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**JIMMY DOVE, CITY MARSHAL**  
**CITY OF NERVE VEINPORT, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 JUN 17 1998

**JIMMY DOVE, CITY MARSHAL**

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# Richard C. McCallister

REGISTERED PUBLIC ACCOUNTANT

OFFICE OF  
STATE COMPTROLLER  
1100 BUREAU BUILDING

STATE OF LOUISIANA  
1000 PINEBARK DRIVE

## INDEPENDENT AUDITOR'S REPORT

Henry Dove, City Marshal  
City of Shreveport-City Court  
Shreveport, Louisiana

I have audited the accompanying general purpose financial statements of Henry Dove, Marshal of the City of Shreveport, Louisiana ("City Marshal"), a component unit of the City of Shreveport, as of December 31, 1997, and for the year then ended. These general purpose financial statements are the responsibility of the City Marshal management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted governmental auditing standards, the financial and compliance segments of Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide. These 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.

As discussed in the notes, the financial statements present on the Funds and Account Group of the City Marshal and are not intended to present fairly the financial position of the City of Shreveport, Louisiana, and the results of its operations and cash flows of its operations and cash flows of its proprietary and similar trust fund types in conformity with generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City Marshal as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.



Richard C. McCallister  
May 8, 1998

**JIMMY DOWE, CITY MARSHAL**  
**CONDENSED BALANCE SHEETS**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 1997**

	Governmental Fund Type	Proprietary Fund Type	Account Group
<b><u>ASSETS</u></b>			
Cash	1,281,312	182,926	
General fixed assets	_____	_____	357,136
Total assets	<u>1,281,312</u>	<u>182,926</u>	<u>357,136</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
<b>Liabilities</b>			
Due to delinquents - Safety	_____	182,926	_____
Total liabilities	_____	<u>182,926</u>	_____
<b>Fund Equity</b>			
Investment in general fixed assets			357,136
<b>Fund balance</b>			
Undesignated	456,352		
Designated	<u>834,960</u>	_____	_____
Total fund equity	<u>1,291,312</u>	_____	<u>357,136</u>
Total liabilities and fund balance	<u>1,291,312</u>	<u>182,926</u>	<u>357,136</u>

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

**JIMMY DOWE, CITY MARSHAL**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

<b>Revenues</b>	
Marshal special court cost from fines and bond forfeitures	291,798
Interest	<u>51,602</u>
<b>Total revenues</b>	<b><u>343,400</u></b>
<b>Expenditures</b>	
Commodities	3,840
Dues	262
Insurance	266
Legal and professional	11,808
Miscellaneous personnel cost	2,488
Office expense	23,978
Personal services	52,518
Repairs and maintenance	2,671
Training	8,874
Utilities	12,884
Capital outlay	<u>73,881</u>
<b>Total expenditures</b>	<b><u>188,128</u></b>
<b>Excess of revenues over expenditures</b>	<b>155,272</b>
Fund balance - beginning	<u>1,134,780</u>
Fund balance - ending	<b><u>1,290,052</u></b>

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

**JIMMY BOVE, CITY MARSHAL**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Marshaled special court cost from fees and bond forfeitures	260,000	291,588	31,588
Interest	48,000	55,092	7,092
<b>Total revenues</b>	<u>318,000</u>	<u>346,680</u>	<u>28,680</u>
<b>Expenditures</b>			
Communications	4,500	3,840	660
Deer	1,800	760	1,040
Insurance	300	266	34
Legal and professional	12,000	11,809	191
Miscellaneous personnel cost	3,500	2,480	1,020
Office expense	23,800	23,978	1,602
Personal services	68,000	53,510	14,490
Repairs and maintenance	4,000	3,671	329
Training	1,000	1,074	( 74)
Utilities	15,000	13,684	1,316
Capital outlay	109,000	73,681	35,319
<b>Total expenditures</b>	<u>326,300</u>	<u>288,158</u>	<u>38,142</u>
<b>Excess of revenues over expenditures</b>	81,700	158,522	76,822
<b>Fund balance - beginning</b>	<u>1,134,780</u>	<u>1,134,780</u>	<u>0</u>
<b>Fund balance - ending</b>	<u>1,216,480</u>	<u>1,293,302</u>	<u>76,822</u>

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

JIMMY DOVE, CITY MARSHAL  
STATEMENT OF GENERAL FIXED ASSETS  
ALL GOVERNMENTAL FUND TYPES  
DECEMBER 31, 1997

General fixed assets	
Equipment	301,714
Building and improvements	<u>55,422</u>
Total general fixed assets	<u>357,136</u>
Investment in general fixed assets	
General fund	<u>357,136</u>

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



**JIMMY DINE, CITY MARSHAL  
SHREVEPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1997**

**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 24:534 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the AICPA Industry Audit Guide, *Audit 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, account groups, et cetera, 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 those funds and does not include operational costs paid directly by the City of Shreveport on behalf of the City Marshal.

**Fund Accounting**

The City Marshal's Office uses funds and account groups 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. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the City Marshal's office are grouped, in financial statements of this report, into two generic fund types and two broad fund categories as follows:

#### **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.

#### **Special Marshal's Fund**

The Special Marshal's Fund is the Fund provided to City Marshal's under Louisiana Statutes Annotated - Revised Statute 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 Funds**

Fiduciary Funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City Marshal's office. Fiduciary funds include:

#### **Trust and Agency Funds**

Trust and Agency Funds are used to account for assets held by the Marshal's office in a trustee capacity or as an 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.

#### **Fixed Asset Account Group**

The accounting and reporting treatment applied to the fixed assets and associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed Assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The Marshall's office has elected to capitalize fixed assets consisting of equipment and building improvements. No depreciation has been provided on general fixed assets. The City Marshal does not capitalize interest costs on fixed assets.

Activity for general fixed assets, which are capitalized by the Marshal's office, is summarized below:

	Balance Beginning	Additions	Deletions	Balance Ending
Equipment	374,186	52,714	125,186	301,714
Building and improvements	54,455	20,967		75,422
<b>Totals</b>	<b>428,641</b>	<b>73,681</b>	<b>125,186</b>	<b>377,136</b>

#### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied. All governmental funds are accounted for using the accrual basis of accounting.

Revenues are recognized when they become measurable and available as net current assets. Ours receipts are considered "measurable" when the funds of collecting governments are recognized as revenue at that time.

Anticipated refunds of such receipts are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

### **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 existing 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. The carrying amount of the deposits under control of the Marshal's office with financial institutions was \$1,760,875 and is collateralized as follows:

Amount insured by the FDIC	296,999
Amount collateralized with securities, held by pledging financial institution's trust department in Marshal's office name (Category 2, GASB Statement No. 3)	<u>1,463,736</u>
Total Bank Balance	<u>1,760,875</u>

### **Designated Fund Balance**

The Marshal has designated funds for anticipated future renovation cost relating to the premises occupied or to be occupied by the Marshal's office.

**Richard C. McCallister**  
CHARTERED PUBLIC ACCOUNTANT

Member of  
American Institute of  
Certified Public Accountants

State of Louisiana  
Chartered Public Accountant

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

Jimmy Dove, City Marshal  
City of Shreveport City Court  
Shreveport, Louisiana

I have audited the financial statements of Jimmy Dove, Marshal of the City of Shreveport, Louisiana ("City Marshal"), a component unit of the City of Shreveport, Louisiana, as of and for the year ended December 31, 1997 and have issued my report thereon dated May 8, 1998. I have conducted my audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States.

**Compliance:**

As part of obtaining reasonable assurance about whether Jimmy Dove, Marshal of the City of Shreveport, Louisiana ("City Marshal"), a component unit of the City of Shreveport, Louisiana, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered Jimmy Dove, Marshal of the City of Shreveport, Louisiana ("City Marshal"), a component unit of the City of Shreveport, Louisiana, internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not

to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I cited no matters involving the internal control structure over financial reporting and its operation that I consider to be a material weakness. However, I noted other matters involving the internal control over financial reporting that I have reported in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Richard C. McCallister  
Shreveport, Louisiana  
May 8, 1998

JIMMY DOWE, CITY MARSHAL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDER DECEMBER 31, 1997

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

**REPORTABLE CONDITIONS**

**1. Segregation of duties**

*Condition:* There is little segregation of duties with respect to control over certain accounting functions.

*Criteria:* When practical, personnel should have appropriate segregation of control over assets and the accounting of those assets.

*Effect:* Accounting controls over general and agency funds are compromised.

*Recommendation:* The Marshal should consider whether it is practical to increase the office's administrative staff to reduce the number of incompatible positions.

**2. Accounting for general fixed assets**

*Condition:* The Marshal's office records of fixed assets are maintained by the City of Shreveport. The Marshal's office record of fixed assets for accounting purposes is inadequate.

*Criteria:* A component unit needs to maintain their own records of general fixed assets.

*Effect:* Accounting controls for general ledger purposes did not provide the proper balance of general fixed assets.

*Recommendation:* The current database of general fixed assets should be maintained on a regular basis.

**JIMMY BOVE, CITY MARSHAL  
CITY OF SHREVEPORT, LOUISIANA  
ROOM J-4 - CITY COURT BUILDING  
1130 TEXAS AVENUE  
SHREVEPORT, LOUISIANA 71101**

**CORRECTIVE ACTION PLAN**

Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana

Jimmy Bove, City Marshal, City of Shreveport, Louisiana respectfully submits the following corrective action plan for the year ended December 25, 1988.

Name and address of accounting firm:  
Richard C. McCallister, CPA  
P O Box 44346  
Shreveport, LA 71134-4436

Audit period:  
December 25, 1988

**FINDINGS – FINANCIAL STATEMENT AUDIT**

**REPORTABLE CONDITIONS**

1. Segregation of duties

There is little segregation of duties with respect to control over certain accounting functions.

*Action taken:* We are cognizant of the situation and will closely monitor these areas, however, at this time, it is not practical from a cost standpoint to hire the necessary additional staff.



2. Accounting for general fixed assets

The detail of general fixed assets for accounting purposes is inadequate.

*Action taken:* The current inventory of fixed assets is being updated on regular basis in a database maintained in our computer.

Very truly yours,

Jimmy Dove, City Marshal  
City of Shreveport, Louisiana  
May 8, 1998