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TOWN OF POPE
P. O. Box 126
Pope, Mississippi 38658

February 11, 2019

Office of the State Auditor
501 North West Street
Suite 801, Woolfolk Building
Jackson, MS 39201

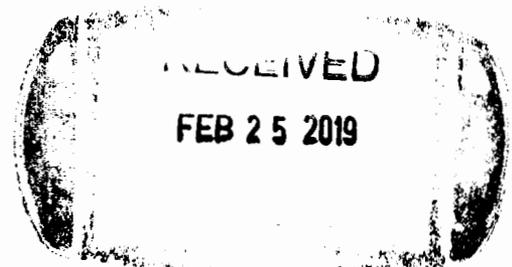
Attached are two copies of the annual financial report and agreed upon procedures on the Town of Pope, Mississippi, for the fiscal year ended September 30, 2018. A PDF of the same information has also been emailed to you earlier. A separate management letter was not written to the Town in connection with these reports.

Yours very truly,



Jamie W. Howell, Sr.
Mayor

Attachments





STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
STACEY E. PICKERING
STATE AUDITOR

TO: Municipal Clerk
Municipality of Pope

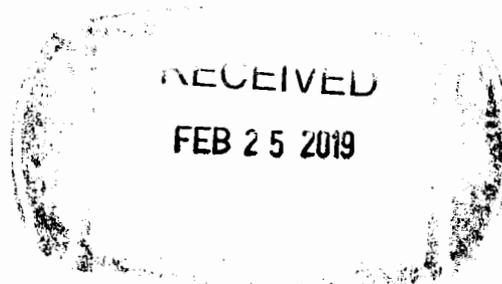
FROM: Emily M. McNeil, CPA
Manager, Division of Technical Assistance

DATE: January 30, 2017

SUBJECT: **Notice of Noncompliance with Mississippi Code Annotated
Section 21-35-31**

As of January 30, 2017, this office has not received the Municipality's Annual Financial Report for the Fiscal Year End 2015. Mississippi Code Section 21-35-31 requires this report to be filed with the State Auditor by September 30 of each year for the preceding calendar year. This statute also provides penalties for Municipalities who fail to file their reports. We ask that you file your report immediately.

We understand that there may be special circumstances causing your filing to be delayed. If this is the case, it is important that you make us aware of these circumstances. Please contact me at 800-321-1275 if the Municipality's Annual Financial Report will not be forthcoming in the next few days.



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INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

Governing Authority
Town of Pope, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Pope, Mississippi solely to assist the Office of the State Auditor evaluate the Town of Pope, Mississippi's compliance with certain laws and regulations as of September 30, 2018 and for the year then ended. This agreed-upon procedures engagement was conducted 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 verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and 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 or otherwise proved those bank balances. No exceptions were noted.

<u>Bank</u>	<u>Fund</u>	<u>General Ledger</u>
First Security Bank	General	\$ 50,223
First Security Bank	General	80
First Security Bank	Sewer	30
First Security Bank	Sewer	<u>5</u>
Total		<u>\$ 50,338</u>

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2. 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. No exceptions were noted.
 - b. Traced distribution of taxes collected to proper funds. No exceptions were noted.
 - 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). No exceptions were noted.

3. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. The payments indicated were traced to deposit 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>Ledger Amount</u>
Liquor privilege tax	General	\$ 900
Homestead reimbursement	General	1,328
Gasoline tax	General	645
Sales tax allocation	General	45,371
General municipal aid	General	107
Nuclear plant payments	General	2,322
Fire protection	General	1,227

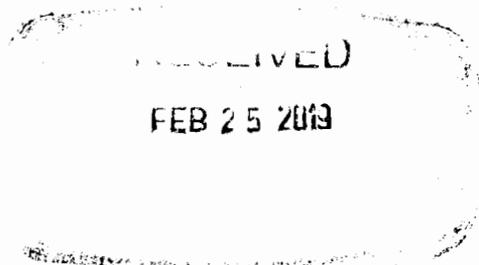
4. Even though the town had a very limited amount of expenditures subject to the state purchase law, we selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	12
Total Dollar Value of Sample	\$22,264

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

5. We selected a sample of collection of fines and forfeitures to verify that the municipal court clerk had settled daily with the municipal clerk in accordance with Section 21-15-21, Miss Code Ann. (1972). We also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration in accordance with Sections 99-19-73 & 83-39-31 Miss Code Ann. (1972).



We found that the court clerk failed to remit collected fines to the municipal clerk on a daily basis. Also, no amounts were settled with the state for the entire year. Subsequent to year end, the Town hired a new court clerk and the necessary reports were submitted to the Town for submission. The delinquent assessments remitted amounted to approximately \$566. The Town has advised that appropriate action will be taken to determine that assessments collected are settled with the state in a timely manner.

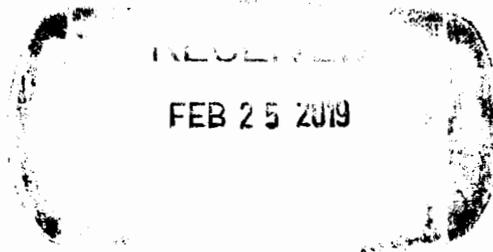
6. We have read the Municipal Compliance Questionnaire that was completed, signed, and recorded in the Town board's minutes. The completed survey indicated no instances of noncompliance with state requirements. However, there were thirteen items that exceeded the budgeted amount by a total of \$17,450. The Town has advised that greater care will be taken in the future and will amend the budget if necessary.

We were not engaged to and did not conduct 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 information and use of the Office of the State Auditor, State of Mississippi and is not intended to be 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.

William H. Polk & Co.

Batesville, Mississippi
January 30, 2019



TOWN OF POPE
FINANCIAL REPORT
SEPTEMBER 30, 2018

William H. Polk & Co.
Certified Public Accountants
A Professional Association
105 Public Square
Batesville, Mississippi 38606

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying statement of cash receipts and disbursements-governmental and business-type activities of the Town of Pope for the year ended September 30, 2018, 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-cash basis 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 the statement or cash receipts and disbursements-cash basis.

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 not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from the cash basis transactions for the Town's governmental activities and business type activities are not reasonably determinable.

Management has also elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared on 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, this financial statement is not designed for those who are not informed about such matters.

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The supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion nor provide any form of assurance on such supplementary information.

Management also has not presented management's discussion and analysis and other required supplemental information the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the provisions of Section 21-35-31, Miss., Code Ann. (1972), we have issued a report dated January 30, 2019 on the results of our agreed-upon procedures.

William H. Polk & Co.

Batesville, Mississippi
January 30, 2019

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Town of Pope, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Activities
 For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
	<u>General Fund</u>	<u>Sewer Fund</u>
RECEIPTS		
Taxes		
General property taxes	\$ 9,534	
Penalties and interest on delinquent taxes	74	
Franchise charges - utilities	6,690	
Intergovernmental revenues: Federal		
Receipts		
Grants	-	\$ 12,946
General municipal aid	107	-
State shared revenues:		
Fire protection	1,227	-
Liquor privilege tax	900	-
Sales taxes	45,371	-
Gasoline tax	645	-
Grand Gulf distribution	2,322	-
Homestead reimbursement	1,328	-
County railroad tax	3,093	-
County police claim fees	322	-
Police fines and forfeits	890	-
Miscellaneous receipts	1,675	-
Sewer fees	-	79,250
Total Receipts	74,178	92,196

continued

Town of Pope, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Activities-continued
 For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
	<u>General Fund</u>	<u>Sewer Fund</u>
DISBURSEMENTS		
General government:		
Utilities	\$ 7,904	
Insurance	3,367	
Professional fees	22,466	
Town mowing	5,900	
Office and postage expense	194	
Salaries	27,003	
Payroll taxes	1,977	
Miscellaneous	103	
Supplies	451	
Memberships	365	
	<u>69,730</u>	
Fire department:		
Local contract	-	
Police department:		
Maintenance and repairs	-	
Supplies	2,536	
Salaries	14,142	
Payroll taxes	1,035	
Police fines paid to state	-	
Miscellaneous	-	
Capital outlay	-	
	<u>17,713</u>	
Sewer department:		
Lagoon Mowing	-	\$
Utilities	-	16,070
Returned check fees	-	325
Supplies	-	260
Memberships	-	376
Maintenance	-	19,833
Office and postage expenses	-	1,811
Salaries	-	17,223
Payroll taxes	-	1,302
Legal fees	-	250
Capital outlay	-	3,600
	<u>87,443</u>	<u>64,700</u>
Total Disbursements	<u>87,443</u>	<u>64,700</u>
Excess (Deficiency) of receipts over disbursements	<u>(13,265)</u>	<u>27,496</u>

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continued

See accompanying independent accountants' compilation report.

Town of Pope, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Activities-continued
 For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
	<u>General Fund</u>	<u>Sewer Fund</u>
OTHER FINANCING SOURCES (USES)		
Debt retirement – principal	\$ -	\$ (13,195)
Debt interest	<u>-</u>	<u>(15,049)</u>
Total other financing resources (uses)	<u>-</u>	<u>(28,244)</u>
 Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	 (13,265)	 (748)
CASH BASIS FUND BALANCE		
BEGINNING OF YEAR	<u>63,567</u>	<u>782</u>
CASH BASIS FUND BALANCE		
END OF YEAR	<u>\$ 50,302</u>	<u>\$ 34</u>

[2018 09 30]

Town of Pope, Mississippi
Schedule of Investments
September 30, 2018

No investments to report.

Town of Pope, Mississippi
 Schedule of Long-Term Debt
 For The Fiscal Year Ended September 30, 2018

	Balance Outstanding <u>9-30-17</u>	Transactions During Issued	Fiscal Year Redeemed	Balance Outstanding <u>9-30-18</u>
<u>OTHER LONG-TERM DEBT:</u>				
Rural Utility Service	\$ 382,668	\$ 0	\$ (13,195)	\$ 369,473

The Town's revenue bonds are secured solely by the revenue of the sewer system.

Town of Pope, Mississippi
Schedule of Surety Bonds For Municipal Officials
September 30, 2018

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Jamie Howell	Mayor	Travelers	\$ 25,000
Michael Boyette	Alderman	Travelers	\$ 10,000
Justin Pope	Alderman	Travelers	\$ 10,000
Jessie Flowers	Alderman	Travelers	\$ 10,000
Ann Rikard	Alderman	Travelers	\$ 10,000
Dan Jenkins	Alderman	Travelers	\$ 10,000
Joshua Cobb	Police Chief	Travelers	\$ 50,000
Christopher Downs	Police Officer	Travelers	\$ 25,000
Tracy Holcomb	Town Clerk	Travelers	\$ 50,000
Rene' Hubbard	Court Clerk	Travelers	\$ 50,000

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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS**

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

We have compiled the accompanying statement of cash receipts and disbursements—governmental and business-type activities of the Town of Pope, 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, and have issued our report dated January 30, 2019.

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.

The results of those procedures and our compilation of the accompanying statement of cash receipts and disbursements - governmental and business-type activities of the Town of Pope, Mississippi for the year ended September 30, 2018 disclosed the following instances of noncompliance with state laws and regulations which are also addressed as items 5 and 6 in the Independent Accountants' Report on Applying Agreed-Upon Procedures.

Municipal Court Fines Receipts

We noted that in all twelve months tested, the court clerk failed to remit collected fines and forfeitures to the Town Clerk on a daily basis. It was also noted that the court clerk did not remit to the state for the entire year as noted in prior years. Delinquent assessments amounted to approximately \$566 which was paid subsequent to year end.

We recommend that the court clerk be more diligent in remitting and reporting such collections on the required daily basis. Also, the court clerk should settle assessments collected monthly with the state. We understand the Town has hired a new court clerk subsequent to year end.

Municipal Budget

We noted that there were thirteen items that exceeded budgeted amounts by a total of \$17,450.

We recommend that greater care be taken in containing expenditures to the budgeted amounts and amending the budget if necessary.

This report is intended solely for the information and use of the Town's management and the Office of the State Auditor, State of Mississippi 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.

William H. Pelk & Co.

Batesville, Mississippi

January 30, 2019