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CADDO-BOSSIER PORT COMMISSION

SHREVEPORT, LOUISIANA

DECEMBER 31, 2009 AND 2008

CADDO-BOSSIER PORT COMMISSION

SHREVEPORT, LOUISIANA

TABLE OF CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

CADDO-BOSSIER PORT COMMISSION
SHREVEPORT, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009

This section of the Port's annual financial report presents a discussion and analysis of the Port's financial performance for the year ended December 31, 2009. Please read it in conjunction with the Port's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Port's equity increased $7.6 million resulting primarily from availability of cash reserves accumulated for the purpose of repaying debt and constructing additional Port projects. The Port generates revenue from Port operations and receives funds from the State of Louisiana, ad valorem taxes and various agencies for the development of the Port complex. Ordinary business activity resulted in an increase in net assets of $4.0 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and the notes to the financial statements.

The Port's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues and Expenses. All assets and liabilities associated with the operation of the Port are included in the Statements of Net Assets.

The financial statements provide both long-term and short-term information about the Port's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

FINANCIAL ANALYSIS

Equity

The Port's total assets at December 31, 2009 reached $174.4 million. This represents an increase of $7.6 million or 4.6 percent from the prior year. Total liabilities remained $73.5 million and total net assets are $100.9 million for an increase of $7.7 million or 8.2 percent (See Table 1).

Table 1
Net Assets

	2009	2008	Percentage Change
Cash	31,033,252	42,177,383	(26.4)%
Other current assets	5,791,776	4,489,334	29.0%
Investments	4,916,690	4,863,519	1.1%
Property-net	132,669,973	115,270,820	15.1%
Total assets	174,411,691	166,801,056	4.6%

Table 1 (Continued)
Net Assets

	2009	2008	Percentage Change
Current liabilities	3,546,192	2,045,453	73.4%
Deferred revenue	4,355,613	4,431,242	(1.7)%
Long-term debt	64,062,213	67,040,221	(4.4)%
Interest rate swap valuation	1,513,868	-	0%
Total liabilities	73,477,886	73,516,916	(0.1)%
Net assets:			
Contributed capital	56,033,762	52,351,290	7.0%
Retained earnings	44,900,043	40,932,850	9.7%
Total net assets	100,933,805	93,284,140	8.2%
Total liabilities and net assets	174,411,691	166,801,056	4.6%

Changes in Net Assets

The change in net assets for 2009 was an increase of $7.7 million or 8.2 percent. The Port's total operating revenues decreased $2.2 million or 16.0 percent. Total operating expenses increased $2.1 million or 29.4 percent. The changes in net assets are detailed in Table 2 and operating expenses are detailed in Table 3. The decrease in cash and increase in property relates to construction of various projects.

Table 2
Changes in Net Assets

	2009	2008	Percentage Change
Operating revenues:			
Ad valorem taxes	5,008,101	4,217,435	18.7%
Lease rentals	3,112,027	7,328,993	(57.5)%
Port operations	1,656,501	1,492,066	11.0%
Miscellaneous	1,921,686	893,608	115.0%
Total operating revenues	11,698,315	13,932,102	(16.0)%
Operating expenses:			
Operating expenses	5,196,697	3,585,267	44.9%
Depreciation	3,843,119	3,402,297	13.0%
Total expenses	9,039,816	6,987,564	29.4%
Operating income	2,658,499	6,944,538	(61.7)%
Nonoperating revenues and (expenses)	(2,484,381)	(1,573,299)	57.9%
Net income	174,118	5,371,239	(96.8)%

Operating revenues decreased by $2.2 million or 16.0 percent. Although there was an increase in port operations and ad valorem taxes, the overall change can be attributed to a decrease in oil and gas royalty income due to a lease bonus received during 2008.

Operating expenses increased by $2.1 million or 29.4 percent, mainly due to an overall increase in the cost of operating the port facility as the entity expands its operations as well as loss associated with interest rate swaps.

Salaries and employee benefits increased 8.7 percent to $1,511,025 resulting from payroll growth as the Port expands its operations. Legal expense increased to $178,158 due primarily to a dispute with the Federal Railroad Administration over jurisdiction. Also, the Port recognized $1,513,868 in market valuation adjustment related to the interest rate swaps, which are more fully explained in Note 18.

Table 3
Operating Expenses

	2009	2008	Percentage Change
General and administrative expenses:			
Salaries and employee benefits	1,511,025	1,390,545	8.7%
Contract labor	-	25,123	(100.0)%
Dues and subscriptions	33,784	26,069	29.6%
Office supplies and postage	77,285	62,570	23.5%
Fuel and lubes	38,033	73,472	(48.2)%
Telephone	36,396	31,654	15.0%
Utilities	28,771	35,309	(18.5)%
Insurance	252,159	235,865	6.9%
Rentals	45,512	79,477	(42.7)%
Bad debts	10,940	5,125	113.5%
Supplies and materials	21,222	13,431	5.8%
Maintenance and repairs	29,138	14,559	100.1%
Gear and equipment	16,004	9,384	70.5%
Miscellaneous	20,852	60,833	(65.7)%
Total general and administrative expenses	2,121,121	2,063,416	2.8%
Fire station operations	465,816	456,532	2.0%
Security boat operations	393	2,815	(86.0)%
Port maintenance	450,000	465,383	(3.3)%
Legal	178,158	97,725	82.3%
Travel, promotional and marketing	252,972	277,925	(9.0)%
Professional services	214,369	221,471	(3.2)%
Interest rate swap	1,513,868	-	0%
	5,196,697	3,585,267	44.9%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2009, the Port had invested $132.7 million in capital assets net of accumulated depreciation. As compared to the prior year, this amount represents an increase of $17.4 million. Such increase is primarily attributed to the purchase of a tank terminal as well as additional land for future expansion of the Port, and the Pratt project amounting to $21.2 million less depreciation of $3.8 million.

Additional information on the Caddo-Bossier Port Commission's capital assets can be found in Note 5 on Page 10 of this report.

Long-Term Debt

The Port refinanced Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds Series 2000 during the year to attain a more competitive interest rate for the long-term. No new bond issuances were originated during the year in addition to the refinanced amount.

The Port has made its regularly scheduled payments on all of its long-term debt. During 2009, $3,194,752 in principal payments and $2,150,239 in interest payments were made. All bond debt covenants have been met. Additional information on the Caddo-Bossier Port Commission's debt can be found in Note 10 on Pages 12-16 of this report.

CONTACTING THE PORT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Port's finances and to demonstrate the Port's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Port at (318) 524-2272.

AUDITED FINANCIAL STATEMENTS

HEARD, MCELROY, & VESTAL
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May 10, 2010

The Board of Commissioners
Caddo-Bossier Port Commission
Shreveport, Louisiana

Independent Auditor's Report

We have audited the accompanying statements of net assets of the Caddo-Bossier Port Commission as of December 31, 2009 and 2008, and the statements of revenues and expenses, changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Caddo-Bossier Port Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Caddo-Bossier Port Commission as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2010, on our consideration of the Port's internal control over financial reporting, and on 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 on Pages i through iv is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America.

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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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Port's basic financial statements. The accompanying other information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Caddo-Bossier Port Commission. 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 whole.

Heard, McElroy & Vestal, LLP

CADDO-BOSSIER PORT COMMISSION

STATEMENTS OF NET ASSETS

DECEMBER 31, 2009 AND 2008

ASSETS	2009	2008
Cash and interest-bearing deposits-Note 2	4,483,835	5,040,655
Cash-restricted-Note 10	26,549,417	37,136,728
Total cash	31,033,252	42,177,383
Investments-Note 3	4,916,690	4,863,519
Accounts receivable-ad valorem taxes, net of allowance for uncollectibles of $207,927 and $208,579, respectively-Note 7	3,257,512	3,267,732
Accounts receivable-other	1,829,687	626,547
Debt issuance costs	631,715	542,131
Prepaid expenses	72,862	52,924
Land, buildings and equipment (net of accumulated depreciation)-Note 5	132,669,973	115,270,820
Total assets	174,411,691	166,801,056
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	3,183,785	1,507,369
Accrued liabilities payable	362,408	538,084
Deferred revenue-Notes 7 and 11	4,355,613	4,431,242
Long-term debt-Note 10	64,062,212	67,040,221
Interest rate swap valuation-Note 18	1,513,868	-
Total liabilities	73,477,886	73,516,916
Net assets:		
Contributed capital	56,033,762	52,351,290
Retained earnings	44,900,043	40,932,850
Total net assets	100,933,805	93,284,140
Total liabilities and net assets	174,411,691	166,801,056

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

CADDO-BOSSIER PORT COMMISSION

STATEMENTS OF REVENUES AND EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Operating revenues:		
Ad valorem taxes-Note 7	5,008,101	4,217,435
Lease rentals and oil and gas royalty income-Note 13	3,112,027	7,328,993
Safety tariff revenue-Note 15	168,279	167,863
Water and sewer revenue-Note 14	1,639,330	451,068
Port operations revenue	1,656,501	1,492,066
Miscellaneous income	114,077	274,677
Total operating revenues	11,698,315	13,932,102
Operating expenses:		
General and administrative	2,121,121	2,063,416
Port maintenance	450,000	465,383
Fire station operations	465,816	456,532
Security boat operations	393	2,815
Legal	178,158	97,725
Travel promotional and marketing	252,972	277,925
Professional services	214,369	221,471
Unrealized loss on interest rate swap-Note 18	1,513,868	-
Total operating expenses before depreciation and amortization	5,196,697	3,585,267
Operating income before depreciation and amortization	6,501,618	10,346,835
Depreciation and amortization expense	3,843,119	3,402,297
Operating income	2,658,499	6,944,538
Nonoperating revenues (expenses):		
Interest and dividend income	243,735	948,692
Interest expense	(2,728,116)	(2,521,991)
Total nonoperating revenues (expenses)	(2,484,381)	(1,573,299)
Net income	174,118	5,371,239

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

CADDO-BOSSIER PORT COMMISSION

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Retained Earnings	Contributed Capital	Total
Ending balance-December 31, 2007	32,185,720	46,894,817	79,080,537
Net income	5,371,239	-	5,371,239
Contributed capital-Note 4	-	8,832,364	8,832,364
Transfer of depreciation expense to contributed capital	3,375,891	(3,375,891)	-
Ending balance-December 31, 2008	40,932,850	52,351,290	93,284,140
Net income	174,118	-	174,118
Contributed capital-Note 4	-	7,475,547	7,475,547
Transfer of depreciation expense to contributed capital	3,793,075	(3,793,075)	-
Ending balance-December 31, 2009	44,900,043	56,033,762	100,933,805

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

CADDO-BOSSIER PORT COMMISSION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Cash flows from operating activities:		
Net income	174,118	5,371,239
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Depreciation and amortization	3,843,119	3,402,297
Unrealized loss (gain) on investments	38,280	(58,988)
Unrealized loss on interest rate swap	1,513,868	-
Changes in assets and liabilities relating to operating activities:		
Accounts receivable	(1,192,920)	(892,423)
Prepaid expenses	(19,938)	(52,924)
Accounts payable and accrued liabilities	1,500,739	484,239
Deferred revenue (expense)	(75,629)	845,322
Net cash provided by operating activities	5,781,637	9,098,762
Cash flows from capital and related financing activities:		
Contributed capital	7,475,547	8,832,364
Expenditures for acquisition and construction of capital assets	(21,193,121)	(16,135,651)
Purchases of investments	(86,442)	(4,804,531)
Proceeds from issuance of debt	6,025,000	37,287,985
Repayments of principal borrowed to finance acquisition and construction of capital assets	(9,146,752)	(7,202,129)
Net cash (used) provided for capital and related financing activities	(16,925,768)	17,978,038
Net (decrease) increase in cash and cash equivalents	(11,144,131)	27,076,800
Cash and cash equivalents, beginning of year	42,177,383	15,100,583
Cash and cash equivalents, end of year	31,033,252	42,177,383
Interest paid	2,150,239	2,036,589

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

1. Organization and Significant Accounting Policies

Organization

The Caddo-Bossier Port Commission ("Port") is an independent political subdivision of the State of Louisiana and was created by Act 1975 No. 66 and numbered Chapter 37 Sections 34:3158 through 34:3165 under authority of R.S. 24:253 continued as a statute from Article VI, Section 32 of the Constitution of the State of Louisiana of 1921. The Port has all the powers and privileges granted to it by the constitution and statutes of the State of Louisiana including, but not limited to, the authority to incur debt, to issue bonds, to construct and maintain facilities and to regulate the commerce and traffic within the Caddo-Bossier Port area.

The Port is governed by a Board of nine Commissioners; one is appointed by the Bossier Parish Police Jury, two by the Caddo Parish Commission, four are appointed by the governing authority of the City of Shreveport, and two are appointed by the City of Bossier City. The Commissioners are not compensated for their services. They are, however, reimbursed in full for travel expenditures.

Title to all property and improvements operated by the Port is held for the public and vests in the Port for public administration, subject to the right of the Port to lease, sell or otherwise dispose of the property with proper public notice.

Significant Accounting Policies

The accounting and reporting policies of the Port conform to generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(a) Basis of Presentation - Fund Accounting

The Port's operations are accounted for in a proprietary fund type--the enterprise fund. The proprietary fund type is accounted for using the flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings. The operating statement presents increases (revenues) and decreases (expenses) in net total assets.

The Port's operations are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges. The measurement focus emphasizes the determination of net income. The Port follows the accrual basis of accounting for its proprietary fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Under the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Fund Accounting," the Port has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

1. **Organization and Significant Accounting Policies** (Continued)

(b) **Property, Plant and Equipment**
Prior to January 1, 2000, fixed assets used in governmental fund type operations were accounted for in the general fixed assets account group. All fixed assets were valued at historical cost or estimated historical cost if actual historical cost was not available. No depreciation was provided on general fixed assets through December 31, 1999. Effective January 1, 2000, the fixed assets recorded in the General Fixed Assets Group of Accounts were transferred to the Enterprise Fund. These assets are in service and the majority of resources generated by them are obtained from fees charged to those entities that utilize these fixed assets.

Additions are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Water and Sewer Facility	50 years
Port Facility	40 years
Intermodal Container Facility	30 years
Access Roads	25 years
Railroads	20 years
Intermodal Equipment	10 years
Furniture and Fixtures	7 years

(c) **Statement of Cash Flows**
For the purposes of the Statement of Cash Flows, the Port considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(d) **Estimates**
Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Such estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingencies and litigation arising in the ordinary course of business. It is possible that management's estimates will change in the near term.

(e) **Derivative Financial Instruments**
The Port makes limited use of derivative instruments for the purpose of managing interest rate risks. The derivative is held only for the purpose of hedging such risks, not for speculation, and is being treated as a fair value hedge for financial reporting purposes. Interest rate agreements are used to convert the Port's floating rate long-term debt to a fixed rate (Note 18). The differentials paid or received on interest rate swap agreements are accrued and recognized as adjustments to interest expense; gains and losses on the hedging instrument are recorded in earnings and any change in fair value adjusts the carrying amount of the hedged item.

(f) **Reclassification**
Certain reclassifications have been made in the 2008 financial statements to conform to the reporting format in 2009. Such reclassification had no effect on the previously reported net income.

2. **Cash and Interest-Bearing Deposits**
Deposits of the Port are held at various financial institutions. At December 31, 2009, the carrying amounts of the Port cash demand deposits were $31,033,252 and the bank balance was $31,039,603. This difference is due to deposits in transit and outstanding checks. At year end, all deposits were entirely covered by federal depository insurance, U. S. Government Securities, and/or collateralized with securities, as required by state law.

Included in cash and interest-bearing deposits is $1,567,209 and $1,561,314 at December 31, 2009 and 2008, respectively, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

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. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

3. **Investments**
At December 31, 2009 and 2008, investments consisted of the following:

	2009		2008	
	Cost	Market Value	Cost	Market Value
Bonds	4,895,975	4,916,690	4,804,531	4,863,519

Fair values for long-term investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

4. Contributed Capital

State grants are made available to the Port for the acquisition, improvement or construction of property and equipment and planning studies. Unrestricted operating grants and grants restricted as to purpose, but not contingent on the actual expenditures of funds, are recognized at that point in time when the right to the funds becomes irrevocable. Where the expenditure of funds is the prime factor for determining the eligibility for the grant proceeds, the grant is recognized at the time when the expense is incurred. Operating grants are credited to income, and capital grants are credited to contributed capital.

The following governmental entities provided funding for the Port during the years ended December 31, 2009 and 2008:

	2009	2008
Louisiana Department of Economic Development	2,500,000	-
Governor's Rapid Response Fund	-	2,500,000
State of Louisiana Department of Transportation and Development	1,620,102	3,978,807
Red River Waterway Commission	3,355,445	2,353,557
	7,475,547	8,832,364

These funds were provided specifically for capital projects and are shown as a direct contribution to net assets.

5. Property, Plant and Equipment

Effective January 1, 2000, the general fixed asset account group assets were transferred to the Enterprise Fund as these assets were substantially complete and in operation. These fixed assets consist of Port facilities including land, buildings, wharfs, docks, rail, switchyard, access roads, tank and storage facilities, water and sewer facilities, and a fire station.

During the year ended December 31, 2009, capital expenditures consisted mainly of additions to the Pratt project, TruSouth Oil project, and Steel Scape project. During the year ended December 31, 2008, capital expenditures consisted mainly of additions to the Pratt project, TruSouth Oil project, and Steel Scape project. Depreciation expense totaled $3,793,075 and $3,375,891 for the years ended December 31, 2009 and 2008, respectively. Commitments for construction projects started but not yet complete total approximately $34,614,000 at December 31, 2009. Refer to Note 10.

The following is a summary of Port fixed assets at December 31, 2009 and 2008:

	2009	2008
Land, including acquisition costs	11,694,407	9,054,407
Buildings and operating facilities	148,152,003	129,837,780
Equipment, furniture and fixtures	2,191,468	1,952,570
	162,037,878	140,844,757
Less-accumulated depreciation	(29,367,905)	(25,573,937)
Net property, plant and equipment	132,669,973	115,270,820

6. Compensated Absences

The Port has the following policy relating to personal time off (vacation and sick leave):

Personal Time Off (PTO) – Full time employees, after a ninety day introductory period, will accrue PTO at the following rates:

6. **Compensated Absences** (Continued)

1)	1 - 3 years of employment	1.5 days per month
2)	4 - 5 years of employment	1.75 days per month
3)	6 - 10 years of employment	2 days per month
4)	11 - 20 years of employment	2.25 days per month
5)	21+ years of employment	2.50 days per month

Part time employees accrue vacation on a pro rata basis. Though employees may accumulate PTO days for retirement calculation and other purposes, the Port will only compensate up to a maximum of 30 days upon termination of employment. Employees may take pay for up to five (5) PTO days annually.

7. **Property Taxes**

On April 3, 1993, the voters of Caddo and Bossier parishes approved a special tax of 2 ½ mills to be levied on the property subject to taxation in the port area consisting of Caddo and Bossier Parishes for a period of twenty-five years, commencing with the year 1993, for the purpose of site acquisition and for constructing, acquiring, improving and equipping docks and wharves, transfer and storage facilities, commercial and industrial facilities and other port, transportation and infrastructure facilities and improvements within the Port area, and for paying the commission's expenses of administering, maintaining, operating and marketing its facilities in the Port area. Anticipated revenues from the 2009 assessment have been recorded as deferred revenue at December 31, 2009 in the amount of $3,257,512 as these taxes relate to 2010. Deferred revenue at December 31, 2008 amounted to $3,267,732. See Note 11 for an explanation of other deferred revenue.

Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on January 1 of the following year. An allowance is established for delinquent taxes to the extent that their collectibility is estimated to be improbable.

8. **Leases**

The Port leased equipment during the year, under operating leases. Rental expense was $54,228 and $79,477 in 2009 and 2008, respectively. Future minimum lease payments under these operating leases are as follows:

2010	50,716
2011	13,704
2012	3,204
2013	534
2014	-
Thereafter	-
	68,158

9. **Profit-Sharing Plan**

Beginning January 1, 2000, the Port adopted and initiated a Qualified 401(a) Retirement Program for all eligible employees who are 21 years of age, completed 12 months of service, and are credited with 1,000 hours of service. Under this plan, the Board of Commissioners may determine a discretionary contribution percent of gross salary for each budget year. It is set at a contribution of ten percent of gross salary for 2009 and 2008. Contributions to the Plan totaled $39,419 and $39,925 for the years ended December 31, 2009 and 2008, respectively. The Port also adopted a plan under Code Section 457, Salary Deferral Plan, for employee contribution, effective January 1, 2000. The Port does not contribute to this plan.

Beginning January 2007, the Port adopted a PERS (Parochial Employees Retirement) for all eligible employees who have completed twelve months of service and who work at least twenty-eight hours per week. Employees age fifty-five and older and who have forty quarters or more of social security participation have an

9. Profit-Sharing Plan (Continued)

option to join PERS. Under this plan, the amount of employee contributions is fixed by law. For 2009 and 2008, the Plan A employee rate was 9.5%. Employer contributions are determined every fiscal year according to statutory process. In 2009 and 2008, this rate was 12.25% and 12.75% for Plan A, respectively. Employer contributions to this plan totaled $81,976 for 2009.

10. Long-Term Debt

Following is a summary of bonds payable:

		2009			
Description	Amount of Original Issue (Bonds Only)	Balance January 1, 2009	Principal Payments	Issued 2009	Balance December 31, 2009
Water Revenue Bonds, Series 1997, principal payments began 5/24/2000, interest payments began 4/24/98, secured and payable from water revenue, interest at 5.5%, final maturity 5/24/2037	11,950,000	10,840,367	165,077	-	10,675,290
Sewer Limited Tax Bonds, Series 1995, principal payments began March 1, 1997, interest payments began September 1, 1995, secured and payable from the proceeds of 2½ mill ad valorem tax, interest rate 2.45%, .5% annual administration fee, final maturity 3/1/2016 (Refinanced in 2005)	6,250,329	2,945,000	330,000	-	2,615,000
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds Series 2000, principal payments begin 3/1/2006, variable interest not to exceed 12% (Refinanced in 2009)	7,500,000	6,388,000	6,388,000	-	-
Water Revenue Bonds Series 2003, principal payments begin July 2005, interest payments begin June 2005, interest rate 4.375% for 40 years	3,200,000	3,075,331	43,675	-	3,031,656
Limited Tax Revenue and Refunding Bonds, Series 2005A, principal payments begin 3/1/2006; interest paid March 1 and September 1; secured and payable from the proceeds of 2.5 mil ad valorem tax; interest rate 3.2% to 4.0%; final maturity March 1, 2017	3,530,000	2,630,000	300,000	-	2,330,000

10. Long-Term Debt (Continued)

Description	Amount of Original Issue (Bonds Only)	2009 Balance January 1, 2009	Principal Payments	Issued 2009	Balance December 31, 2009
Limited Tax Revenue and Refunding Bonds, Series 2005B, principal payments begin 3/1/2006; interest paid March 1 and September 1; secured and payable from the proceeds of 2.5 mil ad valorem tax; interest rate 3.25% to 4.125%; final maturity March 1, 2017	4,745,000	3,545,000	400,000	-	3,145,000
Revenue and Refunding Bonds Series 2008A, 20M principal and interest payments begin March 31, 2008; interest paid quarterly on January 1, April 1, July 1, and October 1; variable interest rate; final maturity January 1, 2038.	20,000,000	19,780,000	305,000	-	19,475,000
Revenue and Refunding Bonds Series 2008A, 3M principal and interest payments begin June 30, 2008; interest paid quarterly on January 1, April 1, July 1, and October 1; variable interest rate; final maturity January 1, 2038.	3,000,000	2,980,000	40,000	-	2,940,000
Limited Tax Revenue Series 2008, principal and interest payments begin March 1, 2009; interest paid March 1 and September 1; interest rate 4.0%; final maturity March 1, 2018. Unearned bond discount balance of $127,826 at December 31, 2009.	15,000,000	14,856,523	1,159,349	-	13,697,174
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds Series 2009, principal payments begin 4/1/2010, interest rate 2-4%, Bond premium balance of $128,092 at 12/31/09	6,025,000	-	-	6,153,092	6,153,092
Total general long-term debt		67,040,221	9,131,101	6,153,092	64,062,212

10. Long-Term Debt (Continued)

Description	Amount of Original Issue (Bonds Only)	2008 Balance January 1, 2008	Principal Payments	Issued 2008	Balance December 31, 2008
Water Revenue Bonds, Series 1997, principal payments began 5/24/2000, interest payments began 4/24/98, secured and payable from water revenue, interest at 5.5%, final maturity 5/24/2037	11,950,000	10,996,629	156,262	-	10,840,367
Sewer Limited Tax Bonds, Series 1995, principal payments began March 1, 1997, interest payments began September 1, 1995, secured and payable from the proceeds of 2½ mill ad valorem tax, interest rate 2.45%, .5% annual administration fee, final maturity 3/1/2016 (Refinanced in 2005)	6,250,329	3,265,000	320,000	-	2,945,000
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds Series 2000, principal payments begin 3/1/2006, variable interest not to exceed 12%	7,500,000	6,803,001	415,001	-	6,388,000
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue and Refunding Bonds Series 2004, principal and interest payments begin 11/1/2005, variable interest rate not to exceed 10%, fixed rate not to exceed 7%	5,500,000	5,335,000	5,335,000	-	-
Water Revenue Bonds Series 2003, principal payments begin July 2005, interest payments begin June 2005, interest rate 4.375% for 40 years	3,200,000	3,111,198	35,867	-	3,075,331
Limited Tax Revenue and Refunding Bonds, Series 2005A, principal payments begin 3/1/2006; interest paid March 1 and September 1; secured and payable from the proceeds of 2.5 mil ad valorem tax; interest rate 3.2% to 4.0%; final maturity March 1, 2017	3,530,000	2,930,000	300,000	-	2,630,000

10. Long-Term Debt (Continued)

Description	Amount of Original Issue (Bonds Only)	2008 Balance January 1, 2008	Principal Payments	Issued 2008	Balance December 31, 2008
Limited Tax Revenue and Refunding Bonds, Series 2005B, principal payments begin 3/1/2006; interest paid March 1 and September 1; secured and payable from the proceeds of 2.5 mil ad valorem tax; interest rate 3.25% to 4.125%; final maturity March 1, 2017	4,745,000	3,945,000	400,000	-	3,545,000
Revenue and Refunding Bonds Series 2008A, 20M principal and interest payments begin March 31, 2008; interest paid quarterly on January 1, April 1, July 1, and October 1; variable interest rate; final maturity January 1, 2038.	20,000,000	-	220,000	20,000,000	19,780,000
Revenue and Refunding Bonds Series 2008A, 3M principal and interest payments begin June 30, 2008; interest paid quarterly on January 1, April 1, July 1, and October 1; variable interest rate; final maturity January 1, 2038.	3,000,000	-	20,000	3,000,000	2,980,000
Limited Tax Revenue Series 2008, principal and interest payments begin March 1, 2009; interest paid March 1 and September 1; interest rate 4.0%; final maturity March 1, 2018. Unearned bond discount balance of $143,477 at December 31, 2008.	15,000,000	-	-	14,856,523	14,856,523
Total general long-term debt		36,385,828	7,202,130	37,856,523	67,040,221

The annual debt service requirements to maturity, including principal, interest, and bond amortization for long-term debt as of December 31, 2009 are as follows:

Year Ending December 31	General Long-Term Debt	Interest	Total
2010	3,106,591	1,881,720	4,988,311
2011	3,448,090	1,771,264	5,219,354

10. Long-Term Debt (Continued)

Year Ending December 31	General Long-Term Debt	Interest	Total
2012	3,570,217	1,701,095	5,271,312
2013	3,678,009	1,581,346	5,259,355
2014	3,796,503	1,484,671	5,281,174
2015-2019	17,742,254	5,300,670	23,042,924
2020-2024	5,379,579	3,624,380	9,003,959
2025-2029	6,945,125	2,789,732	9,734,857
2030-2034	8,948,064	1,704,212	10,652,276
2035-2039	6,770,011	456,411	7,226,422
2040-2044	677,769	70,587	748,356
Total	64,062,212	22,366,088	86,428,300

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

Certain cash accounts are restricted for the repayment of bond principal and interest. Also included in restricted cash in 2009 is bond proceeds of $21,774,700 that are restricted in use to various construction projects for which they were issued (refer to Note 17). Restricted cash totaled $26,549,417 and $37,136,728 at December 31, 2009 and 2008, respectively.

11. **Deferred Revenue**

During 1996, the Port entered into a lease agreement with Quaker State Corporation for the lease of a 94.5 acre tract of land at the Port site. The lease is for a term of twenty years from November 1, 1994, and the total rent of $1,030,540 was prepaid. In 1998, the Port partially canceled the lease in order to acquire acreage back for additional construction. The Port paid $95,491 to Quaker State, leaving a balance of $814,013 prepaid as of December 31, 1998. Rental income of $50,876 was recognized in 2009 and 2008 for this lease. Deferred revenue for the Quaker State agreement totaled $254,378 and $305,254 as of December 31, 2009 and 2008, respectively. During 1998, the Port entered into a lease agreement with Oakley Louisiana, Inc. for a term of forty years. Total rent of $200,000 was prepaid. Rental income of $5,000 was recognized in 2009 and 2008. Deferred revenue for the Oakley agreement totaled $139,039 and $144,039 as of December 31, 2009 and 2008.

During 2006, the Port entered into a lease agreement with JW Gathering Company for the lease of a compressor station for twenty-five years, and the total rent of $67,875 was prepaid. Rental income of $2,715 and $2,715 was recognized in 2009 and 2008 for this lease, and deferred revenue amounted to $58,093 and $60,808 as of December 31, 2009 and 2008, respectively.

The Port entered into another long-term lease agreement in 2005 with Steelscape for a term of ninety-nine years for the lease of acreage at the Port site. Steelscape paid $337,500 during 2006 with the remaining balance of $337,500 paid in 2007. Rental income of $6,818 and $6,818 was recognized in 2009 and 2008, and deferred revenue amounted to $646,591 and $653,409 as of December 31, 2009 and 2008, respectively.

12. **Litigation**

As of December 31, 2009, the Port was not engaged in any litigation in which it is a defendant or in which a claim has been made against it.

There remains one claim against the Port which has not risen to the level of a lawsuit, involving an alleged discharge onto private property from a pipeline owned by the Port and operated by the City of Shreveport.

12. **Litigation** (Continued)

The matter remains under investigation by the Louisiana Department of Environmental Quality and the Port. Due to the stage of the investigation, it is not possible to estimate with any degree of certainty the amount of investigative or remedial costs that may be required or whether LDEQ will assess penalties against persons determined to be responsible parties.

13. **Rental Income Under Operating Leases**

The Port is a lessor of certain property which consists principally of acreage and marine terminal docks. Some leases contain option renewal periods. Following is a schedule by year of future rental income to be received under noncancellable operating leases in effect as of December 31, 2009:

Year Ending December 31:	
2010	2,180,188
2011	2,062,793
2012	1,895,477
2013	1,857,310
2014	1,857,310
Thereafter	46,512,233
	56,365,311

14. **Water and Sewerage Revenue**

The Port receives revenue from the City of Shreveport which it collects from water and sewerage customers who use the waterworks system which was constructed by proceeds received by the Port from the issuance of water revenue bonds. As of December 31, 2009 and 2008, there were twenty-one commercial users and ten residential users of the waterworks system. Total revenue received in 2009 and 2008 was $1,639,330 and $451,068, respectively. Following is a schedule of water rates charged by the City of Shreveport:

Customer fee on sewerage charges		7.74 x actual water usage
Water charges per 1,000 gallons:	Residential	5.40
	Commercial	5.40
	Industrial	5.40

Note: Port customers are charged double since the system is located outside the city limits.

15. **Safety Tariff Revenue**

The Port receives revenue related to Ordinance No. 1 enacted in 2000 to partially fund fire, emergency medical and security services provided by the Port. The Safety Tariff is equal .2% of the asset value of the Port's complex occupants and totaled $168,279 and $167,863 for the years ended December 31, 2009 and 2008, respectively.

16. **Conduit Debt**

From time to time, the Port has issued revenue bonds to provide assistance for private-sector entities for projects that are deemed to be in the public interest. The Port is not obligated for repayment of the bonds. Accordingly, the bonds are not reported in the accompanying financial statements.

Revenue bonds in the amount of $10,000,000 were issued by the Port on August 1, 2003, for the account of Morris & Dickson Co., L.L.C. (MD) for the purpose of financing leasehold improvements, equipment and machinery. During this same period, the Port entered into a lease with MD for the facilities in which it operates. The Port also agreed to complete certain improvements to the property (road/sewer) in the amount of $1,000,000. The aggregate amount of bonds outstanding at December 31, 2009 and 2008, totaled $500,000.

16. Conduit Debt (Continued)

The Port issued $5,500,000 of revenue bonds on November 1, 2004, for the account of Arkla Disposal, L.L.C. for the purpose of financing leasehold improvements. During the same period, the Port also entered into a lease with Arkla Disposal, L.L.C. for the facilities in which it operates. The bonds are due in 240 monthly installments, beginning December 1, 2004, at 5% interest. The aggregate amount of bonds outstanding at December 31, 2009 and 2008 totaled $4,871,334 and $5,085,914, respectively.

Revenue bonds in the amount of $10,000,000 were issued by the Port on May 1, 2006 for the account of Sports South, L.L.C. for the purpose of financing the cost of acquiring, constructing, installing, and equipping a warehouse and distribution facility and related facilities within the jurisdiction of the Port. The aggregate amount of the bonds outstanding at December 31, 2009 and 2008 totaled $500,000 and $10,000,000, respectively. The Port entered into a lease with Sports South, L.L.C. with payments beginning in 2007.

Revenue bonds in the amount of $112,000,000 were issued by the Port on June 12, 2008 for the account of Pratt Paper (LA) for the purpose of financing the cost of constructing a paper mill. The aggregate amount of the bonds outstanding at December 31, 2009 and 2008 was $112,000,000.

Taxable revenue bonds in the amount of $11,000,000 were issued by the Port on August 31, 2009 for the account of Coca-Cola Bottling Company, LLC for the purpose of constructing a new warehouse distribution facility. The aggregate amount of bonds outstanding at December 31, 2009 totaled $11,000,000.

Recovery zone facility bonds in the amount of $10,000,000 were issued by the Port on September 25, 2009 for the account of Northwest Pipe Company for the purpose of refurbishing an existing manufacturing facility and machinery. The aggregate amount of bonds outstanding at December 31, 2009 totaled $10,000,000.

17. Construction Projects

The Port currently has over $21,000,000 of bond proceeds in restricted cash accounts to use for construction projects. The projects are tank storage and terminal facilities, a warehouse, storage tanks and lab expansion, rail and an administrative office. The projects are in various phases and are anticipated to be completed in 2010 and 2011.

18. Interest Rate Swaps

The Port has entered into interest rate swap agreements to reduce the impact of changes in interest rates on its floating rate long-term debt. At December 31, 2009, the Port had outstanding two interest rate swap agreements with a commercial bank, having a total notional amount of $22,415,000. Those agreements change the Port's interest rate exposure on its $19,475,000 floating rate notes due 2038 to a fixed 3.755% and its $2,940,000 floating rate notes due 2038 to a fixed 3.755%. The increase to the Port (increase in interest expense) for the above interest rate swaps for 2009 was $758,245. The fair market value of the interest rate swaps at December 31, 2009 resulted in an unrealized loss and change in the carrying amount of the hedges of $1,513,868. The two interest rate swaps mature on April 2, 2018. The Port is exposed to credit loss in the event of nonperformance by the other parties to the interest rate swap agreements. However, the Port does not anticipate nonperformance by the counterparties.

19. Subsequent Events

The Port has evaluated subsequent events through May 10, 2010, the date which the financial statements were available to be issued.

OTHER REPORTS

HEARD, MCELROY, & VESTAL
LLP
CERTIFIED PUBLIC ACCOUNTANTS
333 TEXAS STREET, SUITE 1525
SHREVEPORT, LOUISIANA 71101
318-429-1525 PHONE 318-429-2070 FAX

May 10, 2010

The Board of Commissioners
Caddo-Bossier Port Commission
Shreveport, Louisiana

Independent Auditor's 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*

We have audited the financial statements of Caddo-Bossier Port Commission as of and for the year ended December 31, 2009, and have issued our report thereon dated May 10, 2010. 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 Caddo-Bossier Port Commission's internal control over financial reporting 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 Port's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Port's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Caddo-Bossier Port 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*.

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This report is intended for the information of the Board of Commissioners, management, and the Office of the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

Heard, McElroy & Vestal LLP

CADDO-BOSSIER PORT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2009

We have audited the financial statements of Caddo-Bossier Port Commission as of and for the year ended December 31, 2009, and have issued our report thereon dated May 10, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2009 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

   Internal Control - No significant deficiencies were noted; no management letter was issued.

   Compliance - No material noncompliance was noted.

b. Federal Awards - No major program.

Section II - Financial Statement Findings

No matters were reported.

CADDO-BOSSIER PORT COMMISSION

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2009

No prior year findings were reported.

OTHER INFORMATION

CADDO-BOSSIER PORT COMMISSION
P. O. Box 52071
Shreveport, Louisiana 71135-2071
(318) 524-2272

2009 BOARD OF COMMISSIONERS

Name, Address, Phone & Fax	Last Appointment/Term
James L. Pannell, President 3835 Eileen Lane Shreveport, LA 71109 Office telephone: 208-5016 Fax 635-9735	City of Shreveport 6/28/05 - 6/28/11
James D. Hall, Vice-President P. O. Box 5337 Bossier City, LA 71171-5337 Office telephone: 741-8515; Fax 741-8517	Bossier Parish 1/17/07 - 2/15/15
Ronald J. Miciotto, Secretary-Treasurer 628 Stoner Avenue Shreveport, LA 71101 Office telephone: 424-0200; Fax 424-3730	City of Shreveport 7/27/09 - 7/27/15
Lynn Austin 2108 Hope Street Bossier City, LA 71112 Office telephone: 741-8501; Fax 741-8972	City of Bossier 3/30/06 - 3/29/12
Ernest Baylor 9051 Mansfield Road, Bldg. E, Suite 12 Shreveport, LA 71118 Office telephone: 671-9589; Fax 603-0702	City of Shreveport 9/18/08 - 6/30/13
Erica R. Bryant P. O. Box 1127 Shreveport, LA 71163-1127 Office telephone: 226-6920; Fax 429-7609	Caddo Parish 6/30/07 - 6/30/13
Capt. Thomas F. Murphy 164 Chelsea Drive Shreveport, LA 71105-4236 Home telephone 865-4096	Caddo Parish 3/31/07 - 3/31/13
Michael H. Wainwright 6032 River Road Shreveport, LA 71105 Office telephone: 470-9393; Fax 798-0421	City of Shreveport 11/28/06 - 11/28/10
Steve Watkins 105 Oxford Circle Bossier City, LA 71111 Office telephone: 742-9438; Fax 752-1940	City of Bossier 2/16/07 - 2/16/13

CADDO-BOSSIER PORT COMMISSION

SCHEDULE OF INSURANCE

AS OF DECEMBER 31, 2009

	Coverage	Expiration
Commercial Property:		
Blanket property and equipment	38,194,373	12/31/09
Piers and docks	9,589,055	
Contractors equipment	3,223,993	
EDP	97,700	
Blanket earnings/extra expense	500,000	
Boiler and Machinery Damage:		
Machinery breakdown	38,194,373	12/31/09
Commercial Crime:		
Employee dishonesty	1,000,000	12/31/09
Forgery	1,000,000	
Marine and General Liability:		
Each occurrence	1,000,000	12/31/09
Products/Comp ops aggregate	2,000,000	
Personal/advertising injury	1,000,000	
Umbrella Liability:		
Each occurrence	10,000,000	12/31/09
Aggregate Products/Comp ops only	10,000,000	
Hired and Nonowned Auto Liability:		
Each accident	1,000,000	01/15/10
Public Officials Liability:		
Each loss	2,000,000	12/31/09
Aggregate	2,000,000	
Worker's Compensation:		
LA Worker's compensation	Statutory	12/31/09
Each accident/disease	1,000,000	
Hull & P&I:		
Hull	475,000	12/31/09
P&I	1,000,000	
Rail Liability & FELA:		
Each occurrence	2,000,000	12/31/09
Aggregate	4,000,000	
Builders Risk Policies:		
ADS Warehouse	9,914,000	9/29/10
New dock	8,800,000	
Lucas Pump Station	2,400,000	