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MAYOR

Dimp Powell

TOWN OF ISOLA

203 Julia Street ▪ P.O. Box 194

Isola, MS 38754

Phone: (662) 962-7725

Fax: (662) 962-6133

CITY CLERK

Irene Parker

CITY COUNCIL

Jack Toler, Ward 1

Lekeita Wade, Ward 2

Dora Hooker, Ward 3

Lawrence Anderson, Ward 4

Linda Jones, Ward 5

CITY ATTORNEY

Bryant Clark

CHIEF OF POLICE

J.D. Roseman

October 02, 2019

Office of the State Auditor

P.O. Box 956

Jackson, Mississippi 39205

Re: Annual Municipal Financial Statement

Gentlemen:

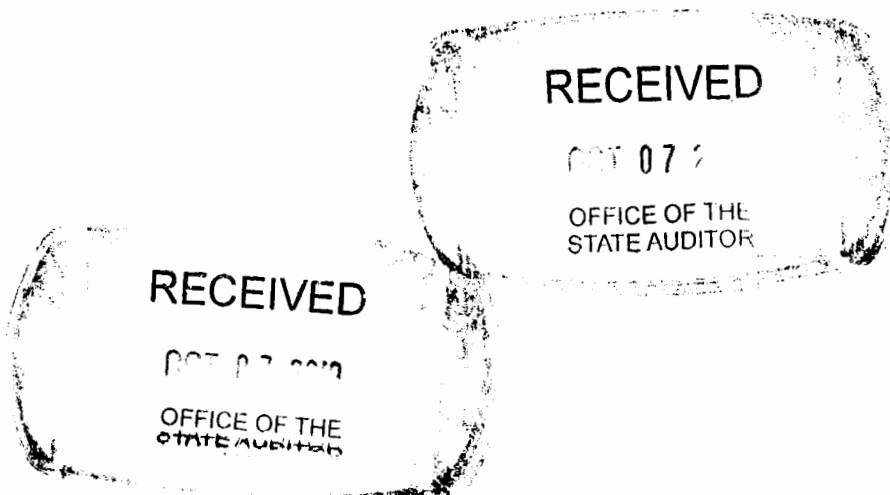
Accompanying this letter is two (2) hard copies of the annual compilation of the Town of Isola, Mississippi, for the fiscal year ended September 30, 2018, respectively. A separate management letter was not written to the Town of Isola, Mississippi, in connection with this report.

Sincerely,



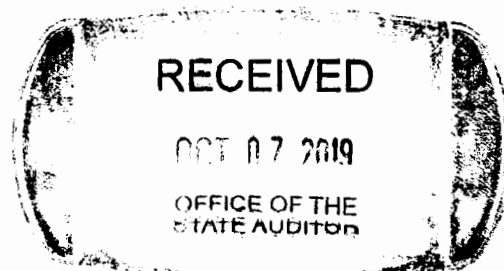
Dimp Powell, Mayor

Enclosures/attachments



Town of Isola
Compiled Financial Statements
September 30, 2018

Ella B. Johnson
Public Accountant
119 Greenridge Drive
Madison, MS 39110
662-347-5773 (Office)
601-790-9369 (Fax)



Town of Isola, Mississippi

Table of Contents

September 30, 2018

	<u>Page</u>
Table of Contents	1
Special Report on Agreed-Upon Procedures for Small Municipalities (Towns)	2-4
Combined Statement of Cash Receipts and Disbursements (All Funds)	5-6
Schedule of Long-Term Debt	7
Schedule of Surety Bonds for Municipal Officials	8
Report on Compliance with State Laws and Regulations	9



Johnson Accounting Services
119 Greenridge Drive
Madison, MS 39110
Phone: 662-347-5773

**SPECIAL REPORT ON AGREED UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

(Compliance Letter)

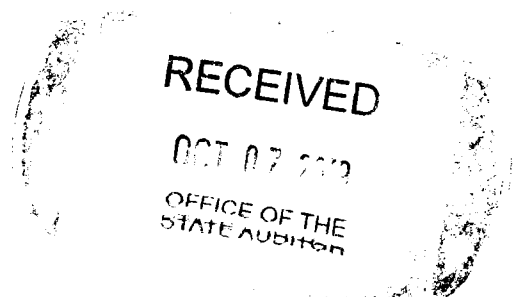
Honorable Mayor and Board of Aldermen
Town of Isola
Isola, Mississippi 38754

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Isola, Mississippi, as of September 30, 2018, and for the year then ended, as required by the Office of the 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 Isola, 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 bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Funds</u>	<u>Balance per General Ledger</u>
Bank Plus	General Fund	
General Fund Operating		\$9,335
General Clearing		<u>00</u>
	Total General Fund	<u>\$9,335</u>
Bank Plus	Special Revenue Fund	
Fire Fund		<u>\$17,951</u>
	Total Special Revenue Fund	<u>\$17,951</u>
Bank Plus	Proprietary Fund	
Water & Sewer Fund		<u>\$8,131</u>
	Total Proprietary Fund	<u>\$8,131</u>

No securities were held for investments.



2. We performed the following procedures with respect to taxes and personal property (including motor vehicles) levied during the fiscal year.

- a. Trace 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 completion with Increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to General Fund was found to be in accordance with prescribed tax levies. The distribution of taxes was not made to Fire Fund.

Current year's Real and Personal Property Taxes, Motor Vehicle and Mobile Home taxes were collected by Humphreys County Tax Collector and remitted to the town on a monthly basis. Prior Years' Real and Personal Property taxes were collected by the Town Clerk.

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

3. The Town did not retire or issue general obligation debt or revenue bonds.
4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts. All payments were recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$23,813
General Municipal Aid	General Fund	355
Gasoline Tax	General Fund	2,184
Homestead Exemption	General Fund	15,464
Grand Gulf	General Fund	3,953
Municipal Fire Protection	Fire Fund	4,070
Department of Health	General Fund	2,402
	General Fund	<u>74,372</u>
Total		<u>\$126,613</u>

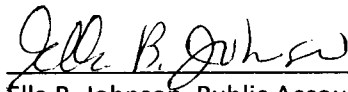
5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Mississippi Code Ann. (1972), if applicable. The sample consisted of the following:

Number of Sample Items	16
Total Dollar Value of Sample	\$12,728.76

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

6. Fines and forfeitures were not collected.
7. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements:
 - a. The municipal clerk did not 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. (Section 21-35-13)
 - b. The Municipality did not commission municipal depositories. (Sections 27-105-353 and 27-105-363).

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 that items specified in Paragraph 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 Isola, Mississippi, for the year ended September 30, 2018.

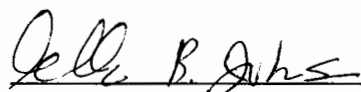

Ella B. Johnson, Public Accountant
Madison, MS 39110
September 30, 2019



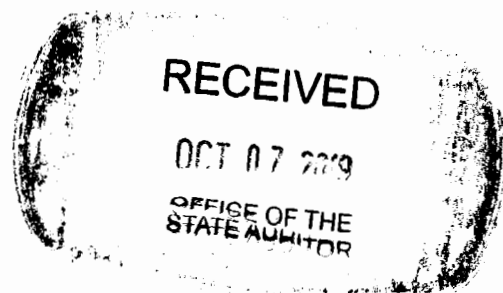
Johnson's Accounting Service
Public Accountant
119 Greenridge Drive
Madison, MS 39110
Phone: 662-347-5773
Fax: 601-790-9369

Governing Body
Town of Isola, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements (Governmental & Business Type Activities) as of and for the Fiscal Year Ended September 30, 2018.


Ella B. Johnson, Public Accountant

September 30, 2019



TOWN OF ISOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Governmental Activities		Total	Business-Type Activities	
	General Fund	Other Nonmajor Funds		Water & Sewer Fund	Total
RECEIPTS					
Taxes					
General Property Taxes	103,652		103,652		
Licenses & Permits	1,960		1,960		
Franchise Charges-Utilities	14,186		14,186		
Intergovernmental revenues:					
General Municipal Aid	355		355		
State shared revenues:					
Homestead Exempt. Reimburse.	15,464		15,464		
Sales Tax Allocation	23,813		23,813		
Gasoline Tax	2,183		2,183		
Grand Gulf Nuclear Plant	3,953		3,953		
Fire Protection Allocation	4,070	-	4,070		
Grant Income					
Department of Health	2,402		2,402		
Federal Grant Income		74,372	74,372		
Entergy Grant	500		500		
Fines and Forfeits	-		-		
Reimbursements	984		984		
Other Revenue	1,274		1,274		
Charges for Services:					
Water, Sewer & Garbage				169,851	169,851
Water Deposits				700	700
TOTAL RECEIPTS	174,796	74,372	249,168	170,551	170,551

DISBURSEMENTS

General Government		
General Administration		-
Salaries & Employee Benefits	81,936	81,936
Unemployment Benefits	999	999
Supplies	6,970	6,970
Legal	7,800	7,800
Judicial	1,750	1,750

TOWN OF ISOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Governmental Activities			Business-Type Activities	
	General Fund	Other Nonmajor Funds	Total	Water & Sewer Fund	Total
Other Services and Charges	48,837		48,837		
Debt Service - Interest	-		-		
Public Safety					
Police					
Supplies	726		726		
Other Services & Charges	1,466		1,466		
Fire Fund		300	300		
Other Services and Charges	269		269		
Public Works					
Supplies	2,488		2,488		
Other Services & Charges	19,881		19,881		
Sanitation					
Garbage Disposal			-	44,525	44,525
Department of Health	1,947		1,947		
Grant Expenditures:					
LPA Grant		74,372	74,372		
Entergy Grant	500		500		
Enterprises - Water & Sewer					
Salaries & Employee Benefits				60,564	60,564
Supplies				3,625	3,625
Other Services & Charges				46,808	46,808
Total Disbursements	175,569	74,672	250,241	155,522	155,522
Excess of Receipts Over (Under)					
Disbursements	(773)	(300)	(1,073)	15,029	15,029
OTHER CASH SOURCES (USES)					
Transfers In	11,157	3,992	15,149	1,000	-
Transfers Out	(4,992)		-	(11,157)	(11,157)
Debt Repaid-Principal			-	(500)	(500)
Total Other Cash Sources (Uses)	6,165	3,992	10,157	(10,657)	(10,657)
Excess (Deficiency) of Receipts					
Over Disbursements	5,392	3,692	9,084	4,372	4,372
Cash Basis Fund Balance					
Beginning of Year	3,943	14,259	18,202	3,759	3,759
Cash Basis Fund Balance - End of Yr.	9,335	17,951	27,286	8,131	8,131

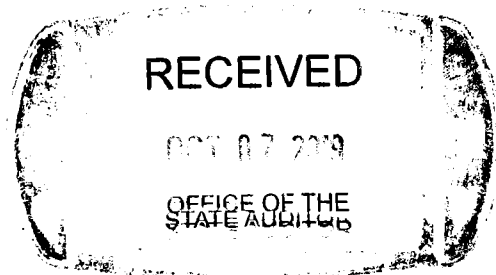
TOWN OF ISOLA, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Fiscal Year Ended September 30, 2018

DEFINITION AND PURPOSE

Combined Waterworks & Sewer Sys Revenue Bond	Balance		<u>Transactions During Fiscal Year</u>		Balance
	<u>Outstanding</u>	<u>October 1, 2017</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding</u> <u>September 30, 2018</u>
10393402	5,996			377	5,619
10393403	\$ 26,220		-	123	26,097
TOTAL	\$ 32,216		-	500	\$ 31,716

TOWN OF ISOLA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2018

<u>NAME</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>AMOUNT</u>
Dimp Powell	Mayor	Travelers	\$ 50,000
Irene Parker	Clerk	Travelers	\$ 25,000
Alma Faye Custom	Deputy Clerk	Travelers	\$ 50,000
Lawrence Anderson	Alderman	Travelers	\$ 50,000
Lekeita Wade	Alderwoman	Travelers	\$ 50,000
Dora Hooker	Alderwoman	Travelers	\$ 50,000
Linda Faye Jones	Alderwoman	Travelers	\$ 50,000
Kenneth Jackson Toler	Alderman	Travelers	\$ 50,000



JOHNSON ACCOUNTING SERVICE

Ella B. Johnson, Public Accountant

119 Greenridge Drive

Madison, MS 39110

Phone: 662-347-5773

Fax: 662-759-0542

**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

To the Mayor and the Board of Aldermen
Town of Isola, Mississippi 38754

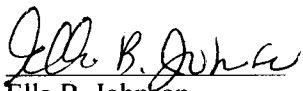
We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Isola, Mississippi, for the year ended September 30, 2018, in accordance with Statements on 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 accounting principles generally accepted in the United States of America.

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. According, we do not express such an opinion.

With respect to items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Isola, Mississippi, for the year ended September 30, 2018 disclosed the following material instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

Findings:	The municipal clerk did not 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. (Section 21-35-13) The municipality did not commission municipal depositories. Sections 27-105-353 and 27-105 363.
Recommendations:	The municipality work on corrected actions to comply with all Sections indicated above.
Responses:	The Mayor, Board of Aldermen and Town Clerk will work on a plan to correct all Sections of noncompliance listed in this report.

This report is intended solely for the information and use of management and the Office of the State Auditor 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.



Ella B. Johnson,
Public Accountant
September 30, 2019

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OFFICE OF THE
STATE AUDITOR