 11

## CITY OF BOSSIER CITY, LOUISIANA

## Sales Tax Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

<u>Fiscal year</u>		<u>1% General</u>	<u>1/2 % Pensions</u>	<u>1/2 % Debt service</u>	<u>1/2 % Capital</u>	<u>Total</u>
2001	\$	7,000,376	5,664,364	6,346,830	9,471,943	28,483,513
2002		8,090,235	5,759,387	6,329,078	9,163,005	29,341,705
2003		11,555,466	5,933,946	7,952,493	4,675,599	30,117,504
2004		12,030,730	6,305,420	6,806,360	6,767,625	31,910,135
2005		12,505,450	7,055,175	7,195,791	8,493,460	35,249,876
2006		13,920,015	7,562,348	7,736,017	8,524,797	37,743,177
2007		14,008,846	7,813,988	7,657,197	9,589,907	39,069,938
2008		14,272,174	7,962,925	7,659,782	9,919,746	39,814,627
2009		15,314,632	8,817,027	7,669,942	12,152,231	43,953,832
2010		15,347,513	8,753,694	7,626,376	12,212,198	43,939,781

Source: Audited Comprehensive Annual Financial Reports

Unaudited – see accompanying independent auditors' report.

Table 12

## CITY OF BOSSIER CITY, LOUISIANA

Taxable Sales by NAICS Category

Last Four Fiscal Years

Category	Fiscal years			
	2010	2009	2008	2007
Agriculture, Forestry, Fishing, and Hunting	\$ 1,181,798	858,000	680,238	615,252
Mining; Oil and Gas	104,730,557	153,120,355	63,246,611	42,909,749
Utilities	1,169,246	5,918,888	3,320,207	707,636
Construction	13,051,973	15,041,574	10,999,331	17,260,304
Manufacturing	58,953,590	59,699,678	56,493,606	72,276,621
Wholesale Trade	126,514,183	112,475,001	131,026,380	132,763,078
Retail Trade	966,218,201	890,346,933	937,792,179	911,396,740
Transportation and Warehousing	1,481,805	1,731,552	1,363,639	1,163,433
Publishing, Broadcasting, and Telecommunications	18,265,003	24,979,805	21,347,759	19,393,876
Finance, Insurance, and Real Estate	39,796,067	50,095,343	47,036,346	42,693,776
Professional, Administrative, and Healthcare	37,880,275	39,147,271	44,670,920	40,052,621
Arts, Amusements, and Accommodations	337,162,204	383,734,063	261,842,989	260,171,228
Other Services; Public Administration	84,270,078	47,856,540	45,077,864	47,979,434
Total	\$ 1,790,674,980	1,785,005,003	1,624,898,069	1,589,383,748
City direct sales tax rate	2.50%	2.50%	2.50%	2.50%

Source: Bossier City Tax Division – information prior to 2007 not available for NAICS codes.

Unaudited – see accompanying independent auditors' report.

Table 13

## CITY OF BOSSIER CITY, LOUISIANA

## Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(accrual basis of accounting)

	<u>Governmental activities – revenue bonds</u>	<u>Business- type activities revenue bonds</u>	<u>Total primary government</u>	<u>Percentage of estimated actual value taxable property</u>	<u>Percentage of personal income</u>	<u>Per capita</u>
2001 \$	62,385,000	17,825,289	80,210,289	2.84%	3.43%	1,407
2002	88,927,952	29,919,269	118,847,221	3.64%	4.79%	2,082
2003	84,697,683	28,759,269	113,456,952	3.35%	4.35%	1,964
2004	80,804,495	28,507,792	109,312,287	2.98%	3.85%	1,877
2005	76,290,000	27,252,792	103,542,792	2.83%	3.51%	1,765
2006	78,660,000	25,937,792	104,597,792	2.85%	3.28%	1,735
2007	175,180,000	24,562,792	199,742,792	5.46%	—	3,724
2008	168,695,000	148,127,792	316,822,792	7.24%	—	4,891
2009	163,472,440	145,401,367	308,873,807	6.80%	—	4,697
2010	155,246,000	202,921,437	358,167,437	7.68%	—	5,841

Source: (1) Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

(2) See Demographic and Economic Statistics Table 17 for estimated actual value of taxable property, personal income, and population data.

## Note:

The City has no general obligation bonds outstanding.

Unaudited – see accompanying independent auditors' report.

Table 14

## CITY OF BOSSIER CITY, LOUISIANA

## Direct and Overlapping Governmental Activities Debt

December 31, 2010

Jurisdiction	Debt outstanding <sup>(2)</sup>	Estimated percentage applicable <sup>(1)</sup>	Estimated share of overlapping debt
Bossier Parish <sup>(3)</sup>	\$ 49,145,000	49.67%	\$ 24,410,322
Bossier Parish School Board	77,847,933	49.67%	38,667,068
Subtotal overlapping debt			63,077,390
City direct debt			154,390,000
Total direct and overlapping debt			\$ 217,467,390

Source: <sup>(1)</sup> Bossier Parish Tax Assessor

<sup>(2)</sup> Financial statements of applicable jurisdictions

<sup>(3)</sup> Bossier Parish debt outstanding represents the 2009 fiscal year balance as 2010 information was unavailable at the time of preparation of this table.

## Note:

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 government'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.

(1) The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the City's boundaries and dividing it by the government's total taxable assessed value.

Unaudited – see accompanying independent auditors' report.

Table 15

## CITY OF BOSSIER CITY, LOUISIANA

Legal Debt Margin Information  
Last Ten Fiscal Years

	Fiscal year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 103,701,112	108,152,356	110,098,384	127,348,323	135,716,963	144,698,729	148,641,066	171,248,546	176,368,479	182,821,902
Total net debt applicable	—	—	—	—	—	—	100,000,000	—	—	—
Legal debt margin	\$ 103,701,112	108,152,356	110,098,384	127,348,323	135,716,963	144,698,729	48,641,066	171,248,546	176,368,479	182,821,902
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	67.30%	0.00%	0.00%	0.00%
<b>Legal Debt Margin Calculation for Fiscal Year 2008:</b>										
Assessed value										
Debt limit (35% of total assessed value for any one purpose)										
Less general bonded debt										
Legal debt margin										
										\$ 522,348,920
										182,822,122
										—
										\$ 182,822,122

## Note:

Total debt applicable to limit includes all general obligation bonds payable from assessed property taxes in their original principal amount outstanding. State law allows a maximum of 10% of assessed valuation for bonded debt for any one purpose. However, the 10% can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation.

Unaudited — see accompanying independent auditors' report.

Table 16

## CITY OF BOSSIER CITY, LOUISIANA

Pledged Revenue Coverage

Last Ten Fiscal Years

	Utility Revenue Bonds					Sales Tax Bonds						
	Charges for services and other (1)	Less: operating expenses (2)	Net available revenue		Coverage	Sales taxes	Less: operating expenses (2)	Net available revenue		Coverage		
			Principal	Interest				Principal	Interest			
2010	\$ 25,604,114	10,357,707	15,246,407	2,435,000	7,540,224	1.53	\$ 43,939,781	858,675	43,081,106	7,140,000	7,468,995	2.95
2009	22,287,649	10,593,372	11,694,277	1,640,000	6,219,900	1.49	43,953,832	791,845	43,161,987	6,810,000	7,851,759	2.94
2008	21,056,549	9,970,380	11,086,169	1,435,000	1,084,573	4.40	40,988,397	728,610	40,259,787	6,485,000	7,949,803	2.79
2007	13,071,470	8,812,147	4,259,323	1,375,000	1,127,625	1.70	39,919,397	747,416	39,171,981	4,605,000	3,646,252	4.75
2006	13,054,202	8,893,595	4,160,607	1,315,000	1,215,681	1.64	38,487,287	744,110	37,743,177	4,415,000	3,160,039	4.98
2005	13,111,514	8,526,657	4,584,857	1,255,000	1,288,988	1.80	35,934,107	684,231	35,249,876	4,015,000	3,721,471	4.56
2004	11,664,125	7,867,197	3,796,928	1,215,000	1,315,880	1.50	32,606,975	696,840	31,910,135	3,860,000	3,871,175	4.13
2003	11,050,788	7,726,193	3,324,595	1,160,000	1,332,566	1.33	30,763,157	645,653	30,117,504	3,965,000	3,878,267	3.84
2002	10,942,806	6,878,647	4,064,159	1,395,000	903,059	1.77	29,893,353	551,648	29,341,705	3,750,000	3,046,832	4.32
2001	10,016,659	6,896,976	3,119,683	1,090,000	820,324	1.63	29,277,883	482,368	28,795,515	3,060,000	3,249,580	4.56

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

## Note:

(1) Charges for services and other includes miscellaneous revenues and investment earnings. Operating expenses do not include interest, depreciation, and other nonoperating expenses.

(2) Operating expenditures of the sales tax department.

Unaudited – see accompanying independent auditors' report.

Table 17

## CITY OF BOSSIER CITY, LOUISIANA

## Demographic and Economic Statistics

## Last Ten Fiscal Years

Fiscal year	Population	Estimated actual value of taxable property (1)	Personal income (4)	Per capita estimated actual value of taxable property	Median age (3)	School enrollment (2)	Unemployment rate (3)
2001	57,002 (3)	\$ 2,690,417,219	2,339,423,000	47,199	31.6	18,933	6.7%
2002	57,075 (3)	2,776,340,791	2,482,275,000	48,644	31.6	18,756	7.4%
2003	57,771 (3)	2,821,226,996	2,606,502,000	48,835	33.8	18,878	6.3%
2004	58,241 (3)	3,263,249,776	2,835,878,000	56,030	32.1	18,480	6.0%
2005	58,661 (3)	3,391,817,696	2,947,369,000	57,821	32.1	17,750	5.3%
2006	60,279 (3)	3,673,948,427	3,188,855,000	60,949	32.8	19,170	5.0%
2007	61,012 (3)	3,657,672,047	3,444,905,000	59,950	32.1	19,202	5.2%
2008	64,773 (5)	4,375,789,387	3,702,521,000	67,556	32.1	19,923	5.2%
2009	65,776 (5)	4,505,967,747	—	68,505	32.1	20,369	6.0%
2010	61,315 (6)	4,663,708,074	—	76,061	32.1	20,792	5.7%

## Sources:

- (1) Bossier Parish Tax Assessor
- (2) Bossier Parish School Board
- (3) Center for Business Research, Louisiana Tech University
- (4) Personal income data for Bossier Parish. Obtained from the Bureau of Economic Analysis at [www.bea.gov](http://www.bea.gov). Personal income not available for 2009 and 2010
- (5) State of Louisiana Treasurer
- (6) 2010 U.S. Census figures

Unaudited – see accompanying independent auditors' report.

Table 18

CITY OF BOSSIER CITY, LOUISIANA

Principal Employers  
Last Six Fiscal Years

Employer	2009 (1)			2008			2007			2006			2005			2004		
	Number of employees	Rank	Percentage of total Workforce (2)	Number of employees	Rank	Percentage of total Workforce (2)	Number of employees	Rank	Percentage of total Workforce (2)	Number of employees	Rank	Percentage of total Workforce (2)	Number of employees	Rank	Percentage of total Workforce (2)	Number of employees	Rank	Percentage of total Workforce (2)
Barksdale Air Force Base	8,655	1	20.4%	9,018	1	20.7%	9,018	1	21.4%	9,423	1	23.2%	9,815	1	25.0%	9,046	1	24.3%
Bossier Parish School Board	2,831	2	6.7%	2,807	2	6.4%	2,638	2	6.3%	2,633	3	6.5%	2,633	3	6.7%	2,500	3	6.7%
Harrah's Horseshoe Casino and Hotel/ Harrah's Louisiana Downs	2,000	3	4.7%	2,000	3	4.6%	2,000	3	4.8%	3,332	2	8.2%	3,399	2	8.6%	2,561	2	6.9%
State of Louisiana - Dept. of Civil Service (3)	1,642	4	3.9%	1,593	4	3.7%	1,857	4	4.4%	—	—	—	—	—	—	—	—	—
Diamond Jack's Casino Resort (4)	973	5	2.3%	963	5	2.2%	963	5	2.3%	1,056	4	2.6%	1,110	4	2.8%	1,207	4	3.2%
Willis-Knighton Health System	971	6	2.3%	909	6	2.1%	834	6	2.0%	—	—	—	—	—	—	—	—	—
City of Bossier City	837	7	2.0%	836	7	1.9%	826	7	2.0%	825	6	2.0%	810	6	2.1%	776	6	2.1%
Boommown Bossier City Casino and Hotel	644	8	1.5%	780	8	1.8%	787	8	1.9%	850	5	2.1%	975	5	2.5%	1,040	5	2.8%
Bossier Parish Community College	552	9	1.3%	553	9	1.3%	—	—	—	553	9	1.4%	493	10	1.3%	431	10	1.2%
Halliburton Energy Services	530	10	1.2%	530	10	1.2%	—	—	—	—	—	—	—	—	—	—	—	—
McElroy Metal, Inc.	—	—	—	—	—	—	700	9	1.7%	667	7	1.6%	667	7	1.7%	630	7	1.7%
Wal-Mart Supercenter - Airline Drive	—	—	—	—	—	—	639	10	1.5%	600	8	1.5%	539	8	1.4%	539	8	1.4%
Cullison, LLC	—	—	—	—	—	—	—	—	—	486	10	1.2%	503	9	1.3%	509	9	1.4%
Harrah's Louisiana Downs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Source: LSUS Center for Business and Economic Research

Notes:

- (1) 2010 information was not available.
- (2) Percentage of workforce is based on Parish totals - Information not available for City due to its size.
- (3) 2007 was the first year State Employees were broken out - should be no significant change from previous years.
- (4) Previously Isle of Capri Casino and Hotel

Unaudited - see accompanying independent auditors' report.

Table 19

**CITY OF BOSSIER CITY, LOUISIANA**  
 Full-time Equivalent City Government Employees by Function  
 Last Ten Fiscal Years

		Full-time equivalent employees as of December 31									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Function</b>	<b>\$</b>										
General government		92	90	98	96	102	98	102	101	106	101
Public safety:											
Police		196	205	212	228	239	238	238	241	235	211
Fire		187	199	199	224	218	221	213	220	204	191
Highways and streets		46	48	48	46	48	49	50	38	35	30
Engineering		16	16	20	21	22	22	21	22	18	17
Permits/inspections		12	12	12	12	12	13	14	14	14	14
Culture and recreation		24	27	29	28	29	30	32	30	26	25
City Court and City Marshal		24	26	25	26	27	27	29	31	31	29
Water and sewerage		57	61	61	63	58	59	60	61	57	55
Sanitation		53	51	57	59	58	60	61	62	59	53
<b>Total</b>	<b>\$</b>	<b>707</b>	<b>735</b>	<b>761</b>	<b>803</b>	<b>813</b>	<b>817</b>	<b>820</b>	<b>820</b>	<b>785</b>	<b>726</b>

Source: Personnel Department of the City

Unaudited – see accompanying independent auditors' report.

Table 20

## CITY OF BOSSIER CITY, LOUISIANA

Operating Indicators by Function  
Last Ten Fiscal Years

Function	Fiscal year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police:										
Physical arrests	8,467	7,169	7,591	7,621	8,049	8,463	9,474	9,360	9,829	8,529
Traffic violations	7,833	7,469	8,749	11,510	9,721	16,900	22,271	19,832	19,499	11,236
Fire:										
Number of calls answered	1,829	1,812	1,684	1,876	2,127	2,044	2,053	2,248	2,024	2,059
Inspections	1,227	1,979	2,204	2,267	2,419	2,462	2,644	2,761	2,766	2,798
Highways and streets:										
Street resurfacing (miles)	1.72	4.36	3.44	1.62	1.62	0.80	2.20	1.31	1.70	1.44
Culture and recreation:										
Athletic field permits issued (1)	—	17	18	18	22	23	17	23	23	24
Civic center events	222	237	242	221	202	188	205	192	168	152
Civic center use days	357	339	354	382	313	315	353	341	296	254
Water and sewerage:										
New connections (1)	—	—	4,260	4,608	5,080	4,859	4,789	4,673	3,761	4,863
Water main breaks	145	135	123	87	156	198	133	121	70	165
Average daily consumption (millions of gallons)	9.50	9.54	10.45	10.65	12.47	13.27	12.47	11.94	11.30	12.07
Average daily sewage treatment (millions of gallons)	10.64	9.64	8.69	10.61	9.34	8.18	9.45	8.84	10.76	8.52
EMS:										
Number of emergency responses	5,355	5,913	6,088	6,766	6,930	7,040	6,636	7,089	7,169	7,150
Number of patient transports (1)	—	—	—	—	5,413	5,319	5,040	5,467	5,599	6,896
Sanitation:										
Refuse collected (tons/day) (1)	—	84.10	78.50	83.99	84.88	80.55	84.33	85.92	87.80	92.65
Recyclables collected (tons/day) (1)	—	2.88	2.93	0.81	0.91	0.84	0.96	1.15	5.67	9.70

Source: Various City departments

Note:

(1) Information was not available for ten years of reporting, but will be accumulated over time as it becomes available.

Unaudited — see accompanying independent auditors' report.

Table 21

## CITY OF BOSSIER CITY, LOUISIANA

## Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public safety:										
Police:										
Stations (includes training facility)	2	2	2	2	2	2	3	3	3	4
Patrol units (2)	N/A	N/A	N/A	N/A	N/A	134	153	154	154	202
Fire stations (includes training facility)	10	10	10	10	10	10	10	10	10	10
Sanitation:										
Collection trucks (1)	—	—	—	—	—	—	—	—	—	—
Highways and streets:										
Streets (miles) (2)	N/A	N/A	N/A	N/A	N/A	325.35	334.55	335.86	335.94	337.38
Streetlights (2)	N/A	N/A	N/A	N/A	N/A	9,370	9,521	9,683	9,685	9,704
Traffic signals (2)	N/A	N/A	N/A	N/A	N/A	72	71	71	71	71
Culture and recreation:										
Parks acreage	310.94	309.35	273.99	328.99	328.99	328.99	328.99	328.99	328.99	328.99
Parks	21	18	17	18	18	18	18	18	18	18
Swimming pools	3	3	3	3	3	3	3	3	3	3
Tennis courts	15	12	12	12	12	24	24	24	24	26
Civic centers	1	1	1	1	1	1	1	1	1	1
Community centers (2)	N/A	3	3	3	3	3	3	3	3	3
Water and sewerage:										
Water mains (miles) (2)	N/A	N/A	N/A	N/A	N/A	324.86	341.10	356.21	360.37	362.10
Fire hydrants (2)	N/A	N/A	N/A	N/A	N/A	2,627	2,637	2,712	2,756	2,779
Maximum daily capacity (millions of gallons) (2)	25	25	25	25	25	25	25	25	25	25
Sanitary sewers (miles) (2)	N/A	N/A	N/A	N/A	N/A	236.61	248.49	320.88	322.11	323.90
Storm sewers (miles) (2)	N/A	N/A	N/A	N/A	N/A	63.55	64.19	65.71	66.20	67.60
Maximum daily treatment capacity (millions of gallons)	14	14	14	14	14	14	14	14	14	14

Source: Various City departments

Note:

- (1) The City contracts out sanitation to the City of Shreveport and does not own any capital assets related to sanitation.  
(2) Information was not available for ten years of reporting, but will be accumulated over time as it becomes available.

Unaudited — see accompanying independent auditors' report.

**Table 22**

**CITY OF BOSSIER CITY, LOUISIANA**  
Compensation Paid to City Council Members  
December 31, 2010

**City Council Member**

Jeffery Darby	\$	10,800
Scott Irwin		10,800
David Jones		11,400
James Knight		10,800
Timothy Larkin		10,800
David Montgomery		10,800
Don Williams		11,400
	\$	<u>76,800</u>

Unaudited – see accompanying independent auditors' report.

