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TOWN OF LOUISE, MISSISSIPPI

**SPECIAL REPORT ON AGREED-UPON PROCEDURES
FOR SMALL MUNICIPALITIES**

AND

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019



TOWN OF LOUISE, MISSISSIPPI

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SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES

(COMPLIANCE LETTER)

Honorable Mayor and Alderpersons
Town of Louise, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Louise, Mississippi, as of September 30, 2019, 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 that the report is solely for the use of the governing body of the Town of Louise, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. 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 banks.

<u>Financial Institution</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Planters Bank & Trust	General	\$ 15,506
Planters Bank & Trust	Fire Protection	21,639
Total Governmental Activities		<u>37,145</u>
Planters Bank & Trust	Water Fund	35,371
Planters Bank & Trust	Sewer Fund	149,327
Planters Bank & Trust	Garbage Fund	11,029
Total Business-Type Activities		<u>195,727</u>
Total All Activities		<u>\$ 232,872</u>

Town of Louise, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2019

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).

<u>Financial Institution</u>	<u>Security</u>	<u>Fund</u>	<u>Ledger Cost</u>
Guaranty Bank & Trust Company	Certificate of Deposit	Sewer	\$ 45,805
		Sewer	
Guaranty Bank & Trust Company	Certificate of Deposit	Contingency	24,843
	Total		<u>\$ 70,648</u>

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the year:

- A. Proved the mathematical accuracy of the tax rolls.
- B. Traced levies to governing body minutes.
- C. Reconciled the amount of taxes levied per the tax rolls to amounts actually collected.
- D. Examined uncollected taxes for proper handling, including tax sales.
- E. Traced distribution of taxes collected to proper funds; and
- F. Analyzed increase in taxes for most recent period for comparison with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

Tax assessments were found to be mathematically correct and in agreement with collections as follows:

<u>Tax Assessments</u>	<u>Assessed Value</u>	<u>Tax Millage</u>	<u>Tax Levy</u>
Realty	\$ 550,113		
Personal Property	42,527		
Public Utility	143,666		
Automobile & Mobile Home	197,581		
	<u>\$ 933,887</u>	<u>0.0447</u>	\$ 41,745
Add: Actual Homestead Reimbursement			3,714
Prior Year's Unpaid Realty Taxes			
Deduct : Homestead Credit			(6,855)
Total to be Accounted for			<u>\$ 38,604</u>

	<u>Taxes</u>	<u>Homestead</u>	
	<u>Penalties & Interest</u>	<u>Reimbursement</u>	<u>Total</u>
Credits:			
Collections allocated to General Fund	\$ 30,694	\$ 3,714	\$ 34,408
Balance represented by:			
Unpaid realty taxes,			
Board Adjustments, etc.			4,196
Total Accounted for			<u>\$ 38,604</u>

Town of Louise, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2019

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), As follows:

Actual Collections (Excluding debt service)		Actual Collections (Excluding debt service)	
Tax Collected 2017-2018	\$ 35,819	Tax Collected 2018-2019	\$ 30,694
10% Increase	3,582	Homestead Exemption	
Tax increase due to increase in assessed value	-	Reimbursement	3,714
		Under (Over) Limitation	4,993
Total	<u>\$ 39,401</u>	Total	<u>\$ 39,401</u>

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 in the appropriate accounts.

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
MS Development Authority Grant	General	\$ 120,494
Sales Tax Allocation	General	33,602
Police Training Grant	General	3,759
Homestead Reimbursement	General	3,714
MS Department of Health Grant	General	3,075
Grand Gulf	General	1,950
Fire Safety	Fire	1,174
Gasoline Tax	General	609
General Municipal/Other Aid	General	100
Total		<u>\$ 168,477</u>

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, 31-7-49 and 31-7-57 Miss. Code Ann. (1972), as applicable. We also reviewed the board minutes for approval of claims.

The sample consisted of the following:

Number of sample items:	15
Total dollar value of sample:	\$71,146

Town of Louise, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2019

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

- a. Requisitions were only of a verbal nature not written.
 - b. There was limited evidence of the matching of purchase orders to invoices.
6. We have read the Municipal Compliance Questionnaire completed by the Municipality. The completed survey indicated no instances of noncompliance with state requirements.

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, 3, 4, and 6 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 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. This report should not be associated with the financial statements of the Town of Louise, Mississippi, for the year ended September 30, 2019.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
June 3, 2021

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INDEPENDENT ACCOUNTANT'S REPORT ON THE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS GOVERNMENTAL ACTIVITIES AND BUSINESS-TYPE ACTIVITIES

Honorable Mayor and Alderpersons
Town of Louise, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements of the governmental activities and business-type activities of The Town of Louise, Mississippi, for the year ended September 30, 2019, 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 of the governmental activities 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.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The statement of cash receipts and disbursements is 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 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 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 accompanying supplementary information 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.

These reports are intended solely for informational use of the governing body and management of the Town of Louise, Mississippi, and filing with the Office of the State Auditor of Mississippi. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
June 3, 2021

TOWN OF LOUISE, MISSISSIPPI
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the fiscal year ended September 30, 2019

	Governmental Activities			Business-Type Activities				Total	Total
	General Fund	Fire Fund	Governmental Activities	Water Fund	Sewer Fund	Garbage Fund	Business-Type Activities	All Activities Fiscal Year 2019	All Activities Fiscal Year 2018
Receipts:									
Real & Personal Property Taxes	\$ 27,045		\$ 27,045					\$ 27,045	\$ 29,981
Motor Vehicle Property Taxes	5,575		5,575					5,575	
Road (1/2 tax)	2,377		2,377					2,377	8,340
Licenses and Permits	190		190					190	40
Franchise and Utility	5,795		5,795					5,795	5,885
Court Fines	6,833		6,833					6,833	
State Shared Revenues:									
Sales Tax	33,602		33,602					33,602	15,562
Homestead Reimbursement	3,714		3,714					3,714	3,519
Grand Gulf	1,950		1,950					1,950	1,945
Fire Protection		\$ 1,175	1,175					1,175	1,136
Gasoline Tax	609		609					609	609
Municipal Aid - Other	99		99					99	100
State & Federal Grants:									
MS Department of Public Safety	3,759		3,759					3,075	5,325
MS Department of Health	3,075		3,075					120,494	184,137
MS Development Authority-CDBG	120,494		120,494					2,090	1,925
County Grant Revenue		2,090	2,090						
Rural Fire Protection								87	1,206
Other Receipts:								5,388	8,831
Interest	87		87						
Miscellaneous	4,898	250	5,148	\$ 225	\$ 15		\$ 240		
Charges for Services:									
Water Fees				84,713				84,713	82,031
Sewer Fees					50,578			50,578	50,683
Garbage Fees						\$ 19,519		19,519	18,885
Total Receipts	\$ 220,102	\$ 3,515	\$ 223,617	\$ 84,938	\$ 50,593	\$ 19,519	\$ 155,050	\$ 308,555	\$ 420,140

See accompanying notes and accountant's compilation report.

TOWN OF LOUISE, MISSISSIPPI
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the fiscal year ended September 30, 2019

	Governmental Activities			Business-Type Activities			Total All Activities Fiscal Year 2019	Total All Activities Fiscal Year 2018
	Major Fund General Fund	Fire Fund	Governmental Activities	Water Fund	Sewer Fund	Garbage Fund	Business-Type Activities	
Disbursements:								
General Government	\$ 31,083		\$ 31,083				\$ 31,083	\$ 31,957
Public Safety:								56,171
Police	65,872		65,872				65,872	
Fire	6,396	\$ 646	7,042				7,042	
Public Streets and Structures	9,587		9,587				9,587	11,478
Health and Sanitation	2,564		2,564				2,564	4,022
Enterprise Funds:								
Water Fund				\$ 65,321			\$ 65,321	69,186
Sewer Fund					\$ 29,034		29,034	32,275
Garbage Fund						\$ 13,284	13,284	14,276
CDBG Grant	120,494		120,494				120,494	184,137
Total Operating Disbursements	235,996	646	236,642	65,321	29,034	13,284	301,963	403,502
Other Financing Sources (Uses)								
Transfers In	18,550		18,550				18,550	17,250
Transfers Out				(11,400)	(2,000)	(5,150)	(18,550)	(17,250)
Total Other Financing Sources (Uses)	18,550	-	18,550	(11,400)	(2,000)	(5,150)	-	-
Excess (Deficiency) of Receipts and other financing sources over disbursements and other financing uses								
	2,656	2,869	5,525	8,217	19,559	1,085	28,861	16,638
Cash Basis Fund Balance: 10-1-2018	12,850	18,770	31,620	27,154	129,768	9,944	198,486	181,848
Cash Basis Fund Balance: 09-30-2019	\$ 15,506	\$ 21,639	\$ 37,145	\$ 35,371	\$ 149,327	\$ 11,029	\$ 195,727	\$ 198,486

See accompanying notes and accountant's compilation report.

**TOWN OF LOUISE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of the Town of Louise, Mississippi (the Municipality), have been prepared using the cash receipts and disbursements basis of accounting. That is, revenues are recognized when received rather than when measurable and available, and expenditures are recognized when paid rather than when the obligations are incurred. Accordingly, the statement of cash receipts and disbursements is not intended to present results of operations in conformity with generally accepted accounting principles.

General Information:

The Municipality operates under the Mayor and Alderpersons form of government and provides services as required by law.

Reporting Entity:

The Municipality utilizes fund accounting, with each fund being considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

The Municipality reports the following major Governmental Funds:

General Fund - This fund is used to account for and report all financial resources not accounted for and reported in another fund.

Governmental Fund Types:

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities.

Proprietary Fund Types:

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the county has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

NOTE 2. Report Classifications:

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

**TOWN OF LOUISE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3. Budget:

Budgets are adopted as prescribed by the State of Mississippi. Annual appropriated budgets are adopted for all funds. The Mississippi Code Ann. (1972) prescribes cash basis reporting of revenues for budgeting of expenditures to be disbursed within thirty days after year end (with exception for construction in progress).

NOTE 4. Cash and Cash Equivalents:

The carrying amount of the Municipality's deposits with financial institutions reported in the governmental funds was \$303,520, which includes \$70,648 in certificate of deposits with original maturities beyond three months. The bank balance was \$303,520.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the Municipality will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Municipality does not have a formal policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the Municipality.

NOTE 5. Property Tax

The Board of Alderpersons, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicle and mobile homes become a lien and are due in the month that coincides with the month of the original purchase. The Municipality entered into an agreement with the Bolivar County Tax Collector to bill and collect real and personal property taxes. Personal auto taxes and mobile home taxes continue to be collected and remitted to the Municipality by the county tax collector. The General Fund millage rate for the Town of Louise was 44.70 mills.

TOWN OF LOUISE
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2019

Financial Institution	Security	Rate	Number	Purchase	Maturity	Fund	Ledger Cost
Guaranty Bank & Trust Company	Certificate of Deposit	1.55%	2008944	2/17/2019	2/16/2020	Sewer	\$ 45,805
Guaranty Bank & Trust Company	Certificate of Deposit	1.55%	2008945	2/17/2019	2/16/2020	Sewer	24,843
Total							<u>\$ 70,648</u>

TOWN OF LOUISE
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2019

Name	Position Covered	Insurance Company	Policy Period Ending	Bond Amount
Thomas Ruffin Smith	Mayor	Travelers Casualty & Surety Co	7/3/2021	\$ 50,000
DiAnn Crews	Town Clerk	Travelers Casualty & Surety Co	7/1/2029	\$ 50,000
Billy Weissinger, Jr.	Alderman	Travelers Casualty & Surety Co	7/3/2021	\$ 25,000
Daniel Roy Kilpatrick	Alderman	Travelers Casualty & Surety Co	7/3/2021	\$ 25,000
Sue Ann Alderman	Alderwoman	Travelers Casualty & Surety Co	7/3/2021	\$ 25,000
Debbie Hill	Alderwoman	Travelers Casualty & Surety Co	7/3/2021	\$ 25,000
Douglas Gregory	Alderman	Travelers Casualty & Surety Co	7/3/2021	\$ 25,000
Reggie Pinkston	Police Chief	Travelers Casualty & Surety Co	Indefinite	\$ 50,000

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Alderpersons
Town of Louise, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities and Business-Type Activities, Schedule of Investments, and Schedule of Surety Bonds for Municipal Officials for the year ended September 30, 2019, 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.

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

With respect to items tested, the results of those procedures, our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities and Business-Type Activities, Schedule of Investments, and Schedule of Surety Bonds for Municipal Officials, of the Town of Louise, Mississippi, for the year ended September 30, 2019, disclosed the following instance of noncompliance with state laws and regulations.

1. 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.

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

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
June 3, 2021