ST. MARY PARISH SALES AND USE TAX DEPT.

STATE OF LOUISIANA

Annual Component Unit Financial Statements with
Independent Auditors' Report

and

Report on Internal Control Over Financial Reporting and Compliance
and Other Matters

For the Year Ended December 31, 2020

CONTENTS

	PAGE
FINANCIAL INFORMATION SECTION	
Independent Auditors' Report	1-3
Basic Financial Statements	
Statement of Fiduciary Net Position	4
Statement of Changes in Fiduciary Net Position	5
Notes to the Financial Statements	6-22
Required Supplemental Information	
Schedule of the Department's Proportionate Share of the Net Pension Liability (Asset) (Unaudited)	23
Schedule of the Department's Contributions (Unaudited)	24
Schedule of the Department's Total OPEB Liability And Related Ratios (Unaudited)	25
General Supplementary Information	
Schedule of Administrative Cost	26
Schedule of Compensation, Benefits and Reimbursements to Agency Head, Political Subdivision Head, or Chief Executive Officer	27
INTERNAL ACCOUNTING CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS SECTION	
Independent Auditors' 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	28-29
Schedule of Findings	
Summary of Audit Results	30
Findings- Financial Statement Audit	30
Summary of Prior Year Findings and Related Corrective Action Prepared by St. Mary Parish Sales and Use Tax Dept.	31

PITTS & MATTE

a corporation of
certified public accountants

INDEPENDENT AUDITORS' REPORT

Mr. Jeff LaGrange, Director
St. Mary Parish Sales and Use Tax Dept.
Morgan City, Louisiana

Report on the Financial Statements

We have audited the accompanying Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position of the St. Mary Parish Sales and Use Tax Dept., a component unit of the St. Mary Parish Council, as of December 31, 2020, and the related notes to the financial statements which comprise the St. Mary Parish Sales and Use Tax Dept.'s basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for preparation and fair presentation of this 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies

p. o. box 2363 — morgan city, louisiana 70381-2363 — (985) 384-7545

used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position and changes in financial position of the St. Mary Parish Sales and Use Tax Dept., as of December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Implementation of New Accounting Standard

As described in Note 1-K and 2 to the financial statements the Department has implemented the provision of Governmental Accounting Standards Board Statement No. 84 *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedule of the Department's Proportionate Share of the Net Pension Liability, the Schedule of Department's Contributions, and the Schedule of the Department's Total OPEB Liability and Related Ratios, 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 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. We 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 for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying Schedules of Administrative Cost and Compensation, Benefits, and Reimbursements to Agency Head, Political Subdivision Head, or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedules of Administrative Cost and Compensation, Benefits, and Reimbursements to Agency Head, Political Subdivision Head, or Chief Executive Officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Requirements by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated September 3, 2021 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Department's internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards in considering St. Mary Parish Sales and Use Tax Dept.'s internal control over financial reporting and compliance.

Pitts & Matte

CERTIFIED PUBLIC ACCOUNTANTS

September 3, 2021
Morgan City, Louisiana

ST. MARY PARISH SALES AND USE TAX DEPT.

STATEMENT OF FIDUCIARY NET POSITION
December 31, 2020

ASSETS	
Cash	$ 2,329,553
Investments	2,247,829
Taxes receivable	4,263,927
Amounts due from taxing units	767,008
Total assets	9,608,317
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions	104,662
Related to OPEB	26,939
Total deferred outflows of resources	131,601
Total Assets and Deferred Outflows of Resources	$ 9,739,918
LIABILITIES	
Accounts payable and accrued liabilities	$ 225
Amounts due to taxing units:	
Amount payable in January, 2021	2,838,843
Amount payable in February, 2021	4,263,929
Accrued compensated absences	92,698
Net pension liability	3,393
Other postemployment benefits liability	1,593,954
Total liabilities	8,793,042
DEFERRED INFLOWS OF RESOURCES	
Related to pensions	160,221
NET POSITION	
Restricted	786,655
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 9,739,918

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

ST. MARY PARISH SALES AND USE TAX DEPT.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
December 31, 2020

ADDITIONS	
Sales tax	$ 37,276,363
Hotel/Motel tax	421,377
Occupational license	1,336,072
Penalty and interest collected	547,827
Interest on investments	3,562
Total additions	39,585,201
DEDUCTIONS	
Distributions to other governmental units	$ 38,485,764
Administrative cost	1,082,019
Total liabilities	39,567,783
Change in net position	17,418
Net Position	
Net position-beginning of year as previously stated	-
Prior period adjustment	769,237
Net position-beginning of year as restated	769,237
Net position-end of year	$ 786,655

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

ST. MARY PARISH SALES AND USE TAX DEPT.
Notes to the Financial Statement
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Mary Parish Sales and Use Tax Dept. (Department) is responsible for the collection and distribution of the various sales and use taxes levied within the Parish. The Department was created in 1966, when the St. Mary Parish Police Jury, forerunner of the St. Mary Parish Council, adopted its original Sales Tax Ordinance, which levied the first sales tax within the Parish. The Department collects a total of 4% (4.3% within the City of Morgan City) sales tax which has been levied over the years and distributes the proceeds to the various taxing units within the Parish.

In addition, the Department collects and distributes the Hotel/Motel Tax and occupational licenses within the parish. Each taxing unit has agreed to reimburse the Department for a portion of the operating costs.

The financial statements of the Department have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Department's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the governmental unit, for financial reporting purposes, consideration has been given to the following criteria as set forth in GAAP:

1. Financial benefit or burden
2. Appointment of a voting majority
3. Imposition of will
4. Fiscally dependent

Based upon the above criteria, the Department is a component unit and integral part of the St. Mary Parish Council (the primary government).

These financial statements include only the operations of the Department.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting

The Department uses funds to report on its financial position and the changes in its assets and liabilities. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category in turn, is divided into separate "fund types". The Department's current operations require only the use of one fiduciary fund, the custodial fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Custodial funds generally are used to account for assets that the government holds on behalf of others as their agent.

Fiduciary Fund
Custodial Fund

The St. Mary Parish Sales and Use Tax Dept. is categorized as a Fiduciary Fund and is operated as an Custodial Fund type. The Department accounts for the collection and disbursement of Sales Tax, Occupational License, and Hotel/Motel Tax on behalf of governments that levy the taxes.

Fund Financial Statements

Governmental fund equity is classified by five categories: nonspendable, restricted, committed, assigned and unassigned.

a.) Nonspendable - represents those portions of fund equity that cannot be spent because they are not in spendable form or because they are legally or contractually required to be maintained intact.
b.) Restricted - represents those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.
c.) Committed - represents those portions of fund equity that can be used only for specific purposes pursuant to constraints imposed by formal action of the Council's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through formal adoption of an ordinance (other than the annual budget ordinance) by the Council
d.) Assigned – represents those portions of fund equity that are constrained by the Council's intent through budget ordinance to be used for specific purposes, but are neither restricted nor committed.
e.) Unassigned - represents those portions of fund equity that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the General fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Currently, the Department only requires one category restricted for funds held for taxes paid under protests.

C. Basis of Accounting

The Department uses the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Collections

Sales and use taxes and hotel motel taxes are recognized in the month that the retail sale or lodging stay occurs, not when the taxes are collected by the Department. Occupational license taxes are recognized when the tax is collected by the Department.

The Department is entitled to the sales and use tax revenues at the time a retail sale takes place. Taxes on sales occurring during one month become due on the first day of the subsequent month and the sales tax return and related tax payment on those sales are due to the Department by the twentieth of the subsequent month. Returns and payments received after the twentieth day of the month are delinquent and are charged interest from the first day of the month. The Department collects the sales taxes at that time and then remits the collections to the various taxing units by the tenth of the following month.

The Department records the asset (sales tax receivable) and the related liability (amount payable to taxing units) at the time of the taxable sale.

For example, when taxable sales occur in December, the related asset (receivable) and liability (payable) are recorded in December. The taxes collected on the December sales are due by the twentieth day of January and are distributed to various taxing units on February tenth.

Distributions

The liability for distribution to the various taxing units is recorded in the month the various taxes are recognized by the Department.

Cost of Operations

Items which make up operating charges are generally recognized under the accrual basis of accounting when the related liability is incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Net Pension Liability and Deferred Outflows and Inflows of Resources

In a prior year, the Department implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions". This GASB statement establishes accounting and financial reporting by state and local governments for pensions. This pronouncement requires the Department to calculate and recognize a net pension liability and certain deferred outflows and inflows of resources and pension costs. The Department is a member of the Parochial Employees' Retirement System of Louisiana – Plan A (PERS-A), a cost sharing multiple employer public employee retirement system. For purposes of measuring its net pension liability, deferred outflows and inflows of resources, and pension costs, the Department uses the same basis as PERS-A.

See Note 5 for further details about this pension plan.

E. Budgets

The Department is not required to adopt and did not adopt a budget for the year ended December 31, 2020.

F. Cash

For financial statement purposes, cash includes demand deposits and interest-bearing demand deposits.

G. Investments

The Department invests primarily in external investment pools. These pooled investments are recorded at fair value.

H. Taxes Paid Under Protest

In some cases there is a dispute between the Department and taxpayers as to the taxability of certain transactions. In these cases taxes paid by the taxpayer are recorded in a restricted cash or investment account and restricted net position. At the time the ultimate taxability of the transaction is determined the funds are either: returned to the taxpayer, if the transaction is determined to be nontaxable or; distributed to various taxing governments, if the transaction is determined to be taxable.

I. Compensated Absences

Employees earn vacation and sick leave annually at varying rates depending upon length of service, vacation does not accumulate and can only be used in the current period. Compensated absences due to sick pay are allowed to accumulate from period to period if not used, however, an employee is only compensated for sick time, when they are absent due to illness or upon termination due to retirement. An accrual of approximately $93,000 is made for accumulated sick time estimated to be paid to employees at retirement, based upon their years of services provided through December 31, 2020.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Other Postemployment benefits liability

The Department has agreed to provide its employees with postemployment benefits as described further in Note 5. In addition, the Department is currently setting aside certain assets to fund these benefit payments that will become due in future years. The assets set aside are reported with investments. The related liability is reported as other postemployment benefits liability.

K. New GASB Statement

In the current year the Department implemented GASB Statement No. 84 *Fiduciary Activities* this statement changes guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Governments with activities meeting certain criterial should present a statement of fiduciary net position and a statement of changes in fiduciary net position. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compel the government to disburse fiduciary resources.

L. Future Accounting Changes

The GASB has issued its Statement No. 92 *Omnibus 2020* which modifies the way a government accounts for certain fiduciary activities for assets accumulated for providing pension or OPEB benefits that are not administered through a trust. This pronouncement will be effective for the Department for the year 2022. Management has not yet determined the effect of the Statement on its financial reporting.

Note 2 – Fiduciary Net Position Adjusted

Events that compel the Department to disburse fiduciary resources occur when a demand for resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets. In the current year taxes paid under protest and interest earned thereon is recognized as restricted investment and restricted net position. Accordingly a portion of the reissuance of GASB No. 84 would result in restating the Department's beginning of the year Net Position as follows:

Net Position

Net Position – beginning of year as previously stated	$ --
Prior period adjustment: Amount of taxes paid under protest	769,237
Net Position – beginning of year as restated	$769,237

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Department does not have a formal investment policy related to interest rate risk (the risk of an investment decreasing in value due to increasing interest rates).

In addition, the Department does not have a formal investment policy related to credit risk (including concentrations of credit).

However the Department does follow state law as to limitations on types of deposits and investments as described below.

The Department does not invest in any investments subject to foreign currency risk.

Cash and cash equivalents
Under state law the Department may deposit its funds with certain state and federally chartered financial institutions. These deposits are required to be insured or collateralized by the financial institutions.

At year end, the carrying amount of the Department's cash was $2,329,553 and the bank balance was $2,281,164, $250,000 of which is covered by federal depository insurance, and the remaining $2,031,164 was collaterized with securities held by the pledging financial institution.

Investments
Under state law the Department may invest in certain federal or federally guaranteed securities, certain bank time certificates of deposit, mutual or trust funds, and in the Louisiana Asset Management Pool (LAMP). LAMP is a 2a7-like, external investment pool operated to allow local governments to pool their investment funds. LAMP is not registered with the SEC as an investment company. LAMP is subject to regulatory oversight of the Louisiana State Treasurer and the LAMP board of directors. LAMP share values for the pool are valued at fair value based on quoted market rates determined on a weekly basis. The value of the Department's investment in LAMP is the same as the net asset value of its pool shares.

At year end all of the Department's invested funds were invested with LAMP. These investments total $2,247,829, including investments of $1,116,288 invested for other post employment benefits and accrued compensated absences and investments totaling $782,176 held in escrow for taxes paid in protest and are carried at fair value. These investment pool amounts have not been assigned a credit risk category since the Department is not issued securities, however LAMP has a AAAm rating from Standard and Poor's.

LAMP determines its maturities using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 88 days as of December 31, 2020.

NOTE 4 - AMOUNTS CURRENTLY DUE TO TAXING UNITS

The following is a detail of amounts due to taxing units at December 31, 2020:

	Payable in January 2021	Payable in February 2021
St. Mary Parish School Board	$1,192,180	$1,824,766
St. Mary Parish Council	455,171	706,541
City of Morgan City	421,347	621,035
City of Franklin	195,870	325,878
City of Patterson	155,425	205,510
Town of Berwick	125,775	192,143
Town of Baldwin	62,290	82,991
St. Mary Parish Recreation District #1	12,821	17,139
St. Mary Parish Sheriff's Office	170,261	260,604
St. Mary Parish Tourist Commission	46,336	27,322
St. Mary Parish-occupational license	248	--
City of Morgan City-occupational license	348	--
City of Franklin-occupational license	526	--
Town of Berwick-occupational license	47	--
City of Patterson-occupational license	119	--
City of Baldwin-occupational license	79	--
	$2,838,843	$4,263,929

NOTE 5 – PENSION PLAN

Plan Description

The Department contributes to the Parochial Employees' Retirement System of Louisiana Plan A (PERS-A), a cost sharing multiple-employer public employee retirement system administered by a Board of Trustees. The System was established and provided for by the Louisiana Revised Statutes (LRS).

Benefits Provided

PERS-A provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. All permanent employees who work at least 28 hours a week may become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Retirement Benefits
A members can retire when they meet one of the following criteria:

For employees hired prior to January 1, 2007:
1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

NOTE 5 – PENSION PLAN (continued)

For employees hired after January 1, 2007:
1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

The monthly retirement allowance consists of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits
Upon the death of any member with five or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member who is eligible for normal retirement at time of death, the surviving spouse shall receive benefits, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve months immediately preceding death of the member, shall be paid benefits beginning at age 50.

Deferred Retirement Option Plan.
Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for members who are eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, members who are eligible to retire may elect to participate in DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the DROP account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

NOTE 5 – PENSION PLAN (continued)

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or PERS-A, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits.
Members shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen years, or three percent multiplied by years of service assuming continued service to age sixty for these members who are enrolled prior to January 1, 2007 and to age sixty two for those member who are enrolled January 1, 2007 and later.

Cost of Living Increases.

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2019, the actuarially determined contribution rate was 12.18% of member's compensation. However, the actual contribution rate for the fiscal year ending December 31, 2019 was 11.50%. Contributions to the Pension Plan from the Department were $56,790 for the year ended December 31, 2019.

NOTE 5 – PENSION PLAN (continued)

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Pension Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources Relate to Pensions

At December 31, 2020, the Department reported a liability (asset) of $3,393 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Department's proportion of the net pension liability (asset) was based on a projection of the Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2019, the Department's proportion was 0.072068%, which was an decrease of 0.002264% from its proportion measured as of December 31, 2018. For the year ended December 31, 2020, the Department recognized pension costs of $64,999. The Department's proportionate share of non-employer contributions for the year ended December 31, 2020 was $5,832.

At December 31, 2019, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 30,371
Change of assumptions	47,381	-
Net difference between projected and actual investment earnings on pension plan investments	491	2,679
Change in proportion and differences between the contributions		127,171
Department's contributions after measurement date	56,790	-
	$ 104,662	$ 160,221

Contributions after the measurement date will be included in the determination of the net pension liability for the year ended December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31:	
2021	($25,164)
2022	(32,365)
2023	2,439
2024	(57,259)

NOTE 5 – PENSION PLAN (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019, are as follows:

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.50% (Net of investment expense)
Expected Remaining Service lives	4 years
Projected Salary Increases	4.75% (2.35% Merit/2.40% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by130% for males and 125% for females using MP2018 scale for disabled annuitants.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females each with full generational projection using the MP 2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the Capital Asset Pricing Model, (CAPM) (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019.

NOTE 5 – PENSION PLAN (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real Assets	2%	0.11%
Totals	100%	5.18%
Inflation		2.0%
Expected Arithmetic Nominal Return		7.18%

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability (asset) of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.50% or one percentage point higher 7.50% than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Department's Proportionate Share of Net Pension Liability (Asset)	$366,674	$3,393	$(301,030)

NOTE 5 – PENSION PLAN (continued)

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2019. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

NOTE 6 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Background. The Department provides healthcare insurance for their retired employees. Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* specifies the reporting requirements to be followed for local governments that provide healthcare insurance or other benefits to retired employees. The Department implemented these provisions for the year beginning, January 1, 2018. Assets are accumulated by the Department for the OPEB liability, however they are not in a trust and do not meet the criteria in GASB 75.

Plan Description. The St Mary Parish Sales and Use Tax Department administers a single-employer defined benefit healthcare plan (the Sales Tax Department OPEB Plan [OPEB Plan]) that provides healthcare insurance for their retired employees.

Benefits Provided. Benefit terms of the OPEB Plan provide payment of retirees' health insurance premiums or supplemental health insurance premiums for Medicare eligible retirees, as well as 60% of health insurance premiums or supplemental health insurance premiums for the spouses of living and deceased retirees. The Department and the St Mary Parish Council have the authority to authorize or amend all terms of the OPEB Plan.

Employees covered by benefit terms. At December 31, 2020, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	8
Total	11

NOTE 6- POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Total OPEB Liability

Total OPEB Liability. The Department's total OPEB liability of $1,593,954 as of December 31, 2020 was calculated based on the alternative measurement method permitted by GASB Statement 75 for employers in plans with fewer than one hundred total plan members.

Assumptions and other inputs – The total OPEB liability in the December 31, 2020 alternative measurement method valuation was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.74% annually (Beginning of Year to Determine ADC) 2.12%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.2% initially, increased to an ultimate rate of 5.5% after 5 years
Mortality	SOA RP-2000 Table

Payroll Growth Rate – 4 percent, the payroll growth rate of the St. Mary Parish Council, of which the Department is a component unit.

Discount rate—The discount rate is based on the average of the Bond Buyers' 20 year General Obligation Municipal bond index as of December 31, 2020.

Healthcare cost trend rate—The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 5.2 percent initially, increased to an ultimate rate of 5.5 percent after 5 years, was used.

Retirement age for active employees—Based on the historical average retirement age for the covered group, active plan members were assumed to retire at the earlier of age 65, or after completing the required 33 years of service (the minimum years needed to obtain maximum pension benefits).

Marital Status—Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality—Life expectancies were based on mortality tables from the United States of America's Social Security Administration. The 2015 United States Life Tables for Males and for Females were used.

NOTE 6- POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Turnover—Data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System was used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing as expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Health insurance premiums—The current premiums paid for each member and their spouse was used as the basis for calculation of the present value of total benefits to be paid.

Changes in Total OPEB Liability

Service cost	$ 121,782
Interest cost	58,395
Change of benefit terms	--
Difference between expected and actual experience	(149,054)
Changes in assumptions	134,086
Benefit payments	(31,123)
Net change in Total OPEB Liability	$ 134,086
Beginning Total OPEB Liability	1,459,868
Ending Total OPEB Liability	$1,593,954

Healthcare cost trends from a range of 4.5 to 5.5 percent in 2019 to a range of 5.2 to 5.5 percent in 2020; and, an decrease of discount rate from 2.74 percent in 2019 to 2.12 percent in 2020.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current discount rate:

	1.0% Decrease (1.12%)	Current Discount Rate (2.12%)	1.0% Increase (3.12%)
Total OPEB Liability	$ 1,760,238	$ 1,593,954	$ 1,432,181

NOTE 6- POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates – The following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using healthcare cost trend rates that are1 percentage point lower (3.2% to 4.2%) or 1 percentage point higher (5.2% to 6.5%) than the current healthcare trend rates:

	1.0% Decrease (3.2% to 4.2%)	Current Trend Rate (5.2% to 5.5%)	1.0% Increase (6.2% to 6.5%)
Total OPEB Liability	$ 1,578,815	$ 1,593,954	$ 1,609,118

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended December 31, 2020, the Department recognized OPEB expense of $134,086. At December 31, 2020, the Department reported deferred outflows of resources related to OPEB of $26,939 from payment of OPEB as the benefits came due subsequent to the measurement date of January 1, 2020 but prior to the Department's fiscal year end. This amount will reduce OPEB liability in the following year.

Department's Funding Policy

It is the Department's policy to pay insurance premiums for retired employees in addition to set aside funds for the payment of current employees that will become due in the future. At December 31, 2020 the Department has $1,116,199 set aside for this purpose; however, under the provisions of GASB 75, amounts set aside by an employer to fund an OPEB plan do not qualify as contributions or reduction of a OPEB benefit obligation unless they are paid to an insurance company or placed in an irrevocable trust. While payments made by the Department for future benefits are set aside in a separate account, they are not placed in an irrevocable trust and therefore do not meet the requirements of GASB 75.

NOTE 7- RELATED PARTY

The Department rents its office facilities, on a month-to-month basis, from the St. Mary Parish Council, the oversight entity. The amount of rent paid in 2020 totals $9,600.

NOTE 8 - RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts, theft, or damage to assets, errors and omissions, injuries to employees and natural disasters. The Department has purchased commercial insurance to protect against loss from substantially all these perils. There were no significant reductions in insurance coverages from prior years. There were no insurance settlements in excess of the amount of coverage during the last three years.

NOTE 9 - TAX COLLECTIONS AND DISTRIBUTIONS

The following is a Schedule of Tax Collections, and Distributions by taxing authorities for 2020:

Receipts	
Sales tax	$ 37,276,363
Hotel/Motel	421,377
Occupational licenses	1,336,072
Penalty and interest	547,827
Interest on investments	3,562
Total	$ 39,585,201
Disbursements	
Administrative Costs	$ 1,082,019
Transfer and allocations of sales taxes to:	
St. Mary Parish	
Law Enforcement	$ 870,425
Sanitation Fund	2,611,906
Debt Service Fund	1,804,901
Sales Tax Wards 1, 2, 3, 4, 7 and 10	443,784
Wards 5 & 8 Sales Tax Fund	298,338
Recreation District No. 1	182,619
Wards 6 & 9 Sales Tax Fund	45,655
St. Mary Parish School Board	15,791,711
City of Morgan City	5,363,990
City of Franklin	2,643,761
City of Patterson	2,020,342
Town of Berwick	1,674,791
Town of Baldwin	808,904
St. Mary Parish Sheriff's Office	2,255,291
	36,816,418
Transfer of hotel/motel tax to:	
St. Mary Parish Tourist Commission	400,078
Transfer of Occupational License tax to:	
St. Mary Parish	440,183
City of Morgan City	474,381
City of Franklin	148,002
City of Patterson	64,305
Town of Berwick	109,623
Town of Baldwin	32,773
	1,269,267
Total	$ 39,567,782

The taxes reflected are for sales and lodging stays that took place in the twelve months ending December 31, 2020. The related payments of sales taxes made to the taxing units were actually distributed from March 2020 through February 2021.

REQUIRED SUPPLEMENTAL INFORMATION

St. Mary Parish Sales and Use Tax Department

SCHEDULE OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Parochial Employees Retirement System of Louisiana (Plan A)
as of December 31, 2019 (The Plan Measurement Date)

	2019	2018	2017	2016	2015
Department's proportion of the net pension liability (asset)	0.072068%	0.074332%	0.072431%	0.074065%	0.071476%
Proportionate share of the net pension liability (asset)	$ 3,393	$ 329,912	$ (53,762)	$ 152,538	$ 188,145
Covered employee payroll	$ 456,966	$ 456,966	$ 445,821	$ 439,244	$ 407,905
Department's proportionate share of the net pension liability(asset) as a percentage of its covered employee payroll	0.74%	72.20%	-12.06%	34.73%	46.12%
Plan fiduciary net position as a percentage of the total pension liability	99.89%	88.86%	101.98%	94.15%	92.23%

This schedule is intended to show information for 10 years.
Addition years will be displayed as they become available.

Unaudited

St. Mary Parish Sales and Use Tax Department

SCHEDULE OF THE DEPARTMENT'S CONTRIBUTIONS
Parochial Employees Retirement System of Louisiana (Plan A)
For the Year Ended December 31, 2020

	2020	2019	2018	2017	2016
Contractually required contribution	$ 56,790	$ 52,551	$ 52,551	$ 55,728	$ 57,102
Contributions in relation to the contractually required contribution	56,790	52,551	52,551	55,728	57,102
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	463,588	456,966	456,966	445,821	439,244
Contribution as a percentage of covered employee payroll	12.25%	11.50%	11.50%	12.50%	13.00%

This schedule is intended to show information for 10 years. Addition years will be displayed as they become available.

Unaudited

ST. MARY PARISH SALES AND USE TAX DEPT.

Schedule of Changes in the Department's
Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2020

	2020	2019	2018
Total OPEB liability			
Service Cost	$ 121,782	$ 102,589	$ 78,772
Interest	58,395	49,102	55,807
Changes of Benefit Terms	-	-	-
Differences between expected and actual experience	(149,054)	(59,108)	(32,531)
Changes of assumptions or other inputs	134,086	170,008	(239,847)
Benefit payments	(31,123)	(30,283)	(29,821)
Net Change in total OPEB liability	$ 134,086	$ 232,308	$ (167,620)
Total OPEB liability - beginning	1,459,868	1,227,560	1,395,180
Total OPEB liability - ending	$ 1,593,954	$ 1,459,868	$ 1,227,560
Covered-employee payroll	$ 503,343	$ 495,751	$ 495,751
Total OPEB liability as a percentage of covered employee payroll	316.7%	294.5%	247.6%

Notes to schedule:

No assets are accumulated in a trust that meets the criteria of GASBS No. 75, paragraph 4.

Changes of Assumptions:
Changes of assumptions and other inputs reflect the adoption of turnover rates derived from the U.S. Office of Personnel Management in 2020 and effects of changes in the discount rate and healthcare cost trend rates:

For the Year Ended December 31,	Healthcare Cost Trend Rates	Discount Rate
2017	5.4% to 5.8%	4.00%
2018	5.3% to 5.6%	4.10%
2019	4.5% to 5.5%	2.74%
2020	4.5% to 5.5%	2.12%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GENERAL SUPPLEMENTARY INFORMATION

ST. MARY PARISH SALES AND USE TAX DEPT.

Schedule of Administrative Cost
For the Year Ended December 31, 2020

Salaries	$ 503,343
Examination fees and costs	212,270
Group insurance	149,627
Commercial Insurance	6,712
Retirement contribution	56,790
Office supplies	11,316
Computer expense	13,105
Auto and travel expense	13,082
Postage	13,331
Rent	9,600
Telephone	13,313
Equipment rental and maintenance	9,643
Payroll taxes	7,127
Professional services	47,581
Dues and subscriptions	5,998
Office equipment	6,300
Court	2,881
	$ 1,082,019

ST. MARY PARISH SALES AND USE TAX DEPT.
Schedule of Compensation, Benefits, and Reimbursements to
Agency Head, Political Subdivision Head, or Chief Executive Officer
For the Year Ended December 31, 2020

Director: Jeffery LaGrange

Purpose	**Amount**
Salary	$ 102,675
Benefits-Insurance	22,946
Benefits-retirement	9,241
Cellphone allowance	600
Automobile allowance	1,800
Reimbursement-Travel	1,680
Reimbursement-Meals	261
Reimbursement-Hotel	-
Reimbursement-Other	5,635
Total	$ 144,839

These amounts represent all compensation, benefits, and reimbursements for the year.

INTERNAL ACCOUNTING CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS SECTION

PITTS & MATTE

a corporation of
certified public accountants

INDEPENDENT AUDITORS' 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

Mr. Jeff LaGrange, Director
St. Mary Parish Sales and
Use Tax Dept.
Morgan City, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the St. Mary Parish Sales and Use Tax Dept. (the Department), as of December 31, 2020, and the related notes to the financial statements which comprises the Department's basic financial statements and have issued our report thereon dated September 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

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 entity's financial statements will not be prevented, or detected and corrected 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.

p. o. box 2363 — morgan city, louisiana 70381-2363 — (985) 384-7545

Our 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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we 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 the Department's financial statements are free from material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is considered a public record and may be distributed by the Legislative Auditor.

Pitts & Matte

CERTIFIED PUBLIC ACCOUNTANTS

September 3, 2021
Morgan City, Louisiana

ST. MARY PARISH SALES AND USE TAX DEPT.
STATE OF LOUISIANA

Schedule of Findings
For the Year Ended December 31, 2020

A. SUMMARY OF AUDIT FINDINGS

1. The auditors' report expressed an unmodified opinion on the financial statement of the St. Mary Parish Sales and Use Tax Dept.

2. Report on Internal Control over Financial Reporting and Compliance and Other Matters

   Internal Control over financial reporting
   No findings are required to be reported for the year ended December 31, 2020.

   Compliance
   There were no material instances of noncompliance or other matters noted during the audit of the financial statements.

3. Federal Awards

   This section is not applicable for the year ended December 31, 2020.

4. Management Letter

   No letter was issued.

B. FINDINGS FINANCIAL STATEMENT AUDIT

There are no findings to be reported for the year ended December 31, 2020.

C. FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS PROGRAMS

This section is not applicable for the year ended December 31, 2020.

SUMMARY OF PRIOR YEAR FINDINGS AND RELATED CORRECTIVE ACTION PREPARED BY ST. MARY PARISH SALES AND USE TAX DEPT.

INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Internal Control and Compliance

There were no findings in the prior year.

INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

This section is not applicable.