

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
**Primary Government Financial Report**  
Year ended December 31, 2006

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

Release Date 7-11-07



**CADDO PARISH COMMISSION**

**Primary Government Financial Statements and  
Individual Fund Statements**

**Year ended December 31, 2006**

**(With Independent Auditors' Report Thereon)**

# INTRODUCTORY SECTION

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# CADDO PARISH COMMISSION

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# THE PARISH OF CADDO

## DEPARTMENT OF FINANCE AND HUMAN RESOURCES

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May 17, 2007

The Honorable Carl Pierson, President  
and Members of the Caddo Parish Commission  
Government Plaza  
505 Travis Street  
Shreveport, Louisiana 71101-5409

Dear Commissioners:

In compliance with Section 3-09 of the Home Rule Charter for Caddo Parish, we are pleased to submit the Primary Government Financial Report of the Caddo Parish Commission (the Commission) for the year ended December 31, 2006. These financial statements present the primary government only and do not include the data of the discrete component units necessary for reporting in conformity with U.S. generally accepted accounting principles (GAAP). These financial statements were 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 Commission's financial and operating activities during 2006 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Department of Finance and consists of management's representations concerning the finances of the Commission. 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 Commission 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 Commission's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Commission'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.

Section 3-09 of the Home Rule Charter for Caddo Parish requires that the Commission provide for an annual independent audit of all accounts and financial transactions of the Commission 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 Commission to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Commission for the fiscal year ended December 31, 2006 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 on the Commission's governmental activities, each major fund, and the aggregate remaining fund information for the primary government. However, because the financial statements do not include financial data for the Commission's legally separate component units, which GAAP requires to be reported with the financial data of the Commission's primary government, the Commission's financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Commission as of December 31, 2006. The independent auditors' report is presented as the first component of the financial section of this report.

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

GAAP requires that management provides 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 Commission's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Caddo Parish Commission**

The Commission is the governing authority for Caddo Parish and is a political subdivision of the state of Louisiana. The Commission, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy, and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health and welfare, libraries, culture and recreational facilities, economic development, and general administrative services.

The Commission was established December 10, 1984, after voter approval of the Home Rule Charter for Caddo Parish on April 7, 1984. The Commission replaced the Caddo Parish Police Jury, which was established January 18, 1838.

These financial statements present the Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with GAAP.

Several agencies provide public services to Caddo Parish residents and should be included in the financial statements of the Commission as discrete component units. Financial data for these entities is not included in this report. Louisiana statutes do not require annual audited financial statements to be prepared for a majority of these units. GAAP does not allow us to present unaudited or out of date information in our basic financial statements. Since annually audited financial statements are generally not available from these units, we have elected to issue a report covering only the Commission (the primary government). The entities thus excluded are:

- Caddo Parish Sheriff's Office and Tax Collector
- Caddo Parish Clerk of Court
- Caddo Parish Tax Assessor
- Caddo Community Action Agency
- Caddo Parish Communications District Number 1
- Waterworks District Number 1
- Waterworks District Number 7
- Waterworks District Number 8
- Sewerage District Number 2
- Sewerage District Number 7
- Fire District Number 1
- Fire District Number 2
- Fire District Number 3
- Fire District Number 4
- Fire District Number 5
- Fire District Number 6
- Fire District Number 7
- Fire District Number 8
- Fire District Number 9
- North Caddo Hospital Service District

### **Budgetary Control**

The Commission maintains a system of budgetary controls, the objective of which is to ensure compliance with the annual appropriated budget. The annual budget serves as the foundation for the Commission's financial planning and control. Prior to November 1, the Parish Administrator submits to the Commission 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. A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments. Prior to December 27, the budget is legally enacted through passage of an ordinance.

The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department (function) or program expenditures. The Home Rule Charter provides that expenditures may not legally exceed appropriations on a functional (departmental or program) basis. Expenditures approved on a functional level are detailed by object account by the Parish Administrator and Finance Director. Revisions to the budget as enacted at the department (function) or program level require Commission action. Revisions at the object level can be approved by the Parish Administrator without seeking approval of the Commissioners. Several such revisions were made during the year ended December 31, 2006.

## **Local Economy**

The local economy for Caddo Parish and Shreveport is expected to continue to experience growth in 2007. Unemployment rates are at an all time low with 4% in 2006 compared to 6.1% in 2005.

General Motors (GM) is expected to invest another \$75 million in its Shreveport plant to expand its product line. The GM Shreveport plant employs 3,200 people, which makes it a vital part of the Caddo Parish local economy and puts the plant in a key position in the southern United States' automotive corridor.

Steelscape began the first phase of its operations in April 2006 and phase two is currently in construction. The Steelscape facility is being built on a 75-acre site at the Port of Shreveport-Bossier in four phases. This is the biggest individual project ever undertaken at the Port and will provide an estimated local economic impact of nearly \$400 million annually. Upon completion of phases three and four, the plant will measure 700,000 square feet at a cost of nearly \$200 million and employ 240 people. Steelscape is located outside the city limits of Shreveport and therefore all local sales taxes paid on the construction projects go to the Caddo Parish Commission.

The film industry continues to grow in Caddo Parish further diversifying our local economy. In the first six months of 2006, the film and television industry infused more than \$360 million into the economy of Louisiana of which \$200 million was spent in the Greater Shreveport area.

The gaming industry continues to have a positive impact on Caddo Parish's local economy although gaming revenues have declined in recent years. The gaming industry employs more than 9,000 making the industry one of the top ten employment industries in Caddo Parish.

## **Long-Term Financial Planning**

During 2006, the Commission addressed long-term financial concerns to ensure resources are available to meet future needs and allow for continuity of services. This analysis revealed a concern in the area of criminal justice, primarily juvenile justice; a significant fund balance level in the Road and Bridge Fund and the Road Construction Fund; and the great extent to which the Commission has been funding its capital improvement program on a pay-as-you-go basis instead of through long-term borrowing. To address these issues, the Commission developed a financial plan that required a change in two of its property tax millages (debt service and public works) and its road sales tax. To allow these changes, the Commission approved an ordinance to put three propositions before the voters on May 5, 2007. The passage of the propositions will accomplish the following goals:

- Fund Caddo Parish's ongoing capital improvement plan through bond proceeds instead of pay-as-you-go basis.
- Expand the authorized uses of some of Caddo Parish's revenue sources by rededicating the 1% road sales tax to fund road operations as well as road capital improvements and rededicating the public works property tax to remove percentage restrictions.
- Achieve long-term financial stability for Caddo Parish.
- Fund operations through existing revenue sources without increasing taxes.

## **Cash Management and Investments**

The Commission has a cash management program, which consists of pooling cash and investments for all funds of the Commission except the Shreve Memorial Library. Available cash was invested in a special bank "sweep account" collateralized by obligations of United States government agencies or insured by the Federal Deposit Insurance Corporation. Additional investments are accomplished through purchases of obligations of the United States Treasury, obligations of United States government agencies, and by participation in the Louisiana Asset Management Pool.

## **Risk Management**

The Commission maintains limited risk management programs for general liability and workers' compensation. As part of this plan, workers are trained in accident prevention and hazard avoidance techniques. Third-party coverage of \$3,000,000 is maintained for general liability claims. Retention limits are \$50,000 per claim with an annual aggregate total of \$250,000. Third-party coverage is also maintained for workers' compensation cases above \$300,000. In addition to the revenues collected in the General Insurance Fund, resources are designated within the General Fund for payment of potential claims. The Commission is partially self-insured for employee medical and life insurance with third-party coverage for occurrences over \$150,000 and aggregate stop-loss coverage for losses in excess of 125% of expected claims.

## **Pension and Other Postemployment Benefits**

Substantially all Commission employees are members of the Parochial Employees' Retirement System of Louisiana. Employee payroll deductions of 9.5% of gross pay are matched by the Commission at a rate of 12.75% of gross wages (will increase to 13.25% in 2007). All deducted and matched funds are remitted to the retirement system. Retirement benefits are administered by the statewide plan and are not guaranteed by the Commission.

The Commission provides postretirement healthcare benefits and life insurance, in accordance with state statutes, to all retiring employees who were participating in the group insurance plan prior to their retirement date. The Commission is partially self-insured for medical benefits including postretirement healthcare benefits and life insurance.

## **Acknowledgments**

The preparation of this report could not be accomplished without the dedicated and efficient services of the entire Department of Finance staff and the assistance of the Commission's independent auditors, KPMG LLP. Substantial recognition should also be given to the Commission and our Parish Administrator, Mr. Woodrow Wilson, Jr., for their interest and support in conducting the financial operations of the Commission in a responsible and progressive manner.

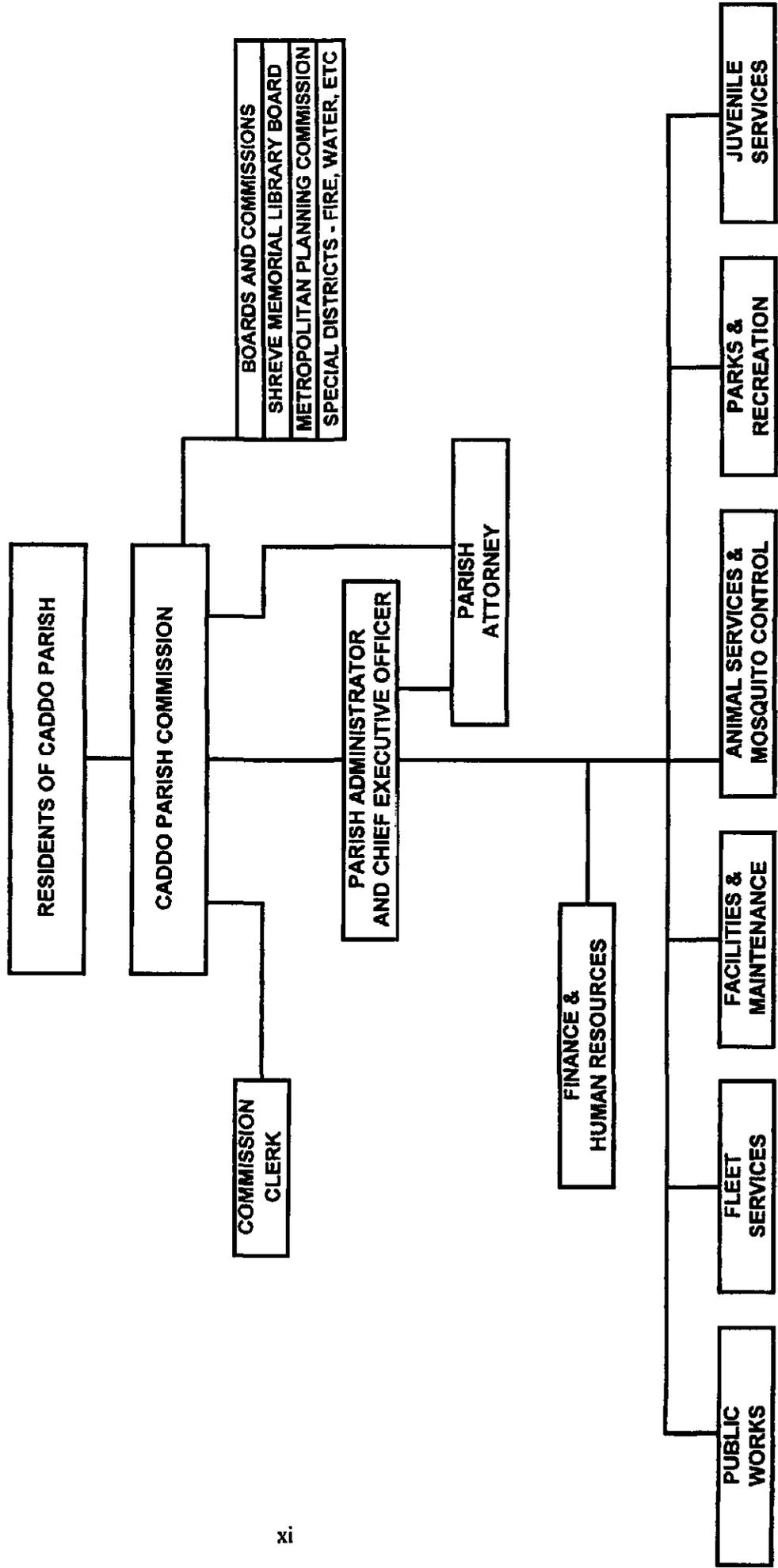
Sincerely,



Erica R. Bryant  
Director of Finance and Human Resources

**ORGANIZATION CHART**

**CADDO PARISH COMMISSION  
SHREVEPORT, LOUISIANA**



# Caddo Parish Commission

## Shreveport, Louisiana

### COUNCIL-MANAGER FORM OF GOVERNMENT

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**Doug Dominick**  
District 1



**Rose Wilson McCulloch**  
District 2



**Carl A. Pierson, Sr.**  
District 3



**Gilford L. "Gif" Gillen**  
District 4



**Sam Jenkins**  
District 5



**Lindora Baker**  
District 6



**Stephanie Lynch**  
District 7



**John Escudé**  
District 8



**Bob Brown**  
District 9



**David Cox**  
District 10



**Jim Smith**  
District 11

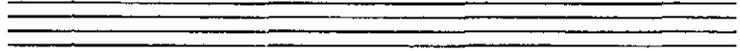


**Clifford R. Collins**  
District 12

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Appointed Officials Per Home Rule Charter

Mr. Woodrow "Woody" Wilson, Jr.	Parish Administrator and Chief Executive Officer
Ms. Erica R. Bryant	Director of Finance and Human Resources
Mr. Robert Glass	Director of Public Works
Mr. Norman "Keith" McClung	Director of Facilities and Maintenance
Mr. Larry R. Raymond	Director of Parks and Recreation
Mr. Todd Hopkins	Director of Fleet Services
Dr. Michael B. Dale, Sr.	Director of Animal Services and Mosquito Control
Mr. Edwin W. Scott	Director of Juvenile Services
Mr. Jerry C. Spears	Commission Clerk
Mr. Charles Grubb	Parish Attorney

**FINANCIAL  
SECTION**





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

## Independent Auditors' Report

Members of the Caddo Parish Commission  
Shreveport, Louisiana:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2006, which collectively comprise the basic financial statements of the Commission's primary government as listed in the table of contents. We have also audited the financial statements of each of the Commission's nonmajor governmental, 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, 2006, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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 as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the Commission's legally separate discrete component units. U.S. generally accepted accounting principles require the financial data for those component units to be reported with the financial data of the Commission's primary government unless the Commission also issues financial statements for the financial reporting entity that includes the financial data for its component units. The Commission has not issued such reporting entity financial statements. The amount of the assets, liabilities, net assets, revenues, and expenses of the aggregate discretely presented component units that would have been presented is unknown.

In our opinion, because of the omission of the discretely presented component units, as discussed above, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the aggregate discretely presented component units of the Commission, as of December 31, 2006, or the changes in financial position thereof for the year then ended.

Further, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Commission, as of December 31, 2006, and the respective changes in financial position and, where applicable, 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, internal service, and fiduciary funds of the Commission as of December 31, 2006, and the respective changes in financial position and, where applicable, 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 29, 2007 on our consideration of the Commission'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, 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 Commission's basic financial statements and on each nonmajor governmental, internal service, and fiduciary fund of the Commission. 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 introductory section, the individual fund schedules, and the statistical section 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 29, 2007

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Management's Discussion and Analysis  
December 31, 2006

We offer readers of the Caddo Parish Commission's financial statements this narrative overview and analysis of the financial activities of the Caddo Parish Commission (the Commission) for the fiscal year ended December 31, 2006. 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 2006 fiscal year include the following:

- The assets of the Commission exceeded its liabilities at the close of the fiscal year by \$315,231,380 (net assets). Of this amount, approximately \$19.4 million (unrestricted net assets) may be used to meet the Commission's obligations to citizens and creditors.
- The total net assets of the Commission increased by \$3,696,555 for the year ended December 31, 2006.
- As of the close of the fiscal year, the Commission's governmental funds reported a combined ending fund balance of \$80,498,322, an increase of \$5,596,340 in comparison with the prior fiscal year. Of this amount, \$56.9 million was unreserved, undesignated, and available for spending; \$10.6 million was unreserved, but designated for capital projects; \$1.5 million was unreserved but designated for subsequent years' expenditures and for future claims; \$7.8 million was reserved for contingencies and industrial development; \$1.8 million was reserved for debt service; \$0.6 million was reserved for encumbrances; and \$1.2 million is held in a permanent trust and can only be used to make revolving loans to the General Fund.
- At the end of the fiscal year, unreserved, undesignated fund balance for the General Fund was \$7.2 million or 119.7% of total General Fund expenditures.
- The Commission's total long-term liabilities decreased by \$3.9 million (20.4%) during the fiscal year primarily as a result of principal payments made during the year.

**Overview of the Financial Statements**

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise three components: (1) government-wide 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.

*Government-Wide Financial Statements.* The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business.

The Statement of Net Assets presents information on all of the Commission'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 Commission is improving or deteriorating.

## CADDO PARISH COMMISSION

Shreveport, Louisiana

### Management's Discussion and Analysis

December 31, 2006

The Statement of Activities presents information showing how the Commission's net assets changed during the 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 Commission 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 Commission's governmental activities include general government, criminal justice, health and welfare, highways and streets, building facilities, drainage, sanitation, cultural and recreation, and economic development. The Commission did not report any business-type activities for the current fiscal year.

*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 Commission, 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 Commission 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 government-wide financial statements; however, unlike the government-wide 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 Commission's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains 25 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Detention Facilities Fund, Juvenile Justice Fund, Shreve Memorial Library Fund, Road Construction Fund, Head Start Fund, and the Capital Outlay Fund, all of which are considered to be major funds. Data for the other 18 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 Commission 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.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Management's Discussion and Analysis

December 31, 2006

*Proprietary funds.* The Commission maintains only one type of proprietary fund, internal service funds, and therefore does not report any business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Commission's various functions. The Commission uses internal service funds to account for its healthcare, workers' compensation, and fleet services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside Caddo Parish. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Commission'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 government-wide and fund financial statements.

*Other Information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's compliance with budgets for its major funds.

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

#### **Financial Analysis of Government-Wide 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 Commission, assets exceeded liabilities by \$315,231,380 at the close of the fiscal year.

The largest portion of the Commission's net assets totaling approximately \$231 million (73.4%) reflects its investment in capital assets (e.g., land, buildings, streets, drainage, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Commission uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Commission's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Management's Discussion and Analysis  
 December 31, 2006

**Net Assets**

December 31, 2006 and 2005

	<u>2006</u> <u>Governmental</u> <u>activities</u>	<u>2005</u> <u>Governmental</u> <u>activities</u>
Current and other assets	\$ 89,909,432	84,346,956
Capital assets, net	245,364,563	251,004,829
Total assets	<u>335,273,995</u>	<u>335,351,785</u>
Current and other liabilities	4,733,146	4,574,304
Long-term liabilities	15,309,469	19,242,656
Total liabilities	<u>20,042,615</u>	<u>23,816,960</u>
Net assets:		
Invested in capital assets, net of related debt	231,393,855	233,084,164
Restricted	64,418,554	61,214,106
Unrestricted	<u>19,418,971</u>	<u>17,236,555</u>
Total net assets	<u>\$ 315,231,380</u>	<u>311,534,825</u>

There are 20.4% of net assets, which represent resources that are subject to external restrictions on how they may be used. Those monies are restricted for highways and streets (\$22.4 million), culture and recreation (\$13.1 million), drainage (\$5.5 million), sanitation (\$6.7 million), criminal justice (\$5.4 million), building facilities (\$5.2 million), and other restricted purposes (\$6.2 million). Included in other restricted purposes is \$1,750,153 of debt service funds.

The remaining balance of unrestricted net assets of \$19,418,971 is used to meet the Commission's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the Commission is able to report positive balances in all three categories of net assets.

**CADDO PARISH COMMISSION**  
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Management's Discussion and Analysis

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The Commission's net assets increased by \$3,696,555 during the fiscal year. The Commission's total revenues and expenses for governmental activities are reflected in the following chart:

**Changes in Net Assets**  
**Year Ended December 31, 2006 and 2005**

	<u>2006</u> <u>Governmental</u> <u>activities</u>	<u>2005</u> <u>Governmental</u> <u>activities</u>
Revenues:		
Program revenues:		
Charges for services	\$ 2,006,589	2,135,790
Grants and contributions	23,991,106	15,120,936
General revenues:		
Property taxes	43,029,064	40,112,057
Sales taxes	7,788,364	7,145,914
Gaming	2,304,346	2,376,208
Other general revenues	4,142,155	3,552,335
Total revenues	<u>83,261,624</u>	<u>70,443,240</u>
Expenses:		
General government	4,316,985	4,042,957
Criminal justice	15,138,728	14,354,593
Health and welfare	11,642,589	12,903,006
Highways and streets	27,535,990	21,161,982
Building facilities	3,751,975	3,614,931
Drainage	1,216,925	1,325,331
Sanitation	1,918,924	1,833,719
Culture and recreation	10,966,594	9,444,734
Economic development	2,415,480	2,277,366
Interest and fees on long-term debt	660,879	674,333
Total expenses	<u>79,565,069</u>	<u>71,632,952</u>
Increase (decrease) in net assets	3,696,555	(1,189,712)
Net assets, beginning of year	<u>311,534,825</u>	<u>312,724,537</u>
Net assets, end of year	<u>\$ 315,231,380</u>	<u>311,534,825</u>

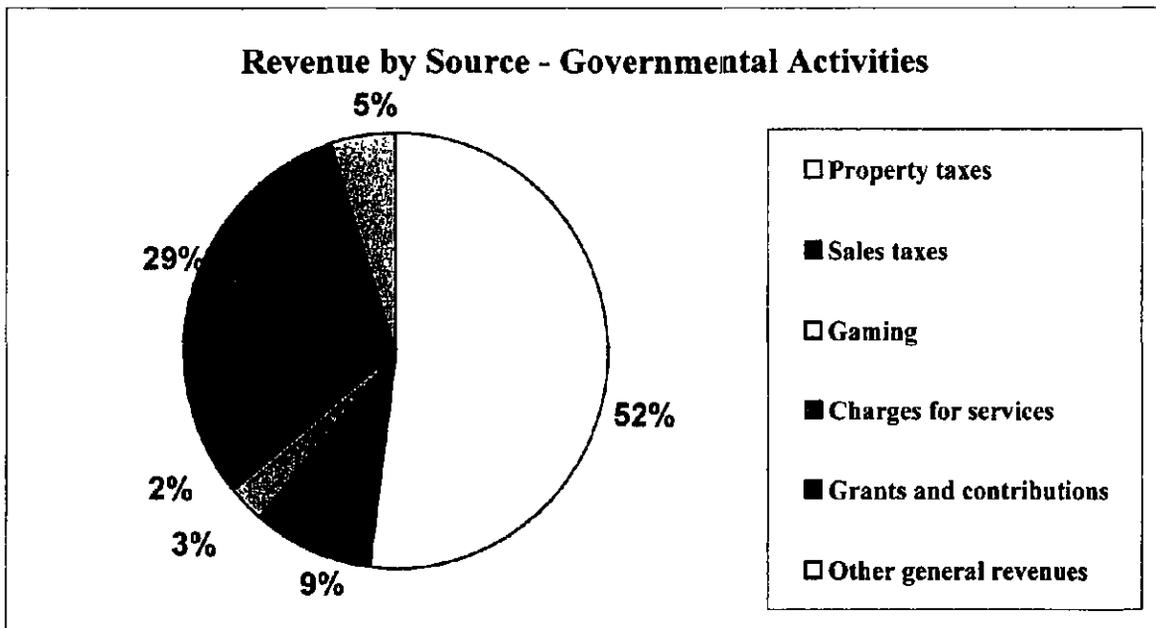
Program revenues increased by \$8.7 million in 2006 compared to 2005, primarily as a result of an increase in capital grants and contributions resulting from an increase in the acceptance of subdivision roads into the Commission maintenance system.

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General revenues, specifically property taxes and sales taxes, are the largest component of revenues (61%). Property taxes represent 51.7% of revenues at \$43 million. Property taxes increased during the fiscal year due to an increase in the property tax assessment resulting from the completion of new construction projects. Sales tax revenue increased by 9% due to an increase in the level of commercial and industrial construction, primarily the new shopping outlets on Youree Drive and the Steelscape expansion project.



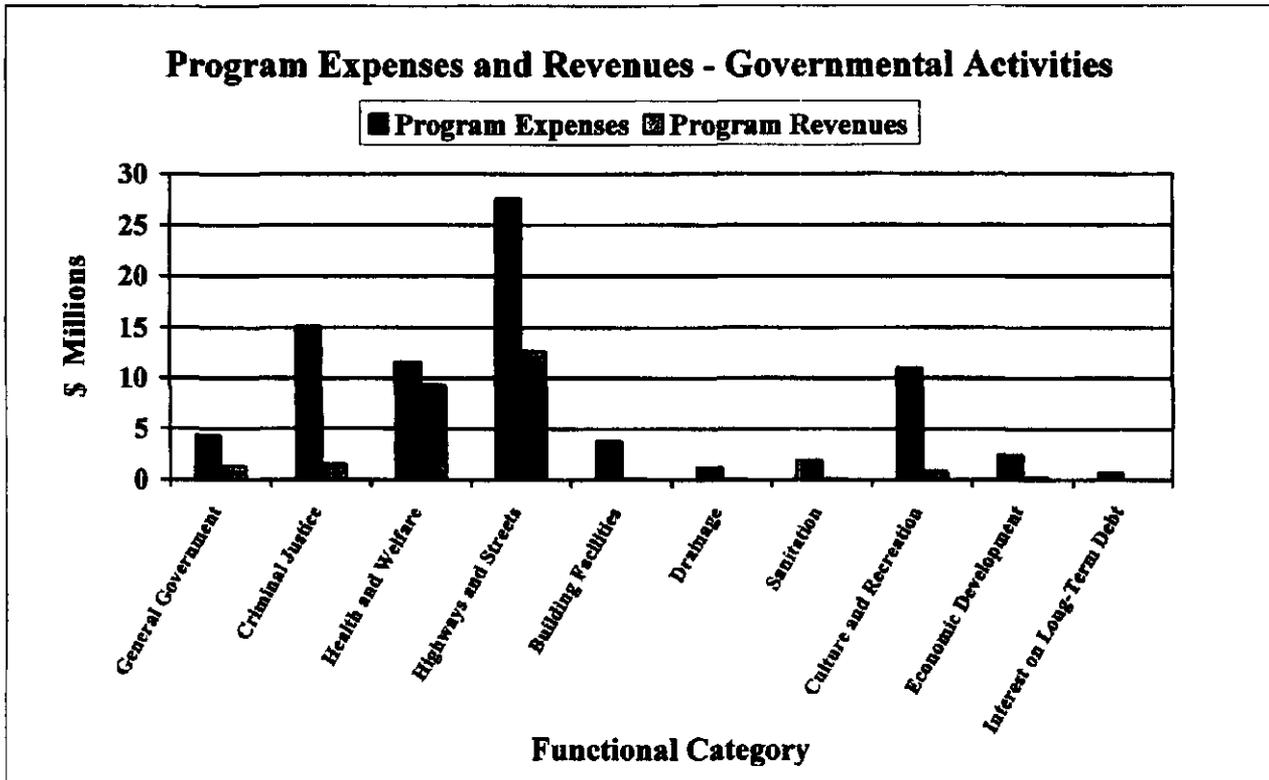
The Statement of Activities shows that \$2 million was financed by those who use the services, \$24 million by grants and contributions, and \$57.3 million with the Commission's general revenues.

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The Commission's four largest programs are criminal justice, health and welfare, highways and streets, and culture and recreation. The graph below shows the expenses and program revenues generated by governmental activities:



Expenses totaled \$79.6 million in 2006 compared to \$71.6 million in 2005, an increase of 11%. The key factors for the increase were:

- General government expenses increased by \$0.3 million (6.8%) as a result of an increase in claims costs related to the group health insurance program.
- Culture and recreation expenses increased by \$1.5 million (16.0%) as a result of an increase in salaries, materials, and supplies for the new libraries that began operation in 2006.
- Health and welfare expenses decreased by \$1.3 million (9.7%) due to decreased federal funding for the Head Start Program. These funds are passed through to the Caddo Community Action Agency.
- Highways and streets increased by \$6.4 million (30.1%) as a result of losses on infrastructure assets that were disposed of during the year. Most of these assets were annexed by the City of Shreveport.

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- Criminal justice expenses increased by \$0.8 million (5.5%) due to an increase in expenses related to housing prisoners at the Caddo Correctional Center (CCC) as a result of an increase in the number of prisoners housed at CCC. The maximum capacity increased from approximately 1,100 to nearly 1,500 prisoners.

**Financial Analysis of the Caddo Parish Commission's Funds**

**Governmental Funds**

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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

- As of the close of the fiscal year, the Commission's governmental funds reported a combined ending fund balance of \$80,498,322, an increase of \$5,596,340 in comparison with the prior fiscal year. Of this amount, \$56,887,259 or 70.7% was unreserved, undesignated, and available for spending; \$10,649,863 or 13.2% was unreserved, but designated for capital projects; and \$1,471,074 or 1.8% was unreserved, but designated for subsequent years' expenditures and future claims. 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 (\$598,944), (2) to pay debt service (\$1,748,378), (3) to provide financial resources in the event of a major interruption in services such as a natural disaster (\$7,565,782), or (4) for other restricted purposes (\$1,453,459).
- The General Fund is the chief operating fund of the Commission. At the end of the fiscal year, total fund balance of the General Fund was \$7,625,482. The unreserved and undesignated portion is \$7.2 million. Therefore, it is available for spending at the Commission's discretion. The Commission has chosen to designate funds for future claims and subsequent years' expenditures. The fund balance of the Commission's General Fund increased by \$1,623,631. Key factors in this increase are a transfer of \$500,000 from the Criminal Justice Fund, an increase in ad valorem revenue, an increase in revenue from mineral leases.
- The Shreve Memorial Library Fund has a total fund balance of \$10,905,861. The majority of the fund balance (\$10.5 million) is unreserved, undesignated, and available for spending. The remainder of the fund balance is reserved to liquidate contracts and purchase orders of the prior period (\$279,825). Fund balance increased by \$719,715, largely due to an increase in ad valorem revenue.

## CADDO PARISH COMMISSION

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### Management's Discussion and Analysis

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- The Detention Facilities Fund has a total fund balance of \$498,579 the majority of which (\$426,955) is undesignated. The remaining balance is reserved to liquidate contracts and purchase orders of the prior period (\$71,624). This fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the maintenance and operation of the Caddo Correctional Center (CCC). Fund balance increased by \$166,255, largely due to an increase in ad valorem tax revenue.
- The Juvenile Justice Fund has a total fund balance of \$1,212,763. The unreserved, undesignated portion is \$727,429 or 60%. 39% of the fund balance (\$483,077) is designated for subsequent year's expenditures and the remainder of the fund balance (\$2,257) is reserved to liquidate contracts and purchase orders of the prior period. Fund balance increased by \$351,222, largely due to the remaining balance of a transfer-in of \$1,350,000 from the Criminal Justice Fund.
- The Head Start Fund accounts for federal monies received by the Commission that are passed through to the Caddo Community Action Agency. No fund balance is maintained. The funds passed through decreased from the prior year by \$1,396,000.
- The Capital Outlay Fund has a total fund balance of \$7,473,958, of which, \$7.4 million is unreserved, but designated for subsequent capital project expenditures. A net increase of \$198,898 occurred during the fiscal year. Expenditures in this fund are for specific projects, as outlined in the Commission's capital projects budget and are not expected to be similar from year to year.
- The Road Construction Fund has a total fund balance of \$10,650,486. The majority of the fund balance (94%) is unreserved, undesignated, and available for spending. The fund balance of the Road Construction Fund increased by \$836,577, primarily due to a 9% increase in sales tax revenue.

#### Proprietary Funds

The only proprietary funds the Commission maintains are the three internal service funds for healthcare, workers' compensation, and fleet services. The total net assets of the internal service funds were \$3,773,217, which was a decrease of \$343,401 from the prior year. The decrease is due to a 23% increase in claims costs primarily related to claims of the group health plan, which also resulted in an increase in expenditures of the internal service funds from \$5.2 million in 2005 to \$5.8 million in 2006.

#### General Fund Budgetary Highlights

The budget policy of the Commission 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 Caddo Parish Commission was adopted on November 22, 2006. No amendments were made. Differences between the budget and the actual results of the General Fund are as follows:

#### Revenues

- Ad valorem taxes exceeded the budget by \$411,438 due to increased property assessments.
- Licenses and permits exceeded the budget by \$154,849 as a result of increased collections of insurance license fees primarily due to an increase in the number of insurance providers.

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- Intergovernmental revenues exceeded the budget by \$97,959 primarily due to an increase in timber sales.
- Use of money and property exceeded the budget by \$126,582.

**Expenditures**

- Total 2006 General Fund expenditures did not exceed the budget; however, there were some functions that exceeded the individual budget. Administration exceeded its budget by \$27,849 due to a vacation payout for an employee that resigned in 2006. Statutory appropriations were \$21,465 over budget due to increased costs for transportation of bodies for autopsies and an increase in the retirement contribution deducted from ad valorem taxes.

**Capital Assets and Debt Administration**

*Capital Assets:* The Commission's investment in capital assets as of December 31, 2006 was \$245,364,563 (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.

**Capital Assets**  
**December 31, 2006 and 2005**  
**(net of depreciation)**

	<b>2006</b>	<b>2005</b>
	<b>Governmental</b>	<b>Governmental</b>
	<b>activities</b>	<b>activities</b>
	<hr/>	<hr/>
Land and land improvements	\$ 14,398,713	14,138,566
Buildings and structures	61,852,627	55,202,887
Equipment and vehicles	8,191,753	7,533,966
Infrastructure	160,921,470	167,163,597
Construction in progress	—	6,965,813
	<hr/>	<hr/>
Total	\$ <u>245,364,563</u>	<u>251,004,829</u>

**CADDO PARISH COMMISSION**  
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Major additions to capital assets during the fiscal year included the following:

- Purchased new street and drainage equipment (\$.8 million).
- Accepted roads into the Commission maintenance system that were built to the Commission's standards by private developers (\$10.6 million).
- Purchased new library books and library equipment (\$1.6 million).
- Continued construction on new library branches (\$5.0 million).

In addition in 2006, the City of Shreveport annexed certain parish roads. The costs of those roads and associated land were removed.

*Long-Term debt:* At the end of the fiscal year, the Commission had total debt outstanding of \$13,824,076. The following table summarizes debt outstanding at December 31, 2006:

**Outstanding Debt**  
**December 31, 2006 and 2005**

	<b>2006</b> <b>Governmental</b> <b>activities</b>	<b>2005</b> <b>Governmental</b> <b>activities</b>
General obligation bonds, net of deferred loss	\$ 6,558,000	8,322,000
Certificates of indebtedness, net of deferred loss	7,266,076	9,622,057
Total	\$ 13,824,076	17,944,057

The Commission's general obligation bonds continue to maintain a rating of AA3 by Moody's Investors Service.

For additional information regarding capital assets and long-term debt, see 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 2007 was presented to the Caddo Parish Commission:

- An expected 1.5% increase in property tax assessments.
- Sales tax revenue decrease with commercial construction leveling to normal levels in 2007.
- The continued increase in mandated costs from the state of Louisiana primarily in the criminal justice area. Criminal justice expenditures represent 63% of the 2007 budget for the General Fund.
- An increase in the consumer price index (CPI) as of September 30, 2006 of 2.7% which would provide the basis of employee raises for 2007.

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- Increase in the employer rate for the Parochial Employees' Retirement System (PERS) from 12.75% to 13.25%.
- Increase in premiums for the group medical program of 10% for Plan C and 5% for Plans A and B.

**Requests for Information**

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Human Resources, Caddo Parish Commission, 505 Travis Street, Suite 850, Shreveport, Louisiana 71101.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Statement of Net Assets  
 December 31, 2006

		<b>Governmental activities</b>
<b>Assets</b>		
Cash and cash equivalents	\$	7,355,955
Investments		38,038,667
Receivables, net		41,957,922
Due from other governments		2,352,272
Inventories		64,834
Bond issue costs		16,219
Other assets		123,563
Capital assets:		
Land		14,398,713
Other capital assets, net of depreciation		230,965,850
Total assets		<u>335,273,995</u>
<b>Liabilities</b>		
Accounts payable		2,204,268
Accrued liabilities		459,239
Accrued interest payable		162,851
Retainages payable		248,817
Claims payable		527,285
Due to other governmental agencies		985,013
Deferred revenue		145,673
Noncurrent liabilities:		
Due within one year		3,819,926
Due in more than one year		11,489,543
Total liabilities		<u>20,042,615</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt		231,393,855
Restricted for:		
Criminal justice		5,418,789
Highways and streets		22,358,999
Building facilities		5,159,465
Drainage		5,536,217
Sanitation		6,713,730
Culture and recreation		13,052,298
Other purposes		6,179,056
Unrestricted		19,418,971
Total net assets	\$	<u><u>315,231,380</u></u>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Activities

Year ended December 31, 2006

Functions/programs	Expenses	Program revenues			Net (expense) revenues and changes in net assets
		Charges for services	Operating grants and contributions	Capital grants and contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 4,316,985	1,279,091	—	—	(3,037,894)
Criminal justice	15,138,728	224,544	1,296,607	—	(13,617,577)
Health and welfare	11,642,589	226,002	9,100,264	—	(2,316,323)
Highways and streets	27,535,990	138,794	1,946,071	10,605,590	(14,845,535)
Building facilities	3,751,975	—	130,771	—	(3,621,204)
Drainage	1,216,925	—	49,180	—	(1,167,745)
Sanitation	1,918,924	—	7,502	—	(1,911,422)
Culture and recreation	10,966,594	136,508	675,928	—	(10,154,158)
Economic development	2,415,480	1,650	76,588	102,605	(2,234,637)
Interest and fees on long-term debt	660,879	—	—	—	(660,879)
Total governmental activities	79,565,069	2,006,589	13,282,911	10,708,195	(53,567,374)
General revenues:					
Taxes:					
Property taxes levied for general purposes					40,756,547
Property taxes levied for debt service					2,272,517
Sales taxes					7,788,364
Franchise taxes					194,874
Gaming					2,304,346
Grants and contributions not restricted to specific programs					1,152,459
Investment earnings					2,103,399
Miscellaneous					691,423
Total general revenues					57,263,929
Change in net assets					3,696,555
Net assets, beginning					311,534,825
Net assets, ending					\$ 315,231,380

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Balance Sheet

Governmental Funds  
December 31, 2006

Assets	General	Shreve Memorial Library Fund	Detention Facilities Fund	Juvenile Justice Fund	Head Start Fund	Capital Outlay Fund	Road Construction Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	509,019	965,573	—	19,184	—	918,919	1,224,586	3,282,555	6,919,836
Investments	3,133,721	—	—	116,853	—	5,670,041	7,555,649	18,867,905	35,344,169
Receivables, net:									
Ad valorem taxes	4,281,893	10,063,157	5,733,775	2,122,448	—	—	—	17,972,168	40,175,441
Paving assessments	—	—	—	—	18,272	—	212,109	230,381	230,381
Other	35,791	—	312	284	—	—	491,681	481,893	1,009,961
Accrued interest	37,125	—	—	1,399	—	67,021	89,315	226,800	421,660
Due from other funds	720,197	—	—	—	—	1,222,823	1,675,259	5,245,905	8,864,184
Due from other governments	299,974	405,503	154,026	633,370	—	—	284,203	575,197	2,352,273
Other assets	—	123,563	—	—	—	—	—	—	123,563
<b>Total assets</b>	<b>9,019,720</b>	<b>11,557,796</b>	<b>5,888,113</b>	<b>2,893,538</b>	<b>—</b>	<b>7,878,804</b>	<b>11,532,802</b>	<b>46,670,695</b>	<b>95,441,468</b>
<b>Liabilities and Fund Balance</b>									
Liabilities:									
Accounts payable	50,635	86,038	62,327	121,108	—	156,029	874,227	834,752	2,175,116
Accrued liabilities	46,606	230,500	7,085	61,160	—	—	—	108,123	453,474
Retainages payable	—	—	—	—	—	248,817	—	—	248,817
Due to other funds	1,100,000	—	4,477,266	1,254,435	—	—	—	2,746,873	9,578,574
Deferred revenue	188,974	335,397	252,184	106,318	—	8,089	—	611,190	1,502,152
Due to other governments	8,023	—	590,672	137,754	—	—	—	248,564	985,013
<b>Total liabilities</b>	<b>1,394,238</b>	<b>651,935</b>	<b>5,389,534</b>	<b>1,680,775</b>	<b>—</b>	<b>404,846</b>	<b>882,316</b>	<b>4,539,502</b>	<b>14,943,146</b>
Fund balance:									
Reserved for:									
Debt service	—	—	—	—	—	—	—	1,748,378	1,748,378
Encumbrances	1,883	279,825	71,624	2,257	—	113,419	—	129,906	598,944
Contingencies	—	—	—	—	—	—	—	7,565,782	7,565,782
Industrial development	—	—	—	—	—	—	—	207,161	207,161
Revolving loan to general fund	—	—	—	—	—	—	—	1,246,298	1,246,298
Prepaid items	—	123,563	—	—	—	—	—	—	123,563
Unreserved	53,675	—	—	483,077	—	7,360,559	588,620	—	8,485,911
Designated for subsequent year's expenditure	400,000	—	—	—	—	—	—	—	400,000
Designated for future claims	—	—	—	—	—	—	—	—	—
Designated for subsequent year's expenditure in nonmajor special revenue funds	—	—	—	—	—	—	—	534,322	534,322
Designated for subsequent year's expenditure in nonmajor capital projects funds	—	—	—	—	—	—	—	2,700,704	2,700,704
Undesignated, reported in nonmajor special revenue funds	—	—	—	—	—	—	—	27,998,612	27,998,612
Undesignated	2,169,924	10,502,473	426,935	727,429	—	—	10,061,866	—	28,888,647
<b>Total fund balance</b>	<b>7,625,482</b>	<b>10,905,861</b>	<b>498,579</b>	<b>1,212,763</b>	<b>—</b>	<b>7,473,958</b>	<b>10,650,486</b>	<b>42,131,193</b>	<b>80,498,322</b>
<b>Total liabilities and fund balance</b>	<b>9,019,720</b>	<b>11,557,796</b>	<b>5,888,113</b>	<b>2,893,538</b>	<b>—</b>	<b>7,878,804</b>	<b>11,532,802</b>	<b>46,670,695</b>	<b>95,441,468</b>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
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Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets

Year ended December 31, 2006

Fund balances – total governmental funds	\$	80,498,322
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the governmental funds		
Governmental capital assets	480,053,570	
Less accumulated depreciation	<u>(234,994,107)</u>	245,059,463
Other assets used in governmental activities that are not financial resources and, therefore are not reported in the governmental funds		
Unamortized bond issuance costs		16,219
Some of the Commission's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore are deferred in the governmental funds		
		1,356,479
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore are not reported in the governmental funds		
Accrued interest payable	(162,851)	
Compensated absences	(1,485,393)	
Deferred loss on refunding	140,924	
Bonds, notes, and loans payable	<u>(13,965,000)</u>	(15,472,320)
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>3,773,217</u>
Net assets of governmental activities	\$	<u><u>315,231,380</u></u>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year ended December 31, 2006

Revenues	Shreve								Total Governmental Funds
	General	Memorial Library Fund	Detention Facilities Fund	Juvenile Justice Fund	Head Start Fund	Capital Outlay Fund	Road Construction Fund	Other Governmental Funds	
Taxes	\$ 4,588,033	10,733,478	6,067,641	2,267,542	—	—	5,193,636	21,853,047	50,703,377
Licenses and permits	554,349	—	—	—	—	—	—	31,380	585,729
Intragovernmental	1,152,459	639,336	231,039	958,236	8,600,000	138,847	1,451,443	1,366,616	14,537,976
Charges for services	194,874	—	—	23,526	—	—	—	220,811	439,211
Fines and forfeitures	—	123,031	—	168,474	—	—	—	148	291,653
Gaming	143,224	—	—	—	—	—	—	2,161,122	2,304,346
Use of money and property									
Rental, camping fees, and other	—	—	—	—	—	—	—	160,127	160,127
Investment earnings	195,253	108,947	—	6,150	—	337,268	372,680	1,175,073	2,195,371
Net decrease in the fair value of investments	(18,671)	—	—	(698)	—	(33,761)	(44,989)	(112,359)	(210,478)
Other revenues	303,914	156,078	6,618	37,145	—	2,629	15,681	184,956	707,021
<b>Total revenues</b>	<b>7,113,435</b>	<b>11,760,870</b>	<b>6,305,298</b>	<b>3,460,375</b>	<b>8,600,000</b>	<b>444,983</b>	<b>6,988,451</b>	<b>27,040,921</b>	<b>71,714,333</b>
<b>Expenditures</b>									
<b>Current</b>									
General government	2,057,120	—	—	—	—	50,737	—	171,703	2,279,560
Criminal justice	3,768,475	—	6,139,043	4,064,220	—	—	—	237,878	14,209,616
Health and welfare	—	—	—	—	8,600,000	—	—	2,797,858	11,397,858
Highways and streets	—	—	—	—	—	—	165,874	4,678,176	4,844,050
Building facilities	131,828	—	—	384,868	—	—	—	2,647,348	3,164,044
Drainage	—	—	—	—	—	—	—	536,256	536,256
Sanitation	—	—	—	—	—	—	—	1,878,965	1,878,965
Culture and recreation	—	8,548,905	—	—	—	—	—	885,844	9,434,749
Economic development	—	—	—	—	—	—	—	2,288,999	2,288,999
Debt service:									
Principal	—	1,985,000	—	—	—	—	—	2,190,000	4,175,000
Interest	—	244,501	—	—	—	—	—	292,210	536,711
Fees and charges	—	—	—	—	—	—	—	110,149	110,149
Capital outlay	32,381	3,330,226	—	10,065	—	7,868,348	—	21,016	11,262,036
<b>Total expenditures</b>	<b>5,989,804</b>	<b>14,108,632</b>	<b>6,139,043</b>	<b>4,459,153</b>	<b>8,600,000</b>	<b>7,919,083</b>	<b>165,874</b>	<b>18,736,402</b>	<b>66,117,993</b>
Excess (deficiency) of revenues over (under) expenditures	1,123,631	(2,347,762)	166,255	(998,778)	—	(7,474,102)	6,822,577	8,304,519	5,596,340
<b>Other financing sources (uses)</b>									
Transfers in	500,000	3,067,477	—	1,350,000	—	7,673,000	—	362,883	12,953,362
Transfers out	—	—	—	—	—	—	(5,986,000)	(6,967,362)	(12,953,362)
<b>Total other financing sources and uses</b>	<b>500,000</b>	<b>3,067,477</b>	<b>—</b>	<b>1,350,000</b>	<b>—</b>	<b>7,673,000</b>	<b>(5,986,000)</b>	<b>(6,604,477)</b>	<b>—</b>
<b>Net change in fund balances</b>	<b>1,623,631</b>	<b>719,715</b>	<b>166,255</b>	<b>351,222</b>	<b>—</b>	<b>198,898</b>	<b>836,577</b>	<b>1,700,042</b>	<b>5,596,340</b>
Fund balances, beginning	6,001,851	10,186,146	332,324	861,541	—	7,275,060	9,813,909	40,431,151	74,901,982
Fund balances, ending	\$ 7,625,482	10,905,861	498,579	1,212,763	—	7,473,958	10,650,486	42,131,193	80,498,322

See accompanying notes to basic financial statements

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Year ended December 31, 2006

Net change in fund balances – total governmental funds	\$	5,596,340
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	5,174,545	
Depreciation expense	<u>(14,604,290)</u>	(9,429,745)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial revenues.		
		10,605,590
Revenues reported in the statement of activities are not reported in governmental funds because they do not provide current financial resources. This adjustment is to recognize the net change in unavailable revenues (property taxes and special assessments).		
		98,453
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:		
Principal payments		4,175,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of deferred loss on advance refunding	(55,019)	
Amortization of bond issue costs	(7,173)	
Increase in compensated absences	(186,794)	
Decrease in accrued interest	47,481	
Loss on disposal of capital assets	<u>(6,804,177)</u>	(7,005,682)
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>(343,401)</u>
Change in net assets of governmental activities	\$	<u><u>3,696,555</u></u>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Statement of Net Assets  
 Proprietary Funds  
 December 31, 2006

<b>Assets</b>	<b>Governmental activities Internal Service Funds</b>
<b>Current assets:</b>	
Cash and cash equivalents	\$ 436,118
Investments	2,694,499
Receivables, net	88,667
Accrued interest receivable	31,808
Due from other funds	768,198
Inventories	64,834
<b>Total current assets</b>	<b><u>4,084,124</u></b>
<b>Noncurrent assets:</b>	
<b>Capital assets:</b>	
Land	163,475
Sewer line	107,541
Buildings	134,428
Vehicles	14,579
Equipment	17,322
Less accumulated depreciation	<u>(132,245)</u>
<b>Total capital assets (net of accumulated depreciation)</b>	<b><u>305,100</u></b>
<b>Total assets</b>	<b><u>4,389,224</u></b>
<b>Liabilities</b>	
<b>Current liabilities:</b>	
Accounts payable	29,151
Accrued liabilities	5,763
Accrued insurance claims payable	527,285
Due to other funds	<u>53,808</u>
<b>Total current liabilities</b>	<b><u>616,007</u></b>
<b>Net Assets</b>	
Invested in capital assets	305,100
Unrestricted	<u>3,468,117</u>
<b>Total net assets</b>	<b><u>\$ 3,773,217</u></b>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Proprietary Funds

Year ended December 31, 2006

	<b>Governmental activities Internal Service Funds</b>
<b>Operating Revenues</b>	
Employer's contributions	\$ 2,202,867
Employees' contributions	621,587
Charges for sales and services	2,422,552
Miscellaneous	42,047
	<hr/>
Total operating revenues	5,289,053
<b>Operating Expenses</b>	
Claims	3,207,244
Cost of sales and service	1,368,351
Insurance premiums	774,588
General and administrative	363,366
Depreciation	9,934
Other	25,249
	<hr/>
Total operating expenses	5,748,732
Operating loss	<u>(459,679)</u>
<b>Nonoperating Revenues (Expenses)</b>	
Investment earnings	118,507
Interest expense	(229)
Loss on disposal of capital assets	(2,000)
	<hr/>
Total nonoperating revenues	116,278
Change in net assets	(343,401)
Total net assets, beginning	<u>4,116,618</u>
Total net assets, ending	<u>\$ 3,773,217</u>

See accompanying notes to basic financial statements.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Statement of Cash Flows  
Proprietary Funds  
Year ended December 31, 2006

	<b>Governmental activities Internal Service Funds</b>
<b>Cash flows from operating activities:</b>	
Contributions	\$ 2,877,189
Receipts from operations	2,421,919
Payments to suppliers	(2,529,843)
Claims paid	(3,054,562)
Net cash used in operating activities	<u>(285,297)</u>
<b>Cash flows from noncapital financing activities:</b>	
Interest paid	<u>(229)</u>
Net cash used in capital and related financing activities	<u>(229)</u>
<b>Cash flows from investing activities:</b>	
Sale of investments	519,513
Interest received	125,642
Net cash provided by investing activities	<u>645,155</u>
Net increase in cash and cash equivalents	359,629
Cash and cash equivalents, beginning of year	<u>76,489</u>
Cash and cash equivalents, end of year	<u>\$ 436,118</u>
<b>Reconciliation of operating income to net cash used in operating activities:</b>	
Operating loss	\$ (459,679)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	9,934
(Increase) decrease in assets:	
Receivables	(28,654)
Inventory	(23,603)
Due from other funds	38,709
Increase (decrease) in liabilities:	
Accrued insurance claims payable	184,383
Accounts payable	(47,386)
Accrued liabilities	(247)
Due to other funds	41,246
Total adjustments	<u>174,382</u>
Net cash used in operating activities	<u>\$ (285,297)</u>
<b>Noncash items:</b>	
Net increase in the fair value of investments	\$ (16,038)

See accompanying notes to basic financial statements.

## FIDUCIARY FUNDS

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Agency Funds are used to account for assets held as an agent for other governments. The Commission has two agency funds:

**Criminal Court Fund** – The establishment of this fund was mandated by the legislature to account for the proceeds from operations of the First Judicial District Court. All fines, court costs, and bond forfeitures imposed by the court are dedicated to trial costs and other operating expenditures.

**Jury Fund** – The establishment of this fund was mandated by the legislature to account for the proceeds from a special fee assessed on criminal cases. The fees are used to provide compensation to jurors in criminal matters.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Statement of Fiduciary Assets and Liabilities

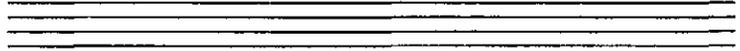
Fiduciary Funds

December 31, 2006

<b>Assets</b>	
Cash and cash equivalents	\$ 112,342
Investments	250,028
Receivables	6,378
Due from other funds	11,556
Due from other governmental agencies	<u>153,036</u>
Total assets	<u><u>533,340</u></u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	59,061
Due to other funds	11,556
Due to other governmental agencies	<u>462,723</u>
Total liabilities	\$ <u><u>533,340</u></u>

See accompanying notes to basic financial statements.

**BASIC FINANCIAL  
STATEMENTS**



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Notes to Basic Financial Statements  
December 31, 2006

**(1) Summary of Significant Accounting Policies**

The Caddo Parish Commission (the Commission) is the governing authority for Caddo Parish and is a political subdivision of the state of Louisiana. The Commission, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy, and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health and welfare, libraries, culture and recreational facilities, economic development, and general administrative services.

The Commission was established December 10, 1984, after voter approval of the Home Rule Charter for Caddo Parish on April 7, 1984. The Commission replaced the Caddo Parish Police Jury, which was established January 18, 1838.

**(a) Reporting Entity**

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 government-wide financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization, which is fiscally dependent on the primary government should be included in its reporting entity.

These financial statements present only the Caddo Parish Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with accounting principles generally accepted in the United States of America.

Other than the exclusion of the data of the discrete component units, the accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies:

**(b) Government-Wide and Fund Financial Statements**

The government-wide 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 Commission.

The Statement of Net Assets presents information on all of the Commission'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 Commission is improving or deteriorating.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are 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 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 funds are reported as separate columns in the FFS.

**(c) *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 FFS. 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 revenues as soon as all eligibility requirements have been met.

Governmental FFS 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 Commission 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 items such 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, monies must be expended on the specific purpose or project before any amounts will be paid to the Commission; therefore, revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to 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 the susceptible to accrual criteria are met.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

The accounts of the Commission 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/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types are used by the Commission:

**Governmental Funds**

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

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

Detention Facilities Fund – The Detention Facilities Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the maintenance and operation of the Caddo Correctional Center.

Juvenile Justice Fund – The Juvenile Court Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish juvenile court and detention facilities.

Head Start – The Head Start Fund accounts for federal monies received by the Commission that are passed through to the Caddo Community Action Agency.

Shreve Memorial Library Fund – The Shreve Memorial Library Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the operation of the Shreve Memorial Library system.

Road Construction Fund – The Road Construction Fund accounts for the proceeds of a sales tax approved by the voters in 1989. The tax was dedicated to capital improvement of roads and bridges. The fund also accounts for the proceeds of a portion of the gasoline tax levied by the state of Louisiana. These funds are dedicated to road and bridge improvement by the state.

Capital Outlay Fund – The Capital Outlay Fund was established to account for capital expenditures and capital projects still in progress. Monies for the Capital Outlay Fund are provided through transfers from various funds of the Commission.

Additionally, the Commission reports the following governmental fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

Debt Service Fund – The Debt Service Fund is 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 Fund receives a dedicated portion of ad valorem taxes paid to the Commission.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. These funds are also used to account for the construction of public improvements, which are to be ultimately financed through assessments to individual property owners.

Permanent Funds – In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, nonexpendable trust funds are now referred to as permanent funds. The Jail Site Permanent Fund was established in accordance with a government mandate by the legislature to account for the proceeds from the sale of certain property in downtown Shreveport. The fund is nonexpendable and may only be utilized for the purpose of making revolving loans to the General Fund.

**Proprietary Fund Type**

The proprietary fund type is used to account for the Commission's ongoing organizations and activities which are similar to those often found in the private sector. The Internal Service Funds are the only proprietary funds maintained by the Commission. The Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost reimbursement basis. The following are the Commission's Internal Service Funds:

Group Insurance Fund – The Group Insurance Fund is used to account for employee medical and life insurance coverage.

General Insurance Fund – The General Insurance Fund is used to account for casualty and workmen's compensation insurance coverage and claims.

Fleet Services – The Fleet Services Fund is used to account for the vehicle and equipment repair services provided by the Commission's central garage location.

**Fiduciary Funds**

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

Agency Funds – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The Criminal Court Fund was established in accordance with a government mandate by the legislature to account for the proceeds from the operations of the First Judicial District Court. All fines, court costs, and bond forfeitures imposed by the Court are dedicated to trial costs and other operating expenditures. The Jury Fund was established in accordance with a government mandate by the legislature to account for the proceeds from a special fee assessed on criminal cases. The fees are used to provide compensation of jurors in criminal matters.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

**(d) Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental 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 Commission maintains a threshold level for capitalization of capital assets except land. All land is capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of \$5,000 for land improvements, buildings and building improvements, furniture, equipment, vehicles, and construction in progress. Infrastructure is capitalized utilizing a threshold of \$200,000 for roads, \$75,000 for bridges, \$50,000 for drainage ditches, and \$5,000 for solid waste. 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.

In the FFS, capital assets are only reported in the Fleet Services Internal Service Fund.

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:

Land improvements	20 years
Buildings	40 – 45 years
Building improvements	20 years
Sewer line	50 years
Drainage	15 – 30 years
Roadways	20 – 40 years
Bridges	40 years
Solid waste	15 years
Vehicles	5 years
Equipment	5 – 20 years

**(e) 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, 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. Bonds payable are reported net of the applicable bond premium or discount.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

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.

**(f) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the Commission's governmental funds. Every appropriation, except an appropriation for a capital expenditure, will lapse at the close of the fiscal year to the extent it has not been expended. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

**(g) Investments**

State statutes authorize the Commission to invest in United States bonds, treasury notes, and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a nonprofit corporation, formed by an initiative of the State Treasurer and organized under the laws of the state of Louisiana, which operates a local government investment pool. Investments of the Commission are stated at fair value. Investments, excluding the LAMP investments, are held in the Commission's name through a book-entry system at the Federal Reserve Bank.

**(h) Inventories**

Inventories are valued at cost using the first-in, first-out (FIFO) method. Inventory in the Internal Service Fund consists of parts, signs, and fuel. Inventories are accounted for using the purchase method.

**(i) Deferred Revenues**

Deferred revenues for ad valorem taxes represent those amounts of current year taxes not received within the 60-day period after December 31. Certain licenses are collected in advance; therefore, the recognition of revenue is deferred until the following year.

In addition, deferred revenues in the Road Construction Capital Projects Fund exist because paving assessments receivable are collected over several years. Revenue will be recognized as paving assessments receivable become current. As paving assessments become current but not collected, the receivables then become delinquent. These receivables are secured by the property improved by the assessments and are, therefore, collectible. Delinquent receivables are immaterial.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

*(j) Vacation and Sick Leave*

Full-time Commission employees may earn 9 to 21 days of annual leave and 12 to 24 days of sick leave per year depending on length of service. Upon resigning, employees may be paid for accumulated annual leave. Retiring employees are not paid for accrued annual leave, but they are given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Full-time Shreve Memorial Library employees may earn 12 to 22 days of annual leave and 6 to 15 days of sick leave annually depending on length of service. Employees may accrue a maximum of 44 days of annual leave and 60 days of sick leave. Any accrual over the maximum is forfeited. Employees resigning or retiring from the library with proper notice are paid for their accrued annual leave. Accumulated sick leave is canceled upon termination or retirement with no credit toward retirement length of service.

In the FFS, the matured liability for compensated absences, which includes salary and salary-related payments, is reported in the fund. The total liability is reported in the GWFS. Accrued sick leave benefits are not accrued due to the Commission's policy of not paying benefits upon termination. No accrual is made in the governmental funds because the liability is not matured.

*(k) Pension Plans*

The Commission participates in two pension plans, which are administered by other governmental entities. These plans cover substantially all employees who meet certain length of service requirements (see note 7 for details of these plans).

*(l) Reserves*

Use of the term "reserve" in describing governmental fund "fund balances" and proprietary fund "net assets" indicates that a portion of the fund balance or net assets is not appropriable for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

**Debt Service**

This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt and revenue bonds.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances.

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

**Revolving Loans to General Fund**

This amount represents the total fund balance of the Jail Site Permanent Fund, which as mandated by the Louisiana State Legislature, is reserved for and restricted to providing a source of funding for the purpose of making annual revenue anticipation loans to the General Fund.

**Contingencies**

This represents the fund balance of the Reserve Trust Fund, established to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity, or other occasions requiring immediate emergency funding needs or cash flow loan demand.

**Industrial Development**

This amount represents the total fund balance of the Economic Development Special Revenue Fund, which is reserved for industrial development in Caddo Parish.

**(m) Designations**

Use of the term "designated" in describing governmental fund "fund balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of these designations are explained as follows:

**Designated for Future Claims**

This amount represents a portion of fund balance that has been designated to fund possible claims and losses from lawsuits.

**Designated for Subsequent Year Expenditures**

This amount represents a portion of the current year fund balance that has been designated in the subsequent year budget to cover anticipated expenditures in excess of revenues.

**(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.

The Criminal Court Agency Fund includes receipts and disbursements of the First Judicial District Court. The monies in the fund are not available for use by the Commission; however, state law requires that the Commission fund all deficits of the fund and entitles the Commission to one-half of any surplus. These transactions are accounted for as receipts or disbursements of the Criminal Court Fund and the General Fund as applicable.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Basic Financial Statements

December 31, 2006

**(o) 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 parish. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, and Capital Projects Funds. A grant receivable is recorded when the Commission 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 approach as mandated in OMB Circular A-133.

**(p) Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Commission considers all highly liquid investments with an original maturity of three months or less when purchased and its investment in the Louisiana Asset Management Pool (LAMP) to be cash equivalents.

**(2) Cash and Investments**

The Commission maintains a consolidated cash management pool that is available for use by all funds. Each fund type's portion of the consolidated cash pool is displayed on the Statement of Net Assets as "Cash and cash equivalents" or "Investments."

**(a) Deposits**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2006 had a carrying amount of \$1,073,217 and a bank balance of \$4,461,637.

The Commission's bank balance of deposits at December 31, 2006, is not exposed to any custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned. The Commission does not have a written policy for custodial credit risk.

The carrying amount of deposits does not include cash on hand balance of \$375 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.

**(b) Investments**

State statutes authorize the Commission to invest in direct obligations of the United States Treasury, United States government agency obligations and LAMP, a local government investment pool. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participant's shares,

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investments are valued at amortized cost. LAMP is designed to be highly liquid to give participants daily access to their account balances.

The Commission's investment balance at December 31, 2006 consisted of the following:

Security	Standard & Poors rating	Percentage of total portfolio	Fair market value	Months to maturity			
				0 - 6	6 - 12	12 - 24	Over 24
Louisiana Asset Management Pool - cash	N/A	14%	\$ 6,394,705	5,394,705	—	—	—
U.S. Treasury	N/A	2%	975,312	—	—	975,312	—
U.S. chartered agencies:							
Federal National Mortgage Association	AAA	30%	13,313,133	659,891	5,628,877	1,941,563	5,082,802
Federal Home Loan Mortgage Corporation	AAA	20%	8,976,073	3,417,258	1,972,414	868,596	2,717,805
Federal Home Loan Bank	AAA	29%	13,051,989	2,197,688	2,973,750	2,318,770	5,561,781
Federal Farm Credit Bank	AAA	4%	1,972,188	995,938	—	976,250	—
<b>Total</b>		<b>100%</b>	<b>\$ 44,683,400</b>	<b>13,665,480</b>	<b>10,575,041</b>	<b>7,080,491</b>	<b>13,362,388</b>
Percentage of portfolio value			100%	31%	24%	16%	30%

The investments with original maturities of three months or more when purchased totaling \$38,038,667 and \$250,028 are classified as "Investments" on the Statement of Net Assets and the Statement of Fiduciary Assets and Liabilities, respectively. The balance of cash in the Louisiana Asset Management Pool totaling \$6,394,705 is classified as "Cash and cash equivalents" on the Statement of Net Assets as these funds operate similar to a money market fund.

The Commission's investment policy requires all securities to be investment grade obligations, but does not address specific credit quality ratings. The Commission does not limit the amount that may be invested in securities of any one issuer. In accordance with the investment policy, the maximum permitted maturity of any individual security in the Commission's portfolio is five years. It is a further requirement that the overall portfolio be structured to provide a minimum cash flow, through maturities, equal to 20% of the portfolio balance on an annual basis. Applicable state statutes do not address credit quality ratings, concentration of credit risk by issuer, or investment maturity limitations.

**(3) Ad Valorem Taxes**

The Commission levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the Commission on property values assessed by the Caddo Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

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The Caddo Parish Sheriff's Office bills and collects property taxes for the Commission. Collections are remitted to the Commission monthly. In the fund level statements, the Commission property tax revenues are recognized when levied to the extent that they are collected within 60 days after year-end.

**Property tax calendar**

Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Total taxes are due	December 31
Penalties and interest are added	January 1
Lien date	January 1
Tax sale – 2006 delinquent property	On or about May 17, 2007

The Commission is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes, 35% of the assessed valuation for the payment of principal and interest on long-term debt after approval by the voters of the parish. A total of approximately \$508,950,657 of additional bonded debt is available for issuance pursuant to the 35% limitation. Property taxes are recorded as receivables and revenues in the year assessed, net of combined estimated allowance for uncollectible accounts of \$1,410,095. Taxes totaling \$1,356,479 not collected within 60 days have been deferred in the FFS.

Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following ratios to fair value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

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, 2004. Total assessed value was \$1,473,087,590 in 2006. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$324,772,250 of the assessed value in 2006.

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The distribution of the Commission's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2006:

<b>Fund</b>	<b>Property within Shreveport or Vivian</b>	<b>Property outside Shreveport and Vivian</b>
General Fund	\$ 3.32%	6.65%
Road and Bridge	4.54%	4.54%
Courthouse Maintenance	2.77%	2.77%
Detention Facilities	5.43%	5.43%
Parks and Recreation	0.86%	0.86%
Solid Waste Disposal	0.18%	0.18%
Drainage	1.18%	1.18%
Juvenile Court	2.01%	2.01%
Criminal Justice	1.68%	1.68%
Health Unit	2.06%	2.06%
Shreve Memorial Library	9.53%	9.53%
Biomedical	1.80%	1.80%
Debt Service	1.95%	1.95%
	<u>\$ 37.31%</u>	<u>40.64%</u>

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**(4) Capital Assets**

A summary of changes in capital assets is as follows:

	<u>Balance, December 31, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, December 31, 2006</u>
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land and land improvements	\$ 14,138,566	378,020	(117,873)	14,398,713
Construction in progress	<u>6,965,813</u>	<u>2,561,684</u>	<u>(9,527,497)</u>	<u>—</u>
Total capital assets not being depreciated	<u>21,104,379</u>	<u>2,939,704</u>	<u>(9,645,370)</u>	<u>14,398,713</u>
<b>Capital assets being depreciated:</b>				
Buildings and structures	75,399,788	8,622,275	—	84,022,063
Equipment and vehicles	24,486,874	2,991,612	(811,442)	26,667,044
Infrastructure	<u>357,288,844</u>	<u>10,528,092</u>	<u>(12,413,842)</u>	<u>355,403,094</u>
Total capital assets being depreciated	<u>457,175,506</u>	<u>22,141,979</u>	<u>(13,225,284)</u>	<u>466,092,201</u>
<b>Less accumulated depreciation for:</b>				
Buildings and structures	(20,196,901)	(1,972,535)	—	(22,169,436)
Equipment and vehicles	(16,952,908)	(2,256,103)	733,720	(18,475,291)
Infrastructure	<u>(190,125,247)</u>	<u>(10,385,586)</u>	<u>6,029,209</u>	<u>(194,481,624)</u>
Total accumulated depreciation	<u>(227,275,056)</u>	<u>(14,614,224)</u>	<u>6,762,929</u>	<u>(235,126,351)</u>
Total capital assets being depreciated, net	<u>229,900,450</u>	<u>7,527,755</u>	<u>(6,462,355)</u>	<u>230,965,850</u>
Capital assets, net	<u>\$ 251,004,829</u>	<u>10,467,459</u>	<u>(16,107,725)</u>	<u>245,364,563</u>

In 2006, the City of Shreveport annexed certain parish roads. The costs of those roads and associated land were removed from the Commission's capital assets.

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The Commission leases the Shreveport Regional Lab to the State Department of Health and Hospitals under an operating lease expiring in June of 2010. The building being leased has a cost of \$1,496,340. Minimum future rentals to be received are as follows:

Years ending December 31:	Amount
2007	\$ 145,000
2008	145,000
2009	145,000
2010	145,000

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

Governmental activities:	
General Government	\$ 43,215
Criminal Justice	964,435
Health and Welfare	252,823
Highways and Streets	10,827,707
Building Facilities	397,416
Drainage	300,252
Sanitation	36,274
Economic Development	105,733
Culture and Recreation	1,686,369
Total depreciation expense – governmental activities	\$ 14,614,224

**(5) Long-Term Debt**

The following is a summary of the long-term obligation activity for the year ended December 31, 2006:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Governmental activities:					
General obligation bonds payable	\$ 8,430,000	—	1,800,000	6,630,000	1,865,000
Certificates of indebtedness	9,710,000	—	2,375,000	7,335,000	1,305,000
Deferred loss	(195,943)	55,019	—	(140,924)	—
Claims and judgments payable	342,902	3,207,244	3,022,861	527,285	527,285
Compensated absences	1,298,599	824,687	637,893	1,485,393	649,926
Governmental activity long-term liabilities	\$ 19,585,558	4,086,950	7,835,754	15,836,754	4,347,211

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Long-term debt at December 31, 2006 is comprised of the following issues:

General obligation bonds – applicable to general parish operations:		
\$3,425,000 1998 Refunding Bonds, due in annual installments of \$40,000 to \$420,000 through February 1, 2011; interest at 3.75% to 4.65%	\$	1,880,000
\$6,365,000 2004 Refunding Bonds, due in annual installments of \$130,000 to \$1,640,000 through February 1, 2009; interest at 2.79%		4,750,000
Total general obligation bonds payable		6,630,000
\$9,000,000 Certificates of Indebtedness, Series 2002, due in annual installments of \$360,000 to \$1,135,000 through March 1, 2012; interest at 2.875% to 3.7%		6,105,000
\$2,060,000 Refunding Certificates of Indebtedness, Series 2003, due in annual installments of \$25,000 to \$420,000 through December 1, 2009; interest at 1.0% to 3.5%		1,230,000
Total certificates of indebtedness		7,335,000
Total long-term debt	\$	13,965,000

The annual requirements, excluding a deferred loss of \$140,924 to amortize all debt outstanding as of December 31, 2006, are as follows:

	Governmental activities		Total
	Principal	Interest	
Years ending December 31:			
2007	\$ 3,170,000	421,209	3,591,209
2008	3,295,000	322,295	3,617,295
2009	3,425,000	216,601	3,641,601
2010	1,435,000	127,511	1,562,511
2011	1,505,000	71,290	1,576,290
2012	1,135,000	20,998	1,155,998
	\$ 13,965,000	1,179,904	15,144,904

Principal payments of \$1,800,000 plus interest of \$243,440 on the bonds payable were paid from the Debt Service Fund. Principal payments of \$2,375,000 plus interest of \$293,271 on the certificates of indebtedness were paid from the Riverboat Fund and the Shreve Memorial Library Fund.

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

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General obligation bonds are direct general obligations of the Commission. Principal and interest are payable from ad valorem taxes levied on all taxable property within the parish.

In 1995, the Commission issued \$13,685,000 in general obligation refunding bonds to advance refund a portion of the 1989 Series general obligation bonds in the amount of \$12,580,000. The outstanding principal balances on the 1989 series bonds from February 1, 2001 to February 1, 2009 were the balances subject to the advance refunding and are considered to be defeased. The outstanding balance of the defeased bonds at December 31, 2006 is \$4,835,000.

In March 1998, the Commission issued \$3,425,000 of general obligation refunding bonds to advance refund a portion of the Series 1991 A and the Series 1991 B general obligation bonds in the amounts of \$2,445,000 and \$695,000, respectively. The Series 1991 A and B bonds are considered defeased and the liability for those bonds has been removed from the general long-term obligation. At December 31, 2006, the outstanding balance on the 1991 A and 1991 B refunded bonds was \$1,460,000 and \$415,000, respectively.

In 2003, the Commission issued \$2,060,000 of Certificates of Indebtedness, Series 2003. The net proceeds of \$2,046,870 (after payment of \$13,130 in costs of issuance) were used to defease the 1999 Series Certificates of Indebtedness of \$1,915,000. The reacquisition price exceeded the net carrying amount of the old debt by \$145,000. This amount is being netted against the new debt and amortized over seven years, which is equal to the life of the old debt and the life of the new debt. Amortization for 2006 was \$19,019.

In 2004, the Commission issued \$6,365,000 of general obligation refunding bonds to advance refund a portion of the 1995 Series general obligation refunding bonds. The net proceeds of \$6,358,931 (after payment of \$26,484 in costs of issuance) were used to defease the 1995 Series general obligation refunding bonds of \$6,185,000. The reacquisition price exceeded the net carrying amount of the old debt by \$180,000. This amount is being netted against the new debt and amortized over five years, which is equal to the life of the old debt and the life of the new debt. Amortization for 2006 was \$36,000.

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

**(a) Interfund Receivables and Payables**

Individual fund interfund receivable and payable balances at December 31, 2006 were as follows:

Due from other funds	Due to other funds						Agency	Total
	General Fund	Detention Facilities Fund	Juvenile Court Fund	Nonmajor Debt Service Fund	Nonmajor Special Revenue Fund	Internal Service Fund		
General Fund	\$ —	—	—	—	720,197	—	—	720,197
Road Construction Fund	—	—	—	—	1,675,259	—	—	1,675,259
Capital Outlay Fund	—	—	1,222,823	—	—	—	—	1,222,823
Nonmajor Special Revenue	—	3,731,927	—	—	—	—	—	3,731,927
Nonmajor Capital Outlay	—	347,619	31,612	—	—	—	—	379,231
Internal Service	—	362,972	—	308,869	42,549	53,808	—	768,198
Permanent Fund	1,100,000	34,748	—	—	—	—	—	1,134,748
Agency	—	—	—	—	—	—	11,556	11,556
	<u>\$ 1,100,000</u>	<u>4,477,266</u>	<u>1,254,435</u>	<u>308,869</u>	<u>2,438,005</u>	<u>53,808</u>	<u>11,556</u>	<u>9,641,939</u>

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. Additionally, balances resulted from negative cash balances in certain funds.

**(b) Transfers**

A reconciliation of operating transfers follows:

Transfers out	Transfers in					Total
	General Fund	Juvenile Court Fund	Shreve Memorial Library Fund	Capital Outlay Fund	Nonmajor Special Revenue Fund	
Road Construction Fund	\$ —	—	—	5,986,000	—	5,986,000
Nonmajor Special Revenue Fund	500,000	1,350,000	—	1,515,000	362,885	3,727,885
Nonmajor Capital Projects Fund	—	—	3,067,477	172,000	—	3,239,477
	<u>\$ 500,000</u>	<u>1,350,000</u>	<u>3,067,477</u>	<u>7,673,000</u>	<u>362,885</u>	<u>12,953,362</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 them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The Capital Outlay Fund was established to budget and monitor the status of ongoing capital projects and expenditures. The funding for this fund is provided primarily through transfers from various other funds of the Commission.

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**(7) Defined Benefit Pension Plans**

**(a) Description of Plans**

The Commission provides retirement, death, and disability benefits to its employees through two pension plans administered by other governmental entities.

**Parochial Employees' Retirement System of Louisiana (Parochial Plan)**

*Plan Description* – Substantially all Commission employees are members of this cost-sharing multiple-employer public employee statewide plan administered by the Parochial Employees' Retirement System. All classified parish employees who work at least 28 hours per week and are under 60 years of age are required to become members of the plan on the date of employment. Benefit provisions are established in accordance with Louisiana State Statute. The Parochial Plan 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 Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898.

*Funding Policy* – Covered employees are required to contribute 9.50% of their salary. The Commission is required to contribute 13.25% of covered employees' salaries. The employer and employee contribution obligations are established and may be amended by Louisiana State Statute. The Commission's contributions for the years ended December 31, 2006, 2005, and 2004 were \$1,409,650, \$1,278,435, and \$1,248,236, respectively, equal to the required contributions for each year. The Parochial Plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

**City of Shreveport Employees' Retirement System (City Plan)**

*Plan Description* – Substantially all employees of the Shreve Memorial Library are members of this cost-sharing multiple-employer defined benefit plan which is administered by the City of Shreveport. Enrollment is mandatory for full-time, permanent employees. Benefit provisions are established and may be amended by Shreveport City ordinance. The City of Shreveport issues a publicly available financial report that includes financial statements and required supplementary information of the City Plan. That report may be obtained by writing the City of Shreveport, P.O. Box 31109, Shreveport, Louisiana 71130.

*Funding Policy* – Plan members are required to contribute 5% of their salary. The Commission is required to contribute 9.15% of covered employees' salaries. This total contribution rate is allocated between the City Plan and the ERS Employer Contribution Plan, which is a savings plan for members. Under this employer allocation, 5.1% is contributed to the retirement plan and up to 4.05% is contributed to the savings plan, based on a matching of the member's contributions. Any amounts not matched are contributed to the retirement plan. These percentages can vary from year to year based on actuarial evaluations, but in no case will the employer total rate of 9.15% change. The employer and employee contribution obligations are established and may be amended by Shreveport City ordinance. The Commission's contributions for the years ended December 31, 2006, 2005, and

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2004, were \$298,124, \$248,508, and \$249,190, respectively, equal to the required contribution for each year. The plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

**(8) Post-Employment Healthcare Benefits**

In addition to the pension benefits described in note 7, the Commission provides postretirement healthcare benefits and life insurance, in accordance with state statutes, to all retiring employees who were participating in the group insurance plan prior to their retirement date. The Commission is self-insured for medical benefits including postretirement healthcare benefits and life insurance. Currently, there are 91 retirees receiving life insurance coverage and 82 receiving healthcare benefits. The Commission reimburses 80% of the amount of validated claims for medical and hospitalization costs incurred by pre-Medicare employees and their dependents. The Commission also reimburses 80% of Medicare supplemental benefits for retirees over the age of 65. Expenditures for postretirement healthcare benefits are recognized in the year claims are incurred. During 2006, expenditures of \$115,202 were recognized for postretirement healthcare. In addition, expenditures of \$24,000 were recognized for life insurance benefits paid during 2006.

**(9) Contingencies**

*Litigation*

The Commission is a defendant in several lawsuits involving civil actions. In the opinion of legal counsel, the Commission's ultimate exposure is unknown at this time. It is the policy of the Commission to pay judgments against the Commission on a current basis from current revenues. Settlements from litigation, insurance, and liability claims are included in General Insurance Fund expenditures.

*Grant Disallowances*

The Commission participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Commission management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**(10) Risk Management**

The Commission 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 Group Insurance Fund is used to account for self-insurance activities involving group medical and life insurance coverage for Commission employees. The General Insurance Fund is used to account for self-insurance activities involving workers' compensation and general liability claims.

The Commission maintains property, general, automobile, and excess liability insurance coverage. The limit of coverage on the general liability policy is \$1,000,000 per occurrence and \$3,000,000 in the aggregate. The excess liability policy contains an additional aggregate limit of \$1,000,000 for general liability claims. The Commission is self-insured for medical benefits and workers' compensation

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coverage. Employees contribute for medical benefits coverage, and each department that pays salaries contributes for both medical and workers' compensation coverage. The Commission maintains stop-loss coverage with an insurance company for medical claims in excess of \$150,000 per occurrence with an aggregate total of 125% of expected losses. Stop-loss coverage is also maintained for workers' compensation cases above \$300,000. Settlements have not exceeded insurance coverage for each of the past three fiscal years, and there were no reductions in insurance coverage from coverage in the prior year.

Payments to the Internal Service Funds are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the self-insurance programs. Payments in excess of actual expenses are recorded as transfers. At December 31, 2006, \$2,147,933 and \$1,308,250, respectively, are reported as Group Insurance Fund and General Insurance Fund net asset balance.

All self-insurance programs are accounted for within Internal Service Funds. The Commission has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage, and subrogation. The claims liability of \$516,097 and \$11,188 reported in the Group Insurance and General Insurance Funds, respectively, at December 31, 2006 are based on the requirements of GASB Statement No. 10.

Changes in the Group Insurance Fund's claims liability amount in fiscal years 2005 and 2006 were:

	<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance, fiscal year-end</u>
2005	\$ 270,433	2,267,013	2,263,587	273,859
2006	273,859	3,111,009	2,868,771	516,097

Changes in the General Insurance Fund's claims liability amount in fiscal years 2005 and 2006 were:

	<u>Beginning of fiscal year liability</u>	<u>Current year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance, fiscal year-end</u>
2005	\$ 23,504	262,213	216,674	69,043
2006	69,043	96,235	154,090	11,188

**REQUIRED SUPPLEMENTARY  
INFORMATION**

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

General Fund

Year ended December 31, 2006  
(unaudited)

	Original and final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>			
<b>Taxes:</b>			
Ad valorem	\$ 4,117,710	4,491,063	373,353
Other taxes, penalties, and interest	58,885	96,970	38,085
	<u>4,176,595</u>	<u>4,588,033</u>	<u>411,438</u>
Charges for services	165,000	194,874	29,874
Licenses and permits	399,500	554,349	154,849
<b>Intergovernmental – state of Louisiana:</b>			
Oil and gas severance tax	750,000	750,000	—
Beer tax	22,500	24,130	1,630
Timber severance pay	106,000	202,948	96,948
State revenue sharing	176,000	175,381	(619)
	<u>1,054,500</u>	<u>1,152,459</u>	<u>97,959</u>
Gaming	128,000	143,224	15,224
<b>Use of money and property:</b>			
Interest earned	50,000	195,253	145,253
Net increase in the fair value of investments	—	(18,671)	(18,671)
	<u>50,000</u>	<u>176,582</u>	<u>126,582</u>
Other revenues	41,000	303,914	262,914
<b>Total revenues</b>	<u>6,014,595</u>	<u>7,113,435</u>	<u>1,098,840</u>
<b>Expenditures:</b>			
<b>General government:</b>			
Commission	552,044	499,526	52,518
Administration	374,492	402,341	(27,849)
Human resources	137,152	54,304	82,848
Finance	280,344	270,009	10,335
Information systems	51,032	50,787	245
Elections	523,012	371,019	151,993
LSU extension	45,100	35,753	9,347
Allocations to other entities	209,076	209,076	—
Statutory appropriations	142,840	164,305	(21,465)
Capital outlay	33,300	32,381	919
	<u>2,348,392</u>	<u>2,089,501</u>	<u>258,891</u>
Facilities and maintenance	153,303	131,828	21,475
Criminal justice	4,072,711	3,768,475	304,236
<b>Total expenditures</b>	<u>6,574,406</u>	<u>5,989,804</u>	<u>584,602</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(559,811)</u>	<u>1,123,631</u>	<u>(1,683,442)</u>
<b>Other financing sources:</b>			
Transfers in	500,000	500,000	—
	<u>500,000</u>	<u>500,000</u>	<u>—</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(59,811)</u>	<u>1,623,631</u>	<u>1,683,442</u>
Fund balance, beginning of year	6,001,851	6,001,851	—
<b>Fund balance, end of year</b>	<u>\$ 5,942,040</u>	<u>7,625,482</u>	<u>1,683,442</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

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

Special Revenue Fund  
Shreve Memorial Library Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 9,878,185	9,878,185	10,733,478	855,293
Intergovernmental revenues:				
State grants	59,784	59,784	58,833	(951)
State revenue sharing	394,026	394,026	405,503	11,477
Other grants	—	175,000	175,000	—
	<u>10,331,995</u>	<u>10,506,995</u>	<u>11,372,814</u>	<u>865,819</u>
Library fines	105,400	105,400	123,031	17,631
Use of money and property – interest	52,500	52,500	108,947	56,447
Other revenues	240,000	240,000	156,078	(83,922)
<b>Total revenues</b>	<u>10,729,895</u>	<u>10,904,895</u>	<u>11,760,870</u>	<u>855,975</u>
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries, fringe benefits, and payroll taxes	5,594,135	5,594,135	5,401,758	192,377
Supplies	279,700	279,700	271,890	7,810
Utilities	618,800	618,800	592,517	26,283
Repairs and maintenance	544,700	544,700	622,481	(77,781)
Insurance	164,844	164,844	193,013	(28,169)
Books and library materials	1,052,344	1,052,344	1,007,083	45,261
Miscellaneous	815,500	815,500	460,163	355,337
<b>Total culture and recreation</b>	<u>9,070,023</u>	<u>9,070,023</u>	<u>8,548,905</u>	<u>521,118</u>
Capital outlay	3,125,556	3,300,556	3,330,226	(29,670)
Debt service:				
Interest	1,985,000	1,985,000	1,985,000	—
Principal	244,501	244,501	244,501	—
<b>Total expenditures</b>	<u>14,425,080</u>	<u>14,600,080</u>	<u>14,108,632</u>	<u>491,448</u>
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	<u>(3,695,185)</u>	<u>(3,695,185)</u>	<u>(2,347,762)</u>	<u>1,347,423</u>
Other financing sources – transfers in	2,481,894	2,481,894	3,067,477	585,583
<b>Excess (deficiency) of revenues     and other financing sources     over (under) expenditures</b>	<u>(1,213,291)</u>	<u>(1,213,291)</u>	<u>719,715</u>	<u>1,933,006</u>
Fund balance, beginning of year	10,186,146	10,186,146	10,186,146	—
Fund balance, end of year	\$ <u>8,972,855</u>	<u>8,972,855</u>	<u>10,905,861</u>	<u>1,933,006</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Detention Facilities Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 5,653,950	6,067,641	413,691
Intergovernmental – state revenue sharing	235,000	231,039	(3,961)
Other revenues	2,000	6,618	4,618
<b>Total revenues</b>	<u>5,890,950</u>	<u>6,305,298</u>	<u>414,348</u>
<b>Expenditures:</b>			
<b>Criminal justice:</b>			
Salaries, fringe benefits, and payroll taxes	669,385	700,185	(30,800)
Supplies	128,800	123,157	5,643
Education, training, and travel	4,000	730	3,270
Utilities	716,000	779,141	(63,141)
Repairs and maintenance	188,000	194,355	(6,355)
Insurance	190,928	192,286	(1,358)
Interest	25,000	21,043	3,957
Miscellaneous	339,050	344,838	(5,788)
Contracted services – prison operations	3,610,000	3,783,308	(173,308)
<b>Total expenditures</b>	<u>5,871,163</u>	<u>6,139,043</u>	<u>(267,880)</u>
<b>Excess of revenues over expenditures</b>	19,787	166,255	146,468
Fund balance, beginning of year	332,324	332,324	—
<b>Fund balance, end of year</b>	<u>\$ 352,111</u>	<u>498,579</u>	<u>146,468</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Juvenile Justice Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,090,335	2,090,335	2,267,542	177,207
<b>Intergovernmental:</b>				
Federal grant	153,000	347,000	345,651	(1,349)
Other state funds	185,120	417,120	527,062	109,942
State revenue sharing	87,000	87,000	85,523	(1,477)
Electronic monitoring	60,000	60,000	—	(60,000)
	<u>485,120</u>	<u>911,120</u>	<u>958,236</u>	<u>47,116</u>
Fines and forfeitures	126,200	126,200	168,474	42,274
Charges for services	—	20,000	23,526	3,526
<b>Use of money and property:</b>				
Net increase (decrease) in fair value of investments	—	—	(698)	(698)
Interest	1,500	1,500	6,150	4,650
Other revenues	1,000	21,000	37,145	16,145
<b>Total revenues</b>	<u>2,704,155</u>	<u>3,170,155</u>	<u>3,460,375</u>	<u>290,220</u>
<b>Expenditures – criminal justice:</b>				
<b>Court operations:</b>				
Salaries, fringe benefits, and payroll taxes	—	430,146	422,008	8,138
Supplies	—	8,500	8,032	468
Insurance	—	1,000	—	1,000
Reimbursements	—	(150,000)	(150,000)	—
Miscellaneous	—	12,000	18,544	(6,544)
Capital outlay	—	2,000	1,417	583
<b>Total court operations</b>	<u>—</u>	<u>303,646</u>	<u>300,001</u>	<u>3,645</u>
<b>Juvenile probation:</b>				
Salaries, fringe benefits, and payroll taxes	2,166,950	1,568,615	1,404,847	163,768
Supplies	86,000	101,000	88,781	12,219
Utilities	28,500	28,500	31,301	(2,801)
Repairs and maintenance	20,000	20,000	25,988	(5,988)
Insurance	84,210	84,210	84,210	—
Interest	25,000	25,000	3,967	21,033
Reimbursements	(150,000)	—	—	—
Miscellaneous	43,496	574,496	440,599	133,897
Capital outlay	3,000	3,000	3,890	(890)
<b>Total juvenile probation</b>	<u>2,307,156</u>	<u>2,404,821</u>	<u>2,083,583</u>	<u>321,238</u>

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
 Juvenile Justice Fund

Year ended December 31, 2006  
 (unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Juvenile Detention Center:</b>				
Salaries, fringe benefits, and payroll taxes	\$ 1,276,187	1,287,953	1,254,796	33,157
Supplies	11,300	11,300	14,971	(3,671)
Repairs and maintenance	3,500	3,500	3,115	385
Insurance	40,841	40,841	40,841	—
Miscellaneous	85,023	125,023	137,444	(12,421)
Contracted services – prison operations	222,500	222,500	234,775	(12,275)
Capital outlay	5,000	5,000	4,585	415
Total juvenile detention center	<u>1,644,351</u>	<u>1,696,117</u>	<u>1,690,527</u>	<u>5,590</u>
Total criminal justice expenditures	<u>3,951,507</u>	<u>4,404,584</u>	<u>4,074,111</u>	<u>330,473</u>
<b>Building maintenance:</b>				
Salaries, fringe benefits, and payroll taxes	121,096	121,096	95,925	25,171
Materials and supplies	2,250	2,250	1,827	423
Utilities	187,300	187,300	181,694	5,606
Repairs and maintenance	60,825	60,825	71,512	(10,687)
Miscellaneous	32,249	32,249	29,823	2,426
Insurance	4,087	4,087	4,087	—
Capital outlay	400	400	174	226
Total building maintenance expenditures	<u>408,207</u>	<u>408,207</u>	<u>385,042</u>	<u>23,165</u>
Total expenditures	<u>4,359,714</u>	<u>4,812,791</u>	<u>4,459,153</u>	<u>353,638</u>
Excess (deficiency) of revenues over (under) expenditures	(1,655,559)	(1,642,636)	(998,778)	643,858
<b>Other financing sources:</b>				
Transfers in	1,350,000	1,350,000	1,350,000	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(305,559)	(292,636)	351,222	643,858
Fund balance, beginning of year	861,541	861,541	861,541	—
Fund balance, end of year	<u>\$ 555,982</u>	<u>568,905</u>	<u>1,212,763</u>	<u>643,858</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Notes to Budgetary Comparison Schedules  
December 31, 2006  
(unaudited)

**Budgets and Budgetary Accounting**

The Commission utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to November 1, the Parish Administrator submits to the Commission 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 27, 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 (function) or program expenditures. The Home Rule Charter provides that expenditures may not legally exceed appropriations on a functional (departmental or program) basis. Expenditures approved on a functional level are detailed by object account by the Parish Administrator and Finance Director. Revisions to the budget as enacted at the department (function) or program level require Commission action. Revisions at the object level can be approved by the Parish Administrator without seeking approval of the Commissioners. Several such revisions were made during the year ended December 31, 2006.
- (5) The Commission utilizes formal budgetary integration as a management control device and annual budgets are legally adopted for the General Fund, certain Special Revenue Funds, and the Debt Service Fund.
- (6) Comparison of budgeted and actual amounts as shown in the accompanying financial statements includes the General Fund, those Special Revenue Funds which are included in the annual operating budget and for which a budget to actual comparison is required, and the Debt Service Fund. Annual operating budgets were not prepared for the Section 8 Housing Fund and Head Start Fund. Section 8 Housing prepares their budget on a grant entitlement basis rather than an annual basis. The budget is not readily convertible to an annual operating budget, and thus, is not included in the financial statements. An annual operating budget was not adopted for these funds.

The capital budget appropriations, which encompass the Capital Projects Funds, present cumulative (project length) as opposed to annual budget amounts, and thus, budget and actual comparisons are not reported in the accompanying financial report for these funds. Actual to budget comparison is not required for the Internal Service Fund and Fiduciary Funds.

- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations which are not expended lapse at year-end.

**CADDO PARISH COMMISSION**

Notes to Budgetary Comparison Schedules

December 31, 2006  
(unaudited)

**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:

Fund	<u>Final budget</u>	<u>Actual on a budgetary basis</u>	<u>Negative variance</u>
<b>General Fund:</b>			
Administration	\$ 374,492	402,341	(27,849)
<b>Shreve Memorial Library:</b>			
Repairs and maintenance	544,700	622,481	(77,781)
Insurance	164,844	193,013	(28,169)
Capital outlay	3,300,556	3,330,226	(29,670)
<b>Juvenile Justice Fund:</b>			
<b>Court operations:</b>			
Miscellaneous	12,000	18,544	(6,544)
<b>Juvenile Probation:</b>			
Utilities	28,500	31,301	(2,801)
Capital outlay	3,000	3,890	(890)
<b>Juvenile Detention Center:</b>			
Supplies	11,300	14,971	(3,671)
Miscellaneous	125,023	137,444	(12,421)
Contracted services – prison operations	222,500	234,775	(12,275)
<b>Building maintenance:</b>			
Repairs and maintenance	60,825	71,512	(10,687)
<b>Detention Facilities Fund:</b>			
<b>Criminal Justice:</b>			
Salaries, fringe benefits, and payroll taxes	669,385	700,185	(30,800)
Utilities	716,000	779,141	(63,141)
Repairs and maintenance	188,000	194,355	(6,355)
Insurance	190,928	192,286	(1,358)
Miscellaneous	339,050	344,838	(5,788)
<b>Caddo Correctional Center – contracted services – prison operations</b>	<b>3,610,000</b>	<b>3,783,308</b>	<b>(173,308)</b>

**COMBINING FUND  
FINANCIAL STATEMENTS**

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# NONMAJOR GOVERNMENTAL FUNDS

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## SPECIAL REVENUE FUNDS

**Courthouse Maintenance Fund** – The Courthouse Maintenance Fund accounts for the proceeds of a special ad valorem tax dedicated for maintenance and operation of the parish courthouse and other public buildings.

**Solid Waste Disposal Fund** – The Solid Waste Disposal Fund accounts for the proceeds of a special ad valorem tax, sales tax, and other revenues dedicated for maintenance and operation of the parish solid waste system.

**Road and Bridge Fund** – The Road and Bridge Fund accounts for the proceeds of a special ad valorem tax, special assessments, and other revenues dedicated for road and bridge maintenance and improvement.

**Parks and Recreation Fund** – The Parks and Recreation Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance and operation of the parish park system.

**Drainage Fund** – The Drainage Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance of parish drainage facilities.

**Health Tax Fund** – The Health Tax Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish health unit and animal services.

**Law Officers Witness Fund** – The Law Officers Witness 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 as witnesses to testify in district court.

**Biomedical Fund** – The Biomedical Fund accounts for the proceeds of a special ad valorem tax dedicated to economic development.

**Section 8 Housing Fund** – The Section 8 Housing Fund accounts for the proceeds of a federal grant program, which is dedicated to housing assistance payments for the benefit of low-income individuals. The program is funded by the United States Department of Housing and Urban Development.

**Riverboat Fund** – The Riverboat Fund accounts for revenues received by the Commission from boarding fees related to the riverboat casinos.

**Reserve Trust Fund** – This fund was established by the Caddo Parish Commission to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity, or other occasion requiring *immediate emergency funding needs or cash flow loan demand*. This fund was established with a transfer from the Riverboat Fund.

**Economic Development Fund** – This fund was established by the Caddo Parish Commission to account for the proceeds from the sale of land at the old penal farm site, now known as the West Shreveport Industrial Park. The sale proceeds, as well as additional revenues, are dedicated to economic development.

**Criminal Justice Fund** – The Criminal Justice Fund accounts for the proceeds of a special ad valorem tax dedicated for criminal justice system expenditures.

## **DEBT SERVICE FUND**

The Debt Service Fund is 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 Fund is funded by the proceeds of a dedicated ad valorem tax.

## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Commission has two nonmajor capital projects funds:

**Criminal Justice Facilities Fund** – The Criminal Justice Facilities Fund accounts for the proceeds of a bond issue approved by the voters in 1988. Additional construction funding was also provided by the state of Louisiana. The issue was dedicated to the construction and renovation of jail facilities.

**Library Bond Fund** – The Library Bond Fund accounts for the proceeds of certificates of indebtedness. The certificates are dedicated to acquiring, equipping, constructing, and improving the public library system.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Balance Sheet – By Fund Type  
Governmental Activities

Nonmajor Governmental Funds

December 31, 2006

Assets	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Permanent Fund (Jail Site Fund)	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 2,883,494	—	384,353	14,708	3,282,555
Investments	16,861,360	—	1,914,453	92,092	18,867,905
Receivables, net					
Ad valorem taxes	15,913,078	2,059,090	—	—	17,972,168
Paving assessments	18,272	—	—	—	18,272
Other	481,893	—	—	—	481,893
Accrued interest	199,384	—	22,667	4,749	226,800
Due from other funds	3,731,925	—	379,231	1,134,749	5,245,905
Due from other governmental agencies	575,197	—	—	—	575,197
<b>Total assets</b>	<b>\$ 40,664,603</b>	<b>2,059,090</b>	<b>2,700,704</b>	<b>1,246,298</b>	<b>46,670,695</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 824,684	68	—	—	824,752
Accrued liabilities	108,123	—	—	—	108,123
Due to other governments	248,564	—	—	—	248,564
Due to other funds	2,438,004	308,869	—	—	2,746,873
Deferred revenue	609,415	1,775	—	—	611,190
<b>Total liabilities</b>	<b>4,228,790</b>	<b>310,712</b>	<b>—</b>	<b>—</b>	<b>4,539,502</b>
<b>Fund balances:</b>					
<b>Reserved:</b>					
Debt service	—	1,748,378	—	—	1,748,378
Encumbrances	129,936	—	—	—	129,936
Contingencies	7,565,782	—	—	—	7,565,782
Industrial development	207,161	—	—	—	207,161
Revolving loans to general fund	—	—	—	1,246,298	1,246,298
<b>Unreserved:</b>					
Designated for subsequent year's expenditure	534,322	—	2,700,704	—	3,235,026
Undesignated	27,998,612	—	—	—	27,998,612
<b>Total fund balances</b>	<b>36,435,813</b>	<b>1,748,378</b>	<b>2,700,704</b>	<b>1,246,298</b>	<b>42,131,193</b>
<b>Total liabilities and fund balances</b>	<b>\$ 40,664,603</b>	<b>2,059,090</b>	<b>2,700,704</b>	<b>1,246,298</b>	<b>46,670,695</b>

See accompanying independent auditors' report.

## CADDO PARISH COMMISSION

Shreveport, Louisiana

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – By Fund Type

#### Nonmajor Governmental Funds

#### Governmental Activities

Year ended December 31, 2006

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Permanent fund (Jail Site Fund)	Total
<b>Revenues:</b>					
Taxes	\$ 19,582,291	2,270,756	—	—	21,853,047
Intergovernmental	1,366,616	—	—	—	1,366,616
Charges for services	220,811	—	—	—	220,811
Licenses and permits	31,380	—	—	—	31,380
Fines and forfeitures	148	—	—	—	148
Gaming	2,161,122	—	—	—	2,161,122
<b>Use of money and property:</b>					
Rental, camping fees, and other	160,127	—	—	—	160,127
Investment earnings	978,990	—	165,576	30,507	1,175,073
Net decrease in the fair value of investments	(100,408)	—	(11,405)	(546)	(112,359)
Other revenues	184,856	—	100	—	184,956
<b>Total revenues</b>	<b>24,585,933</b>	<b>2,270,756</b>	<b>154,271</b>	<b>29,961</b>	<b>27,040,921</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	171,703	—	—	—	171,703
Criminal justice	237,878	—	—	—	237,878
Health and welfare	2,797,858	—	—	—	2,797,858
Drainage	536,256	—	—	—	536,256
Building facilities	2,647,348	—	—	—	2,647,348
Highways and streets	4,678,176	—	—	—	4,678,176
Sanitation	1,878,965	—	—	—	1,878,965
Culture and recreation	876,398	—	9,446	—	885,844
Economic development	2,288,999	—	—	—	2,288,999
<b>Debt service:</b>					
Principal retirement	390,000	1,800,000	—	—	2,190,000
Fees and charges	—	109,229	920	—	110,149
Interest and fiscal charges	48,770	243,440	—	—	292,210
Capital outlay	21,016	—	—	—	21,016
<b>Total expenditures</b>	<b>16,573,367</b>	<b>2,152,669</b>	<b>10,366</b>	<b>—</b>	<b>18,736,402</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>8,012,566</b>	<b>118,087</b>	<b>143,905</b>	<b>29,961</b>	<b>8,304,519</b>
<b>Other financing sources (uses):</b>					
Transfers in	362,885	—	—	—	362,885
Transfers out	(3,727,885)	—	(3,239,477)	—	(6,967,362)
<b>Total other financing uses</b>	<b>(3,365,000)</b>	<b>—</b>	<b>(3,239,477)</b>	<b>—</b>	<b>(6,604,477)</b>
<b>Net change in fund balances</b>	<b>4,647,566</b>	<b>118,087</b>	<b>(3,095,572)</b>	<b>29,961</b>	<b>1,700,042</b>
<b>Fund balances, beginning of year</b>	<b>31,788,247</b>	<b>1,630,291</b>	<b>5,796,276</b>	<b>1,216,337</b>	<b>40,431,151</b>
<b>Fund balances, end of year</b>	<b>\$ 36,435,813</b>	<b>1,748,378</b>	<b>2,700,704</b>	<b>1,246,298</b>	<b>42,131,193</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2006

Assets	Courthouse Maintenance		Solid Waste Disposal		Road and Bridge		Parks and Recreation		Drainage		Health Tax		Law Officers		Section 8 Housing		Riverboat		Reserve Trust		Economic Development		Criminal Justice		Total
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	
Cash and cash equivalents	\$ 172,168	780,154	447,754	55,734	315,898	21,103	23,021	2,175,244	2,103	132,600	139,186	57,881	6,395	981,005	22,381	2,883,494									2,883,494
Investments	1,061,424	4,813,412	2,763,292	342,175	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	1,951,174	16,861,360									16,861,360
Receivables:																									
Ad valorem taxes	2,924,965	190,074	4,793,985	908,112	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	1,246,017	15,913,078									15,913,078
Paving assessments			18,272													18,272									18,272
Accrued interest	12,546	56,900	32,648	4,058	23,040	1,539	1,679	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	199,384									199,384
Other			33,497													481,893									481,893
Due from other funds	244,842	1,044,124	625,177	128,388	455,182	37,794	42,554	37,794	37,794	37,794	37,794	37,794	37,794	37,794	37,794	3,731,925									3,731,925
Due from other governments	103,796	5,001	188,141	24,395	32,786	82,601	1,881	82,601	82,601	82,601	82,601	82,601	82,601	82,601	82,601	575,197									575,197
Total assets	\$ 4,519,741	7,141,747	8,902,766	1,462,862	4,024,097	2,450,881	2,083,321	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	40,664,603									40,664,603
Liabilities and Fund Balances																									
Liabilities																									
Accounts payable	\$ 61,167	483,651	100,176	5,252	41	15,529	700	15,529	15,529	15,529	15,529	15,529	15,529	15,529	15,529	824,684									824,684
Accrued liabilities	19,942	16,183	41,662	9,395		20,941		20,941	20,941	20,941	20,941	20,941	20,941	20,941	20,941	108,123									108,123
Due to other governments		3,162	57,920				8,850					25,911				248,564									248,564
Due to other funds																152,721									152,721
Deferred revenues	97,346	6,631	159,292	30,231	41,645	147,310		147,310	147,310	147,310	147,310	147,310	147,310	147,310	147,310	2,438,004									2,438,004
Total liabilities	178,455	509,627	359,050	44,878	41,686	183,780	9,550	183,780	183,780	183,780	183,780	183,780	183,780	183,780	183,780	609,415									609,415
Fund balances:																									
Reserved:																									
Encumbrances	23,048	4,994	86,802	10,505		2,387		2,387	2,387	2,387	2,387	2,387	2,387	2,387	2,387	129,936									129,936
Contingencies																7,565,782									7,565,782
Industrial development																207,161									207,161
Unreserved:																									
Designated for subsequent year's expenditures																									
Undesignated	4,316,238	6,627,126	8,455,914	1,407,479	3,982,411	2,264,514	174,806	2,264,514	2,264,514	2,264,514	2,264,514	2,264,514	2,264,514	2,264,514	2,264,514	27,998,612									27,998,612
Total fund balances	4,341,286	6,632,120	8,543,716	1,417,984	3,982,411	2,267,101	198,771	2,267,101	2,267,101	2,267,101	2,267,101	2,267,101	2,267,101	2,267,101	2,267,101	36,435,813									36,435,813
Total liabilities and fund balances	\$ 4,519,741	7,141,747	8,902,766	1,462,862	4,024,097	2,450,881	2,083,321	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	2,450,881	40,664,603									40,664,603

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

**Nonmajor Special Revenue Funds**

December 31, 2006

	Courtroom Maintenance Fund		Solid Waste Disposal Fund		Road and Bridge Fund		Park and Recreation Fund		Drainage Fund		Health Tax Fund		Law Offices Witness Fund		Biomedical Fund		Section 8 Housing Fund		Riverboat Fund		Reserve Trust Fund		Economic Development Fund		Criminal Justice Fund		Total
<b>Revenues:</b>	\$	3,121,925	202,767	5,129,192	2,800	973,598	1,331,331	2,321,278	2,321,278	2,028,222	415,614	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16,987,563	
Ad valorem taxes		—	2,594,728	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,594,728	
Sales tax		3,121,925	2,797,495	5,129,192	—	973,598	1,331,331	2,321,278	2,321,278	2,028,222	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	19,482,291	
Intergovernmental revenues:		12,911	—	2,800	—	—	—	—	—	—	415,614	—	—	—	—	—	—	—	—	—	—	—	—	—	—	427,525	
Federal grants		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
State funds:		117,860	7,502	189,216	—	36,592	49,180	87,651	87,651	76,388	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	637,680	
State revenue sharing		—	—	303,411	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	303,411	
Other state funds		130,771	7,002	494,687	—	36,592	49,180	87,651	87,651	76,388	415,614	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,266,616	
Charges for services		—	—	108,037	—	—	—	80,359	80,359	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	220,821	
Licenses and permits		—	—	30,735	—	—	—	645	645	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	31,380	
Fines and forfeitures		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	148	
Grants		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,161,122	
Use of money and property:		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Rental, camping fees, and other		—	—	—	—	13,477	—	145,000	145,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	160,127	
Net decrease in fair value of investments		(6,320)	(28,661)	(16,451)	—	(2,039)	(11,615)	(766)	(766)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(106,408)	
Interest		92,202	227,524	125,122	—	30,344	112,434	34,136	34,136	796	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	978,990	
Other revenues		83,882	198,853	178,671	—	41,782	100,819	178,350	178,350	796	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,038,799	
		5,713	80,207	40,797	—	15,779	24,768	18,520	18,520	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	184,856	
		3,943,301	3,084,067	5,976,079	1,087,721	3,586,098	2,685,875	2,685,875	39,486	2,102,686	415,614	—	—	—	—	—	—	—	—	—	—	—	—	—	—	24,585,923	
<b>Expenditures:</b>		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Current:		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
General government		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Criminal justice		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Health and welfare		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Damage		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Building facilities		2,647,348	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,647,348	
Highways and streets		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Sewerage		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Culture and recreation		—	1,878,965	—	—	876,398	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,878,965	
Economic development		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Debt service:		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Principal retirement		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Interest		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Capital outlay		7,654	1,483	3,263	—	1,334	—	2,482	2,482	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	11,176	
Total expenditures		2,854,962	1,880,448	4,681,459	877,732	536,356	2,992,726	2,992,726	39,500	2,112,653	415,614	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16,579,367	
Excess (deficiency) of revenues over (under) expenditures		688,499	1,203,619	1,294,640	190,019	969,842	294,149	294,149	(20,414)	(7,029)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	8,012,566	
Other financing sources (uses):		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Transfers in		(125,000)	(129,000)	—	—	20,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Transfers out		—	—	—	—	(30,000)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Total other financing sources (uses)		(125,000)	(129,000)	—	—	(10,000)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Net change in fund balances		563,499	1,074,619	1,294,640	190,019	979,842	294,149	294,149	(20,414)	(7,029)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,647,566	
Fund balances, beginning of year		3,777,787	5,237,501	7,249,076	1,237,945	3,529,569	1,972,953	1,972,953	219,183	482,072	39,721	—	—	—	—	—	—	—	—	—	—	—	—	—	—	31,282,247	
Fund balances, end of year		4,341,286	6,312,120	8,543,716	1,427,964	3,982,411	2,267,101	2,267,101	198,771	475,043	23,721	—	—	—	—	—	—	—	—	—	—	—	—	—	—	36,430,813	

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Combining Balance Sheet  
 Nonmajor Capital Projects Funds  
 December 31, 2006

<b>Assets</b>	<b>Criminal Justice Facilities Fund</b>	<b>Library Bond Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 299,272	85,081	384,353
Investments	1,844,182	70,271	1,914,453
Accrued interest	21,827	840	22,667
Due from other funds	379,231	—	379,231
Total assets	\$ 2,544,512	156,192	2,700,704
<b>Liabilities and Fund Balances</b>			
Fund balances:			
Total fund balances –			
Unreserved – designated for capital projects	\$ 2,544,512	156,192	2,700,704
Total fund balances	2,544,512	156,192	2,700,704
Total liabilities and fund balances	\$ 2,544,512	156,192	2,700,704

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
Year ended December 31, 2006

	<b>Criminal Justice Facilities Fund</b>	<b>Library Bond Fund</b>	<b>Total</b>
<b>Revenues:</b>			
Interest	\$ 93,761	71,815	165,576
Net decrease in the fair value of investments	(10,985)	(420)	(11,405)
Other revenues	—	100	100
<b>Total revenues</b>	<b>82,776</b>	<b>71,495</b>	<b>154,271</b>
<b>Expenditures:</b>			
General government – culture and recreation	—	9,446	9,446
Debt service – fees and charges	—	920	920
<b>Total expenditures</b>	<b>—</b>	<b>10,366</b>	<b>10,366</b>
<b>Excess of revenues over expenditures</b>	<b>82,776</b>	<b>61,129</b>	<b>143,905</b>
<b>Other financing sources (uses):</b>			
Transfers out	(172,000)	(3,067,477)	(3,239,477)
<b>Total other financing uses</b>	<b>(172,000)</b>	<b>(3,067,477)</b>	<b>(3,239,477)</b>
<b>Net change in fund balances</b>	<b>(89,224)</b>	<b>(3,006,348)</b>	<b>(3,095,572)</b>
Fund balances, beginning of year	2,633,736	3,162,540	5,796,276
Fund balances, end of year	<b>\$ 2,544,512</b>	<b>156,192</b>	<b>2,700,704</b>

See accompanying independent auditors' report.

## INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost-reimbursement basis. The Commission has three internal service funds:

**Group Insurance Fund** – The Group Insurance Fund accounts for the cost of providing group medical and life insurance coverage for Commission employees. The fund is used to account for contributions from Commission funds and withholdings from employees' payroll used to pay the costs of providing group coverage for Commission employees.

**General Insurance Fund** – The General Insurance Fund accounts for the costs of maintaining casualty and workmen's compensation insurance coverage.

**Fleet Services Fund** – The Fleet Services Fund accounts for the repairs and maintenance activities provided by the Commission's central garage location for the various departments of the Commission.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Net Assets

Internal Service Funds

December 31, 2006

Assets	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Total
Cash and cash equivalents	\$ 294,156	141,962	—	436,118
Investments	1,817,238	877,261	—	2,694,499
Receivables	61,908	—	26,759	88,667
Accrued interest receivable	21,454	10,354	—	31,808
Due from other funds	478,282	289,916	—	768,198
Inventory	—	—	64,834	64,834
<b>Total current assets</b>	<b>2,673,038</b>	<b>1,319,493</b>	<b>91,593</b>	<b>4,084,124</b>
<b>Fixed assets:</b>				
Land	—	—	163,475	163,475
Sewer line	—	—	107,541	107,541
Buildings	—	—	134,428	134,428
Vehicles	—	—	14,579	14,579
Equipment	—	—	17,322	17,322
	—	—	437,345	437,345
Less accumulated depreciation	—	—	(132,245)	(132,245)
<b>Fixed assets, net</b>	<b>—</b>	<b>—</b>	<b>305,100</b>	<b>305,100</b>
<b>Total assets</b>	<b>\$ 2,673,038</b>	<b>1,319,493</b>	<b>396,693</b>	<b>4,389,224</b>
<b>Liabilities and Net Assets</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 9,008	55	20,088	29,151
Accrued liabilities	—	—	5,763	5,763
Accrued insurance claims payable	516,097	11,188	—	527,285
Due to other funds	—	—	53,808	53,808
<b>Total liabilities</b>	<b>525,105</b>	<b>11,243</b>	<b>79,659</b>	<b>616,007</b>
<b>Net assets:</b>				
Invested in capital assets	—	—	305,100	305,100
Unrestricted	2,147,933	1,308,250	11,934	3,468,117
<b>Total net assets</b>	<b>2,147,933</b>	<b>1,308,250</b>	<b>317,034</b>	<b>3,773,217</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,673,038</b>	<b>1,319,493</b>	<b>396,693</b>	<b>4,389,224</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Internal Service Funds

Year ended December 31, 2006

	<b>Group Insurance Fund</b>	<b>General Insurance Fund</b>	<b>Fleet Service Fund</b>	<b>Total</b>
<b>Operating revenues:</b>				
Employer's contributions	\$ 2,202,867	---	---	2,202,867
Employees' contributions	621,587	---	---	621,587
Charges for sales and service	---	1,024,320	1,398,232	2,422,552
Miscellaneous	31	---	42,016	42,047
<b>Total operating revenues</b>	<b>2,824,485</b>	<b>1,024,320</b>	<b>1,440,248</b>	<b>5,289,053</b>
<b>Operating expenses:</b>				
Claims	3,111,009	96,235	---	3,207,244
Cost of sales and service	---	---	1,368,351	1,368,351
Insurance premiums	219,939	554,649	---	774,588
General and administrative	225,432	103,424	34,510	363,366
Depreciation	---	---	9,934	9,934
Other	---	---	25,249	25,249
<b>Total operating expenses</b>	<b>3,556,380</b>	<b>754,308</b>	<b>1,438,044</b>	<b>5,748,732</b>
<b>Operating income (loss)</b>	<b>(731,895)</b>	<b>270,012</b>	<b>2,204</b>	<b>(459,679)</b>
<b>Nonoperating revenues:</b>				
Interest income	98,216	36,304	25	134,545
Net decrease in the fair value of investments	(10,817)	(5,221)	---	(16,038)
Interest expense	---	---	(229)	(229)
Loss on disposal of capital assets	---	---	(2,000)	(2,000)
<b>Total nonoperating revenues</b>	<b>87,399</b>	<b>31,083</b>	<b>(2,204)</b>	<b>116,278</b>
<b>Change in net assets</b>	<b>(644,496)</b>	<b>301,095</b>	<b>---</b>	<b>(343,401)</b>
<b>Net assets, beginning of year</b>	<b>2,792,429</b>	<b>1,007,155</b>	<b>317,034</b>	<b>4,116,618</b>
<b>Net assets, end of year</b>	<b>\$ 2,147,933</b>	<b>1,308,250</b>	<b>317,034</b>	<b>3,773,217</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Cash Flows

Internal Service Funds

Year ended December 31, 2006

	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Total
<b>Cash flows from operating activities:</b>				
Contributions	\$ 2,877,189	—	—	2,877,189
Receipts from operations	—	996,161	1,425,758	2,421,919
Payments to suppliers	(445,371)	(658,918)	(1,425,554)	(2,529,843)
Claims paid	(2,900,472)	(154,090)	—	(3,054,562)
Net cash provided by (used in) operating activities	(468,654)	183,153	204	(285,297)
<b>Cash flows from noncapital financing activities:</b>				
Interest paid	—	—	(229)	(229)
Net cash used in noncapital financing activities	—	—	(229)	(229)
<b>Cash flows from investing activities:</b>				
Sales (purchases) of investments	610,993	(91,480)	—	519,513
Interest received	94,058	31,559	25	125,642
Net cash provided by (used in) investing activities	705,051	(59,921)	25	645,155
Net increase in cash and cash equivalents	236,397	123,232	—	359,629
Cash and cash equivalents, beginning of year	57,759	18,730	—	76,489
Cash and cash equivalents, end of year	\$ 294,156	141,962	—	436,118
<b>Cash flows from operating activities:</b>				
Operating income (loss)	\$ (731,895)	270,012	2,204	(459,679)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	—	—	9,934	9,934
(Increase) decrease in assets:				
Accounts receivable – other	(14,164)	—	(14,490)	(28,654)
Due from other funds	66,868	(28,159)	—	38,709
Inventory	—	—	(23,603)	(23,603)
Increase (decrease) in liabilities:				
Accrued insurance claims payable	242,238	(57,855)	—	184,383
Accounts payable	(31,701)	(845)	(14,840)	(47,386)
Accrued liabilities	—	—	(247)	(247)
Due to other funds	—	—	41,246	41,246
Net cash provided by (used in) operating activities	\$ (468,654)	183,153	204	(285,297)
<b>Noncash items:</b>				
Net decrease in the fair value of investments	\$ (10,817)	(5,221)	—	(16,038)

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Assets and Liabilities

Agency Funds

December 31, 2006

<b>Assets</b>	<b>Criminal Court Agency Fund</b>	<b>Jury Agency Fund</b>	<b>Total</b>
Cash and cash equivalents	\$ 112,342	—	112,342
Investments	250,028	—	250,028
Receivables	6,378	—	6,378
Due from other funds	11,556	—	11,556
Due from other governments	141,480	11,556	153,036
Total assets	\$ 521,784	11,556	533,340
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 59,061	—	59,061
Due to other funds	—	11,556	11,556
Due to other governments	462,723	—	462,723
Total liabilities	\$ 521,784	11,556	533,340

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Combining Statement of Changes in Assets and Liabilities

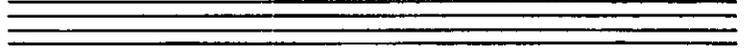
Agency Funds

December 31, 2006

<b>Additions</b>	<b>Criminal Court Agency Fund</b>	<b>Jury Agency Fund</b>	<b>Total</b>
Court fines	\$ 889,097	—	889,097
Bond and drug forfeitures	239,991	—	239,991
Criminal case charges	—	197,161	197,161
Court costs and fees	82,001	—	82,001
Drug court collections	121,200	—	121,200
Investment earnings	14,482	—	14,482
Transfers in	—	29,127	29,127
Miscellaneous	1,576	—	1,576
Total additions	<u>\$ 1,348,347</u>	<u>226,288</u>	<u>1,574,635</u>
<b>Deductions</b>			
Salaries and benefits	\$ 311,603	—	311,603
Supplies	3,814	—	3,814
Professional services	167,932	—	167,932
Court fees	366,316	226,288	592,604
Transfers out	29,127	—	29,127
Miscellaneous	469,555	—	469,555
Total deductions	<u>\$ 1,348,347</u>	<u>226,288</u>	<u>1,574,635</u>

See accompanying independent auditors' report.

**INDIVIDUAL FUND  
SCHEDULES**



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Courthouse Maintenance Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,880,420	2,880,420	3,121,935	241,515
Intergovernmental – state revenue sharing	120,000	120,000	117,860	(2,140)
Federal grants	—	—	12,911	12,911
Use of money and property:				
Net decrease in fair value of investments	—	—	(6,320)	(6,320)
Interest	20,200	20,200	92,202	72,002
Other revenues	2,500	2,500	4,713	2,213
<b>Total revenues</b>	<b>3,023,120</b>	<b>3,023,120</b>	<b>3,343,301</b>	<b>320,181</b>
<b>Expenditures:</b>				
<b>Building Facilities:</b>				
<b>Courthouse:</b>				
Salaries, fringe benefits, and payroll taxes	1,357,696	1,363,276	1,404,822	(41,546)
Supplies	46,150	40,570	35,361	5,209
Utilities	537,000	537,000	499,410	37,590
Repairs and maintenance	210,000	210,000	192,020	17,980
Maintenance contract	53,500	53,500	57,299	(3,799)
Insurance	174,689	174,689	174,689	—
Miscellaneous	121,653	121,653	87,141	34,512
Capital outlay	8,000	8,000	7,454	546
<b>Total courthouse expenditures</b>	<b>2,508,688</b>	<b>2,508,688</b>	<b>2,458,196</b>	<b>50,492</b>
<b>Francis Bickham Building and Government Plaza:</b>				
Utilities	124,500	124,500	130,978	(6,478)
Repairs and maintenance	33,000	33,000	34,499	(1,499)
Miscellaneous	34,752	34,752	31,129	3,623
<b>Total Bickham Building and Government Plaza expenditures</b>	<b>192,252</b>	<b>192,252</b>	<b>196,606</b>	<b>(4,354)</b>
<b>Total expenditures</b>	<b>2,700,940</b>	<b>2,700,940</b>	<b>2,654,802</b>	<b>46,138</b>
<b>Other financing sources (uses):</b>				
Transfers out	(125,000)	(125,000)	(125,000)	—
	(125,000)	(125,000)	(125,000)	—
<b>Net change in fund balance</b>	<b>197,180</b>	<b>197,180</b>	<b>563,499</b>	<b>366,319</b>
<b>Fund balance, beginning of year</b>	<b>3,777,787</b>	<b>3,777,787</b>	<b>3,777,787</b>	<b>—</b>
<b>Fund balance, end of year</b>	<b>\$ 3,974,967</b>	<b>3,974,967</b>	<b>4,341,286</b>	<b>366,319</b>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

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

Special Revenue Fund  
Solid Waste Disposal Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 188,730	188,730	202,767	14,037
Sales tax	1,900,000	1,900,000	2,594,728	694,728
	<u>2,088,730</u>	<u>2,088,730</u>	<u>2,797,495</u>	<u>708,765</u>
Intergovernmental – state revenue sharing	7,400	7,400	7,502	102
Use of money and property:				
Net decrease in fair value of investments	—	—	(28,661)	(28,661)
Interest	65,000	65,000	227,524	162,524
Other revenues	45,000	45,000	80,207	35,207
Total revenues	<u>2,206,130</u>	<u>2,206,130</u>	<u>3,084,067</u>	<u>877,937</u>
<b>Expenditures – sanitation:</b>				
Salaries, fringe benefits, and payroll taxes	879,994	915,994	899,186	16,808
Materials and supplies	65,000	65,000	78,445	(13,445)
Utilities	32,000	32,000	28,329	3,671
Repairs and maintenance	63,500	63,500	47,091	16,409
Insurance	65,110	65,110	65,110	—
Contracted services – waste hauling	230,000	230,000	193,787	36,213
Waste disposal fees	380,000	380,000	349,593	30,407
Miscellaneous	231,880	229,880	217,424	12,456
Capital outlay	1,500	1,500	1,483	17
Total expenditures	<u>1,948,984</u>	<u>1,982,984</u>	<u>1,880,448</u>	<u>102,536</u>
Excess of revenues over expenditures	257,146	223,146	1,203,619	980,473
<b>Other financing sources (uses):</b>				
Transfers out	<u>(129,000)</u>	<u>(129,000)</u>	<u>(129,000)</u>	<u>—</u>
	<u>(129,000)</u>	<u>(129,000)</u>	<u>(129,000)</u>	<u>—</u>
Net change in fund balance	128,146	94,146	1,074,619	980,473
Fund balance, beginning of year	5,557,501	5,557,501	5,557,501	—
Fund balance, end of year	\$ <u>5,685,647</u>	<u>5,651,647</u>	<u>6,632,120</u>	<u>980,473</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Road and Bridge Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 4,722,270	4,722,270	5,123,192	400,922
<b>Intergovernmental:</b>				
State revenue sharing	193,000	193,000	189,216	(3,784)
Federal grants	—	—	2,000	2,000
Other state funds	90,000	90,000	303,411	213,411
Charges for services	85,000	85,000	108,057	23,057
Licenses and permits	23,000	23,000	30,735	7,735
<b>Use of money and property:</b>				
Net decrease in fair value of investments	—	—	(16,451)	(16,451)
Interest	55,000	55,000	195,122	140,122
Other revenues	15,000	15,000	40,797	25,797
<b>Total revenues</b>	<u>5,183,270</u>	<u>5,183,270</u>	<u>5,976,079</u>	<u>792,809</u>
<b>Expenditures:</b>				
<b>Highways and Streets:</b>				
<b>Administrative:</b>				
Salaries, fringe benefits, and payroll taxes	798,642	815,032	836,833	(21,801)
Materials and supplies	25,600	26,600	30,556	(3,956)
Utilities	15,000	10,000	5,440	4,560
Insurance	160,101	160,101	160,101	—
Interest	2,500	2,500	—	2,500
Miscellaneous	59,959	47,569	57,362	(9,793)
Capital outlay	5,000	5,000	3,263	1,737
<b>Total administrative expenditures</b>	<u>1,066,802</u>	<u>1,066,802</u>	<u>1,093,555</u>	<u>(26,753)</u>
<b>Road Maintenance:</b>				
Salaries, fringe benefits, and payroll taxes	2,162,871	2,162,871	2,221,613	(58,742)
Materials and supplies	834,000	830,000	725,014	104,986
Utilities	64,000	72,000	56,611	15,389
Repairs	405,000	405,000	363,656	41,344
Right-of-way maintenance	100,000	100,000	95,040	4,960
Miscellaneous	168,000	164,000	125,950	38,050
<b>Total road maintenance expenditures</b>	<u>3,733,871</u>	<u>3,733,871</u>	<u>3,587,884</u>	<u>145,987</u>
<b>Total expenditures</b>	<u>4,800,673</u>	<u>4,800,673</u>	<u>4,681,439</u>	<u>119,234</u>
<b>Net change in fund balance</b>	382,597	382,597	1,294,640	912,043
Fund balance, beginning of year	7,249,076	7,249,076	7,249,076	—
Fund balance, end of year	\$ <u>7,631,673</u>	<u>7,631,673</u>	<u>8,543,716</u>	<u>912,043</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Parks and Recreation Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 894,330	894,330	973,598	79,268
Intergovernmental – state revenue sharing	37,000	37,000	36,592	(408)
Use of money and property:				
Net decrease in fair value of investments	—	—	(2,039)	(2,039)
Rental, camping fees, and other	14,000	14,000	13,477	(523)
Interest	8,700	8,700	30,344	21,644
Other revenues	16,000	16,000	15,779	(221)
<b>Total revenues</b>	<u>970,030</u>	<u>970,030</u>	<u>1,067,751</u>	<u>97,721</u>
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries, fringe benefits, and payroll taxes	644,838	650,418	640,574	9,844
Supplies	36,750	51,170	52,531	(1,361)
Utilities	34,475	34,475	31,024	3,451
Repairs and maintenance	45,000	45,000	41,856	3,144
Insurance	43,249	43,249	43,249	—
Miscellaneous	78,246	78,246	67,164	11,082
Capital outlay	1,500	1,500	1,334	166
<b>Total expenditures</b>	<u>884,058</u>	<u>904,058</u>	<u>877,732</u>	<u>26,326</u>
<b>Excess of revenues over     expenditures</b>	85,972	65,972	190,019	124,047
<b>Other financing sources (uses):</b>				
Transfers out	(50,000)	(50,000)	(50,000)	—
Transfers in	—	20,000	20,000	—
	<u>(50,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>—</u>
<b>Net change in fund balance</b>	35,972	35,972	160,019	124,047
Fund balance, beginning of year	<u>1,257,965</u>	<u>1,257,965</u>	<u>1,257,965</u>	<u>—</u>
Fund balance, end of year	<u>\$ 1,293,937</u>	<u>1,293,937</u>	<u>1,417,984</u>	<u>124,047</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Drainage Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 1,227,770	1,227,770	1,331,331	103,561
Intergovernmental –				
State revenue-sharing	50,100	50,100	49,180	(920)
Use of money and property:				
Net decrease in fair value of investments	—	—	(11,615)	(11,615)
Interest	35,000	35,000	112,434	77,434
Other revenues	2,500	2,500	24,768	22,268
<b>Total revenues</b>	<u>1,315,370</u>	<u>1,315,370</u>	<u>1,506,098</u>	<u>190,728</u>
<b>Expenditures – drainage – other:</b>				
Salaries, fringe benefits, and payroll taxes	37,210	37,210	40,330	(3,120)
Insurance	49,928	49,928	49,928	—
Right-of-way maintenance	345,000	345,000	344,960	40
Miscellaneous	136,210	136,210	101,038	35,172
Capital outlay	10,000	10,000	—	10,000
<b>Total expenditures</b>	<u>578,348</u>	<u>578,348</u>	<u>536,256</u>	<u>42,092</u>
<b>Excess of revenues over     expenditures</b>	737,022	737,022	969,842	232,820
<b>Other financing sources (uses):</b>				
Transfers out	(511,000)	(511,000)	(511,000)	—
<b>Net change in fund balance</b>	<u>226,022</u>	<u>226,022</u>	<u>458,842</u>	<u>232,820</u>
<b>Fund balance, beginning of year</b>	<u>3,523,569</u>	<u>3,523,569</u>	<u>3,523,569</u>	<u>—</u>
<b>Fund balance, end of year</b>	<u>\$ 3,749,591</u>	<u>3,749,591</u>	<u>3,982,411</u>	<u>232,820</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Health Tax Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,144,630	2,144,630	2,321,278	176,648
Intergovernmental --				
State revenue sharing	89,000	89,000	87,651	(1,349)
Vaccination, impounding, boarding, and adoption fees	98,500	98,500	80,359	(18,141)
Animal license and permit fees	1,000	1,000	645	(355)
Use of money and property:				
Regional Lab rental	145,000	145,000	145,000	—
Net decrease in fair value of investments	—	—	(786)	(786)
Interest	10,000	10,000	34,136	24,136
	<u>155,000</u>	<u>155,000</u>	<u>178,350</u>	<u>23,350</u>
Other revenues	17,250	17,250	18,592	1,342
Total revenues	<u>2,505,380</u>	<u>2,505,380</u>	<u>2,686,875</u>	<u>181,495</u>
<b>Expenditures -- health and welfare:</b>				
Regional Lab health unit				
Salaries, fringe benefits, and payroll taxes	40,564	40,564	39,814	750
Materials and supplies	3,950	3,950	834	3,116
Repairs and maintenance	11,500	11,500	11,606	(106)
Miscellaneous	8,266	8,266	8,113	153
Insurance	648	648	648	—
Capital outlay	800	800	856	(56)
Total Regional Lab health unit expenditures	<u>65,728</u>	<u>65,728</u>	<u>61,871</u>	<u>3,857</u>
Animal services and mosquito control:				
Salaries, fringe benefits, and payroll taxes	1,251,389	1,262,549	1,204,172	58,377
Insurance	59,694	59,694	59,694	—
Interest	700	700	40	660
Supplies	219,150	255,948	251,339	4,609
Utilities	69,500	69,500	65,782	3,718
Repairs and maintenance	77,000	77,000	76,874	126
Miscellaneous	143,437	143,437	129,862	13,575
Capital outlay	6,600	6,600	6,429	171
Total animal and mosquito control expenditures	<u>1,827,470</u>	<u>1,875,428</u>	<u>1,794,192</u>	<u>81,236</u>

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
 Health Tax Fund

Year ended December 31, 2006  
 (unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Highland health unit:</b>				
Salaries, fringe benefits, and payroll taxes	\$ 226,861	226,861	235,982	(9,121)
Materials and supplies	10,400	10,400	15,408	(5,008)
Repairs and maintenance	31,000	31,000	26,304	4,696
Utilities	127,100	127,100	101,698	25,402
Insurance	39,105	39,105	39,105	—
Miscellaneous	53,304	53,304	52,372	932
Capital outlay	500	500	—	500
Total Highland health unit expenditures	<u>488,270</u>	<u>488,270</u>	<u>470,869</u>	<u>17,401</u>
<b>Vivian health unit:</b>				
Salaries, fringe benefits, and payroll taxes	14,855	14,855	19,228	(4,373)
Materials and supplies	325	325	305	20
Insurance	343	343	343	—
Repairs and maintenance	3,500	3,500	1,780	1,720
Utilities	12,900	12,900	11,645	1,255
Miscellaneous	2,413	2,413	2,290	123
Capital outlay	200	200	197	3
Total Vivian health unit expenditures	<u>34,536</u>	<u>34,536</u>	<u>35,788</u>	<u>(1,252)</u>
David Raines health center – repairs and maintenance	30,006	30,006	30,006	—
Total expenditures	<u>2,446,010</u>	<u>2,493,968</u>	<u>2,392,726</u>	<u>101,242</u>
Net change in fund balance	59,370	11,412	294,149	282,737
Fund balance, beginning of year	<u>1,972,952</u>	<u>1,972,952</u>	<u>1,972,952</u>	<u>—</u>
Fund balance, end of year	<u>\$ 2,032,322</u>	<u>1,984,364</u>	<u>2,267,101</u>	<u>282,737</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Law Officers Witness Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Criminal case charge	\$ 25,000	32,395	7,395
Fines and forfeitures	—	148	148
<b>Use of money and property:</b>			
Net decrease in fair value of investments	—	(833)	(833)
Interest	4,200	7,776	3,576
<b>Total revenues</b>	<u>29,200</u>	<u>39,486</u>	<u>10,286</u>
<b>Expenditures:</b>			
<b>Criminal Justice:</b>			
Payments to law officers	10,000	48,750	(38,750)
Miscellaneous	31,162	11,150	20,012
<b>Total expenditures</b>	<u>41,162</u>	<u>59,900</u>	<u>(18,738)</u>
<b>Net change in fund balance</b>	<u>(11,962)</u>	<u>(20,414)</u>	<u>(8,452)</u>
<b>Fund balance, beginning of year</b>	<u>219,185</u>	<u>219,185</u>	<u>—</u>
<b>Fund balance, end of year</b>	<u>\$ 207,223</u>	<u>198,771</u>	<u>(8,452)</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual****Special Revenue Fund  
Biomedical Fund**Year ended December 31, 2006  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Ad valorem taxes	\$ 1,871,610	2,028,222	156,612
Intergovernmental revenues – state revenue sharing	73,500	76,588	3,088
Use of money and property – interest	—	796	796
Total revenues	<u>1,945,110</u>	<u>2,105,606</u>	<u>160,496</u>
Expenditures – economic development:			
Salaries, fringe benefits, and payroll taxes	56,760	61,518	(4,758)
Interest	7,900	6,722	1,178
Reimburse Biomedical Research Foundation operating expenses	2,200,000	2,032,610	167,390
Miscellaneous	11,983	11,785	198
Total expenditures	<u>2,276,643</u>	<u>2,112,635</u>	<u>164,008</u>
Net change in fund balance	(331,533)	(7,029)	324,504
Fund balance, beginning of year	<u>482,072</u>	<u>482,072</u>	—
Fund balance, end of year	<u>\$ 150,539</u>	<u>475,043</u>	<u>324,504</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance – Budget and Actual  
Special Revenue Fund  
Riverboat Fund  
Year ended December 31, 2006  
(unaudited)

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
<b>Revenues:</b>				
Gaming	\$ 2,000,000	2,000,000	2,017,898	17,898
Use of money and property:				
Interest	—	—	4,904	4,904
Net decrease in fair value of investments	—	—	(235)	(235)
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,022,567</u>	<u>22,567</u>
<b>Expenditures:</b>				
General government:				
Administration	23,765	23,765	24,316	(551)
Other	139,590	139,590	139,590	—
Debt service – principal, interest, and fiscal charges	<u>438,770</u>	<u>438,770</u>	<u>438,770</u>	—
Total expenditures	<u>602,125</u>	<u>602,125</u>	<u>602,676</u>	<u>(551)</u>
Excess of revenues over expenditures	1,397,875	1,397,875	1,419,891	22,016
<b>Other financing sources (uses):</b>				
Transfer in	—	—	—	—
Transfer out	<u>(1,192,885)</u>	<u>(1,212,885)</u>	<u>(1,212,885)</u>	—
Total other financing uses	<u>(1,192,885)</u>	<u>(1,212,885)</u>	<u>(1,212,885)</u>	—
Net change in fund balance	204,990	184,990	207,006	22,016
Fund balance, beginning of year	<u>43,200</u>	<u>43,200</u>	<u>43,200</u>	—
Fund balance, end of year	<u>\$ 248,190</u>	<u>228,190</u>	<u>250,206</u>	<u>22,016</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**

Shreveport, Louisiana

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

**Special Revenue Fund  
Reserve Trust Fund**

**Year ended December 31, 2006  
(unaudited)**

	<u>Original and Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Net decrease in the fair value of investments	\$ —	(32,650)	(32,650)
Interest income	105,000	266,418	161,418
Total revenues	<u>105,000</u>	<u>233,768</u>	<u>128,768</u>
Total expenditures – general government	<u>7,817</u>	<u>7,797</u>	<u>20</u>
Excess of revenues over expenditures	97,183	225,971	128,788
Other financing sources – transfers in	<u>300,000</u>	<u>300,000</u>	<u>—</u>
Net change in fund balance	397,183	525,971	128,788
Fund balance, beginning of year	<u>7,039,811</u>	<u>7,039,811</u>	<u>—</u>
Fund balance, end of year	<u>\$ 7,436,994</u>	<u>7,565,782</u>	<u>128,788</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Special Revenue Fund  
Economic Development Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Gaming	\$ 128,000	143,224	15,224
Use of money and property			
Parking rental	1,800	1,650	(150)
Net decrease in the fair value of investments	—	(818)	(818)
Interest	3,500	7,334	3,834
Other revenues	200	—	(200)
Total revenues	<u>133,500</u>	<u>151,390</u>	<u>17,890</u>
<b>Expenditures:</b>			
Economic development	168,500	168,500	—
Miscellaneous	7,885	7,864	21
Total expenditures	<u>176,385</u>	<u>176,364</u>	<u>21</u>
<b>Other financing sources (uses):</b>			
Transfers in	42,885	42,885	—
	<u>42,885</u>	<u>42,885</u>	<u>—</u>
Net change in fund balance	—	17,911	17,911
Fund balance, beginning of year	<u>226,377</u>	<u>226,377</u>	<u>—</u>
Fund balance, end of year	<u>\$ 226,377</u>	<u>244,288</u>	<u>17,911</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual

Special Revenue Fund  
 Criminal Justice Fund

Year ended December 31, 2006  
 (unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,731,865	1,885,240	153,375
Intergovernmental:			
State revenue sharing	70,200	71,091	891
Total revenues	<u>1,802,065</u>	<u>1,956,331</u>	<u>154,266</u>
<b>Expenditures:</b>			
Criminal justice – other	196,236	177,978	18,258
Total expenditures	<u>196,236</u>	<u>177,978</u>	<u>18,258</u>
Excess of revenues over expenditures	1,605,829	1,778,353	172,524
<b>Other financing sources (uses):</b>			
Transfer out	(1,700,000)	(1,700,000)	—
	<u>(1,700,000)</u>	<u>(1,700,000)</u>	<u>—</u>
Net change in fund balance	(94,171)	78,353	172,524
Fund balance, beginning of year	413,031	413,031	—
Fund balance, end of year	<u>\$ 318,860</u>	<u>491,384</u>	<u>172,524</u>

See accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

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

Debt Service Fund

Year ended December 31, 2006  
(unaudited)

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
Revenues:			
Ad valorem taxes	\$ 2,037,210	2,270,757	233,547
Total revenues	<u>2,037,210</u>	<u>2,270,757</u>	<u>233,547</u>
Expenditures – Debt Service:			
Principal retirement	1,800,000	1,800,000	—
Interest	243,440	243,440	—
Fees and charges	106,586	109,229	(2,643)
Total expenditures	<u>2,150,026</u>	<u>2,152,669</u>	<u>(2,643)</u>
Net change in fund balance	(112,816)	118,088	230,904
Fund balance, beginning of year	<u>1,630,291</u>	<u>1,630,291</u>	—
Fund balance, end of year	<u>\$ 1,517,475</u>	<u>1,748,379</u>	<u>230,904</u>

See accompanying independent auditors' report.

**STATISTICAL  
SECTION**



Table 1

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

General Governmental Expenditures by Function <sup>(1)</sup>

Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	General government	Criminal Justice	Health and Welfare	Highways and Streets	Building Facilities	Drainage	Sanitation	Culture and Recreation	Economic Development	Debt Service	Total
1997	\$ 1,962,661	9,162,765	7,049,181	3,676,163	2,171,730	260,688	1,337,629	6,974,710	1,438,294	4,600,684	38,634,505
1998	2,099,069	10,371,394	8,507,441	3,916,401	2,074,479	240,640	1,482,642	7,590,568	870,332	4,466,144	41,619,110
1999	2,207,012	11,067,507	8,542,400	3,971,420	2,070,667	238,526	1,505,141	11,530,638	1,878,574	4,819,479	47,831,364
2000	2,273,708	11,681,578	9,698,851	4,279,002	2,266,228	948,516	1,546,294	9,073,397	1,206,205	2,582,812	45,556,591
2001	2,503,560	12,747,415	11,714,336	4,176,409	2,419,002	399,529	1,648,856	7,904,719	2,420,192	2,669,450	48,603,468
2002	2,199,060	13,634,558	12,409,352	4,413,076	2,400,976	298,598	1,744,618	14,976,180	1,949,764	4,646,291	58,672,473
2003	2,283,939	13,788,773	11,740,237	4,420,410	2,661,624	424,160	1,807,916	11,888,889	2,088,052	5,018,372	56,122,372
2004	2,231,108	14,144,167	12,883,669	4,314,101	2,647,608	518,514	2,294,201	8,370,316	1,749,937	5,090,718	54,244,339
2005	2,105,544	13,687,517	12,734,068	4,476,479	3,089,772	527,801	1,802,395	8,602,445	2,180,245	4,956,732	54,162,998
2006	2,228,823	14,209,616	11,397,858	4,678,176	3,164,044	536,256	1,878,965	9,425,303	2,288,999	4,820,940	54,628,980

<sup>(1)</sup>Includes General Fund, Special Revenue Funds, and Debt Service Fund. Excludes capital project fund expenditures.

Unaudited - see accompanying independent auditors' report.

Table 2

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

General Governmental Revenues by Source <sup>(1)</sup>

Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	Taxes and special assessments	Licenses and permits	Inter governmental	Fees, charges, and commissions for services			Gaming	Use of money and property	Other revenues	Total
				Fines and forfeitures						
1997	\$ 33,484,090	397,361	8,124,162	59,167	187,176	2,176,489	985,813	404,527	45,818,785	
1998	33,310,791	396,068	9,693,974	66,291	168,352	2,265,619	1,196,332	371,185	47,468,612	
1999	33,774,492	430,613	9,188,782	68,183	153,939	2,541,134	1,173,268	682,202	48,012,613	
2000	34,010,192	371,594	11,733,174	67,607	170,299	2,566,023	1,122,284	707,323	50,748,496	
2001	35,982,121	442,747	13,139,058	73,045	184,308	2,480,919	1,153,182	503,989	53,959,369	
2002	35,311,244	399,597	13,761,034	62,105	206,490	2,483,415	779,522	614,902	53,618,309	
2003	37,709,881	533,209	14,131,205	100,826	211,202	2,636,180	618,699	397,169	56,338,371	
2004	40,487,781	593,213	13,894,115	63,319	246,497	2,498,311	558,933	545,012	58,887,181	
2005	42,249,116	497,330	13,748,745	721,225	100,026	2,376,208	1,001,332	596,253	61,290,235	
2006	45,509,741	585,729	12,947,686	439,211	291,653	2,304,346	1,359,651	688,611	64,126,628	

**Notes:**

<sup>(1)</sup> Includes General Fund, Special Revenue Funds, and Debt Service Fund

Unaudited – see accompanying independent auditors' report.

Table 3

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Property Tax Levies and Collections  
Tax years 1997 through 2006

Fiscal year	Total tax levy <sup>(1)</sup>	Current tax collections <sup>(2)</sup>	Percent of levy collected	Delinquent tax collections <sup>(1)</sup>	Total tax collected	Ratio of total collection to tax levy	Outstanding delinquent taxes	Ratio of delinquent taxes to total tax levy
1997	\$ 32,356,691	29,584,050	91.4%	787,106	30,371,156	93.9%	1,985,535	6.1%
1998	32,516,749	30,358,547	93.4%	1,224,059	31,582,606	97.2%	914,143	2.8%
1999	33,388,712	31,275,081	93.8%	1,058,376	32,333,457	96.9%	1,025,255	3.1%
2000	33,128,458	30,554,081	92.2%	838,886	31,392,967	94.8%	1,735,491	5.2%
2001	34,935,138	32,391,440	92.7%	824,095	33,215,535	95.1%	1,719,603	4.9%
2002	33,571,267	31,487,568	93.8%	878,297	32,365,865	96.4%	1,205,402	3.6%
2003	36,795,524	33,684,858	91.5%	862,747	34,547,605	93.9%	2,247,919	6.1%
2004	38,611,408	35,646,170	92.3%	863,142	36,509,312	94.6%	2,965,238	7.7%
2005	41,073,673	37,825,152	92.1%	1,232,266	39,057,418	92.1%	2,016,255	7.9%
2006	43,688,297	39,870,937	91.3%	—	39,870,937	91.3%	3,817,334	8.7%

## Notes:

<sup>(1)</sup> Per original roll adjusted for subsequent Louisiana Tax Commission change orders

<sup>(2)</sup> Collections through April 30 of subsequent year

<sup>(3)</sup> See note 3 to financial statements for criteria utilized in determining revenue recognition for property taxes.

Unaudited – see accompanying independent auditors' report.

Table 4

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Assessed and Estimated Actual Value of Taxable Property  
Fiscal years ended December 31, 1997 through December 31, 2006

<u>Fiscal year</u>	<u>Assessed value</u>	<u>Estimated actual value</u>	<u>Ratio of assessed value to estimated actual value</u>
1997	\$ 1,032,835,570	8,935,788,933	11.6%
1998	1,053,910,790	9,119,621,300	11.6%
1999	1,077,027,570	9,318,879,200	11.6%
2000	1,131,885,010	9,814,671,700	11.5%
2001	1,148,501,080	9,981,031,476	11.5%
2002	1,151,282,410	10,086,000,233	11.4%
2003	1,190,764,070	10,470,241,933	11.4%
2004	1,364,082,180	12,175,249,333	11.2%
2005	1,401,867,050	12,532,062,933	11.2%
2006	1,473,087,590	13,142,876,900	

**Note:** Assessed values are established by the Caddo Parish Tax Assessor on January 1 of each year at approximately 10-15% of actual market value, depending upon the property classification. A revaluation of all property is required to be completed no less than every four years. The last such revaluation was completed for the tax roll of 2004. The next revaluation will be completed as of January 1, 2009 for the 2008 tax roll.

Unaudited – see accompanying independent auditors' report.

Table 5

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Property Tax Rates and Tax Levies – Direct and Overlapping Governments <sup>(1)</sup>  
Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	Tax rates per \$1,000 Assessed Value										Tax levies <sup>(2)</sup>							
	Parishwide <sup>(3)</sup>					City of Shreveport					Parishwide			City of Shreveport			Total	
	Commission	Schools	Sheriff	Total	City of Shreveport	Commission	Schools	Sheriff	Total	Commission	Schools	Sheriff	City of Shreveport	Commission	Schools	Sheriff		City of Shreveport
1997	\$ 41.87	85.08	14.94	193.52	51.63	32,379,526	64,868,735	11,390,913	193.52	32,379,526	64,868,735	11,390,913	42,905,989	42,905,989	64,868,735	11,390,913	42,905,989	151,545,163
1998	41.17	84.48	14.94	192.22	51.63	32,516,749	65,806,519	11,637,659	192.22	32,516,749	65,806,519	11,637,659	44,133,525	44,133,525	65,806,519	11,637,659	44,133,525	154,094,452
1999	41.17	83.98	14.94	191.72	51.63	33,358,712	62,072,869	11,932,230	191.72	33,358,712	62,072,869	11,932,230	44,113,404	44,113,404	62,072,869	11,932,230	44,113,404	151,477,215
2000	38.95	85.63	14.94	190.82	51.30	33,128,458	71,757,465	12,519,637	190.82	33,128,458	71,757,465	12,519,637	45,926,818	45,926,818	71,757,465	12,519,637	45,926,818	163,332,378
2001	40.16	86.03	14.94	192.43	51.30	34,935,138	73,467,609	12,758,410	192.43	34,935,138	73,467,609	12,758,410	48,082,314	48,082,314	73,467,609	12,758,410	48,082,314	169,243,471
2002	40.40	87.27	14.94	193.91	51.30	33,571,267	74,564,826	12,764,965	193.91	33,571,267	74,564,826	12,764,965	48,563,087	48,563,087	74,564,826	12,764,965	48,563,087	169,464,145
2003	40.40	87.27	14.94	193.91	51.30	36,795,524	78,038,546	13,359,641	193.91	36,795,524	78,038,546	13,359,641	49,501,452	49,501,452	78,038,546	13,359,641	49,501,452	177,695,163
2004	36.58	81.73	13.47	178.42	46.64	38,611,408	84,694,341	13,958,556	178.42	38,611,408	84,694,341	13,958,556	51,569,430	51,569,430	84,694,341	14,546,902	52,172,566	188,833,735
2005	37.31	81.65	13.47	179.07	46.64	41,073,673	88,177,768	14,546,902	179.07	41,073,673	88,177,768	14,546,902	52,172,566	52,172,566	88,177,768	15,467,808	54,535,297	195,970,909
2006	37.31	80.65	13.47	178.07	46.64	43,688,297	92,611,632	15,467,808	178.07	43,688,297	92,611,632	15,467,808	54,535,297	54,535,297	92,611,632	15,467,808	54,535,297	206,303,034

## Notes:

<sup>(1)</sup> Includes parishwide overlapping levies and levy of the largest municipality, which overlaps approximately 79.6% of the total parish population and approximately 77.7% of the total parish assessment. There are other small municipalities and taxing districts currently levying ad valorem taxes within the parish.

<sup>(2)</sup> Per original tax roll as filed by the Caddo Parish Tax Assessor

<sup>(3)</sup> Rates for taxpayers within the City of Shreveport and the Town of Vivian

Unaudited – see accompanying independent auditors' report.

Table 6

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Special Assessment Collections

Fiscal years ended December 31, 1997 through December 31, 2006

<u>Fiscal year</u>	<u>Amount of installment assessments due</u>	<u>Total revenue collected</u>	<u>Percentage of revenue to assessments due</u>
1997	\$ 67,511	192,309	284.86%
1998	79,794	116,467	145.96%
1999	77,711	122,905	158.16%
2000	68,174	121,092	177.62%
2001	59,645	94,817	158.97%
2002	54,152	68,423	126.35%
2003	39,128	108,487	277.26%
2004	36,548	48,816	133.57%
2005	28,856	37,084	128.51%
2006	14,553	15,599	107.19%

Unaudited – see accompanying independent auditors' report.

Table 7

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita <sup>(2)</sup>

Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	Population	Assessed value <sup>(1)</sup>	Gross bonded debt	Less debt service fund	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
1997	244,943	\$ 1,032,835,570	23,370,000	6,632,030	16,737,970	1.62%	\$ 68
1998	242,471	1,053,910,790	20,620,000	5,220,685	15,399,315	1.46%	64
1999	241,587	1,077,027,570	17,005,000	3,360,843	13,644,157	1.27%	56
2000	252,161	1,131,885,010	15,755,000	3,048,720	12,706,280	1.12%	50
2001	252,574	1,148,501,080	14,430,000	2,593,815	11,836,185	1.03%	47
2002	252,770	1,151,282,410	13,035,000	2,174,596	10,860,404	0.94%	43
2003	253,474	1,190,764,070	11,570,000	1,771,737	9,798,263	0.82%	39
2004	254,977	1,364,082,180	10,195,000	1,640,053	8,554,947	0.63%	34
2005	255,383	1,401,867,050	8,430,000	1,630,291	6,799,709	0.49%	27
2006	254,216	1,473,087,590	6,630,000	1,748,378	4,881,622	0.33%	19

**Notes:**

(1) The Louisiana constitution requires a complete assessment revaluation no less than every four years. Revaluations are reflected in years 1997, 2001, and 2005.

(2) Does not include certificates of indebtedness

Unaudited – see accompanying independent auditors' report.

Table 8

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Computation of Legal Debt Margin <sup>(1)</sup>

December 31, 2006

	<u>Jails</u>	<u>Juvenile Justice</u>	<u>Health Unit</u>
Assessed value \$1,473,087,590			
Debt limit – 10% of assessed value for any one purpose	\$ 147,308,759	147,308,759	147,308,759
Deduct – amount of debt applicable to debt limit	<u>3,429,500</u>	<u>1,320,500</u>	<u>1,880,000</u>
Legal debt margin	<u>\$ 143,879,259</u>	<u>145,988,259</u>	<u>145,428,759</u>

**Note:**

<sup>(1)</sup> State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose and 35% of the total assessed value for all purposes. A total of approximately \$508,950,657 of additional bonded debt could be approved for issuance pursuant to the 35% limitation.

Unaudited – see accompanying independent auditors' report.

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Computation of Direct and Overlapping Debt  
 December 31, 2006

	<u>Net debt</u>	<u>Percentage of debt applicable to the Parish</u>	<u>Parish's share of debt</u>
Caddo Parish Commission	\$ 4,881,622	100%	4,881,622
Caddo Parish School Board	520,934,000	100%	520,934,000
City of Shreveport	<u>326,142,000</u>	99%	<u>322,880,580</u>
	<u>\$ 851,957,622</u>		<u>848,696,202</u>

Unaudited – see accompanying independent auditors' report.

Table 10

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures  
Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	Principal	Interest <sup>(3)</sup>	Total Debt Service <sup>(2)</sup>	Total general expenditures <sup>(1)</sup>	Debt Service as a percentage of total general expenditures
1997	\$ 3,090,000	1,383,389	4,473,389	38,634,505	11.58%
1998	3,135,000	1,218,727	4,353,727	41,619,110	10.46%
1999	3,615,000	991,690	4,606,690	47,831,364	9.63%
2000	1,540,000	960,153	2,500,153	45,556,591	5.49%
2001	1,625,000	962,881	2,587,881	48,603,468	5.32%
2002	3,510,000	1,136,291	4,646,291	58,672,473	7.92%
2003	3,800,000	1,187,981	4,987,981	56,122,372	8.89%
2004	4,000,000	1,090,718	5,090,718	54,244,339	9.38%
2005	4,215,000	741,763	4,956,763	54,162,998	9.15%
2006	4,175,000	646,860	4,821,860	54,628,980	8.83%

## Notes:

- (1) Total general expenditures includes General Fund, Special Revenue Funds, and Debt Service Fund.  
 (2) Includes bonded debt and certificates of indebtedness  
 (3) Includes interest, fiscal charges, and fees

Unaudited -- see accompanying independent auditors' report.

Table 11

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Demographic Statistics

Fiscal years ended December 31, 1997 through December 31, 2006

<u>Fiscal year</u>	<u>Population <sup>(1)</sup></u>	<u>Median age <sup>(2)</sup></u>	<u>School enrollment <sup>(3)</sup></u>	<u>Unemployment rate <sup>(4)</sup></u>
1997	244,943	34	48,018	6.8%
1998	242,471	34	46,832	4.5%
1999	241,587	34	46,653	3.8%
2000	252,161	35	45,120	5.2%
2001	252,574	35	44,943	6.4%
2002	252,770	35	44,722	6.8%
2003	254,216	35	44,532	6.1%
2004	254,977	34	43,603	5.7%
2005	255,383	34	44,040	4.8%
2006	254,216	34	45,152	4.0%

**Notes:**

- (1) Research Division, Louisiana Tech University
- (2) Center for Business Economic Research, Louisiana State University, Shreveport
- (3) Caddo Parish School Board
- (4) Louisiana Department of Labor

Unaudited – see accompanying independent auditors' report.

Table 12

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Commercial Construction, Residential Construction, and Property Value

Fiscal years ended December 31, 1997 through December 31, 2006

Fiscal year	Commercial construction		Residential construction <sup>(1)</sup>		Property value <sup>(2)</sup>		
	Number of units	Value	Number of units	Value	Real estate	Other <sup>(3)</sup>	
1997	114	\$ 119,502,459	235	\$ 37,121,897	6,150,655,400	2,785,133,533	
1998	157	114,443,170	258	40,088,629	6,280,648,100	2,838,973,200	
1999	168	147,216,441	378	50,678,841	6,416,086,200	2,902,793,000	
2000	103	72,305,845	355	56,689,353	6,806,315,100	3,008,356,200	
2001	161	57,699,144	374	56,942,287	6,973,071,010	3,007,960,466	
2002	87	100,925,424	448	72,277,725	7,232,352,500	2,853,647,733	
2003	80	125,055,018	694	107,285,644	7,595,444,400	2,874,797,533	
2004	100	148,694,901	615	113,224,966	9,244,104,400	2,931,144,933	
2005	95	112,346,149	669	142,783,450	9,787,608,713	2,973,215,133	
2006	65	60,586,363	818	134,528,564	9,966,878,900	3,175,998,000	

**Notes:**

(1) Estimated utilizing Metropolitan Planning Commission data

(2) Caddo Parish Tax Assessor

(3) Includes machinery and equipment, furniture and fixtures, inventories, pipelines, and public utility infrastructure

Unaudited -- see accompanying independent auditors' report.

Table 13

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Principal Taxpayers  
December 31, 2006

Taxpayer	Industry	Assessed value	Percentage of total assessed value	Tax amount
Southwestern Electric Power Company	Public utility	\$ 62,643,050	4.25%	\$ 2,337,212
General Motors	Manufacturing	30,215,230	2.05%	1,127,330
BellSouth Corporation	Public utility	28,036,340	1.90%	1,046,036
Sam's Town	Casino	17,592,380	1.19%	656,372
Universal Oil Products	Refinery	14,282,280	0.97%	532,872
Calumet	Public utility	12,683,450	0.86%	473,220
Centerpoint Energy	Public utility	11,465,650	0.78%	427,783
AmSouth Bank	Banking	11,193,200	0.76%	417,618
Hibernia National Bank	Banking	10,941,510	0.74%	408,228
Wal-Mart	Retail	8,443,130	0.57%	315,013
Total for ten principal taxpayers		207,496,220	14.07%	7,741,684
Total for remaining taxpayers		1,265,591,370	85.93%	47,219,214
Total for all taxpayers		\$ 1,473,087,590	100.00%	\$ 54,960,898

Note: The assessed value includes \$321,918,880 of homestead exemption.

Unaudited – see accompanying independent auditors' report.

Table 14

## CADDO PARISH COMMISSION

Shreveport, Louisiana

## Miscellaneous Statistics

December 31, 2006

Date of first settlement	1,835
Date of parish formation	1,838
Area – square miles	852
Form of government	Council-Manager
Date established	1,984
Number of employees	401
Square footage of major buildings:	
Caddo Parish Courthouse	205,500
Caddo Parish Commission Building	44,385
Caddo Parish Health Unit	46,056
Fleet Services Garage	21,000
Juvenile Court	57,244
Caddo Correctional Center	311,000
Caddo Animal Control Center	13,700
Library (main branch)	80,000
Government Plaza (parish portion)	38,462
Roads and bridges:	
Miles of roads	803
Number of bridges maintained	176
Parks and recreation:	
Parks – number of acres	875
Number of playgrounds	11
Number of picnic areas	12
Number of boat launching ramps	7
Public libraries:	
Number of library branches	20
Number of books	670,000
Annual circulation	1,200,000
Sanitation:	
Number of collection compactors	17
Tons of solid waste collected	16,545

Unaudited – see accompanying independent auditors' report.

Table 15

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
**Compensation Paid to Commissioners**  
 December 31, 2006

<b>Commissioners:</b>	<u><b>Compensation</b></u>
Lindora Baker	\$ 18,960
Joyce M. Bowman	17,396
Robert Charles Brown	18,960
Clifford R. Collins	18,960
David F. Cox	18,960
John P. Escude	1,580
Gilford L. Gillen	18,960
Sam L. Jenkins	1,580
Michael D. Long	17,380
Stephanie Lynch	18,960
Rose Wilson McCulloch	18,960
James H. Morris	18,960
Carl A. Pierson	19,060
Jimmy F. Smith	1,580
Ronald A. Webb, Sr.	18,463
	<u>\$ 228,719</u>

Unaudited – see accompanying independent auditors' report.



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

June 29, 2007

The Members of the Caddo Parish Commission  
Government Plaza  
Shreveport, Louisiana

Dear Commissioners:

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, each nonmajor governmental, internal service, and fiduciary fund of the Caddo Parish Commission (the Commission) as of December 31, 2006 and have issued our report thereon under date of June 29, 2007. Under our professional standards, we are providing you with the attached information related to the conduct of our audit.

#### **Our Responsibility Under Professional Standards**

We have a responsibility to conduct our audit of the financial statements in accordance with professional standards. In carrying out this responsibility, we planned and performed the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the nature of audit evidence and the characteristics of fraud, we are to obtain reasonable, not absolute, assurance that material misstatements are detected. We have no responsibility to plan and perform the audit to obtain reasonable assurance that misstatements, whether caused by error or fraud, that are not material to the financial statements are detected.

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

#### **Significant Accounting Policies and Unusual Transactions**

The significant accounting policies used by the Commission are described in note 1 to the financial statements.

We noted no transactions entered into by the Commission that were, both significant and unusual and that, under professional standards, we are required to inform you of, or transaction of which there is a lack of authoritative guidance or consensus.

### **Management Judgments and Accounting Estimates**

The preparation of the financial statements requires management of the Commission to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

Management's estimate of their claims payable in the insurance funds is based primarily on an analysis of historical trends and knowledge of claims. We evaluated the key factors and assumptions used to develop the payables in determining that these payables are reasonable in relation to the financial statements of the Commission taken as a whole.

### **Audit Adjustments and Uncorrected Misstatements**

#### Audit Adjustments

We proposed one correction relating to accrued liabilities, which has been recorded by the Commission. The correction was not considered material in relation to the financial statements taken as a whole; however, such adjustments may impact the periodic reporting of liabilities through the financial reporting system. Attached is a copy of this adjustment.

#### Uncorrected Misstatements

In connection with our audit of the Commission's financial statements, we have discussed with management certain financial statement misstatements that have not been corrected in the Commission's books and records as of and for the year ended December 31, 2006. We have reported such misstatements to management on a Summary of Uncorrected Misstatements and have received written representations from management that management believes that the effects of the uncorrected financial statement misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Attached is a copy of the summary that has been provided to, and discussed with, management.

### **Other Information in Documents Containing Audited Financial Statements**

Our responsibility for other information in documents containing the Commission's financial statements and our auditors' report thereon does not extend beyond the financial information identified in our auditors' report, and we have no obligation to perform any procedures to corroborate other information contained in these documents, for example, Management's Discussion and Analysis, introductory and statistical sections, and budgetary comparison information. We have, however, read the other information included in the Commission's financial report, and no matters came to our attention that cause us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

### **Disagreements With Management**

There were no disagreements with management on financial accounting and reporting matters that, if not satisfactorily resolved, would have caused a modification of our auditors' report on the Commission's financial statements.

**Consultation With Other Accountants**

To the best of our knowledge, management has not consulted with or obtained opinions, written or oral, from other independent accountants during the year ended December 31, 2006.

**Major Issues Discussed With Management Prior to Retention**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing our audit.

**Material Written Communications**

Attached to this report, please find copies of the following material written communications between management and us:

- 1) Engagement letter; and
- 2) Management representation letter.

**KPMG's System of Quality Control and Related Matters**

The enclosed document entitled, "KPMG - Our System of Quality Controls," including the attached addendum, is being provided to communicate to you matters related to KPMG's system of quality control.

\* \* \* \* \*

This information is intended solely for the information and use of the Commissioners, management, the state of Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

**KPMG LLP**



**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

OMB Circular A-133 Report

December 31, 2006

(With Independent Auditors' Reports Thereon)

# CADDO PARISH COMMISSION

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

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

Members of the Caddo Parish Commission  
Caddo Parish Courthouse  
Shreveport, Louisiana:

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, each nonmajor governmental, internal service, and fiduciary fund of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2006, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated June 29, 2007, which included an adverse opinion on the omission of the aggregate discretely presented component units. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Commission in a separate letter dated June 29, 2007.

This report is intended solely for the information and use of the Commissioners, management, the state of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

June 29, 2007



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

**Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards**

Members of the Caddo Parish Commission  
Caddo Parish Courthouse  
Shreveport, Louisiana:

**Compliance**

We have audited the compliance of the Caddo Parish Commission (the Commission) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended December 31, 2006. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

**Internal Control Over Compliance**

The management of the Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, each nonmajor governmental, internal service, and fiduciary fund of the Commission as of and for the year ended December 31, 2006, and have issued our report thereon dated June 29, 2007, which included an adverse opinion on the omission of the aggregate discretely presented component units. Our audit was performed for the purpose of forming opinions on the financial statements that, collectively, comprise the Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Commissioners, management, the state of Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

June 29, 2007

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Schedule of Expenditures of Federal Awards

Year ended December 31, 2006

<u>Grantor title</u>	<u>Federal CFDA number</u>	<u>Grant number/ pass-through number</u>	<u>Federal expenditures</u>
<b>U.S. Department of Agriculture</b>			
Pass-through State Department of Food and Nutrition Services – Food Nutrition Grant	10.555	05-SFS-042	\$ <u>58,216</u>
Total U.S. Department of Agriculture			<u>58,216</u>
<b>U.S. Department of Housing and Urban Development</b>			
Section 8 Housing Assistance Program	14.871	LA 184V003-005	<u>412,614</u>
Total U.S. Department of Housing and Urban Development			<u>412,614</u>
<b>U.S. Department of Justice</b>			
Pass-through Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Title V Delinquency Prevention Program (Truancy Grant)	16.548	W02-1-002	24,553
Title I – Reducing Gun Violence	16.509	F03-8-004	27,489
Juvenile Accountability Incentive Block Grant	16.523	A98-8-03	<u>45,629</u>
Total U.S. Department of Justice			<u>97,671</u>
<b>U.S. Department of Homeland Security</b>			
Pass-through Caddo/Bossier Office of Homeland Security – Homeland Security Grant	97.067	017-99017-01	<u>14,911</u>
Total U.S. Department of Homeland Security			<u>14,911</u>
<b>U.S. Department of Health and Human Services</b>			
Pass-through Louisiana Department of Health and Hospitals:			
Substance Abuse and Mental Health Services – Access to Recovery	93.275	H79-T116799-01	81,412
Social Services Block Grant – Juvenile Justice Services Integration	93.667	046-290	55,578
Pass-through Louisiana Office of Youth Development			
Title IV-E of the Social Security Act – Federal Payments for Foster Care and Adoption Assistance	93.658	0301-LA-1401	401,576
Head Start	93.600	06CH6376/25	<u>8,600,000</u>
Total U.S. Department of Health and Human Services			<u>9,138,566</u>
<b>U.S. Department of Education</b>			
Pass-through Caddo Parish School Board – Title I Grants to Local Educational Agencies – Basic Grant Program	84.010	N/A	<u>52,773</u>
Total U.S. Department of Education			<u>52,773</u>
			<u>\$ 9,774,751</u>

See accompanying notes to schedule of expenditures of federal awards.

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana

Notes to Schedule of Expenditures of Federal Awards

December 31, 2006

**(1) General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Caddo Parish Commission's (the Commission) primary government and is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Commission's primary government financial statements.

**(2) Subrecipients**

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

<u>Program title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Head Start	93.600	\$ 8,600,000

**CADDO PARISH COMMISSION**  
 Shreveport, Louisiana  
 Schedule of Findings and Questioned Costs  
 Year ended December 31, 2006

**Section 1 – Summary of Auditor’s Results**

*Primary Government Financial Statements*

Type of report issued: Adverse opinion for the discretely presented component units and unqualified opinion on the primary government

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies in internal control were disclosed by the audit of the primary government financial statements? None reported

Noncompliance material to primary government financial statements noted? No

*Federal Awards*

Internal control over major program:

- Material weaknesses identified? No
- Significant deficiencies in internal control over major program? No

Type of auditor’s report issued on compliance for major program: unqualified opinion

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

Identification of major program:

<u>CFDA number</u>	<u>Name of federal program or cluster</u>
93.600	United States Department of Health and Human Services – Head Start
14.871	United States Department of Housing and Urban Development – Section 8 Housing Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: Yes

**CADDO PARISH COMMISSION**  
Shreveport, Louisiana  
Schedule of Findings and Questioned Costs  
Year ended December 31, 2006

**Section 2 – Primary Government Financial Statement Findings**

None

**Section 3 – Federal Award Findings and Questioned Costs**

None



KPMG LLP  
Suite 1800  
333 Texas Street  
Shreveport, LA 71101-3692

June 29, 2007

**CONFIDENTIAL**

The Members of the Caddo  
Parish Commission

Dear Commissioners:

We have audited the financial statements of the governmental activities of the Caddo Parish Commission (the Commission) and the combining, individual fund, and government-wide financial statements of the Commission as of and for the year ended December 31, 2006, and have issued our report thereon dated June 29, 2007. In planning and performing our audit of the financial statements of the Commission, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

**INFORMATION TECHNOLOGY (IT)**

**Segregation of Duties conflicts** – A formal segregation of duties process has not been adopted by the Commission. The lack of formally defined segregation of duties requirements for financial systems increases the probability of users gaining access to financial application functions that may conflict with financial process segregation of duties responsibilities. We recommend that IT and business unit management formally document segregation of duties responsibilities and assess IT user access to confirm that no segregation of duties issues exists. The results of this review should be documented and retained for audit purposes.

**Management's Response** – Due to the small size of the Information Services (IS) Division (three employees), segregation of duties is inherently not possible. It is extremely critical to the Commission's operations that all three employees in the division can backup each other at any point. Since the duties of the IS Division can not be fully segregated, the following compensating controls are in place or will be put in place to reduce the risk of errors or irregularities:

- Access to the computer system is controlled through the Change Control Form, which is used to document all access rights to the system and must be approved by the supervisor, department head, Director of Finance, and the IS Manager.

- The IS Manager will conduct periodic reviews of all access rights internal to the financial system and the network itself to ensure that rights controlled through the change control form are in fact implemented as the form indicates. This review will also provide all department directors with a listing of access granted to individual users based on security templates and security groups. Department heads will have to verify their users' rights by signature. The review will be fully documented and maintained on file in Information Systems.

The Director and Assistant Director of Finance review the financial records of the Commission on a monthly basis which includes a review of the individuals responsible for performing certain transactions.

**Formal approvals and review of access rights** – No formal documentation exists for the changes to rights or review of rights in the system. The lack of formally defined approvals of users' access rights increases the possibility that users have inappropriate access to financial systems. We recommend that IT and business unit management formally document all approvals of access rights and also review users rights on a periodic basis going forward. The results of this review should be documented and retained for audit purposes.

**Management's Response** – In the second quarter of 2006, the Commission instituted a change control form in response to a similar finding for the 2005 audit. All access to systems, email addresses, account creation and removal, firewall port requests, remote access, etc. are controlled through this form which must be reviewed and signed by a supervisor, the Human Resources Manager, the Finance Director, and the Information Services Manager, as appropriate. Several of the completed change forms were reviewed during KPMG's examination and KPMG matched new employees with forms to ensure that a form had been completed for new hires. As noted above, we will also conduct periodic reviews of all access rights internal to the financial system and the network itself.

**Use of default administrator ids** – During our examination of backup job run logs, it was discovered that some administrator accounts on key financial servers may still be the manufacturer's default ids. The use of default ids increases the risk of unauthorized access to critical financial servers. We recommend that default administrator system accounts be modified and if applicable, the default passwords changed.

**Management's Response** – There are currently no accounts in use that have "default" credentials in use. The backup program uses the appropriate system accounts to perform the backup function on various servers and these system accounts do not use "default" passwords.

**False Positive Errors** – During our examination of backup job run logs, it was discovered that false positive errors appeared on the job report related to a script no longer utilized by the Commission. Therefore, the system failed to backup a job with a script that did not exist. We recommend these false positive errors be corrected so they do not appear in the error reports.

**Management's Response** – False positive errors appear in the backup log because the backup program is configured to perform a full backup of our servers. A few of our servers run Microsoft SQL database which requires special backup "agent" software to use to back it up. One server does not have this special agent and thus the backup software cannot open the SQL files and generates the error messages. Microsoft SQL has a built-in maintenance facility that allows backups to be scheduled and performed automatically. We use this feature on this server to backup the database files to a location on this same server. The

The Members of the Caddo  
Parish Commission  
June 29, 2007  
Page 3

backup software can and does successfully backup these SQL generated backup files. We will modify the backup job so that it will not try to backup the SQL database directly, which will eliminate the "false positive" errors in the backup log.

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It should be noted that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in systems and procedures which may exist. We aim, however, to use our knowledge of the Commission's organization gained during our work to make comments and suggestions which we hope will be useful to you.

We would like to take this opportunity to thank the personnel of the Commission for their cooperation and assistance during the audit.

This report is intended solely for the information and use of the Members of the Commission, management, the Louisiana Legislative Auditor, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP