

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

TOWN OF MAYERSVILLE, 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, 2017

Bridgers, Goodman, and Aldridge, PLLC
Certified Public Accountants
Vicksburg, Mississippi

TOWN OF MAYERSVILLE, MISSISSIPPI

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PRIVATE COMPANIES PRACTICE SECTION

SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES **(COMPLIANCE LETTER)**

Honorable Mayor and Aldermen
Town of Mayersville
Mayersville, Mississippi 39113

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Mayersville, Mississippi, as of September 30, 2017, 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 Mayersville, Mississippi, and the Office of the State Auditor and should not be used 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> |
|------------------------------|---------------|---------------------------------------|
| Bank of Anguilla | General Fund | \$ 21,826 |
| Bank of Anguilla | Water & Sewer | \$ 72,432 |
| Bank of Anguilla | Payroll | \$ 5,586.00 |
| Total | | <u>\$ 99,844</u> |

2. There were no investments owned at September 30, 2017.
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 and traced levies to governing body minutes;
 - 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:

| Tax Assessments | Assessed Value | Tax Millage | Tax Levy |
|-------------------------------------|-----------------------|--------------------|------------------|
| Realty | \$ 649,954 | | |
| Personal Property | 17,285 | | |
| Personal - Automobile & Mobile Home | 196,721 | | |
| Public Utility | - | | |
| | <u>\$ 863,960</u> | <u>0.061</u> | <u>\$ 52,702</u> |
| Add: Actual Homestead Reimbursement | | | 2,262 |
| Prior Year's Unpaid Realty Taxes | | | - |
| Deduct : Homestead Credit | | | (2,262) |
| Total to be Accounted for | | | <u>\$ 52,702</u> |

| | Taxes | Homestead | |
|---------------------------------------|---------------------------------|----------------------|------------------|
| | Penalties & Interest | Reimbursement | Total |
| Credits: | | | |
| Collections allocated to General Fund | \$ 41,142 | \$ 2,215 | \$ 43,357 |
| Balance represented by: | | | |
| Unpaid realty taxes, | | | |
| Board Adjustments, etc. | | | 9,345 |
| Total Accounted for | | | <u>\$ 52,702</u> |

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 2015-2016 | \$ 52,702 | Tax Collected 2016-17 | \$ 41,142 |
| | | Homestead Exemption | |
| Total | <u>\$ 52,702</u> | Reimbursement | 2,262 |
| | | Under (Over) Limitation | <u>9,298</u> |
| | | Total | <u>\$ 52,702</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> |
|-------------------------|-----------------------|------------------------------|
| Sales Tax Allocation | General | \$ 10,090 |
| Homestead Reimbursement | General | 2,262 |
| Gasoline Tax | General | 1,675 |
| Utilities | General | 806 |
| MEMA Grants | General | 2,814 |
| Dept. of Health Grants | General | 388 |
| Arts Commission Grants | General | 1,300 |
| General Municipal Aid | General | 273 |
| | Total | <u>\$ 19,607</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: | \$25,159 |

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

6. We have read the Municipal Compliance Questionnaire completed by the municipality.

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 Mayersville, Mississippi, for the year ended September 30, 2017.

Bridgers, Goodman & Aldridge, PLLC

Bridgers, Goodman & Aldridge, PLLC
Vicksburg, Mississippi
June 11, 2018

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

Honorable Mayor and Aldermen
Town of Mayersville
Mayersville, Mississippi 39113

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities of the Town of Mayersville, Mississippi for the year ended September 30, 2017. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Town's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying supplemental information, Schedule of Investments and the Schedule of Surety Bonds for Municipal Officials referred to in the table of contents is presented for purposes of additional analysis and is not a required part of the statement of cash receipts and disbursements. We have not audited or reviewed the accompanying supplemental information and accordingly, do not express an opinion or any other assurance on it.

We conducted a limited scope audit as of September 30, 2017, as set forth in the Mississippi Municipal Audit and Accounting Guide which pertains to small municipalities. Under the provision of this guide we performed prescribed procedures to the municipality as outlined in the guide.

These reports are intended solely for informational use of the governing body and management of the Town of Mayersville, 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 & Aldridge, PLLC

Bridgers, Goodman & Aldridge, PLLC
Vicksburg, Mississippi
June 11, 2018

The notes to the financial statements are an integral part of this statement.

TOWN OF MAYERSVILLE, MISSISSIPPI
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the fiscal year ended September 30, 2017

| | Governmental Activities | | | Business-Type | Total | Total |
|-------------------------|--------------------------------|---------------------|---------------------|----------------------|-----------------------|-----------------------|
| | Major Fund | Other | Total | Activities | All Activities | All Activities |
| | General | Governmental | Governmental | Proprietary | Fiscal Year | Fiscal Year |
| | Fund | Funds | Funds | Fund | 2017 | 2016 |
| Receipts: | | | | | | |
| General Property Taxes | \$ 41,142 | | \$ 41,142 | | \$ 41,142 | \$ 44,180 |
| Licenses and Permits | 150 | | 150 | | 150 | 100 |
| Franchise and Utility | 4,899 | | 4,899 | | 4,899 | 4,799 |
| Rents and royalties | 14,725 | | 14,725 | | 14,725 | 12,200 |
| State Shared Revenues: | - | | - | | - | |
| State Grants | 4,501 | | 4,501 | | 4,501 | 1,300 |
| Sales Tax | 10,090 | | 10,090 | | 10,090 | 10,933 |
| Homestead Reimbursement | 2,262 | | 2,262 | | 2,262 | 2,215 |
| Gasoline Tax | 1,675 | | 1,675 | | 1,675 | 1,675 |
| Municipal Aid - Other | 273 | | 273 | | 273 | 3,781 |
| Other Receipts: | - | | - | | - | |
| Miscellaneous | 1,404 | | 1,404 | - | 1,404 | 424 |
| My Brother's Keeper | 39,603 | | 39,603 | | | |
| Charges for Services: | | | - | | - | |
| Water & Sewer Fees | - | | - | 93,253 | 93,253 | 102,717 |
| Total Receipts | <u>120,724</u> | <u>-</u> | <u>120,724</u> | <u>93,253</u> | <u>213,977</u> | <u>184,324</u> |

The notes to the financial statements are an integral part of this statement.

TOWN OF MAYERSVILLE, MISSISSIPPI
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the fiscal year ended September 30, 2017

| | Governmental Activities | | | Business-Type | Total | Total |
|----------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------|---------------------|----------------------|-----------------------|-----------------------|
| | Major Fund | Other | Total | Activities | All Activities | All Activities |
| | General | Governmental | Governmental | Proprietary | Fiscal Year | Fiscal Year |
| | Fund | Funds | Funds | Fund | 2017 | 2016 |
| Disbursements: | | | | | | |
| General Government | 75,822 | | 75,822 | | 75,822 | 73,515 |
| Public Property | 841 | | 841 | | 841 | 2,461 |
| Public Streets and Structures | - | | - | | - | - |
| My Brother's Keeper | 35,225 | | 35,225 | | 35,225 | |
| Water & Sewer Utilities | - | | - | 91,925 | 91,925 | 102,758 |
| Total Operating Disbursements | <u>111,888</u> | <u>-</u> | <u>111,888</u> | <u>91,925</u> | <u>203,813</u> | <u>178,734</u> |
| Other Disbursements: | | | | | | |
| Capital Loan Repayments | - | | - | - | - | 1,816 |
| Interest on capital notes | | | | - | - | 91 |
| Total Other Disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,907</u> |
| Excess (Deficiency) of Receipts and other financing sources over disbursements and other financing uses | <u>8,836</u> | <u>-</u> | <u>8,836</u> | <u>1,328</u> | <u>10,164</u> | <u>3,683</u> |
| Cash Basis Fund Balance: 10-1-2016 | <u>12,990</u> | <u>-</u> | <u>12,990</u> | <u>71,104</u> | <u>84,094</u> | <u>80,411</u> |
| Cash Basis Fund Balance: 09-30-2017 | <u>\$ 21,826</u> | <u>\$ -</u> | <u>\$ 21,826</u> | <u>\$ 72,432</u> | <u>\$ 94,258</u> | <u>\$ 84,094</u> |

The notes to the financial statements are an integral part of this statement.

TOWN OF MAYERSVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

NOTE (A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Mayersville, Mississippi (the Town), 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 -all fund types - is not intended to present results of operations in conformity with generally accepted accounting principles.

General Information:

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

Reporting Entity:

The Town 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 Town 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.

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 (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.

TOWN OF MAYERSVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS (cont'd.)
September 30, 2017

NOTE (C) 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 (D) Cash and Cash Equivalents

The carrying amount of the Town's deposits with financial institutions reported in the governmental funds was \$99,844. The bank balance was \$102,897.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the Town will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Town 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 Town.

NOTE (E) Property Tax

The Board of Aldermen, 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 Town 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 Town by the county tax collector. The General Fund millage rate for the Town of Mayersville was 61 mills.

TOWN OF MAYERSVILLE
Schedule of Surety Bonds for Municipal Officials
September 30, 2017

| <u>Name of Company</u> | <u>Policy Period Ending</u> | <u>Person Covered</u> | <u>Amount</u> |
|-------------------------------|----------------------------------------|----------------------------------|----------------------|
| Travelers Casualty and Surety | 7/1/2017 | Mayor | \$ 50,000 |
| Travelers Casualty and Surety | 11/28/2017 | Town Clerk | \$ 50,000 |
| Travelers Casualty and Surety | 7/1/2017 | Aldermen (each) | \$ 10,000 |

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

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

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities, and Schedule of Surety Bonds for Municipal Officials for the year ended September 30, 2017, 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 Town'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 and Business-Type Activities, and Schedule of Surety Bonds for Municipal Officials, of the Town of Mayersville, Mississippi, for the year ended September 30, 2017 disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of management, Town Aldermen, 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 & Aldridge, PLLC

Bridgers, Goodman & Aldridge, PLLC
Vicksburg, Mississippi
June 11, 2018