

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS**

BOSSIER CITY, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2010

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 **OCT 19 2011**

**MARSHA O. MILLICAN
A PROFESSIONAL ACCOUNTING CORPORATION
810 WILKINSON
SHREVEPORT, LOUISIANA**

CADDO-BOSSIER OFFICE OF EMERGENCY PREPAREDNESS
BOSSIER CITY, LOUISIANA

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Marsha O. Millican
A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report

To the Executive Council
Caddo-Bossier Office of Homeland Security
and Emergency Preparedness
Bossier City, Louisiana

I have audited the accompanying financial statements of Caddo-Bossier Office of Homeland Security and Emergency Preparedness, Bossier City, Louisiana, as of and for the year ended December 31, 2010 as listed in the table of contents. These financial statements are the responsibility of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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, the provisions of Office Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

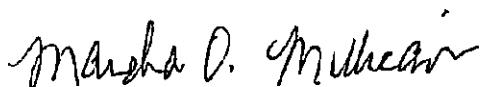
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Caddo-Bossier Office of Homeland Security and Emergency Preparedness as of December 31, 2010, and the results of its operations for the year ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 4 and 16, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I 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, I did not audit this information and express no opinion on it.

810 WILKINSON
SHREVEPORT, LA 71104-3036
(318) 221-3881
FAX: (318) 221-4641

My audit was performed for the purpose of forming an opinion on the basic financial statements of Caddo-Bossier Office of Homeland Security and Emergency Preparedness taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*", 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 my opinion, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 17, 2011 on my consideration of Caddo-Bossier Office of Homeland Security and Emergency Preparedness internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of my 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 my audit.



Certified Public Accountant

June 17, 2011

CADDO-BOSSIER HOMELAND SECURITY
AND OFFICE OF EMERGENCY PREPAREDNESS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of Management's discussion and analysis (MD&A) is to provide an overview of the financial activities of the Caddo-Bossier Homeland Security and Office of Emergency Preparedness office based on currently known facts, decisions or conditions.

The basic financial statements include government-wide and government fund statements. The government-wide Statement of Net Assets and Statement of Activities present information for all the activities of the Caddo-Bossier Homeland Security and Office of Emergency Preparedness office from an economic resources measurement focus using the accrual basis of accounting. Primarily for our office the difference between these statements and Governmental Funds statements is that assets are capitalized and depreciated over their estimated useful life versus expensed in the Governmental Funds statements.

The office at December 31, 2010 had \$191,404 in cash on hand and net capital assets of \$537,075 with total assets being \$863,547, a increase of \$12,333 over December 31, 2009. This office is debt free other than normal trade payables.

	<u>2010</u>
Current assets	326,472
Capital assets	<u>537,075</u>
Total assets	<u>863,547</u>
Current liabilities	<u>62,122</u>
Total liabilities	<u>62,122</u>
Net Assets	
Invested in capital assets	537,075
Restricted	18,142
Unrestricted	<u>246,208</u>
Total net assets	<u>801,425</u>

The revenues from operational grants and appropriations increased \$32,928 over the prior year primarily resulting from additional pass through grants. Revenue from one time and special grants will vary from year to year. Total operational expenses excluding capital outlays and depreciation decreased \$35,499 over the prior year. Investment earnings of \$2,500 approximate prior years. Net assets decreased \$7,206 over the prior year.

	<u>Statement of Activities</u>
	<u>2010</u>
Revenues	
Program Revenues	
Grants & Appropriations	3,453,121
General Revenues	
Interest	2,500
Total Revenues	<u>3,455,621</u>
Expenses	
Public Safety	3,462,827
Total Expenses	<u>3,462,827</u>
Change in fund balance	<u><u>(7,206)</u></u>

Capital outlays totaled \$127,371 with \$119,086 coming from grant funds. \$14,000 in capital outlays are budgeted for 2011 from general funds.

The adopted general fund budget was not amended during the year and revenues exceeding budget and expenditures less than budget. For the upcoming fiscal year, the general operating budget anticipates operating expenses of \$684,361 and revenues of \$723,540. Overall the office remains fiscally strong.

This financial report is designed to provide citizens and taxpayers with a general overview of the finances for those funds maintained by the Caddo-Bossier Homeland Security and Office of Emergency Preparedness and to show accountability for those funds. If you have any questions about this report, contact the Caddo-Bossier Homeland Security and Office of Emergency Preparedness.

1511 Doctor's Drive, Bossier City, LA 71111 (318) 425-5353

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

ASSETS

Cash	191,404
Accounts receivable grants - Note 4	135,068
Capital assets, net of accumulated depreciation - Note 5	<u>537,075</u>
Total assets	<u><u>863,547</u></u>

LIABILITIES

Accounts payable	29,671
Accrued expenses	<u>32,451</u>
Total Liabilities	<u>62,122</u>
Net assets	
Invested in capital assets, net of related debt	537,075
Restricted for grants	18,142
Unrestricted	<u>246,208</u>
Total net assets	<u><u>801,425</u></u>

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

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010**

		<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
Functions/Programs	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Government activities:				
Public Safety	3,462,827	3,325,750	127,371	(9,706)
Total	<u>3,462,827</u>	<u>3,325,750</u>	<u>127,371</u>	<u>(9,706)</u>
General Revenues:				
				2,500
				<u>2,500</u>
				(7,206)
				<u>808,631</u>
				<u>801,425</u>

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

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2010

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash	173,262	18,142	191,404
Accounts receivable grants - Note 4	<u>135,068</u>		<u>135,068</u>
 Total assets	 <u><u>308,330</u></u>	 <u><u>18,142</u></u>	 <u><u>326,472</u></u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	29,671		29,671
Accrued expenses	<u>-</u>		<u>-</u>
 Total Liabilities	 <u><u>29,671</u></u>	 <u><u>-</u></u>	 <u><u>29,671</u></u>
Fund balances			
Reserved for NACCHO grants		18,142	18,142
Unreserved	<u>278,659</u>		<u>278,659</u>
Total fund balances	<u><u>278,659</u></u>	<u><u>18,142</u></u>	<u><u>296,801</u></u>
 Total liabilities and fund balance	 <u><u>308,330</u></u>	 <u><u>18,142</u></u>	
 Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements			537,075
Liabilities for compensated absences are not reported in the governmental funds			<u>(32,451)</u>
Net assets of governmental activities			<u><u>801,425</u></u>

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

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund	Homeland Security Grant Program	Regional Grant Program	MMRS Grant Program	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>						
Intergovernmental revenues:						
Federal grants	281,099	1,541,379	412,802	818,821	32,409	3,086,510
State grants						-
Local grants	366,611					366,611
Investment earnings	2,500					2,500
Total revenues	<u>650,210</u>	<u>1,541,379</u>	<u>412,802</u>	<u>818,821</u>	<u>32,409</u>	<u>3,455,621</u>
<u>EXPENDITURES</u>						
Public Safety:						
Personnel	314,776	46,916	34,208	87,167		483,067
Grants paid		1,473,475	376,009	632,263		2,481,747
Insurance	28,030					28,030
Public affairs	790					790
Warning and communication	93,203			4,665		97,868
Office expense	12,456				22	12,478
Dues and publications	2,772				960	3,732
Travel	31,812			1,437	967	34,216
Employee retirement	48,536					48,536
Maintenance	19,423					19,423
Supplies	12,702			3,925		16,627
Telephone	18,430			748		19,178
Training and education	11,079			203	4,320	15,602
Professional services	15,214				15,729	30,943
Disaster expenses	46,709					46,709
Miscellaneous	498					498
Capital outlays	8,285	20,988	2,585	88,413	7,100	127,371
Total expenditures	<u>664,715</u>	<u>1,541,379</u>	<u>412,802</u>	<u>818,821</u>	<u>29,098</u>	<u>3,466,815</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	(14,505)	-	-	-	3,311	(11,194)
<u>FUND BALANCE, BEGINNING OF YEAR</u>	263,708	-	-	-	14,831	278,539
Prior Period Adjustment (Note 8)	29,456					29,456
<u>FUND BALANCE, BEGINNING, RESTATED</u>	<u>293,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,831</u>	<u>307,995</u>
<u>FUND BALANCE-END</u>	<u>278,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,142</u>	<u>296,801</u>

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

Excess of revenues over expenditures	(11,194)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated lives are reported as depreciation expense.	
Capital outlays	127,371
Depreciation expense	(120,388)
Change in compensated absences are not included in government funds	(2,995)
Change in net assets of governmental activities	<u>(7,206)</u>

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

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. This office does not use encumbrance accounting. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. FINANCIAL REPORTING ENTITY

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness is an independent agency governed by a four-member Board. The Board consists of the mayors of Shreveport and Bossier City and the presidents of the Caddo Parish Commission and the Bossier Parish Police Jury. The agency operates autonomously from these four governmental units. It controls hiring and retention of employees; has authority over its own budgeting; is responsible for its deficits; and collects and disburses its own funds. Therefore, the agency reports as an independent reporting entity.

C. GOVERNMENT-WIDE ACCOUNTING

In accordance with Governmental Accounting Standards No. 34, the Caddo-Bossier Office of Emergency Preparedness has presented a Statement of Net Assets and Statement of Activities. This office has no component units. Fiduciary funds are reported separately when applicable. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Policies specific to the Statement of Net Assets and Statement of Activities are as follows:

Application of FASB Statements and Interpretations

Reporting on governmental-type activities are based on FASB Statements and interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalizing Assets

Tangible and/or intangible assets used in operations with initial useful life that extends beyond one year and a cost of at least \$500 are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets. This office does not own any infrastructure assets. Vehicles are

depreciated with a useful life of four years. Furniture and equipment estimated lives vary from five to twelve years. Building improvements are estimated at twenty-five.

D. FUND ACCOUNTING

The Agency uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the agency are all classified as Governmental Funds. Governmental funds account for the Agency's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the Agency include:

General Fund – The general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

E. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The Statement of Net Assets and Statement of Activities are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type activities are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in the fund.

The governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Available means collected within the current year or expected to be collected within 60 days following year-end. All revenue sources met this criterion. Operating statements of these funds present increases and decreases in net current assets. Expenditures for capital assets are reported as current expense, and such assets are not depreciated.

F. BUDGETS

The Agency uses the following budget practices:

1. Budgets are prepared on the modified accrual basis of accounting and were adopted for the General Fund for 2010.
2. The Agency's Executive Director prepares the proposed budget and submits it to the Chairman of the Board no later than fifteen days prior to the beginning of each fiscal year.
3. The Board adopts the budget by majority vote.
4. Budgetary amendments are made by the Executive Director and do not require approval of the Board.
5. All budgetary appropriations lapse at year-end.
6. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts and all subsequent budget amendments.

G. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is generally used in governmental funds. Based on the size of the accounts and the methods utilized for payments, the Agency does not employ encumbrance accounting.

H. CASH AND CASH EQUIVALENTS

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

I. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Agency's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

J. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. COMPENSATED ABSENCES

Vested or accumulated vacation leave is reported as an expenditure/expense and a liability of the government wide financial statements when earned.

L. NET ASSETS/FUND BALANCES

In the Statement of Net Assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

Invested in capital assets, net of related debt

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

Restricted net assets

Net assets that are restricted by external sources, such as banks or by law, are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

Unrestricted net assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Reserved

These resources are segregated because their use is earmarked for a specific purpose.

Unreserved

This category represents that portion of equity not appropriable for expenditures or legally separated to a specific future use.

2. CASH AND CASH EQUIVALENTS

The Office of Emergency Preparedness classifies demand and time deposits as cash. The collected balances of the deposits with financial institutions at December 31, 2010 were \$193,858 and were collateralized as follows:

Amount insured by FDIC	\$193,858
Amount collateralized with securities, held by pledging financial institution's trust department in the agency's name (GASB Category 3)	-
Total collateral	<u>\$193,858</u>

These deposits are stated at cost, which approximates market. Book value of deposits differs from collected balances and equals \$191,404. Under state law, these deposits must be secured by federal deposit insurance or the pledge of the securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Agency that the fiscal agent has failed to pay deposited funds upon demand.

3. RECEIVABLES

The following is a summary of receivables at December 31, 2010:

Louisiana Office of Homeland Security	<u>\$135,068</u>
---------------------------------------	------------------

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 is as follows:

<u>Assets at Cost</u>	Balance			Balance
Description	01/01/10	Additions	Retirements	12/31/10
Equipment	\$859,547	\$127,371	\$20,200	\$966,718
Building Imp	171,255	-		171,255
Vehicles	131,699	-	-	131,699
Totals	1,162,501	127,371	20,200	1,269,672
<u>Accumulated Depreciation</u>				
Equipment	533,027	82,025	20,200	594,852
Building Imp	37,629	7,654		45,283
Vehicles	61,753	30,709	-	92,462
Totals	632,409	120,388	20,200	732,597
Net capital assets	\$530,092	\$ 6,983	\$ -	\$537,075

5. PENSION PLAN

Plan Description – The agency covers its full time permanent employees with the City of Shreveport Employees Retirement System. The System is independent of the Caddo-Bossier Office of Emergency Preparedness. The City of Shreveport Employees Retirement System (City Plan) is a cost sharing multiple employer defined benefit pension plan, which is administered by the City of Shreveport.

To be eligible for retirement benefits, employees must have 30 years of service regardless of age, or be age 65 and have 10 years of service and if hired before January 1, 1979 be 55 years of age with 20 years of service. Employees hired after January 1, 1979, may retire at age 55 with 25 years of service or age 60 with 20 years of service. Disability retirement requires 5 years or more of creditable service in order for an employee to be eligible to receive benefits. Death benefit requirements specify that an employee must have been in active service with 10 or more years of creditable service in the Retirement System. Employees become vested in the system after 10 years of creditable service.

Shreveport City Ordinance establishes benefit provisions. Benefits available to employees hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus annual pension, which together with the annuity, provides total retirement allowance equal to 3 percent of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3 percent of average compensation times years of creditable service for 1996 and future years of service. For a service retirement benefit prior to age 65 with less than 20 but more than 10 years of service, the benefit is reduced by 1/4 percent for each month below age 65.

If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50 percent of the member's retirement for the rest of his/her life. A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment, which is likely to be permanent. The Deferred Retirement Option Plan allows members who have met eligibility requirements to defer receipt of benefits until termination at which time the participant will be eligible to receive the deferred benefits.

The City of Shreveport issues an annual publicly available financial report that includes financial statements and required supplementary information. Readers are referred to the Notes to the General Purpose Financial Statements contained in the Comprehensive Annual Financial Report of the City of Shreveport for the year ended December 31, 2010.

Funding Policy - Covered employees are required to contribute 9 percent of their salary to the City Plan while the employer is required to contribute 13.15 percent of the covered employees' salaries. The Shreveport City Ordinance establishes the employer and employee contribution obligations. City of Shreveport Ordinance may amend employee or employer contributions. Employer contributions to the plan were \$48,536 on covered payroll of \$369,097.

Caddo Bossier Office of Emergency Preparedness does not guarantee any of the benefits granted under the plan.

6. COMPENSATED ABSENCES

Full time employees may earn from one hundred thirty to two hundred twenty-five hours of annual leave and sick leave per year depending on their length of service. Upon separation of service, employees may be paid for annual leave up to five hundred hours. Employees are not paid for accrued sick leave upon separation of service, but accrued sick leave may be applied against total employment years at retirement. The amount of accrued leave at December 31, 2010 was \$32,451 and is included as a liability of the statement of net assets.

7. RISK MANAGEMENT

The agency covers its risks of loss through the purchase of commercial insurance. Operations do not expose the agency to any significant risks.

8. PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$29,456 was made to beginning fund balance in the general fund to remove compensated absences from the general fund.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budget (1)</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>			
Intergovernmental revenues:			
Federal Grants	185,000	281,099	96,099
Local Grants	366,611	366,611	-
Interest	-	2,500	2,500
	<hr/>	<hr/>	<hr/>
Total revenues	551,611	650,210	98,599
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
Public Safety:			
Personnel	477,500	314,776	162,724
Insurance	25,000	28,030	(3,030)
Public affairs	1,000	790	210
Office expense	14,500	12,456	2,044
Dues and publications	2,000	2,772	(772)
Warning and communication	67,875	93,203	(25,328)
Travel	35,000	31,812	3,188
Employee retirement	49,000	48,536	464
Maintenance	11,000	19,423	(8,423)
Supplies	26,750	12,702	14,048
Telephone	50,000	18,430	31,570
Training and education	15,000	11,079	3,921
Professional services	23,000	15,214	7,786
Disaster expenses	2,500	46,709	
Miscellaneous		498	
Capital outlays	14,000	8,285	5,715
	<hr/>	<hr/>	<hr/>
Total expenditures	814,125	664,715	149,410
	<hr/>	<hr/>	<hr/>
<u>EXCESS OF REVENUES</u>			
<u>OVER (UNDER) EXPENDITURES</u>	(262,514)	(14,505)	248,009
	<hr/>	<hr/>	<hr/>
<u>FUND BALANCE-BEGINNING OF YEAR.RESTATED</u>	218,944	293,164	74,220
	<hr/>	<hr/>	<hr/>
<u>FUND BALANCE-END OF YEAR</u>	(43,570)	278,659	322,229
	<hr/>	<hr/>	<hr/>

(1) Modified accrual basis of accounting.

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

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

FEDERAL GRANTOR PROGRAM TITLE	FEDERAL		GRANT NUMBER	FEDERAL EXPENDITURES (1)
	CFDA NUMBER			
Department of Homeland Security through LA Governor's office of HSEP				
Emergency Mgt Performance Grants	97.042		2009-EP-E0-0058	212,084
Homeland Security Grant Program (A)	97.067		2007-GE-T7-0019	209,657
Homeland Security Grant Program (A)	97.067		2008-GE-T8-0013	682,799
Homeland Security Grant Program (A)	97.067		2009-SS-T9-0059	211,418
Metropolitan Medical Response System	97.067		2006-GE-T6-0069	3,708
Metropolitan Medical Response System	97.067		2007-GE-T7-0019	258,145
Metropolitan Medical Response System	97.067		2008-GE-T8-0013	318,499
Metropolitan Medical Response System	97.067		2009-SS-T9-0059	138,468
Citizens Corps Grant	97.067		2008-GE-T8-0013	11,035
Citizens Corps Grant	97.067		2009-SS-T9-0059	1,374
Regional Grant	97.067		2007-GE-T7-0019	46,399
Regional Grant	97.067		2008-GE-T8-0013	220,403
Regional Grant	97.067		2009-SS-T9-0059	146,000
Homeland Security Grant Program (A)	97.067		2008-IO-T8-0011	10,000
Homeland Security Grant Program (A)	97.067		FEMA-1603-OR-LA-0079	437,505
Department of Health and Human Services through NACCHO				
Medical Reserver Corps	93.008		MRS 07 351	6,689
Medical Reserver Corps	93.008		MRC 090096	-
Total Expenditures of Federal Awards				<u>2,914,183</u>

(1) Prepared on the accrual basis of accounting.



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Executive Council
Caddo-Bossier Office of Homeland Security
and Emergency Preparedness
Bossier City, Louisiana

I have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information or Caddo-Bossier Office of Homeland Security and Emergency Preparedness, Bossier City, Louisiana, as of and for the year ended December 31, 2010 and have issued my report thereon dated June 17, 2011. I have conducted my 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 my audit, I considered Caddo-Bossier Office of Homeland Security and Emergency Preparedness internal control over financial reporting as a basis for designing my audit procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness internal control over financial reporting.

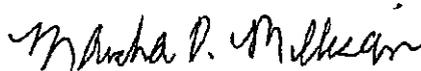
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination 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.

My consideration of the 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 that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caddo-Bossier Office of Homeland Security and Emergency Preparedness financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of the tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as Finding #2010-1.

This report is intended solely for the information and use of management, 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. However, this report is a matter of public record, and its distribution is not limited.



Certified Public Accountant

June 17, 2011



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

**REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Executive Council
Caddo-Bossier Office of Homeland Security
and Emergency Preparedness
Bossier City, Louisiana

Compliance

I have audited the compliance of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness, Bossier City, Louisiana, 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 program for the year ended December 31, 2010. The Caddo-Bossier Office of Homeland Security and Emergency Preparedness major federal program is identified in the summary of auditor's results. Compliance with the requirement of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Caddo-Bossier Office of Homeland Security and Emergency Preparedness management. My responsibility is to express an opinion on Caddo-Bossier Office of Homeland Security and Emergency Preparedness compliance based on my audit.

I conducted the audit of compliance in accordance with auditing standard generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and provisions of Louisiana Revised Statutes 24:513 and the *Louisiana Governmental Audit Guide*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance 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 Caddo-Bossier Office of Homeland Security and Emergency Preparedness compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe the audit provides a reasonable basis for my opinion. My audit does not provide legal determination on Caddo-Bossier Office of Homeland Security and Emergency Preparedness compliance with those requirements. In my opinion, Caddo-Bossier Office of Homeland Security and Emergency Preparedness complied, in all material respects, with requirements referred to above that are applicable to its major federal program for the year ended December 31, 2010.

Internal Control Over Compliance

The management of Caddo-Bossier Office of Homeland Security and Emergency Preparedness is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and

810 WILKINSON
SHREVEPORT, LA 71104-3036
(318) 221-3881
FAX: (318) 221-4641

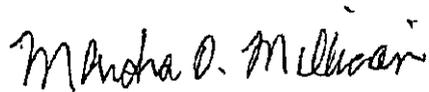
performing my audit, I considered Caddo-Bossier Office of Homeland Security and Emergency Preparedness internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose describe in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

Caddo-Bossier Office of Homeland Security and Emergency Preparedness' response to the finding identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit Entity's response and accordingly, I express no opinion on it.

This report is intended solely for the information and use of the management and Executive Council of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness, the Legislative Auditor of the State of Louisiana, and the 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.



Certified Public Accountant
June 17, 2011

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY AND EMERGENCY
PREPAREDNESS**

SCHEDULE OF FINDINGS

Year Ended December 31, 2010

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. No significant deficiencies in internal accounting control were disclosed during the audit.
3. One instance of noncompliance material to the financial statements was disclosed during the audit.
4. The auditor's report on compliance for the major federal award program expresses an unqualified opinion on the major program.
5. The program tested as a major programs were:

Homeland Security Grant Programs:	
Metropolitan Medical Response System	97.067
Emergency Mgt Response System	97.067
Regional Grants	97.067
6. The threshold for distinguishing Type A and B programs was \$300,000.
7. Caddo-Bossier Office of Homeland Security and Emergency Preparedness was not determined to be a low risk auditee.

FINDING 2010-1:

Condition: The Caddo-Bossier Office of Homeland Security and Emergency Preparedness did not file its financial statements within the time frame required by State law.

Cause: The certified public accountant engaged to perform the audit became ill during fieldwork. More time was required to complete the audit.

Recommendation: I recommend the annual financial statements be filed within the time frame required by State Law.

Management's Corrective Action Taken: We agree with the finding. We will file our financial statements within the time frame required by State law in the future.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY AND EMERGENCY
PREPAREDNESS
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2010

There were no findings for the year ended December 31, 2009.