



GREGORY C. HARRELL

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To: The Board of County Commissioners, individually
Mounir Bouyounes, County Administrator

FROM: Gregory C. Harrell, Clerk of Court and Comptroller
Sachiko Horikawa, Internal Audit Director

DATE: August 03, 2021

RE: Report No. 2021-08: Economic Development Financial Incentive Grant Compliance
Review: **Paramount Transportation Logistic Service, LLC**

Purpose

Internal Audit performed a compliance review of the performance measures for the Paramount Transportation Logistic Service, LLC (grantee) pursuant to the Economic Development Financial Incentive Grant Agreement (agreement).

Objective

The objective was to determine if the County Administration's assessment of the grantee was reasonable and supported by sufficient documentation on the following criteria:

- Create and maintain up to 200 new to Marion County full-time logistics-related jobs (full-time jobs) within 60 months of occupancy with an average annual wage in excess of \$38,000.
- Meet the January 31, 2021 reporting due date for reporting year 2020.

Results

Our opinion is that the County Administration's assessment was reasonable and supported by sufficient documentation. We agree that the grantee timely submitted the required reports and maintained 162 full-time logistics-related jobs for reporting year 2020.

The grantee is due a grant payment of \$16,200 for reporting year 2020.

EDFIG COMPLIANCE REVIEW: PARAMOUNT TRANSPORTATION LOGISTIC SERVICE, LLC

The table below is a comprehensive summary of the annual report compliance review results.

Reporting Period	Agreement Requirement	Payment
Year 1-3	Up to 200 new to Marion County full-time jobs with an average annual wage in excess of \$38,000.	Paramount did not report, payment was forfeited.
Year 4		\$20,000
Year 5		\$16,200

Pursuant to Section 2 c), this agreement ended on December 31, 2020. The payment to the grantee for year five fulfills all obligations of both Marion County and the grantee.

Scope and Approach

The scope included verification of compliance with the applicable requirements for the reporting year.

We reviewed the submitted documentation and performed analytical procedures to independently assess the timeliness of the grantee's reporting and the number of full-time jobs. We compared our results with the County Administration's assessment to determine if it was reasonable and supported by sufficient documentation.

Background

The Board of County Commissioners awarded to the grantee an Economic Development Financial Incentive Grant in the total amount of up to \$100,000 effective November 3, 2015. The grant was to be paid to the grantee over five annual installments not to exceed \$20,000 each year.

The grantee was required to:

- 1) Provide a minimum capital investment of \$8.4 million in purchase and renovations or rehabilitation of existing facility, computers, and communications equipment or related tangible personal property or cause to be relocated a similar value of equipment or tangible personal property from location(s) beyond Marion County within the first year.
- 2) Create and maintain up to 200 new to Marion County full-time jobs within 60 months of occupancy with an average annual wage in excess of \$38,000.
- 3) Provide all applicable reports by January 31st for activities concerning the previous reporting year.

Acknowledgement

We would like to thank the representatives of the County Administration and Paramount Transportation Logistic Service, LLC for their cooperation during our review.

This review was conducted by Aracelis Maldonado and Heather Ewing.

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