# TOWN OF POPE, MISSISSIPPI

# COMPILATION REPORT

# AND

# REPORT ON AGREED-UPON PROCEDURES

## September 30, 2020

**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, Mississippi, for the year ended September 30, 2020, 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-governmental 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 the statement or cash receipts and disbursements-governmental and business-type activities.

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 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.

**Other Matters**

*Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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 supplementary information listed in the Table of Contents 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 required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

*Other Information*

The statement of cash receipts and disbursements-governmental and business-type activities is intended to comply with the requirements of the Mississippi Office of the State Auditor, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

In accordance with the provisions of §21-35-31, Miss. Code Ann. (1972), we have issued a report dated July 21, 2021, on the results of our agreed-upon procedures.

William H. Polk & Co.

Batesville, Mississippi
July 21, 2021

TOWN OF POPE, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

| | Governmental Activities | Business-type Activities |
|---|---|---|
| | General Fund | Sewer Fund |
| **RECEIPTS** | | |
| Taxes: | | |
| General property taxes | $ 16,531 | $ - |
| Penalties and interest on delinquent taxes | 183 | - |
| Franchise charges-utilities | 7,010 | - |
| Intergovernmental revenues: | | |
| Federal receipts: | | |
| Grants | - | 598,745 |
| General municipal aid | 107 | - |
| State shared revenues: | | |
| Fire protection | 1,297 | - |
| Liquor privilege tax | 900 | - |
| Sales tax | 59,169 | - |
| Gasoline tax | 645 | - |
| Nuclear plant payments | 2,409 | - |
| Homestead reimbursement | 1,477 | - |
| TVA payments in lieu of taxes | 125 | - |
| County railroad tax | 3,242 | - |
| Police fines and forfeits | 293 | - |
| Miscellaneous receipts | 475 | - |
| Sewer fees | - | 63,553 |
| Total Receipts | 93,863 | 662,298 |



*Continued*

See 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, 2020

| | Governmental Activities | Business-type Activities |
|---|---|---|
| | General Fund | Sewer Fund |
| **DISBURSEMENTS** | | |
| General government: | | |
| Town mowing | $ 5,770 | $ - |
| Contract labor | 1,190 | - |
| Insurance | 3,227 | - |
| Professional fees | 10,915 | - |
| Memberships | 385 | - |
| Miscellaneous | 125 | - |
| Utilities | 8,208 | - |
| Repairs and maintenance | 729 | - |
| Office and postage expense | 260 | - |
| Travel | 120 | - |
| Salaries | 26,700 | - |
| Payroll taxes | 2,576 | - |
| Supplies | 346 | - |
| | 60,551 | - |
| Fire department: | | |
| Local contract | 1,297 | - |
| Police department: | | |
| Salaries | 12,400 | - |
| Payroll taxes | 438 | - |
| Police fines paid to state | 91 | - |
| Supplies | 416 | - |
| | 13,345 | - |
| Sewer department: | | |
| Lagoon mowing | - | 4,110 |
| Contract labor | - | 1,050 |
| Memberships | - | 459 |
| Miscellaneous | - | 599 |
| Utilities | - | 9,380 |
| Maintenance | - | 35,846 |
| Salaries | - | 14,800 |
| Payroll taxes | - | 1,132 |
| Office and postage expenses | - | 1,578 |
| Returned check fees | - | 124 |
| Supplies | - | 46 |
| Capital outlay | - | 596,134 |
| Total Disbursements | 75,193 | 665,258 |
| Excess (Deficiency) of receipts over disbursements | 18,670 | (2,960) |



*Continued*
See independent accountants' compilation report.

| | Governmental Activities | Business-type Activities |
|---|---|---|
| | General Fund | Sewer Fund |
| **OTHER FINANCING SOURCES (USES)** | | |
| Debt retirement – principal | $ - | $ (8,513) |
| Debt interest | - | (14,076) |
| Interfund transfers in (out) | (26,233) | 26,233 |
| Total other financing sources (uses) | (26,233) | 3,644 |
| Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses | (7,563) | 684 |
| **CASH BALANCE – BEGINNING OF YEAR** | 41,019 | 2,270 |
| **CASH BALANCE – END OF YEAR** | $ 33,456 | $ 2,954 |



See independent accountants' compilation report.

TOWN OF POPE, MISSISSIPPI
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2020

There are no investments to report.



See independent accountants' compilation report.

TOWN OF POPE, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

| | Balance Outstanding 9-30-19 | Transactions During Year Issued | Transactions Fiscal Year Redeemed | Balance Outstanding 9-30-20 |
|---|---|---|---|---|
| OTHER LONG-TERM DEBT: | | | | |
| Rural Utility Service | $ 355,801 | $ 0 | $ (8,513) | $ 347,288 |

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



See independent accountants' compilation report.

TOWN OF POPE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2020

| Name | Position | Company | Bond |
|---|---|---|---|
| Jamie Howell | Mayor | St. Paul Travelers Company | $25,000 |
| Kenneth Powell | Alderman | St. Paul Travelers Company | $10,000 |
| Justin Pope | Alderman | St. Paul Travelers Company | $10,000 |
| Jessie Flowers | Alderman | St. Paul Travelers Company | $10,000 |
| Sheila Roebuck | Alderman | St. Paul Travelers Company | $10,000 |
| Dan Jenkins | Alderman | St. Paul Travelers Company | $10,000 |
| Tyler Mills | Police Chief | St. Paul Travelers Company | $50,000 |
| Charles Tindall | Police Officer | St. Paul Travelers Company | $25,000 |
| Charles Cranford | Police Officer | St. Paul Travelers Company | $25,000 |
| Bonnie Roebuck | Town Clerk | St. Paul Travelers Company | $50,000 |
| Charlotte Capwell | Court Clerk | St. Paul Travelers Company | $50,000 |



See independent accountants' compilation report.

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# 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, 2020, 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 July 21, 2021. This financial statement has been prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

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, 2020, disclosed the following instances of noncompliance with state laws and regulations, which are also addressed as items 4, 5, and 6 in the Independent Accountants' Report on Applying Agreed-Upon Procedures.

**Municipal Court Fines Receipts**

We noted that only one fine was received for $293 and that the court clerk failed to remit collected fines and forfeitures to the town clerk on a daily basis.
We recommend that the court clerk be more diligent in remitting and reporting such collections on the required daily basis.

**Municipal Budget**

There were eight items that exceeded the budgeted amount by a total of $23,337.

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

**Purchasing**

We noted that six invoices for a total of $194,278 were not located in the test of purchases made by the municipality.

We recommend that paid invoices as well as bids should be systematically filed for ease in locating.

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. Polk & Co.

Batesville, Mississippi
July 21, 2021

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# INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Alderpersons
Town of Pope
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 in evaluating the Town of Pope, Mississippi's compliance with certain laws and regulations as of September 30, 2020, 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 §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.

| Bank | Fund | General Ledger | |
|---|---|---|---|
| First Security Bank | General | $ | 33,376 |
| First Security Bank | General | | 80 |
| First Security Bank | Sewer | | 2,949 |
| First Security Bank | Sewer | | 5 |
| Total | | $ | 36,410 |

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 §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:

| Payment Purpose | Receiving Fund | Ledger Amount | |
|---|---|---|---|
| Liquor privilege tax | General | $ | 900 |
| Homestead reimbursement | General | | 1,477 |
| Gasoline tax | General | | 645 |
| Sales tax allocation | General | | 59,169 |
| General municipal aid | General | | 107 |
| Nuclear plant payments in lieu of taxes | General | | 2,409 |
| Fire protection | General | | 1,297 |
| TVA payments in lieu of taxes | General | | 1,401 |
| Infrastructure MOD Act | Sewer | | 21,610 |
| MDOT bridge | Sewer | | 577,134 |

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 | $ 209,188 |

Six out of the twelve invoices sampled, totaling $194,278, were not located by the municipal clerk. The Town has advised that greater care will be taken when filing paid invoices.

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 §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 §99-19-73 and §83-39-31, Miss. Code Ann. (1972).

   We found that the court clerk only received one fine for $293 and failed to remit the collected fine to the municipal clerk on a daily basis. The municipal clerk settled with the state the following month. The Town had advised that appropriate action will be taken to determine that the municipal court clerk settle with the municipal clerk daily.

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 are eight items that exceeded the budgeted amount by a total of $23,337. 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 perform 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. Pollard Co.

Batesville, Mississippi
July 21, 2021