



November 25, 2024
AUDIT
REPORT NO. 24-05

*Performance Audit of Casino Contracts – Boomtown
Casino Contract Compliance for Period of 2022-2023*

REPORT HIGHLIGHTS:

- The City's revenue from Boomtown Casino has been deemed reasonable and is adequately supported by appropriate documentation.
- There are no audit recommendations associated with this report.



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The Council
City of Shreveport

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November 25, 2024

Councilman Alan Jackson
Chairman, Shreveport City Council

Dear Councilman Jackson:

Subject: Audit No. 24-05 – Performance Audit of Casino Contracts - Boomtown Casino
Contract Compliance for Period of 2022-2023

Attached please find the report mentioned above.

Sincerely,

Leanis L. Steward

Leanis L. Steward, CPA, CIA
City Internal Auditor

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Performance Audit of Casino Contracts – Boomtown Casino Contract Compliance for Period of 2022-2023

Why We Did This Audit

We have completed a performance audit of the Casino Contracts – Boomtown Casino Contract Compliance for operation years 2022 - 2023. This audit was conducted as one of our regularly scheduled audits included in the Annual Audit Plan developed by the City Internal Auditor. Our objective was to determine whether revenues received by the City of Shreveport are accurate and supported.

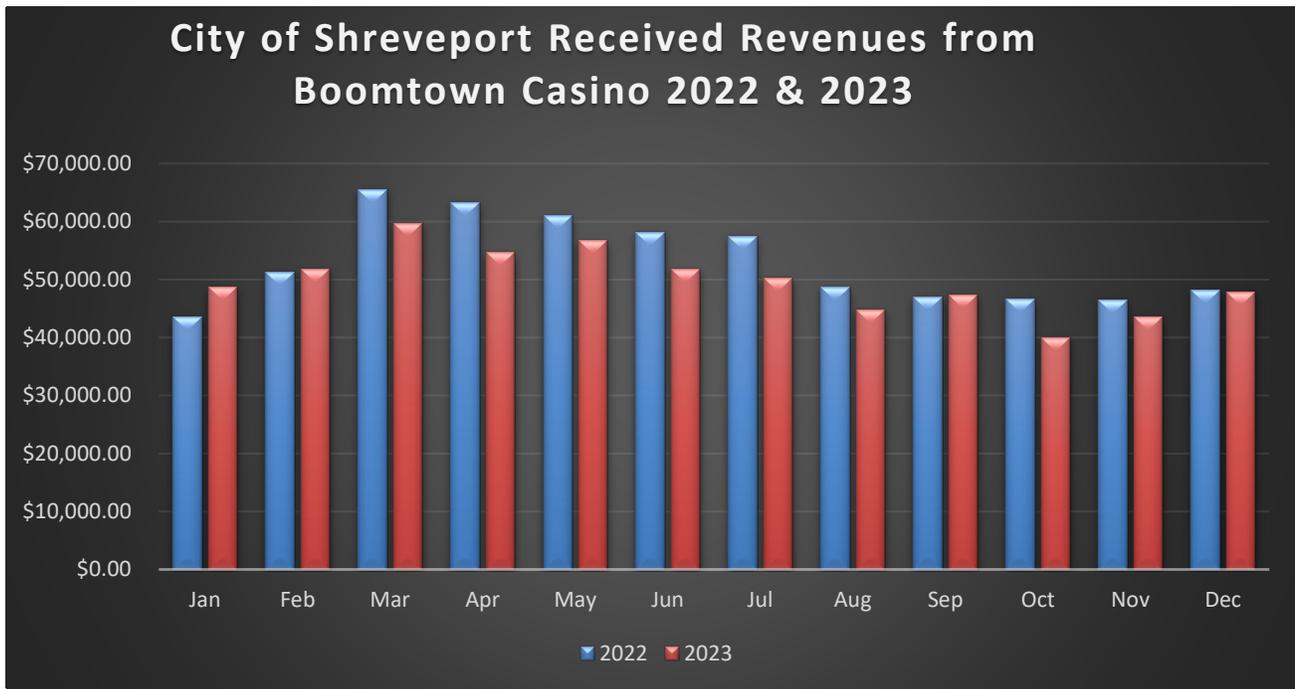
Background:

The Collins-Hanna-Walker Compact is an agreement that distributes 5.4% of the Boomtown Casino's adjusted gross receipts (AGR), as calculated by the Louisiana Department of Public Safety and Corrections Office of the State Police Riverboat Gaming Division, amongst the City of Shreveport, Caddo Parish, and Bossier City. The City of Shreveport receives 22.4125% of the AGR distribution. The agreement was brought about because of the jurisdictional boundaries in which the casino resides.

Boomtown Casino, which has been in operation since October 1996, is one of three casinos that generate revenue for the City of Shreveport. The agreement will terminate when there is no casino operation at the site where Casino Magic (now Boomtown) is currently or will be located in either Caddo or Bossier Parish, unless the parties amend or modify the terms. Separate reports will be issued for the other two casinos.

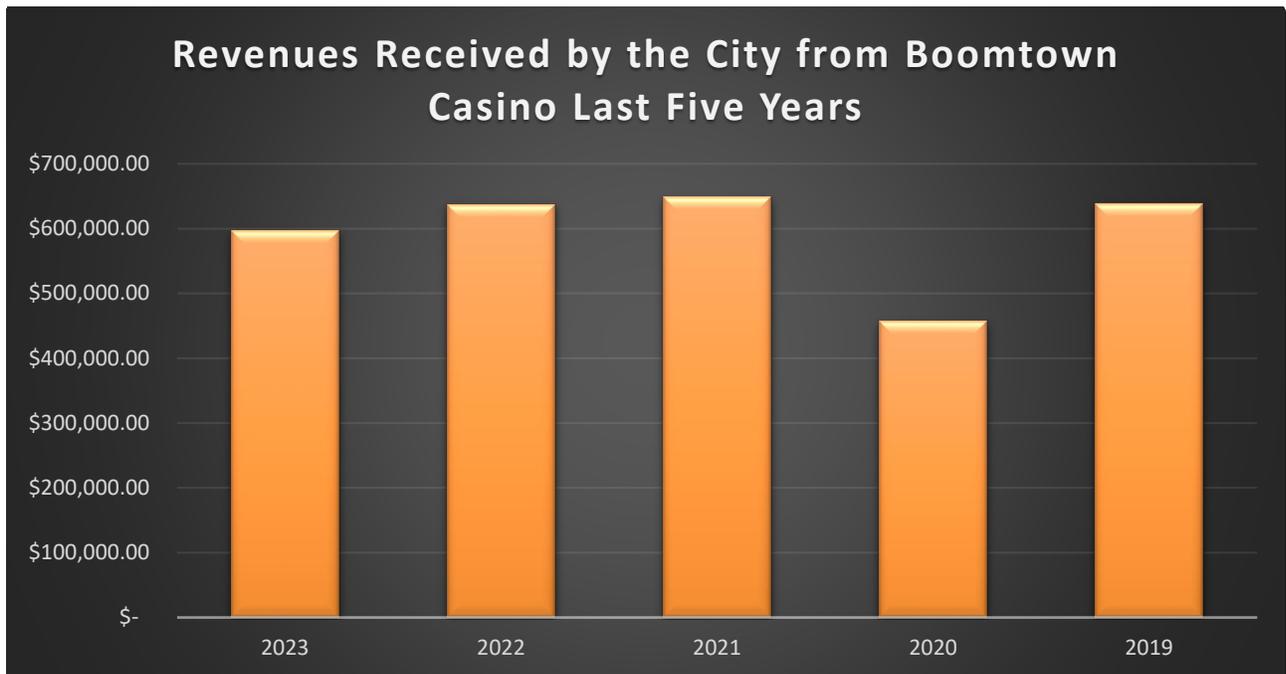


A comparison of revenues received by the City of Shreveport from Boomtown Casino during the years 2022 and 2023 is illustrated below:



Source: City's Financial Management System (LOGOS)

A comparison of revenues received by the City of Shreveport from Boomtown Casino during the last five years:



Source: City's Financial Management System (LOGOS)



AUDIT NO. 24-05
October 10, 2024

The objective of this audit was to determine:

- Whether revenues received by the City of Shreveport from Boomtown Casino are accurate and supported.

Scope and Methodology

The scope of this audit was limited to the Casino Contracts – Boomtown Casino Contract Compliance. The period reviewed was January 1, 2022, to December 31, 2023. To answer our objective, we reviewed relevant internal controls and developed audit procedures that included, but were not limited to, the following:

- Reviewing applicable records and documents.
- Interviewing appropriate personnel and management.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings, conclusions, and recommendations based on our audit objectives.

The Internal Audit Office expresses appreciation to the management and personnel of the Boomtown Casino for their cooperation and assistance provided during the audit.



Conclusion:

The city's revenue from Boomtown Casino has been deemed reasonable and is adequately supported by appropriate documentation.



AUDIT NO. 24-05
October 10, 2024

Prepared by:

Promo Jaishi

Promo Jaishi
Associate Auditor

Approved by:

Leanis L. Steward

Leanis L. Steward, CPA, CIA
City Internal Auditor

pj:ts

c: City Council
Clerk of Council
Mayor
Chief Administrative Officer
Carr Riggs and Ingram
City Attorney
Boomtown Casino