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TOWN OF PACE

Robert Leflore, Sr. , Mayor
Aelicia Thomas, Town Attorney
Curtissia W. Allen, Town Clerk
Michael A. Williams, Police Chief
William Evans, Maintenance Supervisor

P. O. Box 216
333 Jenny Washington Road
Pace, Mississippi 38764
(662)723-6292 Telephone
(662) 723-6198 Facsimile

BOARD OF ALDERMEN:

Larry D. Walker, Sr.
Beverly Shelly
Patricia Pates
Lula Campbell
Tommie Mitchell

Tuesday, July 24th, 2017

Office of the State Auditor
Attn.: Mr. Tom Chain
P.O. Box 956
Jackson, Mississippi 39205

Re: Annual Financial Report
October 1st, 2015 thru September 30th, 2016

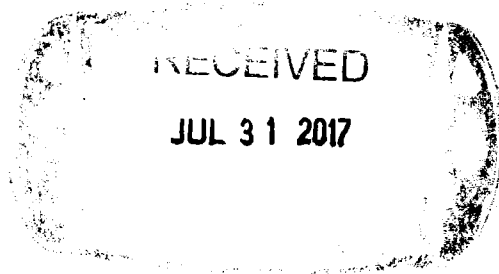
Dear Mr. Tom Chain:

Accompanying this letter is two (2) hard copies of the annual compilation of the Town of Pace, Mississippi, for the fiscal year ended September 30th, 2016. A separate management letter was not written to the Town of Pace, Mississippi, in connection with this Report.

Sincerely,


Robert Leflore, Sr.
Mayor

Enclosures



TOWN OF PACE, MISSISSIPPI

Compiled Financial Statement
September 30, 2016

Ella B. Johnson,
Public Accountant
119 Greenridge Drive
Madison, MS 39110
662-347-5773 (Office)
601-790-9369 (Fax)

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TOWN OF PACE, MISSISSIPPI

TABLE OF CONTENTS

Fiscal Year ended September 30, 2016

	<u>Page</u>
Special Report on Agreed-Upon Procedures for Small Municipalities (Towns)	1-3
Letter for compiled Statement of Cash Receipts & Disbursements Governmental and Business-type Activities	4
Unaudited Statement of Cash Receipts and Disbursements (All Funds)	5-7
Schedule of Investments – All Funds	8
Schedule of Surety Bonds for Municipal Officials	9
Report on Compliance with State Laws and Regulations	10

Johnson's Accounting Service,
Public Accountant

119 Greenridge Drive, Madison, MS 39110
Phone: 662-347-5773 – FAX: 601-790-9369

SPECIAL REPORT ON AGREED UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)

July 10, 2017

Governing Body
Town of Pace, Mississippi 38764

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Pace, Mississippi as of September 30, 2016, 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 Pace, 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 State Bank & Trust Company to balances in the respective accounts and obtained confirmation of the related balances from the bank:

<u>FUND</u>	<u>Balance Per Town Records</u>
General:	
Operating	\$42,598.22
Real Estate Account	29,292.31
Petty Cash Fund	459.52
Payroll Account	3,427.47
Summer Enrichment Program	273.03
Chronic Disease	4,134.50
Tax Account	1,709.16
Pace Elem School Rehabilitation	417.03
Total General Fund	<u>\$ 82,311.24</u>
Special Revenue Funds:	
Park Recreation and Beautification	\$ 3,947.40
Fire Protection	16,182.68
Water System Improvement Project	7,300.00
Total Special Revenue Funds	<u>\$ 27,430.08</u>
Enterprise Fund:	
Water – O&M	\$ 29,961.50
Reserve Bond Depreciation	15,569.54
Water Deposit Fund	12,828.82
Total Enterprise Fund	<u>\$ 58,359.86</u>

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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>Security</u>	<u>Fund</u>	<u>Ledger Cost</u>
State Bank & Trust Co.	General	\$11,659.49
State Bank & Trust Co.	Fire Protection	2,094.55
State Bank & Trust Co.	Enterprise Fund	\$ 11,659.50

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles and mobile homes) levied during the fiscal year.
 - a. Traced 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, Parks & Recreation and Fire Protection Funds was in accordance with prescribed tax levies.

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

The Town did not issue general obligation debt.

4. 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 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>
Sales Tax Allocation	General Fund	\$ 6,634.29
Homestead Exemption Reimburse.	General Fund	6,164.83
Gasoline Taxes	General Fund	787.72
Payments Nuclear Plant	General Fund	2,414.31
General Municipal Aid	General Fund	136.64
MS Development Authority	Water Sys Improve.	7,200.00
Fire Protection	Fire Protection Fund	1,757.31
	Total	<u>\$25,095.10</u>

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, Miss. Code Ann. (1972), if applicable.

The sample consisted of the following:

Number of Sample items	24
Total Dollar Value of Sample	\$11,785.38

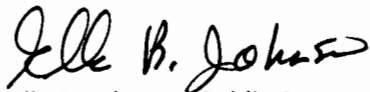
We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

5. We selected a sample of collections of fines and forfeitures to determine that the Municipal Court Clerk settled receipts daily with the Municipal Clerk as required by Section 21-15-21, Miss. Code Ann. (1972). We selected a sample of state-imposed court assessments collected to determine that the Municipal Clerk settled assessments collected monthly with the Dept. of Finance and Administration as required by Sections 99-19-73 and 83-39-31, etc. of the Miss. Code Ann. (1972).

We found the municipality was not in agreement with the requirements of the above-mentioned sections.

6. We have read the Municipal Compliance Questionnaire completed by the Municipality. The following responses to the questionnaire indicate noncompliance with state requirements.
 - a. State-imposed court assessments were not collected and settled monthly.
 - b. All fines and forfeitures were not collected when due and settled.

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 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 Pace, Mississippi, for the fiscal year ended September 30, 2016.



Ella B. Johnson, Public Accountant
Madison, MS 39110
July 10, 2017

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Johnson's Accounting Service
Public Accountant

119 Greenridge Drive, Madison, MS 39110
Phone: 662-347-5773 – Fax: 601-790-9369

Governing Body
Town of Pace, Mississippi 38764

We have compiled the Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities for the fiscal year ended September 30, 2016.

July 10, 2017

UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities			Business-Type Activities	
	General	Other		Water &	
	<u>Fund</u>	<u>Funds</u>	<u>Total</u>	<u>Fund</u>	<u>Total</u>
RECEIPTS					
Taxes - Ad Valorem	94,182	1,472	95,654		
Franchise Fees - Utilities	5,732		5,732		
Licenses & Permits	258		258		
Homestead Exempt. Reimburse.	6,165		6,165		
General Sales Tax	6,634		6,634		
Municipal Aid	137		137		
Motor Vehicle Fuel Taxes	788		788		
Grand Gulf	2,414		2,414		
Municipal Fire Protection		1,757	1,757		
MDA Grant Income		7,200	7,200		
Fines & Forfeits	648		648		
Charges for Services:					
Rents	2,141		2,141		
Interest Income	46	7	53	45	45
Other Revenue	3,929	406	4,335		
Contributions - Oct. Fest	138	3,097	3,235		
Garbage				25,369	25,369
Water Deposits				1,585	1,585
Water Collections				50,737	50,737
Sewer Collections				25,369	25,369
TOTAL RECEIPTS	123,212	13,939	137,151	103,105	103,105

DISBURSEMENTS

General Government Legislative		
Salaries & Employee Benefits	9,527	9,527
Attorney	4,400	4,400
Municipal Judge	-	-
Executive/Financial:		
Salaries & Employee Benefits	30,340	30,340
Supplies	4,866	4,866
Other Services & Charges	34,376	34,376
Public Safety: Police		
Salaries & Employee Benefits	12,918	12,918

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TOWN OF PACE, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

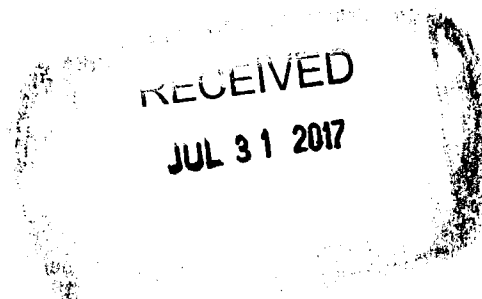
	Governmental Activities			Business-Type Activities	
	General	Other		Water &	
	<u>Fund</u>	<u>Funds</u>	<u>Total</u>	<u>Fund</u>	<u>Total</u>
Supplies	1,000		1,000		
Other Services & Charges	2,164		2,164		
Public Safety: Fire					
Other Services & Charges		109	109		
Community Facilities Grant Proj.		7,200	7,200		
Public Works- Street Department					
Supplies	2,025		2,025		
Other Services & Charges	9,470		9,470		
Public Works-Sanitaton					
Garbage Disposal			-	12,175	12,175
Parks & Recreation:					
Supplies		623	623		
Other Services & Charges		375	375		
October Fest		3,075	3,075		
Enterprises - Water & Sewer					
Personnel				26,250	26,250
Supplies				11,690	11,690
Other Services Charges				50,653	50,653
Water Dpeosits				436	436
Total Disbursements	111,086	11,382	122,468	101,204	101,204
Excess of Receipts Over (Under)					
Disbursements	12,126	2,557	14,683	1,901	1,901
Cash Basis Fund Balance					
Beginning of Year	81,845	26,968	108,813	68,118	68,118
Cash Basis Fund Balance - End of Yr.	93,971	29,525	123,496	70,019	70,019
Cash Basis Assets - End of Year					
Cash and Cash Equivalents	48,885	3,948	52,833	29,961	29,961
Restricted Cash	45,086	25,577	70,663	40,058	40,058
Total Cash Basis Assets	93,971	29,525	123,496	70,019	70,019

TOWN OF PACE, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

Cash Basis Fund Balance

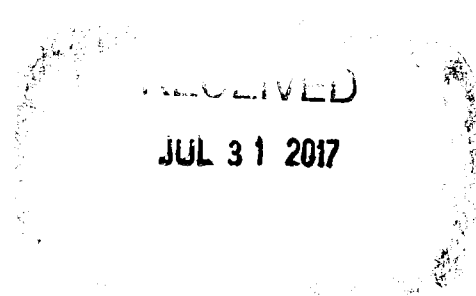
End of Year:

Restricted	45,086	25,577	70,663	40,058	40,058
Unassigned	48,885	3,948	52,833	29,961	29,961
Total Cash Basis Fund Balances	93,971	29,525	123,496	70,019	70,019



**Town of Pace, Mississippi
Schedule of Investments-All Funds
September 30, 2016**

<u>OWNERSHIP</u>	<u>TYPE OF INVESTMENT</u>	<u>INVESTMENT COST VALUE</u>
General Fund	Certificate of Deposit	\$ 11,659.00
Fire Protection	Certificate of Deposit	\$ 2,095.00
Water Fund	Certificate of Deposit	\$ 11,659.00
Total Investments		<u>\$ 25,413.00</u>



**TOWN OF PACE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2016**

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond Amount</u>
Levon Jackson, Sr.	Mayor	MS Municipal Bond Program	\$ 50,000
Curtissia W. Allen	Town Clerk	MS Municipal Bond Program	50,000
Michael Williams	Police Chief	MS Municipal Bond Program	50,000
Larry D. Walker, Sr.	Vice-Mayor	MS Municipal Bond Program	10,000
Brenda Bryant	Alderwoman	MS Municipal Bond Program	10,000
Beverly Shelly	Alderwoman	MS Municipal Bond Program	10,000
Toshisunda Brown	Alderwoman	MS Municipal Bond Program	10,000
Benny Hamilton	Alderman	MS Municipal Bond Program	10,000

JOHNSON ACCOUNTING SERVICE
Ella B. Johnson, Public Accountant
119 Greenridge Drive
Madison, MS 39110
Phone: 662-347-5773
Fax: 601-790-9369
Email: ellajohnsontaxes@bellsouth.net

**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

To the Mayor and the Board of Aldermen
Town of Pace, Mississippi


We have compiled the accompanying Unaudited Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Investments and Schedule of Surety Bonds for Municipal Officials of the Town of Pace, Mississippi, for the year ended September 30, 2016, 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. 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 Unaudited Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Investments and Schedule of Surety Bonds for Municipal Officials of the Town of Pace, Mississippi, for the year ended September 30, 2016 disclosed a material instance of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

1. We found that the Municipal Court Clerk did not settle receipts to the Municipal Clerk on a daily basis and assessments were not collected and settled monthly. Administration pledged to settle assessments to Department of Finance and Administration.

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
July 10, 2017

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