

**CITY MARSHAL OF PORT ALLEN
PORT ALLEN, LOUISIANA
(A Component Unit of the City of Port Allen)**

FINANCIAL REPORT

DECEMBER 31, 2020

**CITY MARSHAL OF PORT ALLEN
PORT ALLEN, LOUISIANA
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To the City Marshal of Port Allen
Port Allen, Louisiana

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying financial statements of the governmental activities of the City Marshal of Port Allen, a component unit of the City of Port Allen, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City Marshal of Port Allen's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Service promulgated by the Accounting and Review Services Committee of the AICPA. Those standards required us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provided a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be 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 budgetary comparison schedule 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 statement in an appropriate operational, economic, or historical context. Management has omitted the Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial

statements. Such missing information, although not part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information. Such information is the responsibility of management. We have not audited or reviewed such required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

Other Information

The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule – Receiving Entity on pages 25 through 26 are not a required part of the basic financial statements but are supplementary information required by the *Louisiana Governmental Audit Guide*. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on it.

Additionally, in accordance with *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 24, 2021 on the results of agreed upon procedures.

Barley & Associates, LLC

Plaquemine, Louisiana
June 24, 2021

BASIC FINANCIAL STATEMENTS

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 921,585
Investments	297,637
Receivables	20,243
Prepaid insurance	9,861
Capital assets, net of accumulated depreciation	14,163
Total Assets	1,263,489
LIABILITIES	
Accounts payable	3,052
Total Liabilities	3,052
NET POSITION	
Net investment in capital assets	14,163
Unrestricted	1,246,274
Total Net Position	\$ 1,260,437

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

		Program Revenues		Net (Expenses) Revenue and Change in Net Position of Gov. Activities
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Public safety	\$ 276,011	\$ 302,410	\$ 21,642	\$ 48,041
Total Governmental Activities	\$ 276,011	\$ 302,410	\$ 21,642	\$ 48,041
General Revenues:				
Witness fees				15,338
Investment income				1,473
Total General Revenues				16,811
Change in Net Position				64,852
Net Position at the Beginning of Year				1,195,585
Net Position at End of Year				\$ 1,260,437

See accompanying notes and independent accountant's review report.

CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
BALANCE SHEET
GOVERNMENTAL FUND - GENERAL FUND
DECEMBER 31, 2020

	General Fund
ASSETS	
Cash and cash equivalents	\$ 921,585
Investments	297,637
Receivables	20,243
Prepaid insurance	9,861
Total Assets	\$ 1,249,326
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 3,052
Total Liabilities	3,052
 Fund Balance:	
Nonspendable - prepaids	9,861
Unassigned	1,236,413
Total Fund Balances - Governmental Fund	1,246,274
 Reconciliation of fund balance to net position:	
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	
Governmental capital assets	279,142
Less: accumulated depreciation	(264,979)
	14,163
Net position of governmental activities	\$ 1,260,437

See accompanying notes and independent accountant's review report.

CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

REVENUES		
Intergovernmental	\$	302,410
Witness fees		15,338
On behalf payments		21,642
Interest income		1,473
TOTAL REVENUES		<u><u>340,863</u></u>
 EXPENDITURES		
Current:		
Public safety		266,134
TOTAL EXPENDITURES		<u><u>266,134</u></u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		 74,729
FUND BALANCE AT BEGINNING OF YEAR		 <u>1,171,545</u>
FUND BALANCE AT END OF YEAR	\$	<u><u>1,246,274</u></u>

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balances - total governmental funds **\$ 74,729**

Amounts reported for governmental activities in Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:

Expenditures for capital assets	-
Less: Current year depreciation	<u>(9,877)</u>

Change in net position of governmental activities **\$ 64,852**

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City Marshal of Port Allen (the City Marshal) was established under the provisions of Louisiana Revised Statutes 13:1879. Each city court shall have a marshal or constable, elected at the congressional election every six years. The Marshal is charged with responsibility of conducting, policing, and security functions for the City Court of Port Allen, Louisiana. Operations of the Marshal's office are funded by court costs charged by the City of Port Allen, Louisiana. The Marshal employs nine full-time and part-time persons.

The accompanying basic financial statements of the City Marshal of Port Allen have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

Reporting Entity

GASB Statement No. 61, The Financial Reporting Entity: Omnibus, an Amendment of GASB Statements No. 14 and No. 34, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the financial statements must present the City Marshal as a component unit of the City of Port Allen, Louisiana because the City of Port Allen provided office space, related utility costs, and the primary funding of salary costs for the Marshal's office.

The accompanying financial statements present information only on the funds maintained by the City Marshal and do not present information on the City of Port Allen or any other governmental units that comprise the City of Port Allen.

Fund Accounting

The City Marshal used funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City Marshal functions and activities.

The governmental funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring inter-period equity and whether current year revenues were sufficient to pay for the current year services.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds

Governmental funds account for all or most of the City Marshal's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the City Marshal. The following are the City Marshal's governmental funds:

General Fund – The General Fund is the primary 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. The General Fund is available for any purpose provided as long as it is expended or transferred in accordance with state and federal laws according to the City Marshal policy.

Measurement Focus, Basis of Accounting

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the City Marshal as a whole. These statements include all the financial activities of the City Marshal.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City Marshal's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

The government-wide financial statements reflect the economic resources measurement focus and accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when the cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of the Statement of Net Position and Statement of Activities are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports on the sources (i.e. revenues and other financing sources) and the uses (i.e. expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the City Marshal.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. when they become 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 be used to pay liabilities of the current period. The City Marshal considers all revenue as available if they are collected within sixty days after year end. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt, which are recognized when due and payable. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Fines, grants, and interest associated with the current fiscal period are all considered susceptible to accrual and therefore have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures – Salaries and capital outlays associated with the current fiscal period are also considered to be susceptible to accrual and so have been recognized as expenditures of the fiscal period.

Budget

The City Marshal uses the following budget practices:

- Annually, in the fall of each year, the City Marshal's management submits a proposed operating budget for the general fund prepared on the GAAP basis to the City Marshal.
- After the City Marshal adopts the budget, usually in December, the budget is sent to the City of Port Allen who conducts a public hearing on the budget, which must be adopted by December 15. At year end, public notices offering the public the opportunity to participate in the budget process appear in the December issues of the Westside Journal, the official journal of the Parish.
- Appropriations (unexpended budget balances) lapse at year-end.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- The GAAP basis is used in preparing and reporting the budgets, except for on behalf payments, which represent equal amounts of both revenues and expenditures and are unknown until after year end.
- The Board of Control will meet from time to time to make changes or amendments within the various budget categories.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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.

Assets, Liabilities, and Equity

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and City Marshal's investment policy allow the entity to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments – Investments for the City Marshal are reported at fair value. Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the City Marshal's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments, however if the original maturities are 90 days or less, they are classified as cash equivalents.

Receivables – Receivables consist of all revenues earned at year-end and not yet received.

Inventories – All inventories not considered material of the governmental funds are recorded as expenses/expenditures when purchased rather than when consumed.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets, Depreciation, and Amortization – 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 \$500 for capitalizing capital assets.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an amount that is not considered material when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land are depreciated using the straight-line method over the following useful lives:

Building and building improvements	40 years
Furniture and fixtures	5-7 years
Vehicles	3 years
Machinery and equipment	5-10 years

Fund Equity Classifications –

Government-wide statements – Equity is classified as net position and displayed in three components: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

Fund financial statements – Beginning with fiscal year 2011, the City Marshal implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. GASB 54 categories fund balance as either nonspendable or spendable.

The following classifications describe the relative strength of spending constraints placed on the purpose for which resources can be used:

Nonspendable is defined as the portion of fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.

Spendable is defined as a hierarchy of fund balance classifications that is available to be spent based on the element to which the City Marshal is bound to observe constraints imposed upon the use of resources:

- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources by external parties, such as creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law, through constitutional provisions or enabling legislation. The City Marshal has no restricted resources at year end.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Committed: This classification includes portions of fund balance that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the City Marshal. These amounts cannot be used for any other purpose unless the City Marshal removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City Marshal had no committed resources at year end.
- Assigned: This classification includes spendable amounts that are reported in governmental funds other than the General Fund that are neither restricted or committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by the City Marshal, who has authority to assign amounts to be used for specific purposes. The City Marshal has no assigned any amounts at year-end.
- Unassigned: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund.

NOTE B – DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents and Investments

Cash and cash equivalents include bank accounts and short-term investments. See Note A for additional cash disclosure note information.

At December 31, 2020, the City Marshal had the following cash and cash equivalents and investments:

	Bank Balances	Book Balances
Cash and cash equivalents	\$ 933,700	\$ 921,585
Investments - Certificates of Deposit	115,897	115,897
Investments - LAMP	181,740	181,740
Total	\$ 1,231,337	\$ 1,219,222

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits and Investments

Custodial credit risk is the risk that in the event of a bank failure the City Marshal's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured or collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the City Marshal. The City Marshal's cash and investment policy, as well as state law, requires that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The following chart represents bank balances for the City Marshal as of December 31, 2020. Deposits are listed in terms of whether they are exposed to custodial credit risk.

	<u>Cash and Cash Equivalents</u>	<u>FDIC Coverage</u>	<u>Total</u>
Deposits per Balance Sheet (Reconciled bank balance)	\$ 1,037,482	\$ -	\$ 1,037,482
Deposits in bank accounts per bank	\$ 1,049,597	\$ (531,868)	\$ 517,729
Bank balances exposed to custodial credit risk:			\$ 517,729
a. Uninsured and uncollateralized			-
b. Uninsured and collateralized with securities held by the pledging institution			-
c. Uninsured and collateralized with securities held by the pledging institutions's trust department or agent, but not in the entity's name			\$ 585,185
Excess of FDIC insurance and pledged securities over cash and investments at December 31, 2020			\$ (67,456)

Investments

Investments of the City Marshal consist of certificates of deposit and Louisiana Asset Management Pool investments. These securities are stated at their fair value as required by GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*. The City Marshal used quoted market prices to determine fair value of the investments.

Interest rate risk - The City Marshal has no formal investment policy but has adopted the state investment policy at LA RS 49:327. The City Marshal invests in investments with maturities limited to five-year as means of managing its exposure to fair value losses arising from increasing interest rates.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk – Deposits - In the case of deposits, this is the risk that in the event of a bank failure, the City Marshal's deposits may not be returned to it. The City Marshal invests in certificates of deposits that are backed by FDIC and pledged securities and LAMP investments.

Concentration of credit risk – The City Marshal places no limits on the amount they may invest in any one issuer.

The City Marshal's investments are categorized to give an indication of the level of risk assumed by it at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City Marshal or its agent in the City Marshal's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the City Marshal's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the City Marshal's name. At December 31, 2020, the City Marshal's investments are as follows:

Descriptions	Category 1	Fair Value	Cost	Maturity Date	Interest Rate
Certificates of Deposit	\$ 115,897	\$ 115,897	\$ 115,897	2020-2021	0.26%
Total	<u>\$ 115,897</u>				
Investments Not Subject to Categorization:					
LAMP (External Investment Pool)		181,740	181,740	NA	.09%-1.72%
Total Investments		<u>\$ 297,637</u>	<u>\$ 297,637</u>		

LAMP

At December 31, 2020, the City Marshal had an investment of \$181,740 with the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent, practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk: LAMP is rated AAAm by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 47 as of December 31, 2020.

Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

NOTE C – FAIR VALUE MEASUREMENTS

The following table sets forth by level within fair value hierarchy the City Marshal's assets at estimated fair value as of December 31, 2020.

	<u>Level 1</u>
Certificates of deposits	\$ 115,897
LAMP	181,740
Total	<u>\$ 297,637</u>

The City Marshal did not have Level 2 or Level 3 assets at December 31, 2020.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE D – RECEIVABLES

The receivables of \$20,243 at December 31, 2020, are as follows:

Class of Receivable	Total
Intergovernmental:	
West Baton Rouge Parish Council	\$ 10,100
City Court of Port Allen	10,143
Total Receivables	\$ 20,243

NOTE E – CAPITAL ASSETS

A summary of changes in fixed assets follows and current depreciation of \$9,877 is reported in Public Safety expense in the Statement of Activities:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
Governmental Activities:				
Intangible assets	\$ 3,840	\$ -	\$ -	\$ 3,840
Vehicles	182,342	-	-	182,342
Furniture and fixtures	10,516	-	-	10,516
Improvements	12,605	-	-	12,605
Equipment	69,839	-	-	69,839
Total Capital Assets	279,142	-	-	279,142
	Balance 1/1/2019	Additions	Deletions	Balance 12/31/2019
Less Accumulated Depreciation for:				
Intangible assets	\$ 3,840	\$ -	\$ -	\$ 3,840
Vehicles	168,570	9,122	-	177,692
Furniture and fixtures	10,297	220	-	10,517
Improvements	3,217	315	-	3,532
Equipment	69,178	220	-	69,398
Total Accumulated Depreciation	255,102	9,877	-	264,979
Net Capital Assets	\$ 38,034			\$ 14,163

Depreciation expense is charged to functions of the primary government as follows:

Public safety	\$9,877
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**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE F – PENSION PLAN

The City Marshal of Port Allen is a member of the Municipal Employees Retirement System of Louisiana (the "System"). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System issued a public report annually that included financial statements and required supplementary information for the System. That report may be obtained from their website at www.merlsa.com. Pertinent information relative to the plan follows:

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City Marshal are members of Plan A.

Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service.

Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provided death and disability benefits. Benefits are established or amended by state statute.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the member's salary and remitted by the participating municipality. According to state statute, contributions for all employers are actuarially determined each year. However, subject to certain restrictions, the board of trustees may maintain the employer contribution rate for the next fiscal year at the same rate as the current year if the rate determined by the Public Retirement Systems' Actuarial Committee for the next fiscal year is less than the rate for the current year.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes except for Orleans. Tax monies are apportioned between Plan A and Plan B in proportion to salaries of plan participants. Tax monies received from East Baton Rouge Parish are apportioned between the Municipal Employees' Retirement System and the Employees' Retirement System of the City of Baton Rouge. The System also received revenue sharing funds each year as apportioned by the Legislature. These additional sources of income are used as additional employer contributions.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE F – PENSION PLAN (CONTINUED)

The City Marshal's contributions to the System under Plan A for the years ending December 31, 2020, 2019, and 2018, were \$3,193, \$5,422, and \$3,902, respectively, equal to the required contributions each year.

The Marshal's share of the costs of this plan is included in City of Port Allen, Louisiana's pension liability, deferred outflows of resources, and deferred inflows of resources on their financial statements.

NOTE G – ON-BEHALF PAYMENTS

GASB Statement No. 24, *Accounting and Financial for Certain Grants and Other Financial Assistance*, requires the City Marshal to report in the financial statements on-behalf payments made by the City of Port Allen to the City Marshal's employees. Salary payments are made by the City directly to the employees. The basis for recognizing the revenue and expenditures payments is the actual contribution made by the City. For 2020, the City paid salaries and benefits for the City Marshal. On-behalf payments recorded as revenues and expenditures in the financial statements for 2020 totaled \$21,642.

NOTE H – RELATED PARTY TRANSACTIONS

The West Baton Rouge Council provides accounting and administrative services to the City Marshal. The City Marshal paid the Council \$105,273 for the clerical salary and related benefits during 2020.

The City of Port Allen paid salary and benefits for the City Marshal totaling \$21,642 for 2020. The City of Port Allen also provided office facilities for the City Marshal.

NOTE I – JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There was no litigation pending against the City Marshal as of December 31, 2020. City Marshal's management believes that any potential lawsuits would be covered by insurance or resolved without any material impact upon the City Marshal's financial statements. No claims were paid out or litigation costs incurred during the year ended December 31, 2020.

NOTE J – RISK RETENTION

The City Marshal is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee medical insurance; and natural disasters. The City Marshal carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. Historically, the insurance coverage has been sufficient to cover these risks.

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE K – NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED

GASB Statement 87, Leases: This standard will require all leases to be reported on the statement of net positions under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases including those previously reported as operating leases. All leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The Marshal will include the requirements of this standard, as applicable, in its December 31, 2022 financial statement. All of the Marshal's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Marshal is unknown at this time.

NOTE L – SUBSEQUENT EVENTS

These financial statements considered subsequent events through June 24, 2021, the date the financial statements were available to be issued and determined that there were no events that require disclosure. As a result of COVID-19 coronavirus, economic uncertainties have arisen which are likely to have a negative impact on operations and cause business disruption. However, the related financial impact and duration cannot be reasonably estimated at this time. The City Marshal is closely monitoring its financial statements for 2021 impacts.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE				
Intergovernmental				
City Court fines and off duty reimbursements	\$ 300,000	\$ 300,000	\$ 302,410	\$ 2,410
Witness fees	16,000	16,000	15,338	(662)
On-behalf payments	-	-	21,642	21,642
Investment income	1,500	1,500	1,473	(27)
TOTAL REVENUES	<u>317,500</u>	<u>317,500</u>	<u>340,863</u>	<u>23,363</u>
EXPENDITURES				
Current operations				
Public Safety:				
Deputy marshal fees paid	100,000	100,000	95,791	4,209
Other salaries	115,000	115,000	105,273	9,727
On-behalf payments	-	-	21,642	(21,642)
Municipal employee retirement	5,000	5,000	3,193	1,807
Auto expense	10,000	10,000	9,505	495
Repairs and maintenance	500	500	121	379
Uniforms	1,500	1,500	1,463	37
Travel - Seminars & training	2,000	2,000	2,110	(110)
Office expense	500	500	110	390
Insurance	16,000	16,000	14,613	1,387
Supplies	500	500	260	240
Dues and subscriptions	500	500	525	(25)
Legal & accounting	12,000	12,000	11,500	500
Miscellaneous	500	500	28	472
Capital outlay	2,000	2,000	-	2,000
TOTAL EXPENDITURES	<u>266,000</u>	<u>266,000</u>	<u>266,134</u>	<u>(134)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	51,500	51,500	74,729	23,229
FUND BALANCE, BEGINNING OF YEAR	<u>1,171,545</u>	<u>1,171,545</u>	<u>1,171,545</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,223,045</u>	<u>\$ 1,223,045</u>	<u>\$ 1,246,274</u>	<u>\$ 23,229</u>

Notes to Budgetary Comparison Schedule:

- 1.) The Budget was prepared using the Modified Accrual Basis of Accounting (GAAP)
- 2.) There were no amendments to the 2020 Budget.

See independent accountant's review report.

OTHER SUPPLEMENTARY INFORMATION

CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2020

Agency Head Name: Michael A. Zito, City Marshal

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary (On-behalf payments)	\$ 21,642
Benefits - insurance	5,950
Benefits - retirement	2,960
Benefits - other	276
Per diem	3,800
Reimbursements	-
Continuing professional education fees	475
Meals	280
TOTAL	\$ 35,383

See independent accountant's review report.

CITY MARSHAL OF PORT ALLEN
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED DECEMBER 31, 2020

Entity Name: City Marshal of Port Allen
LLA Entity ID#: 5665
Date That Reporting Period Ended: 12/31/2020

Cash Basis Presentation	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Receipts From:		
City Court of Port Allen - Civil Fees	\$ 65,781	\$ 85,771
Total Receipts	65,781	85,771
Ending balance of amounts assessed but not received	\$ -	\$ 10,143

See independent accountant's review report.

OTHER REPORTS

BAXLEY AND ASSOCIATES, LLC

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58225 Belleview Drive
Plaquemine, Louisiana 70764
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Margaret A. Pritchard, CPA/CGMA
Matthew L. Berthelot, CPA

Staci H. Joffrion, CPA/CGMA

Hugh F. Baxley, CPA/CGMA/CVA – Retired

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To Michael Zito
City Marshal of Port Allen
Port Allen, Louisiana
And the Louisiana Legislative Auditor's Office

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of City Marshal of Port Allen and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about City Marshal of Port Allen's compliance with certain laws and regulations during the year ended December 31, 2020 included in the accompanying Louisiana Attestation Questionnaire. Management of City Marshal of Port Allen is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

We scanned the year-to-date general ledger for any expenditure purchases that exceeded \$30,000. There were no purchases that exceeded the limits.

Code of Ethics for Public Officials and Public Employees

Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics).

Management provided us with the required list including the noted information.

Obtain a list of all employees paid during the fiscal year.

Management provided us with the required list including the noted information.

Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

No immediate family members appeared on the list of the City Marshal's employees.

Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided us with a list of all disbursements made during the year and a list of outside business interests. Per management, there were no outside business interests noted for employees and employees' immediate families.

Budgeting

Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments made to the budget during the year.

Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

The City Marshal is an independently elected official, therefore there is no minute book.

Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to the actual revenues and expenditures. Actual revenues did not fail to meet budgeted amounts by 5%. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

We examined supporting documentation for each of the six randomly selected disbursements and found all disbursements agreed to the amount and payee in the supporting documentation, were coded to the correct fund and general ledger account, and were approved by management in accordance with the policies and procedures.

Meetings

Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

The City Marshal is an independently elected official that is responsible for oversight of the entity. Therefore, there are no minutes to examine.

Debt

Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We examined payroll records for the year and noted no instances which would indicate payments to employees with would constitute bonuses, advances, or gifts.

State Audit Law

Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The City Marshal provided for a timely report in accordance with R.S. 24:513.

Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 37:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (audit law).

The City Marshal did not enter into any contracts that utilized state funds.

Prior Comments and Recommendations

Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

The prior year report dated June 26, 2020 did not include any prior-year suggestions, recommendations, and/or comments that needed to be resolved.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures; other matters might have come to our attention that would have been included in this report.

This report is intended for the use of management of the City Marshal of Port Allen and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Barley & Associates, LLC

Plaquemine, Louisiana
June 24, 2021

**CITY MARSHAL OF PORT ALLEN
A COMPONENT UNIT OF THE CITY OF PORT ALLEN
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

There were no findings noted in the current year.

**CITY MARSHAL OF PORT ALLEN
A COMPONENT UNIT OF THE CITY OF PORT ALLEN
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020**

There were no findings in the prior year.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

_____ (Date Transmitted)

Baxley and Associates, LLC

P.O. Box 482

Plaquemine, LA 70765-0482

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No []

The previous responses have been made to the best of our belief and knowledge.

[Signature] Marshal 6-15-21 Date