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Town of Snow Lake Shores

P. O. Box 400
Ashland, Mississippi 38603
Phone (662) 224-3050

Office of the State Auditor
P.O. Box 956
Jackson, Mississippi 39205

Re: Annual Audit

Accompanying this letter is a copy of the financial report of the Town of Snow Lake Shores, Mississippi, for the fiscal year ended September 30, 2018. A separate management letter was not written to the town in connection with this audit.

Sincerely,



Mayor



TOWN OF SNOW LAKE SHORES

FINANCIAL REPORT

SNOW LAKE SHORES, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2018



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SHONDA DAVIS

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Snow Lake Shores
Snow Lake Shores, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Snow Lake Shores, 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 Snow Lake Shores, 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>Fund</u> | <u>Balance per</u> <u>General Ledger</u> |
|-------------------------|--------------|---|
| Merchant & Farmers Bank | General Fund | \$ 92,879 |
| | Garbage Fund | 4,769 |
| | Water Fund | 191,748 |

2. We confirmed directly with respective banks all investments, including certificates of deposits, owned by the Town of Snow Lake Shores. All investments transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code 1972, Annotated.

We found the municipality's investments to be in compliance with the requirements of the above mentioned sections.

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Verified use of certified county assessment rolls and traced levies to governing body minutes;
 - b. Examined uncollected taxes for proper handling, including tax sales;
 - c. Traced distribution of taxes collected to proper funds; and

- d. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

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

Ad valorem tax collections for retirement of general obligation debt was found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss. Code Ann. (1972).

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 Funds</u> | <u>General Ledger Amount</u> |
|------------------------|------------------------|------------------------------|
| Sales Tax Allocation | General | \$ 1,642 |
| Homestead Exemption | General | 7,665 |
| General Municipal Aid | General | 159 |
| TVA in Lieu of Taxes | General | 1,567 |
| Gasoline Tax | General | 977 |

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 Sections 31-7-1, 31-7-13, 31-7-49 and 31-7-57, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

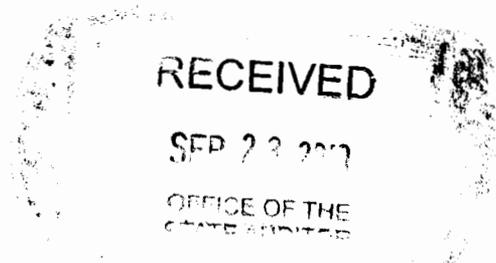
| | |
|------------------------|-----------|
| Number of sample items | 37 |
| Dollar value of sample | \$ 71,983 |

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

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 municipality's collection of fines and forfeitures to be in agreement with the requirements of the above mentioned sections.

7. We have read the Municipal Compliance Questionnaire completed by the town. The completed survey indicated no instances of noncompliance.



Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Snow Lake Shores, taken as a whole.

This report is intended solely for the use of the Office of the 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.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
July 25, 2019



LINDSEY, DAVIS AND ASSOCIATES

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Snow Lake Shores
Snow Lake Shores, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements (all funds)-cash basis of the Town of Snow Lake Shores, Mississippi, as of and for the year ended September 30, 2018 in accordance with accounting principles generally accepted in the United States of America. 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 financial statements 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 required by accounting principles generally accepted in the United States of America. 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 statements are not designed for those who are not informed about such matters.

Required Supplementary Information

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not 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 9, 10 and 11 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Snow Lake Shores, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
July 25, 2019

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OFFICE OF THE
TOWN CLERK

TOWN OF SNOW LAKE SHORES
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2018

| | GOVERNMENTAL FUNDS | PROPRIETARY FUNDS | TOTALS (MEMORANDUM ONLY) | |
|---|-----------------------|----------------------|-----------------------------|-------------------|
| | GENERAL | ENTERPRISE | 2018 | 2017 |
| REVENUE RECEIPTS | | | | |
| General Property Taxes | \$ 35,884 | \$ | \$ 35,884 | \$ 34,800 |
| Prior Year Taxes | 1,075 | | 1,075 | |
| Penalties and Interest on Delinquent Taxes | 394 | | 394 | 271 |
| Special Tax - Street Improvements | 13,843 | | 13,843 | 14,040 |
| Building Permits | | | | 325 |
| Intergovernmental Revenues: | | | | |
| State Shared Revenue: | | | | |
| Sales Tax | 1,642 | | 1,642 | 1,355 |
| Homestead Exemption | 7,665 | | 7,665 | 7,250 |
| TVA in Lieu of Taxes | 1,567 | | 1,567 | 2,343 |
| General Municipal Aid | 159 | | 159 | 159 |
| Gasoline Tax | 977 | | 977 | 977 |
| County Shared Revenue: | | | | |
| Road and Auto Taxes | 1,463 | | 1,463 | 2,186 |
| Fire Protection | 1,821 | | 1,821 | 1,786 |
| Charges for Services: | | | | |
| Water Utilities | | 118,624 | 118,624 | 106,418 |
| Garbage Collection Fees | | 55,832 | 55,832 | 49,938 |
| Gross Receipts Tax - Cable | 1,102 | | 1,102 | 960 |
| Donations | 53,021 | | 53,021 | 53,021 |
| Miscellaneous | 6,114 | | 6,114 | 775 |
| TOTAL REVENUE RECEIPTS | <u>126,727</u> | <u>174,456</u> | <u>301,183</u> | <u>276,604</u> |
| OTHER RECEIPTS | | | | |
| Transfers | 12,000 | | 12,000 | 29,067 |
| Late Fees | | 745 | 745 | 860 |
| Increase (Decrease) in Meter Deposits | | 2,225 | 2,225 | 900 |
| Interest Income | 446 | 761 | 1,207 | 1,211 |
| TOTAL OTHER RECEIPTS | <u>12,446</u> | <u>3,731</u> | <u>16,177</u> | <u>32,038</u> |
| TOTAL RECEIPTS | 139,173 | 178,187 | 317,360 | 308,642 |
| Cash Balance - Beginning of Year | <u>106,877</u> | <u>197,358</u> | <u>304,235</u> | <u>290,655</u> |
| TOTAL AMOUNT TO ACCOUNT FOR | <u>\$ 246,050</u> | <u>\$ 375,545</u> | <u>\$ 621,595</u> | <u>\$ 599,297</u> |

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2018

| | GOVERNMENTAL FUNDS | PROPRIETARY FUNDS | TOTALS (MEMORANDUM ONLY) | |
|--------------------------------------|-----------------------|----------------------|-----------------------------|-------------------|
| | GENERAL | ENTERPRISE | 2018 | 2017 |
| OPERATING DISBURSEMENTS | | | | |
| General Government | \$ 76,277 | \$ | \$ 76,277 | \$ 69,916 |
| Highways and Street | 10,173 | | 10,173 | 4,577 |
| Public Safety: | | | | |
| Police | 15,580 | | 15,580 | 16,126 |
| Fire | 1,821 | | 1,821 | 1,786 |
| Enterprise: | | | | |
| Water Utilities | | 58,011 | 58,011 | 50,004 |
| Sanitation | | 51,438 | 51,438 | 48,098 |
| TOTAL OPERATING DISBURSEMENTS | <u>103,851</u> | <u>109,449</u> | <u>213,300</u> | <u>190,507</u> |
| OTHER DISBURSEMENTS | | | | |
| Loans Repaid | 24,000 | 20,693 | 44,693 | 42,755 |
| Transfers | | 12,000 | 12,000 | 29,067 |
| Interest on Notes | 1,020 | 26,886 | 27,906 | 29,822 |
| Investment in Fixed Assets | 24,300 | 10,000 | 34,300 | 2,911 |
| TOTAL OTHER DISBURSEMENTS | <u>49,320</u> | <u>69,579</u> | <u>118,899</u> | <u>104,555</u> |
| TOTAL DISBURSEMENTS | 153,171 | 179,028 | 332,199 | 295,062 |
| Cash Balance - End of Year | <u>92,879</u> | <u>196,517</u> | <u>289,396</u> | <u>304,235</u> |
| TOTAL AMOUNT ACCOUNTED FOR | <u>\$ 246,050</u> | <u>\$ 375,545</u> | <u>\$ 621,595</u> | <u>\$ 599,297</u> |



SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
SCHEDULE OF LONG-TERM DEBT
 YEAR ENDED SEPTEMBER 30, 2018

| | <u>Definition and Purpose</u> | <u>Balance Outstanding Oct. 1, 2017</u> | <u>Transactions During Fiscal Year</u> | | <u>Balance Outstanding Sept. 30, 2018</u> |
|------------------------------|-----------------------------------|---|--|------------------|---|
| | | | <u>Issued</u> | <u>Redeemed</u> | |
| Rural Development | Water System | \$ 566,011 | \$ | \$ 20,693 | \$ 545,318 |
| Merchant & Farmers Bank | Road Bond | 24,000 | | 24,000 | |
| Total | | <u>\$ 590,011</u> | <u>\$</u> | <u>\$ 44,693</u> | <u>\$ 545,318</u> |
| Population per Latest Census | | | | | 300 |



SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2018

| <u>Name</u> | <u>Position</u> | <u>Surety</u> | <u>Bond Amount</u> |
|------------------|-----------------|---------------|--------------------|
| Sheri Briggs | Town Clerk | USF&G | \$ 50,000 |
| Flake Farmer | Police Chief | USF&G | 50,000 |
| Doug Irby | Mayor | USF&G | 25,000 |
| Wayne Montgomery | Maintenance | USF&G | 50,000 |
| Cindy Gearhart | Deputy Clerk | USF&G | 50,000 |
| Joann Towry | Aldерwoman | USF&G | 25,000 |
| Harry Leuer | Alderman | USF&G | 25,000 |
| Mike Fly | Alderman | USF&G | 25,000 |
| Frank Fasano | Alderman | USF&G | 25,000 |
| Jackie Barnett | Alderman | USF&G | 25,000 |



SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS
 SEPTEMBER 30, 2018

The following is a schedule of investments at September 30, 2018:

Certificates of Deposit

| <u>Fund Account Name</u> | <u>Balance 9/30/18</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|--------------------------|----------------------------|--------------------------|--------------------------|
| General Fund Account | \$ 5,000 | 07/09/19 | 0.90% |
| General Fund Account | 5,000 | 02/05/19 | 1.30% |
| General Fund Account | 5,000 | 01/14/19 | 0.90% |
| General Fund Account | 6,000 | 02/05/19 | 1.30% |
| General Fund Account | 5,000 | 10/24/18 | 0.90% |
| General Fund Account | 5,000 | 05/24/19 | 0.90% |
| General Fund Account | 10,000 | 05/10/19 | 1.30% |
| General Fund Account | 5,000 | 12/18/18 | 0.90% |
| General Fund Account | 5,000 | 12/18/18 | 0.90% |
| General Fund Account | 5,000 | 02/25/19 | 1.30% |
| Road Debt Retirement | 6,000 | 11/29/18 | 0.90% |
| Water Fund Account | 5,000 | 10/17/18 | 0.45% |
| Water Fund Account | 5,000 | 02/05/19 | 1.14% |
| Water Fund Account | 6,387 | 11/09/18 | 0.65% |
| Water Fund Account | 5,828 | 11/27/18 | 0.90% |
| Water Fund Account | 5,739 | 02/15/19 | 1.30% |
| Water Fund Account | 6,165 | 09/08/19 | 1.30% |
| Total | <u>\$ 96,119</u> | | |



SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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SHONDA DAVIS

ACCOUNTANT'S REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Aldermen
Town of Snow Lake Shores
Snow Lake Shores, Mississippi

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis of the Town of Snow Lake Shores for the year ended September 30, 2018 and have issued our report dated July 25, 2019. We have conducted our compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed no material instances of noncompliance with state laws and regulations.

This report is intended for the information of the Town's 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.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
July 25, 2019

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STATE AUDITOR