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**Town of Isola**  
**Compiled Financial Statements**  
**September 30, 2020**

**Ella B. Johnson**  
**Public Accountant**  
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**Town of Isola, Mississippi**

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**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, 2020, 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:

<b><u>Bank</u></b>	<b><u>Funds</u></b>	<b><u>Balance per General Ledger</u></b>
Bank Plus:	General Fund	
General Fund Operating		\$83,616.65
General Clearing		<u>4,321.48</u>
Total General Fund		<u>\$87,938.13</u>
Bank Plus:	Special Revenue Funds	
Fire Department		\$26,932.37
Modernization Funds		<u>23,712.75</u>
Total Special Revenue Funds		<u>\$50,645.12</u>
Bank Plus:	Proprietary Fund	
Sewer Revenue Fund		<u>\$42,939.32</u>
Total Proprietary Fund		<u>\$42,939.32</u>

2. No securities were held for investments.

3. 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 and Fire Fund were found to be in accordance with prescribed tax levies.

Current year and prior years' General Property Taxes were collected by Humphreys County Tax Collector and remitted to the town on a monthly basis. Prior Years' General Property Taxes were also 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).

4. The Town did not retire or issue general obligation debt or revenue bonds.
5. 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	\$22,620
General Municipal Aid	General Fund	355
Gasoline Tax	General Fund	2,184
Homestead Exemption	General Fund	15,806
Grand Gulf	General Fund	3,922
Municipal Fire Protection	Fire Fund	4,301
Department of Health	General Fund	3,325
Other Aid	Modernization Fund	23,671
	Total	<u>\$76,184</u>

6. 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	9
Total Dollar Value of Sample	\$10,685.61

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



7. Fines and forfeitures were not collected.
8. 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)

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, 2020.



Ella B. Johnson, Public Accountant  
Madison, MS 39110  
September 30, 2021

**Johnson's Accounting Service**  
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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, 2019.



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Ella B. Johnson, Public Accountant

September 30, 2020



**TOWN OF ISOLA, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS and DISBURSEMENTS**  
**GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES**  
**AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Governmental Activities			Business-Type Activities	
	General Fund	Other Nonmajor Funds	Total	Water & Sewer Fund	Total
<b>RECEIPTS</b>					
Taxes					
General Property Taxes	113,165		113,165		
Licenses & Permits	1,187		1,187		
Franchise Charges-Utilities	15,157		15,157		
Intergovernmental revenues:					
General Municipal Aid	356		356		
State shared revenues:					
Homestead Exempt. Reimburse.	15,806		15,806		
Sales Tax Allocation	22,620		22,620		
Gasoline Tax	2,184		2,184		
Grand Gulf Nuclear Plant	3,922		3,922		
Fire Protection Allocation		4,301	4,301		
Grant Income					
Department of Health	3,325		3,325		
Entergy Grant	400		400		
Department of Revenue		23,671	23,671		
Land Redemption	5,390		5,390		
Police Security	8,000		8,000		
Other Revenue	1,606		1,606		
Interest Income	567	196	763	148	148
Charges for Services:					
Water & Sewer Fees				149,592	149,592
Water Deposits				2,100	2,100
Garbage Collections				39,945	39,945
<b>TOTAL RECEIPTS</b>	<b>193,685</b>	<b>28,168</b>	<b>221,853</b>	<b>191,637</b>	<b>191,637</b>
<b>DISBURSEMENTS</b>					
General Government					
General Administration			-		
Salaries & Employee Benefits	78,499		78,499		
Supplies	5,812		5,812		
Legal	7,800		7,800		
Other Services and Charges	37,255		37,255		
Debt Service - BGA Finance	17,689		17,689		

**TOWN OF ISOLA, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS and DISBURSEMENTS**  
**GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES**  
**AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Governmental Activities			Business-Type Activities	
	General Fund	Other Nonmajor Funds	Total	Water & Sewer Fund	Total
Public Safety - Fire Dept.					
Supplies		14	14		
Sanitation					
Garbage Disposal				36,944	36,944
Department of Health	2,925		2,925		
Recreation:					
Other Services & Charges	400		400		
Enterprises - Water & Sewer					
Salaries & Employee Benefits				52,554	52,554
Supplies				9,689	9,689
Other Services & Charges				61,149	61,149
Water Deposits				459	459
<b>Total Disbursements</b>	<b>150,380</b>	<b>14</b>	<b>150,394</b>	<b>160,795</b>	<b>160,795</b>
Excess of Receipts Over (Under)					
Disbursements	43,305	28,154	71,459	30,842	30,842
OTHER CASH SOURCES (USES)					
Transfers In					
Transfers Out					
Debt Repaid-Principal				(5,750)	(5,750)
Total Other Cash Sources (Uses)				(5,750)	(5,750)
Excess (Deficiency) of Receipts					
Over Disbursements	43,305	28,154	71,459	25,092	25,092
Cash Basis Fund Balance					
Beginning of Year	44,633	22,491	67,124	17,847	17,847
Cash Basis Fund Balance - End of Yr.	87,938	50,645	138,583	42,939	42,939

**TOWN OF ISOLA, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
**For the Fiscal Year Ended September 30, 2020**

DEFINITION AND PURPOSE

Combined Waterworks & Sewer Sys Revenue Bond	Balance		Transactions During Fiscal Year		Balance
	Outstanding	<u>October 1, 2019</u>	<u>Issued</u>	<u>Redeemed</u>	Outstanding <u>September 30, 2020</u>
10393402	5,365			5,365	-
10393403	\$ 26,018		-	385	25,633
TOTAL	\$ 31,383		-	5,750	\$ 25,633

**TOWN OF ISOLA, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS**  
**September 30, 2020**

<u>NAME</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>AMOUNT</u>
Dimp Powell	Mayor	Travelers	\$ 50,000
Irene Parker	Clerk	Travelers	\$ 50,000
Darrin D. Allen	Peace Officer	Western Surety Company	\$ 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



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**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, 2020, 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, 2020 disclosed the following material instances of noncompliance with state laws and regulations. Our finding and recommendation and your response are as follows:

<b>Finding:</b>	<b>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>
<b>Recommendation:</b>	<b>The municipality work on corrected actions to comply with the Section listed above.</b>
<b>Response:</b>	<b>The Town Clerk will work with computer software company to provide necessary training and assistance to generate this report beginning October 1, 2021.</b>

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, 2021

