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**Town of Louise
Mayor and Board of Aldermen
Louise, Mississippi**

February 1, 2018

Office of the State Auditor
P O Box 956
Jackson, MS 39205-0956

Re: Annual Compilation Report and Special Report on Applying Agreed-Upon Procedures for the fiscal year 2015

Department of Technical Assistance:

Accompanying this letter are two copies of the annual Compilation Report and Special Report on Applying Agreed-Upon Procedures for the Town of Louise, Mississippi, for the fiscal year ended September 30, 2015. A separate management letter was not written to the town in connection with these reports.

Sincerely,



Thomas R Smith
Mayor



Robert K. VanDevender, CPA
Lance Mohamed, CPA
Robert A. Hearn, CPA

W. Lee Mattox, CPA
William A. Adams, CPA
Gay G. Moss, CPA



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Mayor and Board of Alderpersons
Town of Louise
Louise, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Louise, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Louise, Mississippi's, compliance with certain laws and regulations as of September 30, 2015, and for the year then ended. This agreed-upon-procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per</u> <u>General Ledger</u>
Planters Bank & Trust	General	\$ 4,134
Planters Bank & Trust	General	2,971
Planters Bank & Trust	General	5,356
Planters Bank & Trust	General	189
	Total General Fund	<u>\$ 12,650</u>
Planters Bank & Trust	Fire Protection Fund	\$ 17,598
	Total Special Revenue Fund	<u>\$ 17,598</u>
Planters Bank & Trust	Garbage	\$ 8,170
Planters Bank & Trust	Sewer	86,392
Planters Bank & Trust	Water	3,101
Planters Bank & Trust	Water	18,447
	Total Water Fund	<u>21,548</u>
	Total Proprietary Fund	<u>\$ 116,120</u>

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2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).
 - a. As of September 30, 2015, the Town of Louise had two certificates of deposit at Guaranty Bank & Trust with a balance totaling \$66,010.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Examined uncollected taxes for proper handling, including tax sale;
 - b. Traced distributions of taxes collected to proper funds;
 - c. Analyzed increase in taxes for the most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972); and
 - d. Verified the use of certified county assessment tax rolls.
 - e. Uncollected taxes are properly handled including tax sale.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

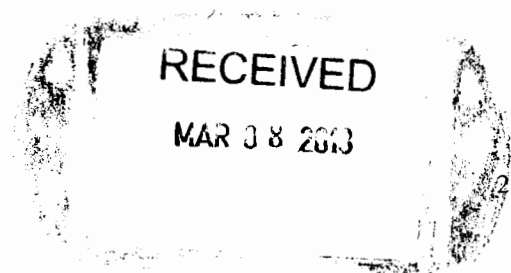
The Town does not collect the correct amount of interest and penalties on land redemptions as required by Section 21-33-53, Miss. Code Ann. (1972).

Ad valorem tax collections were found to be within the limitations of Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The Town did not adopt the county tax rolls in their minutes as required by Section 27-35-167, Miss. Code Ann. (1972). The Town did adopt the millage rate in their minutes. The Town did use the certified county assessment tax rolls.

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
General municipal aid	General	\$ 100
Gasoline Tax	General	609
Homestead exemption reimbursement	General	3,143
Nuclear plant	General	2,042
Sales tax allocation	General	14,523
Fire protection allocation	Fire	1,083
MDA grant	Sewer	25,077
Total State Revenues		<u>\$ 46,577</u>



The Mayor and Board of Alderpersons
Town of Louise
December 8, 2017

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of sample items	35
Dollar value of sample	\$24,533

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey and our inquiry and observation indicated three instances of noncompliance with state requirements, which are listed below.
- In accordance with Section 21-35-13, Miss Code Ann. (1972), the Municipal Clerk is to submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item; no such report was prepared and submitted.
 - In accordance with Section 27-105-353 and 27-105-363, Miss Code Ann. (1972), a municipality must commission municipal depositories every two years. The Town of Louise has not commissioned depositories in the prior two years.
 - In accordance with Section 21-21-1, Miss Code Ann. (1972), a municipality is required to cover the Police Chief by appropriate surety bond. The former police chief retired May 31, 2015 and his replacement was not bonded until December 2015.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Office of State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Fred T. Neely & Company, PLLC

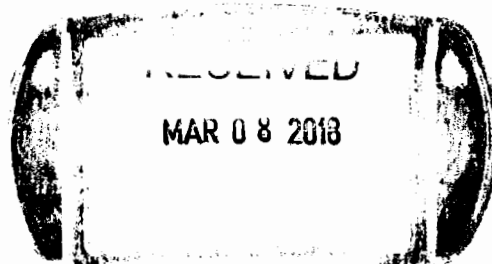
Fred T. Neely & Company, PLLC
December 8, 2017

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TOWN OF LOUISE, MISSISSIPPI
COMPILED FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2015

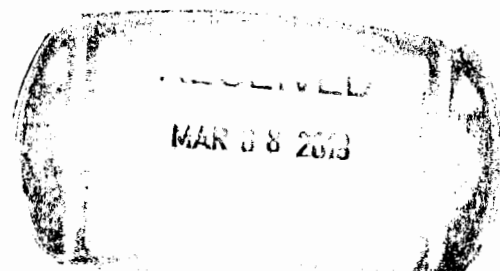
Fred T. Neely & Company, PLLC
Certified Public Accountants



TOWN OF LOUISE, MISSISSIPPI

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Louise
Louise, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities of The Town of Louise, Mississippi, as and for the year ended September 30, 2015, and the related notes to the financial statement, which collectively comprise the Town's basic financial statements as listed in the table of contents, in accordance with the cash basis of accounting and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted Management's Discussion and Analysis that is required to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

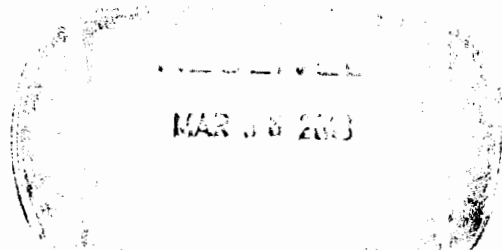
The supplementary information contained on Pages 5 through 7 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and has been compiled from information that is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Honorable Mayor and Board of Alderpersons
Town of Louise
Page 2
December 8, 2017

The Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

In accordance with the provisions of Code Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated December 8, 2017, on the results of our agreed-upon procedures.

Fred T. Neely & Company, PLLC
Fred T. Neely & Company, PLLC
Greenwood, Mississippi
December 8, 2017



FINANCIAL STATEMENT

TOWN OF LOUISE, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Year Ended September 30, 2015

	<u>Governmental Activities</u>			<u>Business-type Activities</u>			
	<u>General Fund</u>	<u>Fire Fund</u>	<u>Totals</u>	<u>Garbage Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
CASH RECEIPTS:							
Taxes							
General property taxes	\$ 26,016	\$ -	\$ 26,016	\$ -	\$ -	\$ -	\$ -
Road and bridge privilege	11,483	-	11,483	-	-	-	-
Licenses and permits							
Utility franchise fees	6,057	-	6,057	-	-	-	-
Licenses and permits	75	-	75	-	-	-	-
Intergovernmental receipts							
State grants							
General municipal aid	100	-	100	-	-	-	-
Homestead exemption	3,143	-	3,143	-	-	-	-
MDA CDBG grant	-	-	-	-	-	25,077	25,077
State shared receipts							
Sales tax	14,523	-	14,523	-	-	-	-
Fire protection	-	1,083	1,083	-	-	-	-
Gasoline tax	609	-	609	-	-	-	-
In lieu taxes-Grand Gulf	2,042	-	2,042	-	-	-	-
County grants							
Rural Fire Protection	-	4,715	4,715	-	-	-	-
Enterprise operating revenue							
Water revenue & customer deposits	-	-	-	-	89,512	-	89,512
Sewer revenue	-	-	-	-	-	53,195	53,195
Garbage fees	-	-	-	21,258	-	-	21,258
Other receipts							
Fines and forfeits	-	-	-	-	-	-	-
Interest earnings	29	-	29	-	-	1,110	1,110
Miscellaneous	4,310	452	4,762	-	-	-	-
Total cash receipts	<u>68,387</u>	<u>6,250</u>	<u>74,637</u>	<u>21,258</u>	<u>89,512</u>	<u>79,382</u>	<u>190,152</u>

	<u>Governmental Activities</u>			<u>Business-type Activities</u>			
	<u>General Fund</u>	<u>Fire Fund</u>	<u>Totals</u>	<u>Garbage Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
CASH DISBURSEMENTS:							
General government	34,745	-	34,745	-	-	-	-
Public safety							
Police	43,946	-	43,946	-	-	-	-
Fire	11,297	1,500	12,797	-	-	-	-
Public works							
Street	12,010	-	12,010	-	-	-	-
HOME project	-	-	-	-	-	-	-
Enterprise							
Water	-	-	-	-	66,227	-	66,227
Sewer	-	-	-	-	-	25,707	25,707
MDA CDBG grant	-	-	-	-	-	25,077	25,077
Garbage	-	-	-	14,035	-	-	14,035
Planter's Bank & Trust principal payments	-	-	-	-	-	-	-
MDA principal payments	-	-	-	-	658	-	658
USDA Rural Development principal payments	-	-	-	-	-	6,504	6,504
Interest expense	-	-	-	-	7	336	343
Total cash disbursements	<u>101,998</u>	<u>1,500</u>	<u>103,498</u>	<u>14,035</u>	<u>66,892</u>	<u>57,624</u>	<u>138,551</u>
Excess (deficiency) of receipts over (under) disbursements	(33,611)	4,750	(28,861)	7,223	22,620	21,758	51,601
OTHER FINANCING SOURCES (USES)							
Transfers In	34,471	-	34,471	-	-	-	-
Transfers Out	-	(4,771)	(4,771)	(2,500)	(19,000)	(8,200)	(29,700)
Total other financing sources (Uses)	<u>34,471</u>	<u>(4,771)</u>	<u>29,700</u>	<u>(2,500)</u>	<u>(19,000)</u>	<u>(8,200)</u>	<u>(29,700)</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	860	(21)	839	4,723	3,620	13,558	21,901
CASH - BEGINNING	<u>11,890</u>	<u>17,619</u>	<u>29,509</u>	<u>3,447</u>	<u>17,938</u>	<u>138,844</u>	<u>160,229</u>
CASH - ENDING	<u>\$ 12,750</u>	<u>\$ 17,598</u>	<u>\$ 30,348</u>	<u>\$ 8,170</u>	<u>\$ 21,558</u>	<u>\$ 152,402</u>	<u>\$ 182,130</u>

SUPPLEMENTAL INFORMATION

**TOWN OF LOUISE, MISSISSIPPI
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2015**

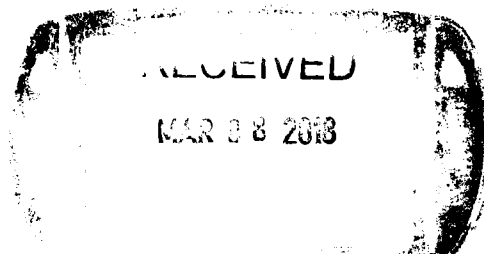
Fund	Interest Rate	Number	Purchase Date	Maturity Date	Amount
Sewer Fund	1.70	2008944	2/16/2012	2/16/2016	\$ 42,798
Contingency Fund	1.70	2008945	2/16/2012	2/16/2016	<u>23,212</u>
					<u><u>\$ 66,010</u></u>

See independent accountant's compilation report

**TOWN OF LOUISE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2015**

Name	Position	Company	Amount
Thomas R Smith	Mayor	Travelers Casualty & Surety Company of America	\$ 25,000
George Bowlin	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
William Weissinger Jr.	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Debbie Hill	Alderwoman	Travelers Casualty & Surety Company of America	\$ 10,000
Douglas Gregory	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Dan Kilpatrik	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
DiAnn Crews	City Clerk	Travelers Casualty & Surety Company of America	\$ 50,000

See independent accountant's compilation report



**TOWN OF LOUISE, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
SEPTEMBER 30, 2015**

	Balance Outstanding 10/1/2014	Transactions During Fiscal Year		Balance Outstanding 9/30/2015
		Issued	Redeemed	
ENTERPRISE				
<u>Revenue Bonds:</u>				
\$100,000 Sewer System Revenue Bonds, Series 1990, issued for sewer system improvements. Principal and interest are due at the beginning of each month at annual interest rate of 5.75%.	\$ 8,799	\$ -	\$ 6,504	\$ 2,295
<u>Cap Loan:</u>				
\$31,000 State of Mississippi - CAP loan issued for water well improvements. Principal and interest are due at the beginning of each month starting 12/01/2005, at an annual interest rate of 2%.	658	-	658	-
Total General Long-Term Debt	<u>\$ 9,457</u>	<u>\$ -</u>	<u>\$ 7,162</u>	<u>\$ 2,295</u>

See independent accountant's compilation report

