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VILLAGE OF PACHUTA, MISSISSIPPI

**SPECIAL REPORT ON AGREED-UPON
PROCEDURES AND
COMPILATION REPORT**

For the fiscal year ended September 30, 2016

Village of Pachuta, Mississippi

Table of Contents

	<u>Page</u>
Special Report on Agreed-Upon Procedures for Small Municipalities (Towns)	1-2
Accountant's Compilation Report	3-4
Combined Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities	5
Notes to the Financial Statements	6
Schedule of Long-term Debt	8
Schedule of Investments	9
Schedule of Surety Bonds for Municipal Officials	10
Accountant's Report on Compliance with State Laws and Regulations	11

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

Honorable Mayor and Members of the Board of Aldermen
Village of Pachuta, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Village of Pachuta, 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 Village of Pachuta, 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 banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks.

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Great Southern National Bank	General Fund	<u>\$ 190,295</u>
Great Southern National Bank	Water & Sewer Fund	<u>\$ 111,958</u>

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;
 - 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 funds was found to be 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).

3. 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>Balance Per General Ledger</u>
Sales Tax Allocation	General	\$ 22,832
Gasoline Taxes	General	799
Homestead Exemption	General	2,799
Fire Protection	General	1,674
Municipal Aid	General	130
Waste Water Grant	CDBG Grant Fund	247,633
Total		<u>\$ 275,867</u>

4. 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), as applicable.

The sample consisted of the following:

Number of Sample Items	10
Total Dollar Value of Sample	\$108,802

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

5. 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 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 Village of Pachuta, Mississippi, for the year ended September 30, 2016.



Stephen D. Myrick
Certified Public Accountant

June 28, 2017
Quitman, Mississippi

Stephen D. Myrick C.P.A., L.L.C.

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ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Members of the Board of Aldermen
Village of Pachuta, Mississippi

Management is responsible for the accompanying statement of Cash Receipts and Disbursements – Governmental and Business-type Activities of the Village of Pachuta, Mississippi, as of and for the year ended September 30, 2016, which collectively comprise the Village's basic financial statement in accordance with accounting principles generally accepted in the United States of America for the cash basis of accounting. 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 statement 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 this financial statement.

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 elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financials statements, they might influence the user's conclusions about the Village's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Village officials of the Village of Pachuta, Mississippi are responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting as required by the Office of the State Auditor and supplementary schedule, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Village officials have not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Village of Pachuta, Mississippi's cash basis accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from the cash basis transactions for the Village of Pachuta, Mississippi's governmental activities and business-type activities are not reasonably determinable.

The supplementary information contained in the supplementary section is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Village officials also have not presented Management's Discussion and Analysis and other required supplemental information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the provisions of Section 21-35-31, Mississippi Code Annotated (1972), we have issued a report dated June 28, 2017, on the results of our agreed-upon procedures.

A handwritten signature in black ink, appearing to read "Stephen D. Myrick".

Stephen D. Myrick
Certified Public Accountant

June 28, 2017
Quitman, Mississippi

VILLAGE OF PACHUTA, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Year Ended September 30, 2016

	Governmental Activities			Business-type Activities	
	Major Funds				
	General	CDBG Grant Fund	Total	Water and Sewer Fund	Total
Revenue Receipts					
Taxes					
General Property Taxes	\$ 59,676	\$ -	\$ 59,676	\$ -	\$ -
Penalties and Interest on Delinquent Taxes	258	-	258	-	-
Licenses and Permits					
Privilege Licenses	480	-	480	-	-
Franchise Charges - Utilities	9,607	-	9,607	-	-
Intergovernmental Receipts					
Federal Receipts:					
CDBG Grant	-	247,633	247,633	-	-
State Shared Receipts					
Municipal Aid	130	-	130	-	-
Sales Taxes	22,832	-	22,832	-	-
Gasoline Tax	799	-	799	-	-
Homestead Reimbursement	2,799	-	2,799	-	-
Fire Protection	1,674	-	1,674	-	-
Local Shared Receipts					
Pro Rata County Road Tax	5,202	-	5,202	-	-
Other County Ad Valorem	3,466	-	3,466	-	-
Railcar Tax	1,614	-	1,614	-	-
Charges for Services					
Senior Citizens Center Rental	600	-	600	-	-
Water Utility Service Fees	-	-	-	56,010	56,010
Sanitation	7,540	-	7,540	-	-
Sale of Cemetery Lots	2,519	-	2,519	-	-
Interest Earnings	209	-	209	59	59
Miscellaneous Receipts	3,746	-	3,746	770	770
Total Receipts	<u>123,151</u>	<u>247,633</u>	<u>370,784</u>	<u>56,839</u>	<u>56,839</u>
Disbursements					
General Government					
Executive	21,315	-	21,315	-	-
Financial	33,482	-	33,482	-	-
Public Safety					
Police	-	-	-	-	-
Fire	11,020	-	11,020	-	-
Highways and Streets	44,226	-	44,226	-	-
Culture and Recreation					
Parks	1,891	-	1,891	-	-
Libraries	4,682	-	4,682	-	-
Senior Citizens Center	6,354	247,633	253,987	-	-
Cemetery	1,950	-	1,950	-	-
Enterprises					
Water and Sewer Utility	-	-	-	60,366	60,366
Total Disbursements	<u>124,920</u>	<u>247,633</u>	<u>372,553</u>	<u>60,366</u>	<u>60,366</u>
Excess (Deficiency) of receipts over disbursements	<u>(1,769)</u>	<u>-</u>	<u>(1,769)</u>	<u>(3,527)</u>	<u>(3,527)</u>
Cash Basis Fund Balance - Beginning of Year	<u>281,825</u>	<u>-</u>	<u>281,825</u>	<u>200,622</u>	<u>200,622</u>
Cash Basis Fund Balance - End of Year	<u>\$ 280,056</u>	<u>\$ -</u>	<u>\$ 280,056</u>	<u>\$ 197,095</u>	<u>\$ 197,095</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF PACHUTA, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

Note A: Summary of Significant Accounting Policies

General Information

The Village of Pachuta, Mississippi operates under the board of alderman form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the Village of Pachuta, Mississippi consists of all the funds of the Village.

Fund Accounting

The accounts of the Village of Pachuta, Mississippi are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash basis (cash receipts and disbursements basis), as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

Note B: 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.

SUPPLEMENTARY INFORMATION

VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Fiscal Year Ended September 30, 2016

DEFINITION AND PURPOSE	Balance	Transactions During Fiscal Year		Balance
	Outstanding	Issued	Redeemed	Outstanding
	<u>10/1/2015</u>			<u>9/30/2016</u>
No Oustanding Debt				

VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF INVESTMENTS
For the Fiscal Year Ended September 30, 2016

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Cost/Value</u>
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No investments

VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2016

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Phil Fuller	Mayor	Travelers	\$ 50,000
Erica Smith	City Clerk	Travelers	50,000
James Skidmore	Deputy City Clerk	Travelers	50,000
Shirley Johnson	Alderman	Travelers	25,000
Glenda Bennett	Alderman	Travelers	25,000
Keith Bogan	Alderman	Travelers	25,000
Terry Herring	Alderman	Travelers	25,000
Linda Perry	Alderman	Travelers	25,000

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ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

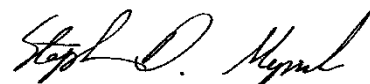
Honorable Mayor and
Members of the Board of Aldermen
Village of Pachuta, Mississippi

We have compiled the basic financial statements of the Village of Pachuta, Mississippi as of and for the year ended September 30, 2016 and have issued our report dated June 28, 2017.

As required by the state legal compliance audit program prescribed by the Office of 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 compilation and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the general purpose financial statements disclosed no material instances of noncompliance with state laws and regulations.

This report is intended for the information of the Village's management and the Office of 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.



Stephen D. Myrick
Certified Public Accountant

June 28, 2017
Quitman, Mississippi