

CHARLIE CALDWELL, JR. CITY MARSHAL

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

December 25, 2020

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

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CHARLIE CALDWELL, JR. SHREVEPORT MARSHAL

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report

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

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, major fund, and fiduciary funds of Charlie Caldwell, Jr. City Marshal, a component unit of the City of Shreveport, as of and for the year ended December 25, 2020, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements are listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, major fund and fiduciary funds of Charlie Caldwell, Jr. City Marshal as of December 25, 2020, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and Budgetary Comparison Schedule as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information and comparing the information for consistency with management's methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Fiduciary Net Position, Justice System Funding Schedule - Collecting/Disbursing Entity, and Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my reported dated June 22, 2021 on my consideration of Charlie Caldwell, Jr. City Marshal's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charlie Caldwell, Jr. City Marshal's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Marsha D. Mulican".

Certified Public Accountant
June 22, 2021

CHARLIE CALDWELL, JR. SHREVEPORT CITY MARSHAL
1244 TEXAS AVENUE
SHREVEPORT, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Shreveport City Marshal's (hereafter referred to as the City Marshal) annual financial report presents an overview and analysis of the City Marshal's financial activities for the year ended December 25, 2020. The intent of the MD&A is to look at the City Marshal's financial performance as a whole. It should therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the City Marshal's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City Marshal as a whole and presents a longer-term view of the City Marshal's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the City Marshal's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the City Marshal's net position may serve as a useful indicator of whether the financial position of the City Marshal is improving or deteriorating.
- The Statement of Activities presents information showing how the City Marshal's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the City Marshal are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City Marshal uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City Marshal conducts its day to day operations through a governmental fund, the General Fund. These statements provide a short-term view of the City Marshal's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the City Marshal. The City Marshal also maintains two Fiduciary Funds. As Fiduciary Funds are simply held for other parties and cannot be used for any of the City Marshal's activities, it is not included in the government-wide statement, but is separately reported in the statements of the Fiduciary Funds.

A summary of the basic government-wide financial statements as of December 25, is as follows:

Summary of Statement of Net Position

	<u>2020</u>	<u>2019</u>
ASSETS:		
Current Assets	\$ 701,082	\$ 961,144
Capital Assets, Net of Accumulated Depreciation	<u>1,392,695</u>	<u>1,190,953</u>
Total Assets	<u>2,093,777</u>	<u>2,152,097</u>
LIABILITIES:		
Accounts Payable	<u>20,578</u>	<u>24,857</u>
Total Liabilities	<u>20,578</u>	<u>24,857</u>
NET POSITION:		
Net Investment in Capital Assets	1,392,695	1,190,953
Unrestricted	<u>680,504</u>	<u>936,287</u>
Total Net Position	<u>\$ 2,073,199</u>	<u>\$ 2,127,240</u>

Summary of Statement of Activities

	<u>2020</u>	<u>2019</u>
REVENUES:		
Charges for Services	\$ 775,491	\$ 1,102,244
On-Behalf Payments-City of Shreveport	2,176,103	2,147,442
Miscellaneous	<u>6,074</u>	<u>4,451</u>
Total Revenues	<u>2,957,668</u>	<u>3,254,137</u>
EXPENSES:		
Operating Expenses	835,606	775,833
On-Behalf Payments-City of Shreveport	<u>2,176,103</u>	<u>2,147,442</u>
Total Expenses	<u>3,011,709</u>	<u>2,923,275</u>
Change in Net Position	<u>\$ (54,041)</u>	<u>\$ 330,862</u>

- The City Marshal's assets exceeded its liabilities by \$2,073,199. This is a decrease of \$54,041. from the prior year.

- Unrestricted net position, the amount available for obligations to both citizens and creditors, decreased \$255,783 from the prior year.

General Fund Budgetary Highlights

Revenues were under budget by \$170,335 and expenditures were over budget by \$3,698.

Economic Factors and Next Year's Budget

The City Marshal considered many factors when setting the budget for 2021. Revenues are expected to remain constant.

Contacting the City Marshal

This financial report is designed to provide our citizens and creditors with a general overview of the City Marshal's finances and to show the City Marshal's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Charlie Caldwell, Jr. City Marshal, 1244 Texas Street, Shreveport, LA 71101.

CHARLIE CALDWELL, JR. CITY MARSHAL

Statement of Net Position

December 25, 2020

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 701,082
Capital assets - net of accumulated depreciation	<u>1,392,695</u>
Total Assets	<u>2,093,777</u>
Deferred Outflow of Resources	<u>-</u>
Liabilities	
Accounts payable	<u>20,578</u>
Total Liabilities	<u>20,578</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Invested in capital assets, net of related debt	1,392,695
Unrestricted	<u>680,504</u>
Net Position	<u>\$ 2,073,199</u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR CITY MARSHAL

Statement of Activities

For the Year Ended December 25, 2020

		<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Expenses</u>	<u>Fees, Fines, and Charges for Services</u>	<u>Operating Contributions</u>	<u>Total</u>
Governmental Activities:				
General Government	\$ 3,011,709	\$ 775,491	\$ 2,176,103	\$ (60,115)
Total Governmental Activities	<u>\$ 3,011,709</u>	<u>\$ 775,491</u>	<u>\$ 2,176,103</u>	<u>(60,115)</u>
 General Revenues:				
Interest Income				<u>6,074</u>
Total General Revenues				<u>6,074</u>
 Change in Net Position				(54,041)
 Net Position, beginning of year				<u>2,127,240</u>
 Net Position, end of year				<u>\$ 2,073,199</u>

The notes to the financial statements are an integral part of this financial statement.

CHARLIE CALDWELL, JR. CITY MARSHAL

Balance Sheet
Governmental Fund
December 25, 2020

ASSETS	
Cash	<u>\$ 701,082</u>
Total assets	<u><u>\$ 701,082</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accruals	<u>\$ 20,578</u>
Total liabilities	<u>20,578</u>
Fund balances	
Unassigned	<u>680,504</u>
Total fund balance	<u><u>680,504</u></u>
Total liabilities and fund balance	<u><u>\$ 701,082</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR. CITY MARSHAL

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
For the Year Ended December 31, 2020

Total Fund Balance for Governmental Funds	\$ 680,504
Total Net Assets for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>1,392,695</u>
Total Net Position of Governmental Activities	<u><u>\$ 2,073,199</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALWELL, JR. CITY MARSHAL
Statement of Governmental Funds Revenues, Expenditures, and
Changes in Fund Balance
Year Ended December 25, 2020

Program revenues:	
Marshal charge for services from fines and bond forfeitures	\$ 778,416
Payments from the City of Shreveport	2,176,103
Interest earned	<u>6,074</u>
Total revenues	<u>2,960,593</u>
Expenditures/expenses:	
General government	
Communication	64,255
Dare program expenses	1,503
Dues	695
Fuel	68,366
Office expense	117,192
Personal services	2,208,272
Postage	7,415
Professional fees	73,012
Repairs and maintenance	161,569
Security alarm system	16,740
Training and Travel	49,611
Uniforms	66,619
Capital outlay	<u>381,127</u>
Total expenditures/expenses	<u>3,216,376</u>
Changes in fund balance	(255,783)
Fund balance, beginning of year	<u>936,287</u>
Fund balance, end of year	<u><u>\$ 680,504</u></u>

The notes to the financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR. CITY MARSHAL

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 25, 2020

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

Net Change in Fund Balances - Total Governmental Funds	\$ (255,783)
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Governmental funds report capital outlays as expenditures.
However, in the statement of activities the cost of these assets
is allocated over their estimated useful lives and reported as
depreciation expense. This is the amount by which capital
outlay (\$381,127) exceeds depreciation (\$ 179,385).

<u>201,742</u>

Change in Net Assets of Governmental Activities	<u>\$ (54,041)</u>
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The notes to financial statements are an integral part of this statement.

CHARLIE CALDWELL, JR, CITY MARSHAL

Statement of Fiduciary Net Position
December 25, 2020

	Agency Funds		
	Cash Bonds	Garnishments	Total
<u>ASSETS</u>			
Cash and cash equivalents	387,823	-	387,823
Total assets	<u>387,823</u>	<u>-</u>	<u>387,823</u>
<u>LIABILITIES</u>			
Due to defendants - surety	387,823		387,823
Due to plaintiffs		-	-
Total liabilities	<u>387,823</u>	<u>-</u>	<u>387,823</u>

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

Charlie Caldwell, City of Shreveport City Marshal
Notes to Financial Statements
December 25, 2020

1. Introduction:

As provided by Louisiana Statutes, the City Marshal is the executive officer of the City Court. The City Marshal shall execute the orders and mandates of the Court system of the City of Shreveport, Louisiana. The City Marshal is elected to a term of six years.

2. Summary of Significant Accounting Policies:

The accompanying component unit financial statements of the City of Shreveport, City Marshal, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity -

As the governing authority of the City, for reporting purposes, the City of Shreveport, Louisiana is the financial reporting entity for the local government. The financial reporting entity consists of (a) the primary government (City of Shreveport), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of Shreveport for financial reporting purposes. The basic criteria for including a potential component within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria includes:

1. Appointing a voting majority of an organization's governing body and:
 - a. The ability of the city to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of item 2 above, the City of Shreveport, City Marshal, was determined to be a component unit of the City of Shreveport, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the City Marshal and do not present information on the City, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation -

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted for meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting -

The accounts of the City Marshal are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The City Marshal maintains three funds. They are categorized as a governmental fund and two fiduciary funds. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity

The funds of the City Marshal are described below:

Governmental Fund -

General Fund

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

Fiduciary Fund -

Fiduciary Funds are used to account for assets held by the City Marshal in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the City Marshal, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting -

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the City Marshal's office as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined; and "available" means collectible within the current period or soon enough thereafter to pay liabilities or the current period. The City Marshal considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due,

and (2) claims and judgements and compensated absences are recorded expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity -

Cash and Interest-Bearing Deposits -

For purposes of the Statement of Net Position, cash and cash equivalents include all interest-bearing deposits, demand accounts and savings accounts of the City Marshal.

Capital Assets -

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Marshal maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The useful lives by type of asset is as follows:

Buildings	40 years
Furniture, computers	5 years
Radios	10 years
Vehicles	7 years
Weapons	7 years

Compensated Absences -

Employees of the City Marshal are paid by the City of Shreveport, including any leave payments; therefore there are no entries made to record compensated absences in the funds of the City Marshal.

Equity Classifications -

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investments in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself. Using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by a governing body or by an official or body to which the governing body delegates authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$680,504. If applicable, the City Marshal would typically use restricted fund balances first, followed by committed fund balance.

F. Budgetary Practices -

Prior to the beginning of each fiscal year, the City Marshal adopts a budget for the next fiscal year. The budget is open for public inspection and all budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

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

G. Estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. On-Behalf Payments:

Employees of the City Marshal's office receive salaries and fringe benefits from the City of Shreveport, including supplemental pay from the State of Louisiana. Fringe benefits paid by the City include the required contributions to the Louisiana Municipal Employees Retirement System.

Salaries	\$ 1,450,175
Fringe Benefits	712,213
Operating Expense	<u>13,715</u>
Total	<u><u>\$ 2,176,103</u></u>

In accordance with GASB Statement No. 24, the City Marshal's office has recorded revenues and expenditures for these receipts and payments.

4. Litigation:

The City Marshal is not a defendant in any lawsuits seeking damages for the year ended December 25, 2020.

5. Cash and Cash Equivalents:

The cash and cash equivalents of Charlie Caldwell, Jr. City Marshal, Shreveport, Louisiana are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City Marshal's office will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank mutually acceptable to both parties. 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 City Marshal that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the City Marshal's name.

Book account balances at December 25, 20210 totaled \$1,088,906. Bank balances totaled \$1,236,378 Bank balances of \$907,405 were insured by FDIC insurance and balances of \$328,973 were collateralized by securities held by the pledging financial institution's trust department at fair market value (*Risk Category 3*).

6. Capital Assets

Capital assets for the year ended December 25, 2020, are as follows:

Cost	Beginning Balance	Additions	Retirements	Ending Balance
Buildings	\$ 605,616	\$ 8,644	\$ -	\$ 614,260
Vehicles	1,639,725	148,437	-	1,788,162
Communications	191,629	204,167	-	395,796
Computers	73,692	-	-	73,692
Other Equipment	366,293	11,461	-	377,754
Weapons	56,433	8,418	-	64,851
Total	<u>\$ 2,933,388</u>	<u>\$ 381,127</u>	<u>\$ -</u>	<u>\$ 3,314,515</u>
Accumulated Depreciation				
Buildings	46,970	20,209	-	67,179
Vehicles	1,070,624	135,947	-	1,206,571
Communications	160,634	13,943	-	174,577
Computers	73,691	-	-	73,691
Other Equipment	347,955	5,871	-	353,826
Weapons	42,561	3,415	-	45,976
Total	<u>1,742,435</u>	<u>179,385</u>	<u>-</u>	<u>1,921,820</u>
Net Capital Assets	<u>\$ 1,190,953</u>	<u>\$ 201,742</u>	<u>\$ -</u>	<u>\$ 1,392,695</u>

7. Changes in Fiduciary Fund - Agency Funds:

The following is a summary of changes in agency funds unsettled balances for the year ended December 25, 2020:

Fund	Balance 12/25/2019	Additions	Reductions	Balance 12/25/2020
Garnishments	\$ -	\$ 2,111,029	\$ 2,111,029	\$ -
Sales & Seizures	386,357	171,661	170,195	387,823
Totals	<u>\$ 386,357</u>	<u>\$ 2,282,690</u>	<u>\$ 2,281,224</u>	<u>\$ 387,823</u>

8. Subsequent Events:

On March 13, 2020, President Trump declared a national emergency relating to the COVID-19 virus. As of the date of this report, the pandemic is ongoing. Future potential impacts may include disruptions or restrictions on employees' ability to work. The future effect of this issue is unknown.

CHARLIE CALDWELL, JR. CITY MARSHAL

Budgetary Comparison Schedule

General Fund

Year Ended December 25, 2020

	Original	Amended	Budgetary Basis Actual	Variance With Final Budget Pos./ (Neg.)
Revenues:				
Marshal charge for services from fines and bond forfeitures	\$ 950,000	\$ 950,000	\$ 778,416	\$ (171,584)
Investment earnings	1,900	1,900	6,074	4,174
Total revenues	951,900	951,900	784,490	(167,410)
Expenditures/expenses:				
Court services:				
Communication	57,000	70,000	64,255	5,745
Dare program expenses	2,000	2,000	1,503	497
Dues	4,000	1,000	695	305
Fuel	100,000	70,000	68,366	1,634
Office expense	83,150	119,650	103,476	16,174
Personal services	-	-	45,885	(45,885)
Postage	9,000	9,000	7,415	1,585
Professional fees	11,650	35,000	73,012	(38,012)
Repairs and maintenance	170,000	185,000	161,569	23,431
Security alarm	11,000	17,000	16,740	260
Training and travel	83,000	55,000	49,611	5,389
Uniforms	52,000	70,000	66,619	3,381
Capital outlay	150,000	400,000	381,127	18,873
Total expenditures	732,800	1,033,650	1,040,273	(6,623)
Excess (deficiency) of revenues over expenditures	219,100	(81,750)	(255,783)	(174,033)
Beginning fund balance	863,433	863,433	936,287	72,854
Ending fund balance	<u>\$1,082,533</u>	<u>\$ 781,683</u>	<u>\$ 680,504</u>	<u>\$ (101,179)</u>

CHARLIE CALDWELL, JR. CITY MARSHAL

Notes to the Budgetary Comparison Schedule

Year ended December 25, 2020

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

Source/Inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule \$ 784,490

Differences-budget to GAAP

City of Shreveport on-behalf payments 2,176,103

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds 2,960,593

Uses/Outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule 1,040,273

Differences-budget to GAAP

City of Shreveport on-behalf payments 2,176,103

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds \$3,216,376

CHARLIE CALDWELL, JR., SHREVEPORT CITY MARSHAL

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/ DISBURSING ENTITY

AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

For the Year Ended December 25, 2020

	First Six Month Period Ended <u>December 26, 2019</u>	Second Six Month Period <u>December 25, 2020</u>
Cash Presentation		
Beginning Balance of Amounts Collected	\$ 1,616	\$ 6,136
Add: Collections		
Civil Fees	334,338	301,621
Bond Fees	369	623
Criminal Court Costs/Fees	294,147	345,750
Criminal Fines - Other	<u>242,803</u>	<u>252,421</u>
Subtotal Collections	<u>871,657</u>	<u>900,415</u>
Less: Disbursements to Governments & Nonprofits		
City of Shreveport - Criminal Fines - Other	304,496	296,547
State of Louisiana - CMIS- Criminal Fines	5,652	6,284
North Louisiana Crime Fund - Criminal Court Costs/Fees	68,688	82,148
Louisiana Supreme Court - Criminal Court Costs/Fees	28,934	31,747
Caddo Parish District Attorney - Criminal Court Costs/Fees	2,846	3,973
Caddo Parish District Defender Program - Criminal Court Costs/Fees	82,311	96,377
State of Louisiana - HRS-HSCI - Criminal Court Costs/Fees	3,339	3,345
Louisiana Department of Public Safety - Criminal Court Costs/Fees	6,952	8,162
Louisiana Commission on Law Enforcement - Criminal Court Costs/Fees	<u>6,665</u>	<u>8,239</u>
Total Disbursements to Governments & Nonprofits	509,883	536,822
Less: Amounts Retained by Collecting Agency	27,062	32,962
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies	<u>330,192</u>	<u>336,080</u>
Subtotal Disbursements/Retainage	<u>867,137</u>	<u>905,864</u>
Total Ending Balances Collect but not Disbursed (Cash on Hand)	<u><u>\$ 6,136</u></u>	<u><u>\$ 687</u></u>

CHARLIE CALDWELL, JR. CITY MARSHAL
Schedule of Compensation, Reimbursements, Benefits and Other Payments
to Agency Head
For the Year Ended December 25, 2020

Agency Head: Charlie Caldwell, Jr. City Marshal

Salary	\$ 110,000
Payroll Taxes	\$ 1,661
Insurance	\$ 11,567
Retirement	\$ 32,480
Per Diem	\$ 1,888
Registration Fees	\$ 5,255
Dues/Membership Fees	\$ 190



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

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

I have audited, in accordance with the 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 financial statements of the governmental activities and each major fund of Charlie Caldwell, Jr. City Marshal as of December 25, 2020, and related notes to the financial statements, which collectively comprise the Marshal's basic financial statements, and have issued my report thereon dated June 22, 2021.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Charlie Caldwell, Jr. City Marshal's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances 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 Marshal's internal control. Accordingly, I do not express an opinion on the effectiveness of the Marshal's internal control over financial reporting.

A deficiency in internal control exists when the design or operation 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 Marshal's financial statements will not be prevented, or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Charlie Caldwell, Jr. 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 an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards and is listed in the accompanying Schedule of Findings as Finding #2020-1.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Marshal's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Marshal's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Certified Public Accountant
June 22, 2021

CHARLIE CALDWELL, JR. CITY MARSHAL

Corrective Action Taken on Prior Year Findings

Year Ended December 25, 2020

There were no findings for the year ended December 25, 2019.

CHARLIE CALDWELL, JR. CITY MARSHAL

Schedule of Findings

Year Ended December 25, 2020

1. The auditor's report expresses an unmodified 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 of the Marshal was disclosed during the audit.

Finding #2020-1:

Criteria: State Budget Law requires the budget to be amended whenever actual revenues fail to meet budgeted amounts by 5% or more.

Condition: Although the budget was amended, actual revenues failed to meet budgeted amounts by 5% or more.

Cause: Revenue is down due to the COVID-19. When the budget was created, we did not anticipate being shut down for eight weeks and losing that revenue.

Effect: The Marshal is not in compliance with the State Budget Law.

Recommendation: I recommend the Marshal comply with the State Budget Law.

Management's Response and Corrective Action Plan: We agree with the finding. We will comply with the State Budget Law in the future.