

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

**Town of Louin, Mississippi
Statement of Cash Receipts
and Disbursements
For the Year Ended September 30, 2016**

**Town of Louin, Mississippi
Year Ended September 30, 2016**

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HOLT & ASSOCIATES, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Julie M. Uher, CPA
Kari M. Blackledge, CPA
Sheri A. Kelly, CPA

H. I. Holt, CPA
Founder (1915-1997)
W. David Dill, CPA (Retired)

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities of Town of Louin, Mississippi for the year ended September 30, 2016, and the related notes to the financial statement 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. We do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information 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 in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Holt & Associates, PLLC

Laurel, MS
July 8, 2022

2815 HIGHWAY 15 NORTH | LAUREL, MISSISSIPPI 39440
10 BELLEGRASS BLVD. | HATTIESBURG, MISSISSIPPI 39402
PHONE 601-649-3000 | FAX 601-649-3050
WWW.HOLTACCOUNTING.COM

Town of Louin, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the Year Ended September 30, 2016

	<u>Governmental Activities</u>	<u>Business-Type</u> <u>Activities</u>	
	<u>Major Funds</u>		
	<u>General Fund</u>	<u>Water Fund</u>	<u>Totals</u>
Receipts			
General property taxes	\$ 11,379	\$ -	\$ 11,379
Licenses and permits			
Franchise charges - utilities	10,381	-	10,381
Intergovernmental receipts			
State revenues			
General municipal aid	138	-	138
Homestead exemption reimbursement	1,187	-	1,187
State shared revenues			
Sales taxes	30,542	-	30,542
Gasoline tax	848	-	848
Fire insurance premium distribution	1,777	-	1,777
County share revenues			
Rail car taxes	2,039	-	2,039
Charges for services			
Water utility	-	92,789	92,789
Fines and Penalties	2,236	-	2,236
Miscellaneous receipts	6,088	-	6,088
Total receipts	<u>66,615</u>	<u>92,789</u>	<u>159,404</u>

	Governmental Activities	Business-Type Activities	
	Major Funds		
	General Fund	Water Fund	Totals
Disbursements			
General government	\$ 50,931	\$ -	\$ 50,931
Public safety:			
Police	12,580	-	12,580
Fire	5,602	-	5,602
Enterprise: water and sanitation	-	88,440	88,440
Redemption of principal	4,648	-	4,648
Debt service interest	1,296	-	1,296
Total disbursements	75,057	88,440	163,497
Excess (deficiency) of receipts over disbursements	(8,442)	4,349	(4,093)
Other Financing Sources (Uses)			
Transfers	6,976	(6,976)	-
Total other financing sources (uses)	6,976	(6,976)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,466)	(2,627)	(4,093)
Cash Basis Fund Balance - Beginning of Year	109,347	128,174	237,521
Cash Basis Fund Balance - End of Year	\$ 107,881	\$ 125,547	\$ 233,428

Town of Louin, Mississippi
Schedule 1
Schedule of Surety Bonds of Municipal Officials
September 30, 2016

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Jason Martin	Mayor	Travelers	\$ 25,000
Betty Dolan	City Clerk	Travelers	50,000
Christy Leitaker	Water Bill Clerk	Travelers	50,000
James Chisolm	Police	Travelers	25,000
Sidney Tally	Alderman	Scott Insurance	10,000
Matthew Tally	Alderman	Scott Insurance	10,000
James Phillips	Alderman	Scott Insurance	10,000
John White	Alderman	Scott Insurance	10,000
Kevin Bassett	Alderman	Scott Insurance	10,000

Town of Louin, Mississippi
Schedule 2
Schedule of Long-Term Debt
For the Fiscal Year Ended September 30, 2016

Definition and Purpose	Balance	Transactions During Fiscal Year		Balance
	Outstanding <u>October 1, 2015</u>	<u>Issued</u>	<u>Redeemed</u>	Outstanding <u>September 30, 2016</u>
Other Long-term Debt:				
Governmental activities:				
SRF Loan	\$ 68,594	\$ -	\$ 4,648	\$ 63,946
Total governmental activities	<u>68,594</u>	<u>-</u>	<u>4,648</u>	<u>63,946</u>
Total Long-Term Debt	<u>\$ 68,594</u>	<u>\$ -</u>	<u>\$ 4,648</u>	<u>\$ 63,946</u>



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Independent Accountant's Report on Compliance with State Laws and Regulations

To the Mayor and Board of Aldermen
Town of Louin, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Investments, Schedule of Surety Bonds for Municipal Officers and Schedule of Long-Term Debt of the Town of Louin, Mississippi, for the year ended September 30, 2016, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the town's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements-Governmental and Business-type Activities, Schedule of Surety Bonds for Municipal Officers, and Schedule of Long-Term Debt of the Town of Louin, Mississippi, for the year ended September 30, 2016, disclosed instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

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July 8, 2022

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Special Report on Agreed-Upon Procedures for Small Towns

To the Mayor and Board of Aldermen
Town of Louin, Mississippi

We have performed certain agreed-upon procedures as discussed below, to the accounting records of the Town of Louin, Mississippi, as of September 30, 2016 and for the year then ended, as required by the Office of State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Louin, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. 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 banks:

<u>Bank</u>	<u>Fund</u>	<u>General Ledger Balance</u>
Bank First	General	\$ 1,955
Bank First	General	15,839
Bank First	General	7,076
Bank First	General	1
Bank First	General	5
Bank First	General	83,005
Total General Fund		<u>\$ 107,881</u>
Bank First	Water	125,547
Total Water Fund		<u>\$ 125,547</u>

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2. The Town had no investments at September 30, 2016.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Traced levies to governing body minutes;
 - b. Traced distribution of taxes collected to proper funds; and
 - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 through 27-39-323, Miss. Code Ann. (1972).

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

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

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

Sales tax allocation	General	\$	30,542
Gasoline tax	General		848
Homestead exemption reimbursement	General		1,187
General municipal aid	General		138
Fire insurance premium distribution	General		1,777
		\$	<u>34,492</u>

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

The sample consisted of the following:

Number of Sample Items – 24
 Dollar Value of Sample - \$36,117

We found the Town's purchasing procedures to be in agreement with the requirements of the above-mentioned sections (except as follows).

- I. The Town did not maintain adequate records of disbursements.

- II. The Town did not obtain proper approval from the governing board for disbursements.
 - III. The Town did not obtain proper quotes or bids of disbursements in accordance with Title 31, Chapter 7, Miss. Code Ann. (1972).
6. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the Town to be in agreement with the requirements of the above-mentioned sections (except as follows).

- I. The Town did not settle court assessments monthly with the Department of Finance and Administration.
7. The Town did not complete the Municipal Compliance Questionnaire.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Louin, Mississippi, for the year ended September 30, 2016.

Holt & Associates, PLLC
Laurel, MS
July 8, 2022