CHARLIE CALDWELL, JR. CITY MARSHAL

CITY OF SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 25, 2010

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

CHARLIE CALDWELL, JR, CITY MARSHAL

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 2
Required Supplemental Information	
Management's Discussion and Analysis	3-4
Combined Government-Wide and Fund Financial Statements	
Statement of Net Assets and Governmental Funds Balance Sheet	5
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance	6
Statement of Fiduciary Net Assets	7
Notes to Financial Statements	8 - 14
Required Supplemental Information	
Budgetary Comparison Schedule General Fund	15
Budgetary Comparison Schedule Note to RSI	16
Supplemental Information	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	17 – 18
Summary Schedule Findings and Questioned Costs	19
Summary Schedule of Prior Audit Finding	20

Marsha O. Millican
A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT AUDITOR'S REPORT

Charlie Caldwell, Jr. City Marshal
City of Shreveport City Court
Shreveport, Louisiana

I have audited the accompanying financial statements of Charlie Caldwell, Jr, Marshal of the City of Shreveport , a component unit of the City of Shreveport, as of and for the year ended December 25, 2010, as listed in the table of contents. These financial statements are the responsibility of the Charlie Caldwell, Jr., City Marshal' s management. My responsibility is to express an opinion on these basic 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. 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 position of Charlie Caldwell, Jr. , Marshal of the City of Shreveport as of December 25, 2010, and the respective changes in financial position for year then ended 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 15, respectively, 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 supplementary information. However, I did not audit the information and express no opinion on it.

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

In accordance with *Governmental Auditing Standards*, I have also issued a report dated June 13, 2012 on my consideration of Charlie Caldwell, Jr., City Marshal of the City of Shreveport' s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

Marshe O. Millican

Certified Public Accountant
June 13, 2012

CHARLIE CALDWELL, JR
SHREVEPORT CITY MARSHAL

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 Marshal's 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 Marshal's 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 Shreveport City Marshal is an independently elected official. However, his office is fiscally dependent on the City of Shreveport for occupancy costs, salaries and related benefits. In as such, this office was determined to be a component unit of the City of Shreveport.

The Marshal's office at December 25, 2010 had $1,614,953 in cash on hand and net capital assets of $415,676 with total assets being $2,030,629, an increase of $215,107 over December 25, 2009.

	2010	2009
Current assets	1,614,953	1,393,259
Capital assets	415,676	422,263
Total assets	2,030,629	1,815,522
Current liabilities	3,729	6,188
Total liabilities	3,729	6,188
Net Assets		
Invested in capital assets	415,676	422,263
Unrestricted	1,387,071	1,387,071
Total net assets	2,026,900	1,809,334

The charge for services from fines and bond forfeitures were $753,490, an increase of $364,218 from the prior year. These charges are directly related to the number of citations issued by the Shreveport Police Department. Total expenses excluding capital outlays and depreciation were $1,870,426, an increase of $58,464 as result of costs associated with increased deputies and the office using more of its funds to pay for operating costs previously covered by the City of Shreveport. Investment earnings decreased by $3,466 to $6,593 as result of lower investment returns. Net assets increased for the year by $242,038.

Program Revenues		
Charges for services	753,490	389,272
Support from City of Shreveport	1,475,244	1,419,770
General Revenues		
Interest	6,593	10,059
Total Revenues	2,235,327	1,819,101
Expenses		
Personal services	1,477,502	1,450,262
Other operating	533,672	486,038
Total Expenses	2,011,174	1,936,300
Excess(Deficiency) of Revenues Over Expenses	224,153	(117,199)

Capital outlays budgeted for next fiscal year includes $24,000 for an additional vehicle, $102,000 for other equipment, and $25,000 for building renovations.

Over the course of the year, the general fund budget was not amended. Revenues exceeded budgeted amounts by $347,133. Expenses were $377,653 under budget primarily as a result of reduced capital outlays. For the upcoming fiscal year, the budget anticipates operating expenses of $561,850 and revenues of $412,950. 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 City Marshal and to show accountability for those funds. If you have any questions about this report, contact the Chief Deputy of the Shreveport City Marshal in the Shreveport City Court building.

1244 Texas Street, Shreveport, LA 71101 (318) 673-6800

CHARLIE CALDWELL, JR, CITY MARSHAL
STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 25, 2010

	General Fund	Adjustments Note (3)	Statement of Net Assets
ASSETS			
Cash and investments	1,614,953		1,614,953
Capital assets, net of accumulated depreciation		415,676	415,676
Total assets	1,614,953	415,676	2,030,629
LIABILITIES			
Accounts payable	3,729		3,729
Total liabilities	3,729		3,729
FUND BALANCE/NET ASSETS			
Fund balances:			
Unreserved	1,611,224	(1,611,224)	
Total fund balances	1,611,224	(1,611,224)	
Total liabilities and fund balance	1,614,953		
Net assets:			
Invested in capital assets, net of related debt		415,676	415,676
Unrestricted		1,611,224	1,611,224
Total net assets		2,026,900	2,026,900

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

CHARLIE CALWELL, JR, CITY MARSHAL
STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
DECEMBER 25, 2010

	General Fund	Adjustments Note (3)	Statement of Activities
Revenues:			
Program revenues:			
Marshal charge for services from fines and bond forfeitures	753,490		753,490
General Revenues:			
Investment earnings	6,593		6,593
Payment from City of Shreveport	1,475,244		1,475,244
Total revenues	2,235,327	-	2,235,327
Expenditures/expenses:			
Court services:			
Communication	28,466		28,466
Depreciation		131,079	131,079
Dues	3,110		3,110
Office expense	149,833		149,833
Personal services	1,477,502		1,477,502
Professional fees	104,555		104,555
Repairs and maintenance	69,463		69,463
Training	34,413		34,413
Uniforms	19,340		19,340
Capital outlay	124,492	(124,492)	-
Total expenditures/expenses	2,011,174	6,587	2,017,761
Excess (deficiency) of revenues over expenditures	224,153	(224,153)	-
Change in net assets	-	217,566	217,566
Fund balances/net assets:			
Beginning of the year	1,387,071	422,263	1,809,334
End of the year	1,611,224	415,676	2,026,900

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

CHARLIE CALDWELL, JR, CITY MARSHAL
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 25, 2010

	Agency Funds		
	Cash Bonds	Garnishments	Total
ASSETS			
Cash and cash equivalents	384,680	-	384,680
Total assets	384,680	-	384,680
LIABILITIES			
Due to defendants - surety	384,680		384,680
Due to plaintiffs		-	-
Total liabilities	384,680	-	384,680

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

CHARLIE CALDWELL, JR, CITY MARSHAL
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 25, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the City Marshal's office conform to generally accepted accounting principles (GAAP) as applicable to governments. Encumbrance accounting is not used by the City Marshal. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for the establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:514 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the AICPA Industry Audit Guide, *Audits of State and Local Governmental Units.*

Financial Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the City Marshal's office includes all funds that are within the oversight responsibility of the City Marshal's office. The City Marshal's office is a component unit of the City of Shreveport, Louisiana. The City Marshal is the executive officer of the court and, in execution of his duties; he shall have the power of a Sheriff. This report includes all funds and account groups which are controlled by or dependent on the City Marshal's office. Control by or dependence on the City Marshal's Office was determined on the basis of authority of general oversight responsibility. The scope of this audit includes only these funds and does not include operational costs paid directly by the City of Shreveport on behalf of the City Marshal.

Government –Wide Accounting

In accordance with Government Accounting Standards No. 34, the City Marshal has presented a Statement of Net Assets and Statement of Activities. These statements are included in the primary government's financial statements, The City of Shreveport. The City Marshal has no component units. Fiduciary funds are reported separately. 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 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 an initial useful life that extends beyond one year 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. The Marshal's office does not own any infrastructure assets.

Fund Accounting

The City Marshal's Office 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 City Marshal's office are all classified as Governmental Funds. A description of classification and all existing funds follow:

Governmental Funds

Governmental funds account for all or most of the City Marshal office'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 obligations.

General Fund

A Special Marshal's Fund is the Fund provided to City Marshal's under Louisiana Statutes Annotated - Revised Statue 13:1899 the name of and under the control of the Marshal to be used to defray the operational expenses of the Marshal's Office. The fund is to be used to account for all financial resources provided it as established by the above authority.

Fiduciary Fund

Agency funds are used to account for assets held by the Marshal's office in a trustee capacity or an as agent for individuals, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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.

Governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With the measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expense, and such assets are not depreciated.

Budgets and Budgetary Accounting

The City Marshal follows these procedures in establishing the budgetary data reflected in the financial statements:

Budgetary data for the general fund was prepared based on prior year actual operating revenues and expenditures. The general fund is maintained on the modified accrual basis and therefore no reconciliation between legally enacted basis and GAAP basis is required.

The Marshal's office performs only a custodial function in the case of agency funds and therefore a budget for these funds is not appropriate.

In the event that the City Marshal was to have encumbrances or commitments relating to executory contracts for goods or services, they would be accounted for and reported consistently.

Cash

The Marshal's office classifies demand and time deposits as cash. Under state law the Marshal may deposit funds in demand deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The collected bank balances of the deposits under control of the Marshal's office with financial institutions was $2,364,276 and is collateralized as follows:

Amount insured by the FDIC	565,763
Amount collateralized with securities, held by pledging financial institution's trust department at fair market value *(Risk Category 3)*	3,497,882
Total collateral	4,063,645

Budget Practice

The budget was authorized by the Marshal and made available for public inspection at the Marshal's office on December 23, 2011. The budget was prepared in accordance with generally accepted accounting principles as applicable to governments. The budget is legally adopted and amended, as necessary, by the Marshal. The Marshal does not budget amounts paid on its behalf as revenue or expense.

Formal budget integration is not employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget.

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.

Capital Assets

The Marshal's capital assets are recorded at historical cost. Assets whose value is less than $500 are charged to expense and not capitalized. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings	30 years	Vehicles	3 years
Communication	5-15 years	Computers	5 years
Other Equipment	15 years	Weapons	5 years

Compensated Absences

The City Marshal's office payroll is funded directly by the City of Shreveport. All policies and accruals relating to vacation and sick leave are within their control and are not reported herein.

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 use.

Unreserved

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

2. CAPITAL ASSETS

Capital asset activity for the year ended December 25, 2010, was as follows:

Cost	Beginning Balance	Additions	Retirements	Ending Balance
Buildings	26,165	-	-	26,165
Vehicles	661,228	-	40,400	620,828
Communication	149,537	2,649	5,704	146,482
Computers	81,315	-	4,258	77,057
Other Equipment	292,310	105,845	11,868	386,287
Weapons	14,078	15,998	594	29,482
Totals	1,224,633	124,492	62,824	1,286,301
Accumulated Depreciation				
Buildings	13,046	872	-	13,918
Vehicles	472,305	65,320	40,400	497,225
Communication	118,353	10,322	5,704	122,971
Computers	62,607	8,011	4,258	66,360
Other Equipment	123,184	43,846	11,868	155,162
Weapons	12,875	2,708	594	14,989
Total	802,370	131,079	62,824	870,625
Net Capital Assets	422,263	(6,587)	-	415,676

3. RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS AND THAT OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS

Total fund balance - total governmental funds	1,611,224
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet	415,676
Total net assets of governmental activities	2,026,900

Net change in fund balance - total governmental funds	224,153
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation charged exceeded capital outlays in the current period.	6,587
Change in net assets of governmental activities	217,566

4. EXPENDITURES OF THE CITY MARSHAL PAID BY THE CITY OF SHREVEPORT.

The City of Shreveport provides office space, insurance, and substantially all salary and related benefit costs. $1,475,244 in personnel costs and other costs are included as revenue and expenditure/expense in the financial statements.

5. RISKS OF LOSS

The Marshal's office risks of loss include loss of property and liabilities created from its operations. The Marshal participates in the City of Shreveport risk pool for liability and property claims arising from accidents. The Marshal maintains the risk associated with loss of property and replaces any such property from unrestricted net assets. The Marshal also retains the risk of the actions taken by him or his deputies. Losses are paid from the Marshal's unrestricted net assets.

CHARLIE CALDWELL, JR, CITY MARSHAL
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 25, 2010

	Original	Budgetary Basis Actual	Variance With Final Budget Pos./(Neg.)
Revenues:			
Marshal charge for services from fines and bond forfeitures	402,700	753,490	350,790
Investment earnings	10,250	6,593	(3,657)
Total revenues	412,950	760,083	347,133
Expenditures/expenses:			
Court services:			
Communication	35,500	28,466	7,034
Dues	3,500	3,110	390
Office expense	109,050	149,833	(40,783)
Personal services	3,600	2,258	1,342
Professional fees	50,000	104,555	(54,555)
Repairs and maintenance	120,000	69,463	50,537
Training	35,000	34,413	587
Uniforms	23,200	19,340	3,860
Liability claims paid	2,500	-	2,500
Capital outlay	179,500	124,492	55,008
Total expenditures	561,850	535,930	25,920
Excess (deficiency) of revenues over expenditures	(148,900)	224,153	373,053
Beginning fund balance	1,382,600	1,387,071	4,471
Ending fund balance	1,233,700	1,611,224	377,524

CHARLIE CALDWELL, JR, CITY MARSHAL
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE YEAR ENDED DECEMBER 25, 2010

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures

Source/Inflows of resources	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	760,083
Differences-budget to GAAP	
City of Shreveport on-behalf payments	1,475,244
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	2,235,327
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	535,930
Differences-budget to GAAP	
City of Shreveport on-behalf payments	1,475,244
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	2,011,174

Marsha O. Millican
A PROFESSIONAL ACCOUNTING CORPORATION

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

Charlie Caldwell, Jr., City Marshal
City of Shreveport City Court
Shreveport, Louisiana

I have audited the financial statements of Charlie Caldwell, Jr., City Marshal of the City of Shreveport, Louisiana (City Marshal), a component unit of the City of Shreveport, as of and for the year ended December 25, 2010, and have issued my report thereon dated June 13, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the City Marshal's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Marshal's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City Marshal'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City Marshal's financial statements will not be prevented, or detected on a timely basis.

My consideration of internal control 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. 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 the City Marshal's 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 my tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as Finding #2010-1 and Finding #2010-2.

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

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

Masha O. Melkian

Certified Public Accountant
June 13, 2012

CHARLIE CALDWELL, JR.

SHREVEPORT CITY MARSHAL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 25, 2010

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements.

2. No significant deficiencies in internal accounting control over financial reporting were disclosed during the audit of the financial statements.

3. Two instances of noncompliance were identified during the audit.

FINDING 2010-1:

Condition: The Marshal did not file its financial statements within the time frame required by State law.

Cause: The certified public accountant engaged by the Marshal to perform the audit withdrew due to sickness and a new certified public accountant had to be engaged to perform the audit.

Recommendation: I recommend the Marshal file its annual financial statements 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.

FINDING 2010-2:

Condition:

The Marshal's office is not in compliance with Article 7, Section 14 of the Louisiana State Constitution. During the year ended December 25, 2010, the Marshal's office paid conference expenses for family members of the Marshal, meals for the Marshal that appeared to be personal in nature, and travel expenses for employees' family members/guests totaling $1,621. These amounts were repaid subsequent to year end.

Documentation for meals charged to the Marshal's credit card is not sufficient to determine if the charge is attributable to public/official functions or personal in nature.

Criteria:

The expenditures resulted in unallowable costs of $1,621.

Cause:

The cause is due to misinterpretation of State Law.

Recommendation:

I recommend the Marshal's office comply with the requirements of Article 7, Section 14 of the Louisiana State Constitution.

Management's Response and Corrective Action Plan:

We agree with the finding. We will comply with the requirements of Article 7, Section 14 of the Louisiana State Constitution.

CHARLIE CALDWELL, JR.

SHREVEPORT CITY MARSHAL

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 25, 2010

FINDING 2009-1:
The City Marshal was not in compliance with the State Budget Law.

STATUS: Resolved.

Marsha O. Millican
A PROFESSIONAL ACCOUNTING CORPORATION

MANAGEMENT LETTER

Charlie Caldwell, Jr. City Marshal
City of Sheveport City Court
Shreveport, Louisiana

In planning and performing my audit of the financial statements of Charlie Caldwell, Jr. City Marshal as of December 25, 2010, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit, I became aware of the following matter:

Employee Use of Marshal's Office Vehicles:

The majority of the employees of the Marshal's office drive a vehicle owned by the Marshal's office. These vehicles are driven home by the employees on a daily basis. The Marshal's office pays the insurance, maintenance and gasoline for these vehicles. Employees are not required to maintain a mileage log for use of these vehicles. Use of these vehicles is not reported on the employees's W-2. This situation appears to be a violation of Article 7, Section 14 of the Louisiana State Constitution. I recommend the Marshal's office obtain a legal opinion to determine if this situation constitutes a violation of Article 7, Section 14 of the Louisiana State Constitution.

I will review the status of the above comment during my next engagement. I have discussed the above with management of the Marshal's office. Management has indicated that the Marshal's office will obtain a legal opinion on employees use of vehicles owned by the Marshal's office to determine if this situation constitutes a violation of Article 7, Section 14 of the Louisiana State Constitution.

This report is intended solely for the information and use of the management, state and federal cognizant agencies and is not intended to be and should not be used by any others than these specified parties. Under Louisiana revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Marsha O. Millican

Certified Public Accountant
June 13, 2012

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