

**204 North Cedar Street
Tallulah, Louisiana 71282
Telephone (318) 574-0964
Fax (318) 574-2773
www.cityoftallulah.org**



City of Tallulah
Office of the Mayor
Regular Council Meeting Agenda

Thursday, August 24, 2023
5:30 P.M., City Hall

**Charles M. Finlayson
Mayor
Joseph Scott
District 1
Lisa Houston
District 2
Carla Turner-Harris
District 3
Marjorie Day
District 4
Toriano Wells
District 5**

1. Call to Order
2. Pledge of Allegiance & Prayer
3. Roll-Call
4. Public Comments on the Agenda
5. Approve Minutes of the August 10, 2023, Regular Meeting
6. Section 8 Report
7. Review of General Fund Financials through July 2023
8. Acceptance of Dreher Contracting Bid for FY 22 LCDBG Street Project (Tank St, University Street and Florida Street)
9. Approval of Louisiana Compliance Questionnaire
10. Approval FY 23 City of Tallulah Audit Engagement Letters – LaPorte CPAs and Business Advisors
11. Mayor's Update
 - a. Water
 - b. Re-Districting Areas
 - c. Brownfield Grant Public Meeting – September 11, 2023
12. Public Comments (please limit to three minutes)
13. Adjourn

Special Accommodations

Any person needing reasonable accommodations to attend a public meeting held by the Tallulah City Council should contact Gerald Odom at 318-574-0964 three (3) days prior to the meeting date. If further information is needed, please contact Mr. Odom at the number listed above.

“This Institution is an Equal Opportunity Employer/Provider”

Regular Council Meeting
City of Tallulah
August 10, 2023

A regular meeting of the Mayor and City Council was held on Thursday, August 10, 2023, at 5:30 P. M., in the Council Room Chamber of Tallulah City Hall.

Mayor Charles M. Finlayson called the meeting to order, led the Pledge of Allegiance, and allowed a moment of silent prayer.

A roll call of Councilmembers is listed as follows:

Scott	Present
Houston	Present
Harris	Present
Day	Present
Wells	Present

Public comments consisted primarily of : Councilmember Wells advocated proper correction of the minutes, and that corrections to some of his statements had not been accurate. . Former Mayor Hayden was in full agreement as well and further advocated his ideas. Ms. Janet Clark stressed word for word reporting regarding some statements, and she also gave her opinion on the finances of the Water Company, and how the financing situation for rehabilitation could have been handled better. Councilmember Wells ended his remarks by calling for a motion to include public sentiment and comments in the minutes and motioned to that effect. The motion died for lack of a second.

Motion and second to approve the July 13, 2023, minutes, with corrections, were made buy Councilmembers Day and Houston respectively and a roll call vote is listed as follows:

Scott	Yea
Houston	Yea
Harris	Yea
Day	Yea
Wells	Nay

Motion carried. The regularly scheduled Council Meeting for July 27, 2023 was not held for lack of a quorum.

Ms. Joy Sims, LSU Extension Office gave a presentation on “Complete Streets” in which she outlined the formation of a partnership between local and state governments for the improvement of streets in local jurisdictions. State DODT will pay the cost of the street project. However, if the cost of the plan is more than 20 per cent of projected cost, the local government shall pay for the excess.

The annual Audit Engagement Letters from LaPorte, CPA's, for the City's Financial and Procedures audits were up for adoption, but the Council stood in agreement with Councilmember Wells that the State Compliance Questionnaire should be reviewed prior to the audit engagement letters. Subsequent motion to table action until the compliance questionnaire is reviewed was made by Councilmember Harris, and a roll call vote is shown as follows:

Scott	Yea
Houston	Yea
Harris	Yea
Day	Yea
Wells	Yea

Motion carried unanimously.

During his report, Mayor Charles Finlayson gave a briefing on the water rehabilitation program giving a timetable as close as possible to reality. He further stated that the Letter of Conditions had been met, and that loan documents are now approved by USDA prior to the sending out for bids.

Former Mayor, Gloria Hayden addressed the public explaining actions she took as mayor and the positive results of those actions. She was critical of the City's water being discolored and called for corrective measures at the plant as well as the distribution system.

The time given for public comments mostly was used for complaints about water and discussions about how to improve it and the need to repair significant leaks.

There being no further business to discuss, the meeting was adjourned on motion and second of Councilmembers Day and Houston which carried unanimously.

Attest:

Gerald L Odom, City Clerk

Charles M. Finlayson, Mayor

City of Tallulah - General Fund

For the 1 Period(s) Ending July 31, 2023

Consolidated Departments

	CURR MONTH		CURR MONTH		YEAR TO DATE		YEAR TO DATE		% USED	ANNUAL
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET			
PROPERTY TAX	\$	\$	\$	\$	\$	\$	\$		\$	
FIRE PROPERTY TAX		1,407.86	1,407.86	1,800.00	1,407.86	1,407.86	0.01	370,000.00		
BEER TAX	1,800.00	1,407.38	(392.62)	1,800.00	1,407.38	(392.62)	0.15	101,000.00		
SALES TAX	136,715.00	147,367.25	10,652.25	136,715.00	147,367.25	10,652.25	0.08	9,200.00		
INSURANCE PREMIUM	35,000.00	11,454.67	(23,545.33)	35,000.00	11,454.67	(23,545.33)	0.16	1,783,000.00		
OCCPTNL LICENSE	300.00	223.13	(76.87)	300.00	223.13	(76.87)	0.20	73,750.00		
FRANCHISE FEE	40,000.00	29,096.55	(10,903.45)	40,000.00	29,096.55	(10,903.45)	0.06	64,900.00		
VIDEO POKER		7,531.18	7,531.18		7,531.18	7,531.18	0.05	147,100.00		
SUPPLEMENTAL PAY	4,800.00	3,000.00	(1,800.00)	4,800.00	3,000.00	(1,800.00)	0.05	117,420.00		
BUILDING PERMITS	185.00		(185.00)	185.00		(185.00)		57,600.00		
GAS INSPECTIONS	100.00		(100.00)	100.00		(100.00)		2,220.00		
ALCOHOL PERMITS								1,200.00		
CITY FINES	25,000.00	24,935.00	(65.00)	25,000.00	24,935.00	(65.00)	0.08	5,800.00		
COURT FEES	800.00	840.00	40.00	800.00	840.00	40.00	0.09	300,000.00		
BOND FEES	3,000.00	2,460.00	(540.00)	3,000.00	2,460.00	(540.00)	0.07	9,600.00		
STATE HWY MTNCE								36,000.00		
RENT INC - CMNTY CTR	1,600.00	550.00	(1,050.00)	1,600.00	550.00	(1,050.00)	0.04	7,000.00		
MISC INCOME	500.00		(500.00)	500.00		(500.00)	0.08	13,000.00		
ACCOUNTING FEES	6,000.00	6,000.00		6,000.00	6,000.00		0.20	57,500.00		
INTEREST INCOME	300.00	706.63	406.63	300.00	706.63	406.63		72,000.00		
FIRE PRCTCTN SVCS	500.00		(500.00)	500.00		(500.00)		3,600.00		
FUND TRANSFERS	1,000.00		(1,000.00)	1,000.00		(1,000.00)		6,000.00		
2% INSURANCE								12,000.00		
LOT CLEANING								45,000.00		
ACCIDENT, BACKGROUND		315.00	315.00		315.00	315.00	0.07	1,600.00		
Total Revenues	\$ 257,600.00	\$ 237,294.65	\$(20,305.35)	\$ 257,600.00	\$ 237,294.65	\$(20,305.35)	0.07	\$ 3,296,490.00		
Total Revenues	\$ 257,600.00	\$ 237,294.65	\$(20,305.35)	\$ 257,600.00	\$ 237,294.65	\$(20,305.35)	0.07	\$ 3,296,490.00		
SALARIES	\$ 115,450.00	\$ 107,630.44	\$(7,819.56)	\$ 115,450.00	\$ 107,630.44	\$(7,819.56)	0.07	\$ 1,478,935.00		
SALARIES-VOLUNTEER	1,550.00	1,680.00	130.00	1,550.00	1,680.00	130.00	0.09	18,600.00		
SALARIES-CNCL MBRS	5,000.00	5,000.00		5,000.00	5,000.00		0.08	60,000.00		
SUPPLEMENTAL PAY	4,800.00	3,000.00	(1,800.00)	4,800.00	3,000.00	(1,800.00)	0.05	57,600.00		
SUPPLIES	8,825.00	11,314.76	2,489.76	8,825.00	11,314.76	2,489.76	0.11	105,900.00		
EQUIPMENT R/L	1,580.00	1,143.52	(436.48)	1,580.00	1,143.52	(436.48)	0.06	18,960.00		
VEHICLE MTNCE	4,000.00	2,143.11	(1,856.89)	4,000.00	2,143.11	(1,856.89)	0.04	48,000.00		
GAS & OIL	7,200.00	7,936.33	736.33	7,200.00	7,936.33	736.33	0.09	86,400.00		
REPAIRS & MTNCE	11,150.00	12,414.18	1,264.18	11,150.00	12,414.18	1,264.18	0.09	86,400.00		
TELEPHONE	3,605.00	3,277.19	(327.81)	3,605.00	3,277.19	(327.81)	0.08	43,215.00		
UTILITIES	5,390.00	4,182.26	(1,207.74)	5,390.00	4,182.26	(1,207.74)	0.08	53,560.00		

City of Tallulah - General Fund

For the 1 Period(s) Ending July 31, 2023

Consolidated Departments

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
WORKER'S COMP	5,325.00	4,910.02	(414.98)	5,325.00	4,910.02	(414.98)	0.08	63,900.00
TRAVEL-ALDERMEN	2,400.00	1,750.00	(650.00)	2,400.00	1,750.00	(650.00)	0.22	7,900.00
TRAVEL EXPENSE	1,525.00	2,370.00	845.00	1,525.00	2,370.00	845.00	0.10	24,050.00
DUES,SBCSCTS,ADS	700.00	50.00	(650.00)	700.00	50.00	(650.00)	0.01	9,050.00
UNIFORMS	2,075.00	804.46	(1,270.54)	2,075.00	804.46	(1,270.54)	0.03	26,400.00
TRAINING	550.00		(550.00)	550.00		(550.00)		6,600.00
MEDICAL INSURANCE	9,295.00	8,682.35	(612.65)	9,295.00	8,682.35	(612.65)	0.08	111,540.00
SPECIAL MTNCE - CITY	1,000.00	3,008.93	2,008.93	1,000.00	3,008.93	2,008.93	0.25	12,000.00
CAPITAL OUTLAY				500.00		(500.00)		80,000.00
LEGAL ADVERTISING	500.00		(500.00)	500.00		(500.00)		6,000.00
STREET LIGHTING				7,000.00	6,281.45	(718.55)	0.07	84,000.00
TAX ROLL EXPENSE	7,000.00	6,281.45	(718.55)	7,000.00	6,281.45	(718.55)		3,500.00
DEBT SERVICE								44,800.00
PARKING LOT LEASE	100.00	100.00		100.00	100.00		0.08	1,200.00
VEHICLE INSURANCE	9,600.00	7,479.23	(2,120.77)	9,600.00	7,479.23	(2,120.77)	0.06	115,200.00
INSURANCE	3,275.00	2,901.25	(373.75)	3,275.00	2,901.25	(373.75)	0.07	39,300.00
BANK CHARGE	2,450.00	1,666.15	(783.85)	2,450.00	1,666.15	(783.85)	0.06	29,400.00
LEGAL EXPENSE	4,750.00	1,800.00	(2,950.00)	4,750.00	1,800.00	(2,950.00)	0.03	57,000.00
LEGAL SETTLEMENT	2,500.00	2,500.00		2,500.00	2,500.00		0.08	30,000.00
ACCOUNTING SVCS	3,270.00	1,845.00	(1,425.00)	3,270.00	1,845.00	(1,425.00)	0.05	39,240.00
COMPUTER CNSLTNTS	1,380.00	2,475.00	1,095.00	1,380.00	2,475.00	1,095.00	0.15	16,560.00
AUDIT FEES								25,000.00
RECORDING FEES								750.00
DRUG TESTING	150.00	151.00	1.00	150.00	151.00	1.00	0.08	1,800.00
EMPLOYEE PNSN PLAN	4,775.00	4,595.40	(179.60)	4,775.00	4,595.40	(179.60)	0.08	57,300.00
CORONER FEES	1,200.00	300.00	(900.00)	1,200.00	300.00	(900.00)	0.02	14,400.00
VENDOR CLECTN EXP	1,500.00	1,877.96	377.96	1,500.00	1,877.96	377.96	0.10	18,000.00
A/PORT EXPENSE	3,000.00	4,517.54	1,517.54	3,000.00	4,517.54	1,517.54	0.13	36,000.00
POLICE PENSION PLAN	5,300.00	3,234.05	(2,065.95)	5,300.00	3,234.05	(2,065.95)	0.05	63,600.00
SOCIAL SEC TAX	9,180.00	8,419.16	(760.84)	9,180.00	8,419.16	(760.84)	0.07	114,180.00
UNEMPLYMT TAX	490.00	63.99	(426.01)	490.00	63.99	(426.01)	0.01	8,610.00
ELECTION EXPENSE								20,600.00
POSTAGE	150.00	106.22	(43.78)	150.00	106.22	(43.78)	0.04	2,400.00
VETERANS SERVICE								2,000.00
ALDERMEN EXPENSES		20.02	20.02		20.02	20.02		
TRANSFER PAYMENTS		2,000.00	2,000.00		2,000.00	2,000.00		
Total Operating Expenses	\$ 251,990.00	\$ 233,630.97	\$ (18,359.03)	\$ 251,990.00	\$ 233,630.97	\$ (18,359.03)	0.07	\$ 3,277,250.00

City of Tallulah - General Fund

For the 1 Period(s) Ending July 31, 2023

Police

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
SALARIES	\$ 42,300.00	\$ 39,502.14	\$(2,797.86)	\$ 42,300.00	\$ 39,502.14	\$(2,797.86)	0.07	\$ 549,900.00
SUPPLEMENTAL PAY	2,400.00	1,200.00	(1,200.00)	2,400.00	1,200.00	(1,200.00)	0.04	28,800.00
SUPPLIES	2,000.00	3,049.73	1,049.73	2,000.00	3,049.73	1,049.73	0.13	24,000.00
EQUIPMENT R/L	480.00	744.98	264.98	480.00	744.98	264.98	0.13	5,760.00
VEHICLE MTNCE	1,250.00	811.98	(438.02)	1,250.00	811.98	(438.02)	0.05	15,000.00
GAS & OIL	3,800.00	3,988.93	188.93	3,800.00	3,988.93	188.93	0.09	45,600.00
REPAIRS & MTNCE	500.00		(500.00)	500.00		(500.00)		6,000.00
TELEPHONE	800.00	1,676.43	876.43	800.00	1,676.43	876.43	0.17	9,600.00
UTILITIES	550.00	614.32	64.32	550.00	614.32	64.32	0.09	6,600.00
WORKER'S COMP	1,250.00	1,210.71	(39.29)	1,250.00	1,210.71	(39.29)	0.08	15,000.00
TRAVEL EXPENSE		350.00	350.00		350.00	350.00	0.08	4,350.00
DUES, SBSCRPTS, ADS	200.00		(200.00)	200.00		(200.00)		1,300.00
UNIFORMS	500.00	116.00	(384.00)	500.00	116.00	(384.00)	0.02	7,500.00
TRAINING	250.00		(250.00)	250.00		(250.00)		3,000.00
MEDICAL INSURANCE	3,900.00	3,671.73	(228.27)	3,900.00	3,671.73	(228.27)	0.08	46,800.00
CAPITAL OUTLAY								80,000.00
VEHICLE INSURANCE	3,800.00	3,065.61	(734.39)	3,800.00	3,065.61	(734.39)	0.07	45,600.00
INSURANCE	600.00	512.45	(87.55)	600.00	512.45	(87.55)	0.07	7,200.00
EMPLOYEE PNSN PLAN	1,375.00	1,312.50	(62.50)	1,375.00	1,312.50	(62.50)	0.08	16,500.00
POLICE PENSION PLAN	5,300.00	3,234.05	(2,065.95)	5,300.00	3,234.05	(2,065.95)	0.05	63,600.00
SOCIAL SEC TAX	3,100.00	2,486.98	(613.02)	3,100.00	2,486.98	(613.02)	0.07	37,200.00
UNEMPLYMT TAX	50.00	33.74	(16.26)	50.00	33.74	(16.26)	0.01	3,785.00
POSTAGE		35.15	35.15		35.15	35.15	0.06	600.00
Total Operating Expenses	\$ 74,405.00	\$ 67,617.43	\$(6,787.57)	\$ 74,405.00	\$ 67,617.43	\$(6,787.57)	0.07	\$ 1,023,695.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Fire

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
SALARIES	\$ 18,000.00	\$ 17,362.35	(\$ 637.65)	\$ 18,000.00	\$ 17,362.35	(\$ 637.65)	0.07	\$ 234,000.00
SALARIES-VOLUNTEER	1,550.00	1,680.00	130.00	1,550.00	1,680.00	130.00	0.09	18,600.00
SUPPLEMENTAL PAY	2,400.00	1,800.00	(600.00)	2,400.00	1,800.00	(600.00)	0.06	28,800.00
SUPPLIES	2,500.00	3,282.86	782.86	2,500.00	3,282.86	782.86	0.11	30,000.00
VEHICLE MTNCE	1,200.00	389.00	(811.00)	1,200.00	389.00	(811.00)	0.03	14,400.00
GAS & OIL	1,000.00	757.51	(242.49)	1,000.00	757.51	(242.49)	0.06	12,000.00
REPAIRS & MTNCE	1,200.00	245.46	(954.54)	1,200.00	245.46	(954.54)	0.02	14,400.00
TELEPHONE	1,350.00	595.78	(754.22)	1,350.00	595.78	(754.22)	0.04	16,200.00
UTILITIES	1,800.00	995.62	(804.38)	1,800.00	995.62	(804.38)	0.07	15,000.00
WORKER'S COMP	1,400.00	1,175.40	(224.60)	1,400.00	1,175.40	(224.60)	0.07	16,800.00
TRAVEL EXPENSE	100.00		(100.00)	100.00		(100.00)		2,600.00
DUES,SBSCRPTS,ADS								1,750.00
UNIFORMS	300.00		(300.00)	300.00		(300.00)		3,600.00
TRAINING	200.00		(200.00)	200.00		(200.00)		2,400.00
MEDICAL INSURANCE	2,120.00	1,332.49	(787.51)	2,120.00	1,332.49	(787.51)	0.05	25,440.00
DEBT SERVICE - PRINCIP								44,800.00
VEHICLE INSURANCE	3,000.00	2,885.15	(114.85)	3,000.00	2,885.15	(114.85)	0.08	36,000.00
INSURANCE	600.00	557.14	(42.86)	600.00	557.14	(42.86)	0.08	7,200.00
SOCIAL SEC TAX	1,800.00	1,375.56	(424.44)	1,800.00	1,375.56	(424.44)	0.06	23,400.00
UNEMPLYMT TAX	100.00	3.05	(96.95)	100.00	3.05	(96.95)		1,200.00
Total Operating Expenses	\$ 40,620.00	\$ 34,437.37	(\$ 6,182.63)	\$ 40,620.00	\$ 34,437.37	(\$ 6,182.63)	0.06	\$ 548,590.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Street

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
SALARIES	\$ 29,040.00	\$ 25,531.45	\$ (3,508.55)	\$ 29,040.00	\$ 25,531.45	\$ (3,508.55)	0.07	\$ 377,520.00
SUPPLIES	2,625.00	3,835.69	1,210.69	2,625.00	3,835.69	1,210.69	0.12	31,500.00
EQUIPMENT R/L	100.00	10.00	(90.00)	100.00	10.00	(90.00)	0.01	1,200.00
VEHICLE MTNCE	1,550.00	942.13	(607.87)	1,550.00	942.13	(607.87)	0.05	18,600.00
GAS & OIL	2,400.00	3,166.22	766.22	2,400.00	3,166.22	766.22	0.11	28,800.00
REPAIRS & MTNCE	7,000.00	6,923.42	(76.58)	7,000.00	6,923.42	(76.58)	0.08	84,000.00
TELEPHONE	100.00		(100.00)	100.00		(100.00)		1,200.00
UTILITIES	415.00	626.75	211.75	415.00	626.75	211.75	0.09	7,265.00
WORKERS COMP	1,850.00	1,757.36	(92.64)	1,850.00	1,757.36	(92.64)	0.08	22,200.00
TRAVEL EXPENSE	50.00		(50.00)	50.00		(50.00)		600.00
UNIFORMS	1,200.00	648.18	(551.82)	1,200.00	648.18	(551.82)	0.05	14,400.00
MEDICAL INSURANCE	1,300.00	1,524.72	224.72	1,300.00	1,524.72	224.72	0.10	15,600.00
SPECIAL MTNCE - CITY	1,000.00	3,008.93	2,008.93	1,000.00	3,008.93	2,008.93	0.25	12,000.00
STREET LIGHTING	7,000.00	6,281.45	(718.55)	7,000.00	6,281.45	(718.55)	0.07	84,000.00
VEHICLE INSURANCE	2,800.00	1,528.47	(1,271.53)	2,800.00	1,528.47	(1,271.53)	0.05	33,600.00
INSURANCE	575.00	546.79	(28.21)	575.00	546.79	(28.21)	0.08	6,900.00
SOCIAL SEC TAX	2,220.00	1,874.42	(345.58)	2,220.00	1,874.42	(345.58)	0.06	28,860.00
UNEMPLYMT TAX	215.00	21.53	(193.47)	215.00	21.53	(193.47)	0.01	1,725.00
Total Operating Expenses	\$ 61,440.00	\$ 58,227.51	\$ (3,212.49)	\$ 61,440.00	\$ 58,227.51	\$ (3,212.49)	0.08	\$ 769,970.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Mayor's Office

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
SALARIES	\$ 24,000.00	\$ 23,124.50	\$(875.50)	\$ 24,000.00	\$ 23,124.50	\$(875.50)	0.08	\$ 288,000.00
SALARIES-CNCL MBRS	5,000.00	5,000.00		5,000.00	5,000.00		0.08	60,000.00
SUPPLIES	1,200.00	603.82	\$(596.18)	1,200.00	603.82	\$(596.18)	0.04	14,400.00
EQUIPMENT R/L	1,000.00	388.54	\$(611.46)	1,000.00	388.54	\$(611.46)	0.03	12,000.00
GAS & OIL		23.67	23.67		23.67	23.67		
REPAIRS & MTNCE	700.00	1,790.00	1,090.00	700.00	1,790.00	1,090.00	0.21	8,400.00
TELEPHONE	1,200.00	936.11	\$(263.89)	1,200.00	936.11	\$(263.89)	0.07	14,400.00
UTILITIES	900.00	444.24	\$(455.76)	900.00	444.24	\$(455.76)	0.05	8,420.00
WORKERS COMP	700.00	656.39	\$(43.61)	700.00	656.39	\$(43.61)	0.08	8,400.00
TRAVEL-ALDERMEN	2,400.00	1,750.00	\$(650.00)	2,400.00	1,750.00	\$(650.00)	0.22	7,900.00
TRAVEL EXPENSE	1,375.00	2,020.00	645.00	1,375.00	2,020.00	645.00	0.12	16,500.00
DUES,SBSCRPTS,ADS	500.00	50.00	\$(450.00)	500.00	50.00	\$(450.00)	0.01	6,000.00
TRAINING	100.00		\$(100.00)	100.00		\$(100.00)		1,200.00
MEDICAL INSURANCE	1,250.00	1,454.50	204.50	1,250.00	1,454.50	204.50	0.10	15,000.00
LEGAL ADVERTISING	500.00		\$(500.00)	500.00		\$(500.00)		6,000.00
TAX ROLL EXPENSE								3,500.00
PARKING LOT LEASE	100.00	100.00		100.00	100.00		0.08	1,200.00
INSURANCE	700.00	1,284.87	584.87	700.00	1,284.87	584.87	0.15	8,400.00
BANK CHARGE	2,450.00	1,666.15	\$(783.85)	2,450.00	1,666.15	\$(783.85)	0.06	29,400.00
LEGAL EXPENSE	4,750.00	1,800.00	\$(2,950.00)	4,750.00	1,800.00	\$(2,950.00)	0.03	57,000.00
LEGAL SETTLEMENT	2,500.00	2,500.00		2,500.00	2,500.00		0.08	30,000.00
ACCOUNTING SVCS	3,270.00	1,845.00	\$(1,425.00)	3,270.00	1,845.00	\$(1,425.00)	0.05	39,240.00
COMPUTER CNSLTNTS	1,380.00	2,475.00	1,095.00	1,380.00	2,475.00	1,095.00	0.15	16,560.00
AUDIT FEES								25,000.00
RECORDING FEES								750.00
DRUG TESTING	150.00	151.00	1.00	150.00	151.00	1.00	0.08	1,800.00
EMPLOYEE PNSN PLAN	3,400.00	3,282.90	\$(117.10)	3,400.00	3,282.90	\$(117.10)	0.08	40,800.00
CORONER FEES	1,200.00	300.00	\$(900.00)	1,200.00	300.00	\$(900.00)	0.02	14,400.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Mayor's Office

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
VENDOR COLLECTN EXP	1,500.00	1,877.96	377.96	1,500.00	1,877.96	377.96	0.10	18,000.00
A/PORT EXPENSE	3,000.00	4,517.54	1,517.54	3,000.00	4,517.54	1,517.54	0.13	36,000.00
SOCIAL SEC TAX	1,875.00	2,531.08	656.08	1,875.00	2,531.08	656.08	0.11	22,500.00
UNEMPLYMT TAX	125.00	5.67	(119.33)	125.00	5.67	(119.33)		1,735.00
ELECTION EXPENSE								20,600.00
POSTAGE	150.00	71.07	(78.93)	150.00	71.07	(78.93)	0.04	1,800.00
VETERANS SERVICE								2,000.00
ALDERMEN EXPENSES		20.02	20.02		20.02	20.02		
TRANSFER PAYMENTS		2,000.00	2,000.00		2,000.00	2,000.00		
Total Operating Expenses	\$ 67,375.00	\$ 64,670.03	\$ (2,704.97)	\$ 67,375.00	\$ 64,670.03	\$ (2,704.97)	0.08	\$ 837,305.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Community Center

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
SALARIES	\$ 2,110.00	\$ 2,110.00	\$	\$ 2,110.00	\$ 2,110.00	\$	0.07	\$ 29,515.00
SUPPLIES	500.00	542.66	42.66	500.00	542.66	42.66	0.09	6,000.00
REPAIRS & MTNCE	1,750.00	3,455.30	1,705.30	1,750.00	3,455.30	1,705.30	0.16	21,000.00
TELEPHONE	155.00	68.87	(86.13)	155.00	68.87	(86.13)	0.04	1,815.00
UTILITIES	1,725.00	1,476.06	(248.94)	1,725.00	1,476.06	(248.94)	0.09	16,275.00
WORKER'S COMP	125.00	110.16	(14.84)	125.00	110.16	(14.84)	0.07	1,500.00
UNIFORMS	75.00	40.28	(34.72)	75.00	40.28	(34.72)	0.04	900.00
MEDICAL INSURANCE	725.00	698.91	(26.09)	725.00	698.91	(26.09)	0.08	8,700.00
INSURANCE	800.00		(800.00)	800.00		(800.00)		9,600.00
SOCIAL SEC TAX	185.00	151.12	(33.88)	185.00	151.12	(33.88)	0.07	2,220.00
UNEMPLYMT TAX								165.00
Total Operating Expenses	\$ 8,150.00	\$ 8,653.36	\$ 503.36	\$ 8,150.00	\$ 8,653.36	\$ 503.36	0.09	\$ 97,690.00

City of Tallulah - General Fund
For the 1 Period(s) Ending July 31, 2023
Recreation

	CURR MONTH BUDGET	CURR MONTH ACTUAL	CURR MONTH VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	% USED BUDGET	ANNUAL BUDGET
OPERATING EXPENSES								
UTILITIES		25.27	25.27		25.27	25.27		
Total Operating Expenses	\$	\$ 25.27	\$ 25.27	\$	\$ 25.27	\$ 25.27	0.00	\$

July 24, 2023

City of Tallulah
204 N. Cedar St.
Tallulah, LA 71282

email and mail: mayorfinlayson@tallulah-la.gov

Attn: Hon. Charles M. Finlayson, Mayor

Re: City of Tallulah
LCDBG Street Improvements
LCDBG NO. 2000727472
Project No. 2208-44-EN

Dear Mayor Finlayson:

Pursuant to bids that were opened at 10:00 AM, Tuesday, July 18, 2023, the following documents are enclosed:

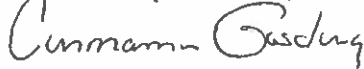
1. Attendance Roster (1 copy).
2. Bid Opening Report (1 copy).
3. Bid Tabulation (1 copy).
4. Budget Summary (1 copy).

Three (3) bids were received, publicly opened and read aloud. The apparent lowest responsible bid was received from Dreher Contracting, LLC, Bastrop, Louisiana, with a total bid with alternate in the amount of \$ 1,161,230.00.

Whereas, the total project amount exceeds available funds (\$799,390) by approximately \$ 361,840, it is our recommendation to hold the bid in abeyance to determine if additional funds can be made available. It should be noted that bids can be held for only 45 days.

Should you have any questions, please feel free to contact us at your convenience.

Service Group Unlimited, LLC



Cinnamon Gooding, P.E.,

Copy to: Mr. Robbie Waxman, Post Office Box 14364,
Monroe, Louisiana 71207-4364 (email and mail w/ enclosures)
SGU File (w/ enclosures)

Service Group Unlimited, LLC
Monroe, LA 71202

BID OPENING REPORT

BIDS WERE OPENED ON: July 18, 2023
FOR: City of Tallulah
PRE-BID ESTIMATE: \$ 748,000

TIME: 10:00 AM
PROJECT NO. 2208-44-EN
PROJECT NAME: FY 2022 LCDBG Street Improvements

RE-BID

1. Womack and Sons Construction Group, LLC \$ No Bid
5739 Highway 8 East
Harrisonburg, LA 71340 Alt. No. 1 \$ (-)

2. T.L. Construction, LLC \$ No Bid
5700 Eddie Williams Ave.
Alexandria, LA 71302 Alt. No. 1 \$ (-)

3. Amethyst Construction, Inc. \$ 1,458,990⁰⁰
215 Industrial Parkway
West Monroe, LA 71291 Alt. No. 1 \$ (151,000⁰⁰)
\$ 1,307,990⁰⁰

4. D&J Construction Co. LLC \$ 1,199,680⁰⁰
602 Well Road
West Monroe, LA 71292 Alt. No. 1 \$ (36,720⁰⁰)
\$ 1,162,960⁰⁰

5. Dreher Contracting, LLC \$ 1,254,035⁰⁰
1115 Elm Street
Bastrop, LA 71220 Alt. No. 1 \$ (92,805⁰⁰)
\$ 1,161,230⁰⁰

Signed: Ken McManis

Dated: July 18, 2023

NOTE: THE ABOVE BID AMOUNTS HAVE NOT BEEN CHECKED. THE BID TOTALS ARE SUBJECT TO CORRECTION AFTER THE BIDS HAVE BEEN COMPLETELY REVIEWED.

**CITY OF TALLULAH
 FY 2022 LCDBG - STREET IMPROVEMENTS
 PROJECT NO. 2208-44-EN**

**BID TABULATION
 RE-BID**

Bids Opened

Date: Tuesday, July 18, 2023

Time: 10:00 A.M.

Place: City of Tallulah, 204 N. Cedar Street, Tallulah, LA 71282

Computed By: Cinnamon Gooding, P.E.

ITEM NO.	DESCRIPTION	QUANTITY & UNIT	1		2		3	
			UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
J. Base Bid								
UNIVERSITY STREET								
401(01)	Shoulder Material (Aggregate)	21 CY	\$ 180.00	\$ 3,780.00	\$ 250.00	\$ 5,250.00	\$ 275.00	\$ 5,775.00
502(01)	1" Asphaltic Concrete, Leveling Course	139 TONS	200.00	27,800.00	175.00	24,325.00	275.00	38,225.00
502(01)	Asphaltic Concrete, Type 3, Wearing Course (2" Thick)	250 TONS	200.00	50,000.00	175.00	43,750.00	235.00	58,750.00
1019	Geotextile Fabric, Type C	2,020 SY	10.00	20,200.00	4.00	8,080.00	12.00	24,240.00
702	Manhole Adjustment	2 EA	2,000.00	4,000.00	4,000.00	8,000.00	3,200.00	6,400.00
510(01)	Pavement Patching (12" Thick)	20 SY	200.00	4,000.00	300.00	6,000.00	375.00	7,500.00
706	Remove and Replace 6" Thick Concrete Sidewalk, Fill	16 SY	250.00	4,000.00	150.00	2,400.00	525.00	8,400.00
S-1	Project Sign	1 EA	5,000.00	5,000.00	2,000.00	2,000.00	1,000.00	1,000.00
TANK STREET								
502(01)	Overlay - Asphaltic Concrete, Type 3, Wearing Course (2" Thick) (Station 0+55 to Station 5+45)	180 TONS	200.00	36,000.00	175.00	31,500.00	235.00	42,300.00
401(01)	Shoulder Material (Aggregate-2" Thick) (Station 0+55 to Station 5+45)	12 CY	190.00	2,280.00	250.00	3,000.00	275.00	3,300.00
203(01)	6" Excavation of Existing Asphalt Road and Base (Station 5+45 to Station 18+10)	555 CY	45.00	24,975.00	30.00	16,650.00	75.00	41,625.00
302(01)	8" Thick Class II Crushed Stone (Station 5+45 to Station 18+10)	745 CY	120.00	89,400.00	150.00	111,750.00	185.00	137,825.00
1019	Geosynthetic, Non-Woven Geotextile Fabric (Station 5+45 to Station 18+10)	3,330 SY	10.00	33,300.00	4.00	13,320.00	10.00	33,300.00
401(01)	Shoulder Material (Aggregate-2" Thick) (Station 5+45 to Station 18+10)	24 CY	200.00	4,800.00	250.00	6,000.00	275.00	6,600.00
502(01)	Asphaltic Concrete, Type 3, Wearing Course (2" Thick) (Station 5+45 to Station 18+10)	375 TONS	200.00	75,000.00	175.00	65,625.00	235.00	88,125.00
702	Manhole Adjustment	4 EA	2,000.00	8,000.00	4,000.00	16,000.00	3,200.00	12,800.00
510(01)	Pavement Patching (12" Thick) (Station 5+45 to Station 18+10)	50 SY	200.00	10,000.00	300.00	15,000.00	165.00	8,250.00
S-1	Project Sign	1 EA	5,000.00	5,000.00	2,000.00	2,000.00	1,000.00	1,000.00
FLORIDA STREET								
203(01)	6" Excavation of Existing Asphalt Road and Base	1,465 CY	50.00	73,250.00	30.00	43,950.00	75.00	109,875.00
302(01)	8" Thick Class II Crushed Stone	1,960 CY	135.00	264,600.00	150.00	294,000.00	185.00	362,600.00
1019	Geosynthetic, Non-Woven Geotextile Fabric	8,770 SY	10.00	87,700.00	4.00	35,080.00	10.00	87,700.00
401(01)	Shoulder Material (Aggregate-2" Thick)	70 CY	200.00	14,000.00	250.00	17,500.00	275.00	19,250.00
502(01)	Asphaltic Concrete, Type 3, Wearing Course (2" Thick)	980 TONS	200.00	196,000.00	175.00	171,500.00	235.00	230,300.00
702	Manhole Adjustment	7 EA	2,000.00	14,000.00	4,000.00	28,000.00	3,200.00	22,400.00
702	Water Valve Adjustment	2 EA	1,350.00	2,700.00	1,000.00	2,000.00	1,250.00	2,500.00

DREHER CONTRACTING, LLC
 BASTROP, LA

D & J CONSTRUCTION
 COMPANY, LLC
 WEST MONROE, LA

AMETHYST CONSTRUCTION, INC.
 WEST MONROE, LA

FLORIDA STREET (CONTINUED)

401(01)	Pavement Patching (12" Thick)	130 SY	\$ 225.00	\$ 29,250.00	\$ 165.00	\$ 21,450.00
713(01)	Temporary Signs & Barricades	JOB	LS	10,000.00	LS	22,500.00
727(01)	Mobilization	JOB	LS	150,000.00	LS	54,000.00
S-1	Project Sign	1 EA	5,000.00	5,000.00	1,000.00	1,000.00
				TOTAL BASE BID AMOUNT		\$1,458,990.00

ONE MILLION, FOUR HUNDRED FIFTY-EIGHT THOUSAND, NINE HUNDRED NINETY DOLLARS & 00/100

ONE MILLION, ONE HUNDRED NINETY-NINE THOUSAND, SIX HUNDRED EIGHTY DOLLARS & 00/100

ONE MILLION, TWO HUNDRED FIFTY-FOUR THOUSAND, THIRTY-FIVE DOLLARS & 00/100

II. Alternate No. 1 (Deduct - Tank Street in Entirety, Add Tank Street Overlay for Entire Length)

502(01)	Tank St. (DEDUCT) Overlay - Asphaltic Concrete, Type 3, Wearing Course (2" Thick) (Station 0+55 to Station 5+45)	180 TONS	\$ 200.00	\$ (36,000.00)	\$ 175.00	\$ (31,500.00)
401(01)	Tank St. (DEDUCT) Shoulder Material (Aggregate-2" Thick) (Station 0+55 to Station 5+45)	12 CY	190.00	(2,280.00)	250.00	(3,000.00)
203(01)	Tank St. (DEDUCT) 6" Excavation of Existing Asphalt Road and Base (Station 5+45 to Station 18+10)	555 CY	45.00	(24,975.00)	30.00	(16,650.00)
302(01)	Tank St. (DEDUCT) 8" Thick Class II Crushed Stone (Station 5+45 to Station 18+10)	745 CY	120.00	(89,400.00)	150.00	(111,750.00)
1019	Tank St. (DEDUCT) Geosynthetic, Non-Woven Geotextile Fabric (Station 5+45 to Station 18+10)	3,330 SY	10.00	(33,300.00)	4.00	(13,320.00)
401(01)	Tank St. (DEDUCT) Shoulder Material (Aggregate-2" Thick) (Station 5+45 to Station 18+10)	24 CY	200.00	(4,800.00)	250.00	(6,000.00)
502(01)	Tank St. (DEDUCT) Asphaltic Concrete, Type 3, Wearing Course (2" Thick) (Station 5+45 to Station 18+10)	375 TONS	200.00	(75,000.00)	175.00	(65,625.00)
702	Tank St. (DEDUCT) Manhole Adjustment	4 EA	2,000.00	(8,000.00)	4,000.00	(16,000.00)
510(01)	Tank St. (DEDUCT) Pavement Patching (12" Thick) (Station 5+45 to Station 18+10)	50 SY	225.00	(11,250.00)	300.00	(15,000.00)
S-1	Tank St. (DEDUCT) Project Sign	1 EA	5,000.00	(5,000.00)	2,000.00	(2,000.00)
502(01)	Tank St. (ADD) Overlay - Asphaltic Concrete, Type 3, Wearing Course (2" Thick) (Station 0+55 to Station 18+10)	555 TONS	200.00	111,000.00	175.00	97,125.00
401(01)	Tank St. (ADD) Shoulder Material (Aggregate-2" Thick) (Station 0+55 to Station 18+10)	36 CY	200.00	7,200.00	250.00	9,000.00
702	Tank St. (ADD) Manhole Adjustment	4 EA	2,000.00	8,000.00	4,000.00	16,000.00
510(01)	Tank St. (ADD) Pavement Patching (12" Thick) (Station 0+55 to Station 18+10)	400 SY	165.00	66,000.00	300.00	120,000.00
S-1	Tank St. (ADD) Project Sign	1 EA	5,000.00	5,000.00	2,000.00	2,000.00
				TOTAL ALTERNATE DEDUCT		\$ (36,720.00)
				TOTAL BASE BID WITH ALTERNATE		\$1,161,230.00

				AMOUNT OF PROPOSAL GUARANTEE		5%
				SURETY		Merchants Bonding Company (Mutual)
				COMMENTS		
				TOTAL ALTERNATE DEDUCT		\$ (151,000.00)
				TOTAL BASE BID WITH ALTERNATE		\$1,307,990.00
				AMOUNT OF PROPOSAL GUARANTEE		5%
				SURETY		Nationwide Mutual Insurance Company
				COMMENTS		

Cinnamon Gooding P.E.
Cinnamon Gooding, P.E.

I hereby certify that the above is a true and correct summary of proposals received.

07-18-23

City of Tallulah
 FY 2022 LCDBG Street Improvements
 Project No. 2208-44-EN
 July 19, 2023

BUDGET SUMMARY

1. Dreher Contracting, LLC		
Bastrop, LA		
Contract Base Bid		\$1,254,035.00
Alternate Deduct		<u>(92,805.00)</u>
Construction Total		\$1,161,230.00

ITEM NO.	CATEGORY	LCDBG Budget	As-Bid Budget
A.	Construction	\$ 799,390	\$ 1,161,230
B.	Basic Engineering	67,150	67,150
C.	Resident Project Rep.	28,780	28,780
D.	Administration	55,000	55,000
E.	Soil Testing and Report	8,000	9,400
	Total Cost	<u>\$958,320</u>	<u>\$1,321,560</u>

Funding Summary

As BID Construction Amount	\$ 1,161,230
LCDBG Funding	<u>(799,390)</u>
 Additional Funds Required	 \$ 361,840

ARPA Funds (Federal Rescue)

Balance as of 7/31/23 \$2,375,771.24

Obligated

Complete Project at Sewer Plant -\$171,200.00
\$2,204,571.24

Shortfall Needed for Streets Project

LCDBG Street Project -\$361,840
\$1,842,731.24

Completing the Sewer Plant Project and using ARPA funds for the LCDBG Project would still leave approximately \$1.8 million towards our Water Plant Rehabilitation.

CITY OF TALLULAH
FEDERAL RESCUE ACCOUNT
204 N CEDAR ST
TALLULAH LA 71282-3813

▶ Contact your Relationship Manager to discuss targeted solutions for your evolving business needs.

ACCOUNT SUMMARY FOR PERIOD JULY 01, 2023 - JULY 31, 2023

Public Funds Int Checking 00002082807568		CITY OF TALLULAH	
Previous Balance 06/30/23	\$2,419,094.50	Number of Days in Cycle	31
0 Deposits/Credits	\$0.00	Minimum Balance This Cycle	\$2,372,594.50
Interest Paid	\$3,176.74	Average Collected Balance	\$2,411,594.50
2 Checks/Debits	(\$46,500.00)	Interest Earned During this Cycle	\$3,176.74
Service Charges	\$0.00	Interest Paid Year-To-Date	\$20,900.85
Ending Balance 07/31/23	\$2,375,771.24	Annual Percentage Yield (This Statement Period)	1.56%

ACCOUNT DETAIL FOR PERIOD JULY 01, 2023 - JULY 31, 2023

Public Funds Int Checking 00002082807568		CITY OF TALLULAH		
<i>Date</i>	<i>Description</i>	<i>Deposits/Credits</i>	<i>Withdrawals/Debits</i>	<i>Resulting Balance</i>
07/27	Check 2010		\$25,500.00	\$2,393,594.50
07/27	Check 2009		\$21,000.00	\$2,372,594.50
07/31	Interest paid	\$3,176.74		\$2,375,771.24
Total		\$3,176.74	\$46,500.00	

Public Funds Int Checking 00002082807568 **CITY OF TALLULAH**

Checks * designates gap in check sequence

<i>Check No.</i>	<i>Date</i>	<i>Amount</i>	<i>Check No.</i>	<i>Date</i>	<i>Amount</i>	<i>Check No.</i>	<i>Date</i>	<i>Amount</i>
2009	07/27	\$21,000.00	2010	07/27	\$25,500.00			

Thank you for banking with us.

**LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Governments)**

Dear Chief Executive Officer:

Attached is the Louisiana Compliance Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of a financial audit of Louisiana state and local government agencies. The completed and signed questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected officials should sign the document, in lieu of such a resolution.

The completed and signed questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the auditor at the beginning of the audit.** The auditor will, during the course of his/her regular audit, test the accuracy of the responses in the questionnaire. It is not necessary to return the questionnaire to the Legislative Auditor's office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the auditor during the course of his/her audit. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Michael J Waguespack, CPA
Louisiana Legislative Auditor

Enclosure

**LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Government Agencies)**

_____ (Date Transmitted)

_____ (CPA Firm Name)

_____ (CPA Firm Address)

_____ (City, State Zip)

In connection with your audit of our financial statements as of _____ and for _____ (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of _____ (date completed/date of the representations).

PART I. AGENCY PROFILE

1 Name and address of the organization.

City of Tallulah
204 N. Cedar Street
Tallulah, LA 71282

2 List the population of the municipality or parish based upon the last official United States Census or most recent official census (municipalities and police juries only) Include the source of the information

7,323 (2020 Decennial Census)

3 List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

See Attachment

4. Period of time covered by this questionnaire.

July 1, 2022 thru June 30, 2023

5 The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R S) and, if applicable, local resolutions/ordinances

Lawrason Act

6 Briefly describe the public services provided

Local Government Services

7. Expiration date of current elected/appointed officials' terms

June 30, 2026

LEGAL COMPLIANCE

PART II. PUBLIC BID LAW

1 The provisions of the public bid law, R.S. Title 38 2211-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with

A) All public works purchases exceeding \$250,000 have been publicly bid

A All material and supply purchases exceeding \$30,000 have been publicly bid

Yes [] No [] N/A []

PART III. CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

9 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 [] N/A []

10. 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 [] N/A []

PART IV. LAWS AFFECTING BUDGETING

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

A. Local Budget Act

1. We have adopted a budget for the general fund and all special revenue funds (R.S. 39:1305).
2. The chief executive officer, or equivalent, has prepared a proposed budget that included a budget message, a proposed budget for the general fund and each special revenue fund, and a budget adoption instrument that defined the authority of the chief executive and administrative officers to make budgetary amendments within various budget classifications without approval by the governing authority, as well as those powers reserved solely to the governing authority. Furthermore, the proposed expenditures did not exceed estimated funds to be available during the period (R.S. 39:1305).
3. The proposed budget was submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year (R.S. 39:1306).
4. To the extent that proposed expenditures were greater than \$500,000, we have made the budget available for public inspection and have advertised its availability in our official journal. The advertisement included the date, time, and place of the public hearing on the budget. Notice has also been published certifying that all actions required by the Local Government Budget Act have been completed (R.S. 39:1307).
5. If required, the proposed budget was made available for public inspection at the location required by R.S. 39:1308.
6. All action necessary to adopt and finalize the budget was completed prior to the date required by state law. The adopted budget contained the same information as that required for the proposed budget (R.S. 39:1309).
7. After adoption, a certified copy of the budget has been retained by the chief executive officer or equivalent officer (R.S. 39:1309).
8. To the extent that proposed expenditures were greater than \$500,000, the chief executive officer or equivalent notified the governing authority in writing during the year when actual receipts plus projected revenue collections for the year failed to meet budgeted revenues by five percent or more, or when actual expenditures plus projected expenditures to year end exceeded budgeted expenditures by five percent or more (R.S. 39:1311).
9. The governing authority has amended its budget when notified, as provided by R.S. 39:1311. (Note, general and special revenue fund budgets should be amended, regardless of the amount of expenditures in the fund, when actual receipts plus projected revenue collections for the year fail to meet budgeted revenues by five percent or more; or when actual expenditures plus projected expenditures to year end exceed budgeted expenditures by five percent or more. State law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$500,000 or less, and exempts special revenue funds whose revenues are expenditure-driven - primarily federal funds-from the requirement to amend revenues.)

Yes No [] N/A []

B. State Budget Requirements

1. The state agency has complied with the budgetary requirements of R.S. 39:33.

Yes No [] N/A []

C. Licensing Boards

1. The licensing board has complied with the budgetary requirements of R.S. 39:1331-1342.

Yes No [] N/A []

PART V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING LAWS

12. We have maintained our accounting records in such a manner as to provide evidence of legal compliance and the preparation of annual financial statements to comply with R.S. 24:513 and 515, and/or 33:463.

Yes No [] N/A []

13. 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 [] N/A []

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

Yes No [] N/A []

15. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes No [] N/A []

16. 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 [] N/A []

17. 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 [] N/A []

18. We have remitted all fees, fines, and court costs collected on behalf of other entities, in compliance with applicable Louisiana Revised Statutes or other laws.

Yes No [] N/A []

19. We have complied with R.S. 24:515.2 regarding reporting of pre- and post-adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No [] N/A []

PART VI. MEETINGS

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

Yes No [] N/A []

PART VII. ASSET MANAGEMENT LAWS

21. We have maintained records of our fixed assets and movable property records, as required by R.S. 24:515 and/or 39:321-332, as applicable.

Yes No [] N/A []

PART VIII. FISCAL AGENCY AND CASH MANAGEMENT LAWS

22. We have complied with the fiscal agency and cash management requirements of R.S. 39:1211-45 and 49:301-327, as applicable.

Yes No [] N/A []

PART IX. DEBT RESTRICTION LAWS

23. It is true we have not incurred any long-term indebtedness 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 [] N/A []

24. We have complied with the debt limitation requirements of state law (R.S. 39:562).
Yes No [] N/A []

25. We have complied with the reporting requirements relating to the Fiscal Review Committee of the State Bond Commission (R.S. 39:1410.62).
Yes No [] N/A []

PART X. REVENUE AND EXPENDITURE RESTRICTION LAWS

26. We have restricted the collections and expenditures of revenues to those amounts authorized by Louisiana statutes, tax propositions, and budget ordinances.
Yes No [] N/A []

27. 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 [] N/A []

28. It is true that no property or things of value have been loaned, pledged, or granted to anyone in violation of Article VII, Section 14 of the 1974 Louisiana Constitution.
Yes No [] N/A []

PART XI. ISSUERS OF MUNICIPAL SECURITIES

29. It is true that we have complied with the requirements of R.S. 39:1438.C.
Yes No [] N/A []

PART XI. QUESTIONS FOR SPECIFIC GOVERNMENTAL UNITS

Parish Governments

30. We have adopted a system of road administration that provides as follows:
A. Approval of the governing authority of all expenditures, R.S. 48:755(A).
B. Development of a capital improvement program on a selective basis, R.S. 48:755.
C. Centralized purchasing of equipment and supplies, R.S. 48:755.
D. Centralized accounting, R.S. 48:755.
E. A construction program based on engineering plans and inspections, R.S. 48:755.
F. Selective maintenance program, R.S. 48:755.
G. Annual certification of compliance to the auditor, R.S. 48:758.
Yes [] No [] N/A []

School Boards

31. We have complied with the general statutory, constitutional, and regulatory provisions of the Louisiana Department of Education, R.S. 17:51-400.
Yes [] No [] N/A []

32. We have complied with the regulatory circulars issued by the Louisiana Department of Education that govern the Minimum Foundation Program.
Yes [] No [] N/A []

33. We have, to the best of our knowledge, accurately compiled the performance measurement data contained in the following schedules and recognize that your agreed-upon procedures will be applied to such schedules and performance measurement data:

Parish school boards are required to report, as part of their annual financial statements, measures of performance. These performance indicators are found in the supplemental schedules:

- Schedule 1, General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
- Schedule 2, Class Size Characteristics

We have also, to the best of our knowledge, accurately compiled the performance measurement data contained in the following schedules, and recognize that although the schedules will not be included in

the agreed-upon procedures report, the content of the schedules will be tested and reported upon by school board auditors in the school board performance measures agreed-upon procedures report:

- Education Levels of Public School Staff
- Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
- Public School Staff Data: Average Salaries

We understand that the content of the first two schedules will be tested and reported upon together.

Yes [] No [] N/A []

Tax Collectors

34. We have complied with the general statutory requirements of R.S. 47.

Yes [] No [] N/A []

Sheriffs

35. We have complied with the state supplemental pay regulations of R.S. 40:1667.7.

Yes [] No [] N/A []

36. We have complied with R.S. 13:5535 relating to the feeding and keeping of prisoners.

Yes [] No [] N/A []

District Attorneys

37. We have complied with the regulations of the DCFS that relate to the Title IV-D Program.

Yes [] No [] N/A []

Assessors

38. We have complied with the regulatory requirements found in R.S. Title 47.

Yes [] No [] N/A []

39. We have complied with the regulations of the Louisiana Tax Commission relating to the reassessment of property.

Yes [] No [] N/A []

Clerks of Court

40. We have complied with R.S. 13:751-917 and applicable sections of R.S. 11:1501-1562.

Yes [] No [] N/A []

Libraries

41. We have complied with the regulations of the Louisiana State Library.

Yes [] No [] N/A []

Municipalities

42. Minutes are taken at all meetings of the governing authority (R.S. 42:20).

Yes [] No [] N/A []

43. Minutes, ordinances, resolutions, budgets, and other official proceedings of the municipalities are published in the official journal (R.S. 43:141-146 and A.G. 86-528).

Yes [] No [] N/A []

44. All official action taken by the municipality is conducted at public meetings (R.S. 42:11 to 42:28).

Yes [] No [] N/A []

Airports

45. We have submitted our applications for funding airport construction or development to the Department of Transportation and Development as required by R.S. 2:802.

Yes [] No [] N/A []

46. We have adopted a system of administration that provides for approval by the department for any expenditures of funds appropriated from the Transportation Trust Fund, and no funds have been

expended without department approval (R.S. 2:810).

Yes [] No [] N/A []

47. All project funds have been expended on the project and for no other purpose (R.S. 2:810).

Yes [] No [] N/A []

48. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 2:811).

Yes [] No [] N/A []

Ports

49. We have submitted our applications for funding port construction or development to the Department of Transportation and Development as required by R.S. 34:3452.

Yes [] No [] N/A []

50. We have adopted a system of administration that provides for approval by the department for any expenditures of funds made out of state and local matching funds, and no funds have been expended without department approval (R.S. 34:3460).

Yes [] No [] N/A []

51. All project funds have been expended on the project and for no other purpose (R.S. 34:3460).

Yes [] No [] N/A []

52. We have established a system of administration that provides for the development of a capital improvement program on a selective basis, centralized purchasing of equipment and supplies, centralized accounting, and the selective maintenance and construction of port facilities based upon engineering plans and inspections (R.S. 34:3460).

Yes [] No [] N/A []

53. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 34:3461).

Yes [] No [] N/A []

Sewerage Districts

54. We have complied with the statutory requirements of R.S. 33:3881-4159.10.

Yes No [] N/A []

Waterworks Districts

55. We have complied with the statutory requirements of R.S. 33:3811-3837.

Yes No [] N/A []

Utility Districts

56. We have complied with the statutory requirements of R.S. 33:4161-4546.21.

Yes [] No [] N/A []

Drainage and Irrigation Districts

57. We have complied with the statutory requirements of R.S. 38:1601-1707 (Drainage Districts); R.S. 38:1751-1921 (Gravity Drainage Districts); R.S. 38:1991-2048 (Levee and Drainage Districts); or R.S. 38:2101-2123 (Irrigation Districts), as appropriate.

Yes [] No [] N/A []

Fire Protection Districts

58. We have complied with the statutory requirements of R.S. 40:1491-1509.

Yes No [] N/A []

Other Special Districts

59. We have complied with those specific statutory requirements of state law applicable to our district.

Yes [] No [] N/A []

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the

foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies 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 this report. We acknowledge our responsibility to disclose to you and the Legislative Auditor any known noncompliance that may occur subsequent to the issuance of your report.

_____	Secretary	_____	Date
_____	Treasurer	_____	Date
_____	President	_____	Date



LaPorte, APAC
8555 United Plaza Blvd. | Suite 400
Baton Rouge, LA 70809
225.296.5150 | Fax 225.296.5151
LaPorte.com

June 30, 2023

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
204 N Cedar Street
Tallulah, LA 71282

Dear Mayor Finlayson and Council Members:

As certified public accountants licensed to practice in Louisiana, LaPorte, A Professional Accounting Corporation (LaPorte, we, us, or our) are pleased to confirm our understanding of the services we are to provide the City of Tallulah, Louisiana (the City) as of and for the year ended June 30, 2023.

The Objective and Scope of the Audit of the Financial Statements

You have requested that LaPorte audit the City's governmental activities, the business-type activities, and each major fund and aggregate remaining fund information, including the notes to the financial statements as of and for the year ended June 30, 2023, which collectively comprise the basic financial statements of the City.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The RSI required by generally accepted accounting principles consists of management's discussion and analysis, and will be subjected to certain limited procedures, but will not be audited.

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Compensation Paid to Members of the City Council
2. Schedule of Compensation, Benefits, and Other Payments to Agency Head
3. Non-Major Balance Sheets and Schedules of Revenue, Expenditures, and Changes in Fund Balances

LOUISIANA • TEXAS

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each is separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

4. Comparative Information Required by Bond Covenant with the U.S. Department of Agriculture
5. Financial Data Schedule

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter (Arrangement Letter).

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*, issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS, GAS, and the *Louisiana Governmental Audit Guide*, authorized by Louisiana Revised Statute 24:513A.(5)(a)(i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants. Those standards or guides require that we comply with applicable ethical requirements.

As part of an audit in accordance with those standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, in accordance with *Government Auditing Standards*.

The report on internal control and compliance will include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and (b) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and (b) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

We will use professional judgment in determining the standards that apply to the work to be conducted. If this engagement will not satisfy the requirements of all audit report users, laws, and regulations, we will notify you as soon as this comes to our attention. We will then submit another engagement letter for your approval that complies with the applicable requirements and will seek approval of the Legislative Auditor for the engagement. We will consider all standards that may apply, but in particular, we will determine whether a different type of engagement is needed based on:

- State of Louisiana's audit law.
- Audit requirements of *Government Auditing Standards*.
- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* when federal award expenditures equal or exceed \$750,000 for the fiscal year.
- Bond requirements, either to issue bonds or as a bond indenture provision.
- Other contractual requirements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAS. Because the determination of waste or abuse is subjective, GAS does not require auditors to perform specific procedures to detect waste or abuse in financial statement audits.

We will also communicate to the City Council (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

The funds that you have told us are maintained by the City and that are to be included as part of our audit are the General Fund, Section 8 Fund, Special Revenue Street Fund, Debt Service Fund, Ethel Street Drainage Fund, Harlem Street Drainage Fund, LCDBG Projects Fund, Water Fund, and Sewer Fund.

We will notify the Louisiana Legislative Auditor, immediately and in writing, of:

- Any fraud, abuse, or illegal acts that are detected during our engagement;
- Any client-imposed scope restrictions, to include failure to provide the appropriate books and records in a timely manner, or denial of access to appropriate books and records;
- Any significant disagreements with the local auditee;
- Any change in the scope of the engagement (for example, a change from an audit engagement to a review/attestation engagement), to include all reasons for such change;
- Any decision to withdraw from or cancel the engagement, to include all substantive reasons for the withdrawal or cancellation;
- Our decision to disclaim the auditor's opinion, or to render an adverse opinion on the financial statements for any reason other than omitted component units; and
- Any breach of the security of our firm's computer system, defined in R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's personal information, as defined in R.S. 51:3073.

Our report(s) on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and regulations identified above. Our report(s) on compliance matters will address material errors, fraud, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants and GAS.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework
Management is responsible for:

1. Identifying and ensuring that the City complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers, or others.

Management is responsible for the preparation of the required supplementary information (RSI) and supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the RSI or supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such RSI or supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The City Council is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP);
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For 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;
4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
5. For report distribution; and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - c. Additional information that we may request from management for the purpose of the audit; and
 - d. Unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.

Our association with an official statement is a matter for which separate arrangements will be necessary. The City agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the City seeks such consent, we will be under no obligation to grant such consent or approval.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The City will prepare and sign the attached local government compliance questionnaire, adopt it in an open meeting of the local auditee's board (if applicable), and return it to us. We will test the local auditee's compliance with the applicable laws during the performance of our audit and will report on any matters of noncompliance that are material to the financial statements.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the City Council of the City. Immediately upon completion of the engagement, the auditor shall send a copy of the reporting package to the City Council and the Louisiana Legislative Auditor (one .pdf file). Either LaPorte or the City will submit a copy of the reporting package to the following persons and agencies, as applicable: each member of the auditee's governing board, each state agency providing financial assistance to the auditee, and the federal audit clearinghouse. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

Our audit will include a review of any prior-year suggestions and recommendations and will indicate the extent to which the summary schedule of prior-year audit findings is fairly stated. As to any current-year recommendations and suggestions, we will afford you the opportunity to respond to such matters and will include your response(s) in management's corrective action plan.

Subsequent to the issuance of the report, should it be necessary to revise and reissue the report, we will notify the Legislative Auditor immediately. LaPorte shall distribute such revised and reissued reports in the same manner and to the same individuals and organizations as the original report.

If circumstances arise relating to the condition of the City's records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the City's financial statements, we will also issue the following reports:

1. **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***
2. **An accompanying schedule of findings and responses**

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and (b) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the City's books and records. The City will determine that all such data, if necessary, will be so reflected. Accordingly, the City will not expect us to maintain copies of such records in our possession.

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
June 30, 2023
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The assistance to be supplied by city personnel is described in the attached client participation list, which outlines the specific schedules and analyses that should be completed by city personnel, including the dates when the information should be available to us. The participation list has been discussed with and agreed to by Mr. Gerald Odom, City Clerk. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is attached for your information.

John Murray, CPA, 8555 United Plaza Blvd, Suite 200, Baton Rouge, Louisiana 70809, (225) 296-5150, is the engagement director and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. It is our understanding you have assigned Mr. Gerald Odom, City Clerk, as your representative during the engagement.

We plan to begin the engagement in November 2023, and deliver our reports no later than December 31, 2023.

Fees, Costs, and Access to Workpapers

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement plus directly billed expenses. We estimate our fees will be in the range of \$35,000 to \$45,000.

Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from city personnel;
2. Timely response to our inquiries;
3. Timely completion and delivery of client assistance requests;
4. Timely communication of all significant accounting and financial reporting matters; and
5. The assumption that unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then fees may increase.

Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and will not be resumed until your account is paid in full. Any unpaid fees after 30 days will be assessed a service charge of 1% per month.

This fee estimate will also be subject to adjustment based on unanticipated changes in the scope of our work, changes in the agreed upon scheduled dates for our audit fieldwork to begin, and/or the incomplete or untimely receipt by us of the information on the client participation list. All other provisions of this letter will survive any fee adjustment. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any amendments to the not-to-exceed amount of the fees will be in writing and signed by both LaPorte and the City.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use qualified third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as both terms are defined below) to them. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees, provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information as the confidentiality terms set forth herein. You acknowledge and agree that our use of third-party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, Third-Party Products). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership / Access to Audit Documentation

The Audit Documentation for this engagement is the property of LaPorte. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of LaPorte's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by LaPorte for the City under this Arrangement Letter, or any documents belonging to the City or furnished to LaPorte by the City.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable LaPorte policies, and will be agreed to, accounted for, and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access and Release Letter substantially in LaPorte's form. LaPorte reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the City, the City will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

We will make our audit documentation available to the Legislative Auditor, any successor auditor, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Legislative Auditor's policy regarding confidentiality of audit documentation found in the *Louisiana Governmental Audit Guide* when giving access to audit documentation to any parties other than those previously named individuals and organizations. Should we become aware of any illegal acts, we shall make our audit documentation available to the local City attorney or any other state or federal enforcement or regulatory agency without liability. The audit documentation shall be retained by LaPorte for a minimum of five years after the issuance of the report.

Indemnification, Limitation of Liability, and Claim Resolution

Because LaPorte will rely on the City and its management and City Council to discharge the foregoing responsibilities, the City agrees to indemnify, hold harmless, and release LaPorte and its partners, principals, officers, directors, employees, contractors, subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by a member of the City's management.

The City of Tallulah, Louisiana, and LaPorte agree that no claim arising out of, from, or relating to the services rendered pursuant to this Arrangement Letter shall be filed more than two years after the date of the audit report issued by LaPorte or the date of this Arrangement Letter if no report has been issued. In no event shall LaPorte or the City, or any of their respective partners, principals, officers, directors, employees, contractors, subcontractors, agents, representatives, successors, or assigns (collectively, the Covered Parties, and each individually, a Covered Party), be liable for the interruption or loss of business, any lost profits, savings, revenue, goodwill, software, hardware, or data, or the loss of use thereof (regardless of whether such losses are deemed direct damages), or incidental, indirect, punitive, consequential, special, exemplary, or similar such damages, even if advised of the possibility of such damages.

To the fullest extent permitted by law, the total aggregate liability of the Covered Parties arising out of, from, or relating to this Arrangement Letter, or the report issued or services provided hereunder, regardless of the circumstances or nature or type of claim, including, without limitation, claims arising from a Covered Party's negligence or breach of contract or warranty, or relating to or arising from a government, regulatory, or enforcement action, investigation, proceeding, or fine, will not exceed the total amount of the fees paid by the City of Tallulah, Louisiana, to LaPorte under this Arrangement Letter. Notwithstanding the foregoing, nothing in this limitation of liability provision shall, or shall be interpreted or construed to, relieve the City of its payment obligations to LaPorte under this Arrangement Letter.

If a dispute arises out of or relates to this Arrangement Letter, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under the Professional Accounting and Related Services Dispute Resolution Rules before resorting to arbitration, litigation, or some other dispute resolution procedure. The costs of any mediation proceedings shall be shared equally by all parties.

These provisions shall survive the termination of this arrangement for services.

Confidentiality

LaPorte and the City may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, LaPorte and the City agree as the recipient of such Confidential Information (the Receiving Party) to keep strictly confidential all Confidential Information provided to it by the disclosing party (the Disclosing Party) and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use.

Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, LaPorte is permitted to disclose the City's Confidential Information to LaPorte's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable, or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins, and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Data Protection Compliance

We take reasonable steps to comply with all applicable privacy, cybersecurity, and data protection laws that may apply to Personal Information and Confidential Information we process on behalf of our clients.

Prior to disclosing to us or granting us with access to your data, you will identify in writing any personal, technical, or other data provided or made accessible to us pursuant to this Arrangement Letter that may be subject to heightened protections under applicable privacy, cybersecurity, export control, and/or data protection laws, including, but not limited to, protected health information pursuant to the Health Information Portability and Accountability Act of 1996 (HIPAA).

Unless otherwise expressly agreed upon and specified in writing by LaPorte and the City, you shall not provide us with access to such data and you shall be responsible for the handling of all such data in connection with the performance of the services requested hereunder, including, but not limited to, the scrubbing, de-identification, de-aggregation, protection, encryption, transfer, movement, input, storage, migration, deletion, copying, processing, and modification of such data.

LaPorte and the City acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP, and cloud-based sharing and hosting applications (e.g., portals, data analytics tools), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure, or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure, or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

We will notify the City of any breach of the security of our firm's computer system, defined in R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's personal information, as defined in R.S. 51:3073.

Personal Information

As used herein, the term "Personal Information" means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection, or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver's license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number, or passwords, health information, and other personal information as defined by applicable laws, whether of the City or the City's customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use, and disclosure to us of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We will use all such city-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of city-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable laws and/or professional standards. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage, or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government, or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing, and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new arrangement letter will be required.

We may terminate this Arrangement Letter upon written notice if we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

We reserve the right to suspend or terminate our work. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including, but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our service.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals, or employees.

Governing Law

This Arrangement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Arrangement Letter, any provisions herein, a report issued, or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Louisiana, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between LaPorte and the City and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Arrangement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing", (b) to have been signed, and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a pdf (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touchscreen capabilities, or (d) a digital signature. This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies, or "printouts" of such documents if introduced as evidence in any judicial, arbitral, mediation, or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
June 30, 2023
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Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

LaPorte, A Professional Accounting Corporation



John Murray, CPA
Director, Audit and Assurance Services

Attachment

Confirmed on behalf of the City of Tallulah, Louisiana:

Designated Representative

Date

Upon completion of your engagement, you will be provided with a portable document format (one .pdf file) copy of the audited financial statements for archival recordkeeping purposes. Please indicate in the space provided below if you prefer to also have printed copies of the financial statements delivered to you as well, and, if so, the number required:

- We require a pdf copy only.
- Please provide ____ printed bound copies of the financial statements in addition to the pdf copy.



Certified Public Accountants
& Consultants

Report on the Firm's System of Quality Control

To the Partners of LaPorte, A Professional Accounting Corporation and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of LaPorte, A Professional Accounting Corporation (the firm), in effect for the year ended July 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; audits of employee benefit plans; and an examination of a service organization (SOC 1).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.



Jackson Thornton Certified Public Accountants & Consultants

200 Commerce Street, Montgomery, Alabama 36104-2591 P.O. Box 96, Montgomery, Alabama 36101-0096
334 834 7660 jacksonthornton.com A PROFESSIONAL CORPORATION

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of LaPorte, A Professional Accounting Corporation, in effect for the year ended July 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. LaPorte, A Professional Accounting Corporation, has received a peer review rating of *pass*.

Jackson Sherenton & Co. PC

Montgomery, Alabama
January 23, 2023



LaPorte, APAC
8555 United Plaza Blvd. | Suite 400
Baton Rouge, LA 70809
225.296.5150 | Fax 225.296.5151
LaPorte.com

June 30, 2023

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
204 N Cedar Street
Tallulah, LA 71282

Dear Mayor Finlayson and Council Members:

This Arrangement Letter is to explain Laporte, A Professional Accounting Corporation's (Laporte, we, us, or our), understanding of the arrangements for, and the nature and limitations of, the services we are to perform for the City of Tallulah, Louisiana (the City), with respect to certain records and transactions of the City for the purpose of identifying potential findings with the applicable requirements of the Louisiana Legislative Auditor Statewide Agreed-Upon Procedures over public funds received by the City for the year ended June 30, 2023 (the Subject Matter). The City is responsible for the Subject Matter. The specific procedures to be performed are included as an attachment to this letter. We are pleased to confirm our acceptance and our understanding of this agreed-upon procedures engagement by means of this Arrangement Letter.

Engagement Services

Our engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA); *Government Auditing Standards*, issued by the Comptroller General of the United States (GAS); and guidance provided in the *Louisiana Governmental Audit Guide*, authorized by Louisiana Revised Statute 24:513 A. (5) (a) (i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants. Those standards or guides require that we comply with applicable ethical requirements. Because the procedures included in the attachment to this Arrangement Letter do not constitute an examination or review, the objective of which is the expression of an opinion or conclusion, respectively, we will not express an opinion or any other form of assurance thereon and, if additional procedures were to be performed, other matters might have come to our attention.

At the conclusion of our engagement, we will submit a report in letter form outlining the procedures performed and our findings resulting from the procedures performed. It is important to note that agreed-upon procedures engagements provide no level of assurance, and, as a result, we may not perform sufficient work to be able to develop elements of a finding or provide recommendations that are common in other types of GAS engagements.

Our report will contain a statement that it is intended solely for the use of the City and the Louisiana Legislative Auditor and that this report is an integral part of an agreed-upon procedures engagement performed in accordance with GAS. Accordingly, this communication is not suitable for any other purpose, and should not be used by those who have not agreed to the procedures and taken responsibility for the appropriateness of the procedures for their purposes.

If circumstances arise relating to the condition of the City's records or the availability of appropriate evidence that, in our professional judgment, prevent us from completing the engagement, we retain the unilateral right to take any course of action permitted by professional standards, including declining to issue a report or withdrawing from the engagement.

LOUISIANA • TEXAS

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each is separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
June 30, 2023
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The procedures that we will perform are not designed and cannot be relied upon to disclose instances of fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse. Furthermore, the procedures are not designed to provide assurance on internal control or identify significant deficiencies or material weaknesses. However, as specifically required by GAS, significant deficiencies; material weaknesses; instances of fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that come to our attention and that warrant the attention of those charged with governance will be communicated to management and the Members of the City Council. If we detect any instances of fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that do not warrant the attention of those charged with governance, our determination of whether and how to communicate such instances to management and the Members of the City Council is a matter of professional judgment. Additionally, we will determine whether the existence of such matters affects our ability to conduct or report on the agreed-upon procedures engagement. Upon learning of any illegal or fraudulent acts, we will immediately inform the Louisiana Legislative Auditor in writing.

We will maintain our independence in accordance with the standards of the AICPA.

We anticipate that our engagement will be completed no later than December 31, 2022. Upon completion of the engagement, we will submit copies to you and an electronic copy of the reporting package including any management letter and management plan of corrective action to the Louisiana Legislative Auditor through its reporting portal. You shall submit a copy of the above to each member of the governing board. Subsequent to the issuance of our report and any management letter, if it becomes necessary to alter or reissue the report or management letter, they will be distributed in the same manner as the original.

City's Responsibilities

The appropriateness of the procedures included in the attachment is solely the responsibility of the City and the Louisiana Legislative Auditor. We make no representation regarding the appropriateness of the procedures described above, either for the purpose for which these services have been requested or for any other purpose.

Management and the Members of the City Council are responsible for:

1. Providing to us, prior to the conclusion of the engagement, written acknowledgment that the attached procedures are appropriate for the intended purpose of this engagement;
2. Providing to us, at the conclusion of the engagement, a representation letter in accordance with attestation standards established by the AICPA;
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error;
4. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
5. Informing us of their knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, analysts, regulators, short sellers, or others.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the City's books and records. The City will determine that all such data, if necessary, will be so reflected. Accordingly, the City will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by city personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with you. The timely and accurate completion of this work is an essential condition to our completion of our services and issuance of our report.

Fees and Costs

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement plus directly billed expenses. We estimate our fees will not exceed \$7,500. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from city personnel;
2. Timely responses to our inquiries;
3. Timely completion and delivery of client assistance requests;
4. Timely communication of all significant accounting and financial reporting matters; and
5. The assumption that unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then fees may increase. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any amendments to the not-to-exceed amount of the fees will be in writing and signed by both LaPorte and the City. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and will not be resumed until your account is paid in full. Any unpaid fees after 30 days will be assessed a service charge of 1% per month.

In order to satisfy the requirements of Accounting Standards Codification 820, *Fair Value Measurement*, LaPorte may engage a third-party valuation specialist to perform an analysis of the City's investments for the purpose of valuation evidence. Any associated fees will be billed to you as incurred.

This fee estimate will be subject to adjustments based on unanticipated changes in the scope of our work, changes in the agreed upon scheduled dates for our audit fieldwork to begin, and/or the incomplete or untimely receipt by us of the information on the client participation list. All other provisions of this letter will survive any fee adjustment.

Use of Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use qualified third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as both terms are defined below) to them. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees, provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information as the confidentiality terms set forth herein.

You acknowledge and agree that our use of third-party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, Third-Party Products).

You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership / Access to Documentation

The Documentation for this engagement is the property of LaPorte. For the purposes of this Arrangement Letter, the term "Documentation" shall mean the confidential and proprietary records of LaPorte's procedures performed, relevant evidence obtained, other related workpapers, and conclusions reached. Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by LaPorte for the City under this Arrangement Letter, or any documents belonging to the City or furnished to LaPorte by the City.

As required by law, regulation, or the Terms of the Engagement Contract, we are required to make our working documentation available for inspection by the Legislative Auditor, any state or federal grantor, any state or federal cognizant agency, any successor auditor, and/or any organization authorized by the Louisiana State Board of Certified Public Accountants to perform working documentation reviews as part of a quality assurance program. Upon request for its regulatory oversight purposes, access to the requested documentation will be provided under the supervision of our engagement personnel and at a location designated by us.

Review of Documentation by a successor practitioner or as part of due diligence is subject to applicable LaPorte policies, and will be agreed to, accounted for, and billed separately. Any such access to our Documentation is subject to a successor practitioner signing an Access and Release Letter substantially in LaPorte's form. LaPorte reserves the right to decline a successor practitioner's request to review our workpapers.

In the event we are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the City, the City will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Confidentiality

LaPorte and the City may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, LaPorte and the City agree as the recipient of such Confidential Information (the Receiving Party) to keep strictly confidential all Confidential Information provided to it by the disclosing party (the Disclosing Party) and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter, and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, LaPorte is permitted to disclose the City's Confidential Information to LaPorte's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable, or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins, and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

It is understood that our engagement Documentation is confidential information. However, we will make our Documentation available to the Legislative Auditor, any successor auditor, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Louisiana Legislative Auditor's policy regarding confidentiality of documentation found in the *Louisiana Governmental Audit Guide* when giving access to our Documentation to any parties other than those previously named individuals and organizations. Should we become aware of any illegal acts, we will make our engagement Documentation available to the local district attorney and/or any other state or federal enforcement or regulatory agency without liability.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Data Protection Compliance

We take reasonable steps to comply with all applicable privacy, cybersecurity, and data protection laws that may apply to Personal Information and Confidential Information we process on behalf of our clients. Prior to disclosing to us or granting us access to your data, you will identify in writing any personal, technical, or other data provided or made accessible to us pursuant to this Arrangement Letter that may be subject to heightened protections under applicable privacy, cybersecurity, export control, and/or data protection laws, including, but not limited to, protected health information pursuant to the Health Information Portability and Accountability Act of 1996 (HIPAA). Unless otherwise expressly agreed upon and specified in writing by LaPorte and the City, you shall not provide us with access to such data and you shall be responsible for the handling of all such data in connection with the performance of the services requested hereunder, including, but not limited to, the scrubbing, de-identification, de-aggregation, protection, encryption, transfer, movement, input, storage, migration, deletion, copying, processing, and modification of such data.

LaPorte and the City acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP, and cloud-based sharing and hosting applications (e.g., portals, data analytics tools, and helpdesk and support ticketing applications), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure, or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure, or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

Personal Information

As used herein, the term "Personal Information" means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection, or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver's license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number, or passwords, health information, and other personal information as defined by applicable laws, whether of the City or the City's customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use, and disclosure to us or our subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We will use all such city-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of city-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

We will notify the local auditee of any breach of the security of the firm's computer system, defined in Louisiana Revised Statute 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's Personal Information, as defined in Louisiana Revised Statute 51:3073.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete.

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
June 30, 2023
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You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable laws and/or professional standards. Documentation necessary to support our engagement will be subject to our engagement retention policies but shall in no case be less than five years. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage, or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government, or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance, and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing, and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new arrangement letter will be required.

We may terminate this Arrangement Letter upon written notice if: (i) we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards; or (ii) you are placed on a verified sanctioned list or if any director or executive of, or other person closely associated with, you or any of your affiliates is placed on a verified sanctioned person list, in each case, including, but not limited to, lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the United Nations Security Council, the European Union, or any other relevant sanctioning authority.

We reserve the right to suspend or terminate our work. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including, but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our service.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Honorable Charles Finlayson
and Members of the City Council
City of Tallulah
June 30, 2023
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Claim Resolution

Because LaPorte will rely on the City and its management and City Council to discharge the foregoing responsibilities, the City agrees to indemnify, hold harmless, and release LaPorte and its partners, principals, officers, directors, employees, contractors, subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by a member of the City's management.

The City and LaPorte agree that no claim arising out of, from, or relating to the services rendered pursuant to this Arrangement Letter shall be filed more than two years after the date of the agreed-upon procedures report issued by LaPorte or the date of this Arrangement Letter if no report has been issued. In no event shall LaPorte or the City, or any of their respective partners, principals, officers, directors, employees, contractors, subcontractors, agents, representatives, successors, or assigns (collectively, the Covered Parties, and each individually, a Covered Party), be liable for the interruption or loss of business, any lost profits, savings, revenue, goodwill, software, hardware, or data, or the loss of use thereof (regardless of whether such losses are deemed direct damages), or incidental, indirect, punitive, consequential, special, exemplary, or similar such damages, even if advised of the possibility of such damages. To the fullest extent permitted by law, the total aggregate liability of the Covered Parties arising out of, from, or relating to this Arrangement Letter, or the report issued or services provided hereunder, regardless of the circumstances or nature or type of claim, including, without limitation, claims arising from a Covered Party's negligence or breach of contract or warranty, or relating to or arising from a government, regulatory, or enforcement action, investigation, proceeding, or fine, will not exceed the total amount of the fees paid by the City to LaPorte under this Arrangement Letter. Notwithstanding the foregoing, nothing in this limitation of liability provision shall, or shall be interpreted or construed to, relieve the City of its payment obligations to LaPorte under this Arrangement Letter.

If a dispute arises out of or relates to this Arrangement Letter, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under the Professional Accounting and Related Services Dispute Resolution Rules before resorting to arbitration, litigation, or some other dispute resolution procedure. The costs of any mediation proceedings shall be shared equally by all parties.

These provisions shall survive the termination of this arrangement for services.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

Our professional standards require that we perform certain additional procedures on current and previous years' engagements whenever a partner or professional employee leaves LaPorte and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals, or employees.

In accordance with GAS, a copy of our most recent peer review report is attached for your information.

Notices

Unless otherwise expressly agreed upon by the parties in this Arrangement Letter, all notices required to be given hereunder will be in writing and addressed to the party at the business address provided in this Arrangement Letter, or such other address as such party may indicate by a notice delivered to the other party. A copy of any legal notice (e.g., any claimed breach or termination of this Arrangement Letter) sent by the City to LaPorte shall also be sent to the following address: LaPorte, APAC, Chief Executive Officer, 111 Veterans Blvd, Suite 600, Metairie, Louisiana 70005. Except as otherwise expressly provided in this Arrangement Letter, notices hereunder will be deemed given and effective: (i) if personally delivered, upon delivery; (ii) if sent by registered or certified mail or by overnight courier service with tracking capabilities, upon receipt; and (iii) if sent by electronic mail (without indication of delivery failure), at such time as the party that sent the notice receives confirmation of receipt, whether by read-receipt confirmation or otherwise.

We will notify the Legislative Auditor, in writing, and within ten days of our firm's constructive knowledge of the occurrence of these events:

- Any fraud, abuse, or illegal acts that are detected during our engagement
- Any client-imposed scope restrictions, to include failure to provide the appropriate books and records in a timely manner, or denial of access to appropriate books and records
- Any significant disagreements with the local auditee
- Any change in the scope of the engagement (for example, a change from an audit engagement to a review/attestation engagement), to include all reasons for such change
- Any decision to withdraw from or cancel the engagement, to include all substantive reasons for the withdrawal or cancellation
- Any breach of the security of our firm's computer system, defined in R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's Personal Information, as defined in R.S. 51:3073.

Governing Law

This Arrangement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Arrangement Letter, any provisions herein, a report issued, or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Louisiana, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between LaPorte and the City and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the Subject Matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

John Murray, CPA, 8555 United Plaza Blvd, Suite 400, Baton Rouge, LA 70809, (225) 296-5150, is the engagement director and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. It is our understanding you have assigned Gerald Odom, City Clerk, as your representative during the engagement.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Arrangement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing", (b) to have been signed, and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a pdf (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touch-screen capabilities, or (d) a digital signature.

This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies, or "printouts," of such documents, if introduced as evidence in any judicial, arbitral, mediation, or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for the agreed-upon procedures we are to perform with respect to the Subject Matter, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

LaPorte, A Professional Accounting Corporation



John Murray, CPA
Director, Audit and Assurance Services

Attachments

Confirmed on behalf of City of Tallulah, Louisiana:

Designated Representative

Date

Upon completion of your engagement, you will be provided with a portable document format (one .pdf file) copy of our report(s) for archival recordkeeping purposes. Please indicate in the space provided below if you prefer to also have printed copies delivered to you as well, and, if so, the number required:

- We require a pdf copy only.
- Please provide ____ printed bound copies of any reports associated with the engagement in addition to the pdf copy.

Report on the Firm's System of Quality Control

To the Partners of LaPorte, A Professional Accounting Corporation and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of LaPorte, A Professional Accounting Corporation (the firm), in effect for the year ended July 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; audits of employee benefit plans; and an examination of a service organization (SOC 1).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of LaPorte, A Professional Accounting Corporation, in effect for the year ended July 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. LaPorte, A Professional Accounting Corporation, has received a peer review rating of *pass*.

Jackson Shernton & Co. PC

Montgomery, Alabama
January 23, 2023

**Statewide Agreed-Upon Procedures
Fiscal Years 12/31/2022 through 11/30/2023**

Introduction

The Louisiana Legislative Auditor (LLA) has prescribed statewide agreed-upon procedures (SAUPs) below, which are intended to represent a minimum level of additional work to be performed at those local entities (local governments and quasi-public organizations, including nonprofits) that meet the legal requirement to have an audit under the Audit Law. The procedures to be applied are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

- iv. Observe whether the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the Legislative Auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1st, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.



LaPorte, APAC
8555 United Plaza Blvd. | Suite 400
Baton Rouge, LA 70809
225.296.5150 | Fax 225.296.5151
LaPorte.com

June 30, 2023

To the Members of the City Council
City of Tallulah
204 N Cedar Street
Tallulah, LA 71282

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of the City of Tallulah, Louisiana's, (the City), financial statements as of and for the year ending June 30, 2023.

Communication

Effective two-way communication between our firm and the City is important to understanding matters related to the audit and in developing a constructive working relationship.

Your insights may assist us in understanding the City and its environment, identifying appropriate sources of audit evidence, and providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate to us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures, your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, instances of noncompliance with laws and regulations that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Additionally, we will communicate significant unusual transactions, matters that are difficult or contentious for which the auditor consulted outside the engagement team, and circumstances that affect the form and content of the auditor's report. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, partners and professional employees of LaPorte, A Professional Accounting Corporation (LaPorte) are restricted in their ability to own a direct financial interest or a material indirect financial interest in a client or any affiliate of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy. In addition, our policies restrict certain non-audit services that may be provided by LaPorte and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your business functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your business. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of your business objectives, strategies, risks, and performance.

LOUISIANA • TEXAS

An Independently Owned Member, RSM US Alliance
RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each is separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

As part of obtaining an understanding of your business and its environment, we will obtain an understanding of internal control. We will use this understanding to identify risks of material misstatement, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in both planning and performing the audit, evaluating the effect of identified misstatements or noncompliance on the audit and the effect of uncorrected misstatements, if any, on the financial statements, forming the opinion in our report on the financial statements, and determining or reporting in accordance with *Government Auditing Standards* and other compliance reporting requirements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial and compliance informational needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing, and extent of further audit procedures. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Significant Risks of Material Misstatement

Our audit of the financial statements includes the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determine whether any risks identified are a significant risk. A significant risk is an identified and assessed risk of material misstatement that, in our professional judgment, requires special audit consideration. As part of our risk assessment procedures, we identified the following risks as significant risks. Additional significant risks may be identified as we perform additional audit procedures.

Risk Name	Risk Description	Planned Response
Management Override of Controls	Management could enter incorrect or fictitious journal entries.	LaPorte will perform testing over manual journal entries.
Revenue Recognition	Revenues could be recorded incorrectly or recorded without actually occurring.	LaPorte will perform a detail test over this utility billings and traffic fines.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or identify significant deficiencies or material weaknesses. Our review and understanding of the City's internal control are not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

To the Members of the City Council
City of Tallulah
June 30, 2023
Page 3

Using the Work of Internal Auditors

As part of our understanding of your business and its environment, we will obtain and document an understanding of your internal audit function. We will read relevant internal audit reports issued during the year to determine whether such reports indicate a source of potential error or fraud that would require a response when designing our audit procedures. Because internal auditors are employees, they are not independent, and their work can never be substituted for the work of the external auditor. We may, however, alter the nature, timing, and extent of our audit procedures based upon the results of the internal auditor's work or use the internal audit function to provide direct assistance to us during the performance of our audit.

Timing of the Audit

We have scheduled field work for November 2023. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the City of Tallulah, Louisiana.

This information is intended solely for the use of the members of the City Council and management of the City of Tallulah, Louisiana, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



A Professional Accounting Corporation



Charles Finlayson

From: David Doughty <ddoughty@cottonbolton.com>
Sent: Monday, August 21, 2023 12:34 PM
To: Charles Finlayson
Cc: survey@masurvey.net; Doug Mitchell (doug@northdelta.org)
Subject: ExternalFW: Boundary and Census Issues / City of Tallulah / CBHD FILE NO. 10587.001

Charles:

This matter is to be brought up at the City of Tallulah meeting on August 24, 2023. I wanted to report to the council and the public the findings that we have at this point regarding the City of Tallulah boundaries. I'm copying both Jeff Messinger and Doug Mitchell on this letter.

I wanted to update you after the meeting with Jeff Messinger and Doug Mitchell concerning the City of Tallulah boundaries.

1. Kelly's Apartments

According to the Messinger survey, this area is not within the boundaries of the City of Tallulah, nor is it in Richmond. However, it is in the Census map for the City of Tallulah. I believe that is why the Secretary of State's office and registered voters did not allow voting within the City, as it is not technically within the boundaries of the City. This will require one of two things, either for the City to try to annex that property into the City or if that cannot be done, then to correct the Census information concerning the reapportionment map.

2. Interstate 20

There is a portion of Interstate 20 that is within the legal boundaries of the City, but it was not shown on the Census map. I don't believe there are any population that is actually within this, but we do need to correct the Census map to show this.

3. The Tensas State Bank Area

On the Census map, they are showing a noncontiguous block that is not connected to the other boundaries of the City. However, in the actual legal descriptions in Messinger's map, there is a neck on that highway that connects that block to the contiguous lines of the City. That simply needs to be corrected on the Census map to reflect that connection.

4. The Sewer Area

This is an area south of I-20, which is shown within the boundaries of the legal description for the City, according to the Messinger map, but was not within the Census map. It will need to be added to the Census map.

5. Madison Point

At least a portion of this area is within the legal boundaries, according to the Messinger map. The Census map will need to be corrected in that regard.

6. The Cypress Area

According to the Messinger survey, this area is not within the boundaries of the City of Tallulah. However, it is in the Census map for the City of Tallulah. This will require one of two things, either the City to try to annex that property into the City or if that cannot be done, then to correct the Census information regarding the reapportionment map.

7. Health Unit

There is a state statute that requires the health unit to be within the City. It is not on either the Census or Messinger map. For it to be taken in, the boundaries will need to be extended from Highway 80 to the health unit. We will need to get the legal description on the health unit building, and Mr. Messinger will need to survey the description.

8. Another Apartment Area

According to the Messinger survey, this area is not within the boundaries of the City of Tallulah. However, part of it is in the Census map for the City of Tallulah. This will require one of two things, either the City to try to annex that property into the City or if that cannot be done, then to correct the Census information regarding the reapportionment map.

There are also areas that the City will need to decide whether they want to annex, as they are not in the boundary map for the City.

1. Wooded Area North of the Interstate

There is a wooded area north of the interstate that is believed to be owned by Bloom's, Inc./Jerry Rankin that is shown in the Census map but is not part of the official boundaries for the Messinger map.

2. The Sewer Area

This is an area south of Interstate 20, which is shown on the boundaries of the legal description of the City, according to the Messinger map, but is not within the Census map. It will need to be added to the Census map.

3. Health Unit

There is a state statute that requires the health unit to be within the City. It is not on either the Census or Messinger map. For it to be taken in, the boundaries will need to be extended from Highway 80 to the health unit. We will need to get the legal description on the health unit building, and Mr. Messinger will need to survey the description.

If you have any questions, please don't hesitate to call.

Sincerely,

David P. Doughty
Cotton, Bolton, Hoychick & Doughty, L.L.P.
Louisiana Delta Title Company, LLC

P. O. Box 857 ~ 607 Madeline Street
Rayville, LA 71269
Telephone (318) 728-2051
Fax (318) 728-5293
Respond to: ddoughty@cottonbolton.com



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Tallulah Brownfield Program



JOIN US FOR A
**PUBLIC
MEETING**

**Listening Session
For Potential
City of Tallulah
Brownfield Sites**

Monday, September 11, 2023

6:00 pm – 7:00 pm

Tallulah Madison Community Center



Brownfields

Brownfield sites are vacant and underutilized properties where actual or suspected environmental issues are a barrier to redevelopment. Examples include abandoned gas stations, vacant historic buildings, commercial structures, (schools, government buildings, etc.) Abandoned or underutilized industrial complexes or vacant lots in previously developed areas.

Special Accommodations

Any person needing reasonable accommodations to attend a public meeting should contact Gerald Odom at 318-574-0964 three (3) days prior to the meeting date. If further information is needed, please contact Mr. Odom at the number listed above.