



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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(Retired) 1963 - 2000

July 1, 2022

Mayor Charles Finlayson  
City of Tallulah  
204 North Cedar St.  
Tallulah, LA 71282

Dear Mayor Finlayson:

We are pleased to confirm our acceptance and understanding of the services we are to provide for the City of Tallulah for the year ended June 30, 2023.

You have requested that we prepare the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Tallulah as of and the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and perform a compilation engagement with respect to those financial statements. The required supplementary information and supplementary information accompanying the financial statements will be presented for purposes of additional analysis. Such information is the responsibility of management. The required supplementary information and supplementary information will be subject to our compilation agreement. We will not audit or review the required supplementary information and supplementary information and will not express an opinion, or a conclusion, nor provide any assurance on such information.

We will assist you in adjusting the books of accounts with the objective to prepare a working trial balance from which financial statements can be prepared. We will also perform other bookkeeping services as listed on page 4 attachment.

## Our Responsibilities

The objective of our engagement is to:

1. prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you, and
2. apply accounting and financial reporting expertise to assist you in the presentation of the financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepting in the United States of America.

We will conduct our compilation engagement in accordance with Statements of Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the applicable professional standards, including the AICPA's *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the bookkeeping services, preparing the financial statements, and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, or a conclusion, nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our compilation procedures regarding any wrongdoing within the entity or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

### **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of financial statements.
2. The preparation and the fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
3. 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.
4. The prevention and detection of fraud.
5. To ensure that the City complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
7. To provide us with:
  - a) access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) additional information that we may request from you for the purpose of the compilation engagement.
  - c) unrestricted access to persons within the City of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our bookkeeping services and the preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

**Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. There may be circumstances in which the report differs from the expected form and content. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

We are not independent with respect to the City of Tallulah and will disclose that we are not independent in our compilation report.

You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to the inclusion of the report, to ask our permission to do so.

**Other Relevant Information**

Cindy Thomason is the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

The fee for these services will be based on actual hours incurred at a discounted hourly rate of \$125 plus travel expenses for the compilation and bookkeeping services for the fiscal year ended June 30, 2023. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. Our invoices for this fee will be rendered each month as work progresses and will be payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

You agree to release, indemnify, defend, and hold us harmless and us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us or resulting from any actions against us by third parties relying on the financial statements described herein except for our own intentional wrongdoing.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Sincerely,



Cindy Thomason, CPA  
Principal

Acknowledged:

City of Tallulah

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

### Services to Be Provided

**Monthly:**

- Completion of bank reconciliations
- Review of general ledger transactions for correct posting
- Preparing monthly journal entries
- Preparing correcting journal entries
- Assist in keying in receipts and bank transfers
- Maintain capital asset listing and depreciation schedule

**Annually:**

- Prepare compilation of financial statements, including footnote disclosures
- Prepare the schedule of expenditures of federal awards and related notes, if applicable
- Provide working papers to auditor for financial statement accounts
- Assist the client during the audit process
- Filing the audited financial statements with EMMA for compliance with continuing disclosure requirements for Water Fund bonds.