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**TOWN OF COAHOMA  
COAHOMA, MISSISSIPPI**

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**AUDITED STATEMENT OF CASH RECEIPTS  
AND DISBURSEMENTS**  
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**SEPTEMBER 30, 2018**

**TOWN OF COAHOMA  
COAHOMA, MISSISSIPPI**

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
<b>Independent Auditor's Report on the Financial Statement and Supplemental Information .....</b>	<b>1-2</b>
<b>Combined Statement of Cash Receipts and Disbursements (All Funds).....</b>	<b>3-4</b>
<b>Notes to the Financial Statement.....</b>	<b>5-6</b>
<b>Supplemental Information:</b>	
<b>Schedule of Surety Bonds for Town Officials .....</b>	<b>7</b>
<b>Schedule of Long-Term Debt.....</b>	<b>8</b>
<b>Independent Auditor's Report on Compliance with State Laws and Regulations.....</b>	<b>9-10</b>

**INDEPENDENT AUDITOR'S REPORT  
ON THE FINANCIAL STATEMENT  
AND SUPPLEMENTAL INFORMATION**

Honorable Mayor and Board of Aldermen  
Town of Coahoma  
Coahoma, Mississippi

I have audited the accompanying combined statement of cash receipts and disbursements (all funds) of the Town of Coahoma, Mississippi, for the year ended September 30, 2018. This statement is the responsibility of the Town's management. My responsibility is to express an opinion on this statement based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the combined statement of cash receipts and disbursements (all funds) is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the combined statement of cash receipts and disbursements (all funds). An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1, the combined statement of cash receipts and disbursements (all funds) is a summary of the cash activity of the Town and does not present transactions that would be included in financial statements of the Town prepared in conformity with generally accepted accounting principles.

In my opinion, the accompanying statement presents fairly the cash receipts and disbursements of the Town of Coahoma for the year ended September 30, 2018.

Honorable Mayor and Board of Aldermen  
Town of Coahoma, Mississippi  
Page 2

My audit was performed for the purpose of forming an opinion on the financial statement taken as a whole. The schedules and supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement of the Town of Coahoma, Mississippi. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in my opinion, is fairly presented in all material respects in relation to the financial statement taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated July 30, 2018 on my consideration of the Town of Coahoma's compliance with state laws and regulations.



Atris Niter, Jr.  
Memphis, Tennessee  
July 30, 2020

**TOWN OF COAHOMA**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS**  
**For the Year Ended September 30, 2018**

	FUND			Total
	General	Special Revenue CDBG	Proprietary Utility	(MEMORANDUM Only)
REVENUE RECEIPTS:				
Licenses and taxes	\$ 65			\$ 65
Advalorem taxes	9,476			9,476
Realty taxes	13,939			13,939
Intergovernmental Revenues:				
Municipal aid	188			188
Fire fund rebate	2,152			2,152
Sales taxes	6,241			6,241
Franchise taxes	3,890			3,890
Homestead exemption	1,321			1,321
Grants	-0-	2,886		2,886
Grand Gulf	1,604			1,604
Gasoline taxes	1,107			1,107
Other	3,287			3,287
Charges for Services:				
Utility fees and other			47,029	47,029
TOTAL	43,270	2,886	47,029	93,185
Other Financing Sources:				
Transfers IN (OUT)	-0-		-0-	-0-
TOTAL RECEIPTS	43,270	2,886	47,029	93,185
CASH - Beginning	\$ -0-	-0-	-0-	\$ -0-
TOTAL TO ACCOUNT FOR	\$ 43,270	2,886	47,029	\$ 93,185

**TOWN OF COAHOMA**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
For the Year Ended September 30, 2018

<u>OPERATING DISBURSEMENTS:</u>	<u>FUND</u>			<u>Total (MEMORANDUM Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary</u>	
Administration	\$ 18,303			\$ 18,303
Police	-0-			-0-
Accounting	-0-			-0-
Supplies	1,912			1,912
Telephone	1,280			1,280
Insurance/Bond	3,435			3,435
Travel	188			188
Legal	3,913			3,913
Utility	6,221		43,292	49,513
Grants	-0-	2,886		2,886
Rural development	-0-		-0-	-0-
Fire rebate	2,481			2,481
<b>TOTAL DISBURSEMENTS</b>	<b>37,733</b>	<b>2,886</b>	<b>43,292</b>	<b>83,911</b>
<b>CASH - Ending</b>	<b>\$ 5,537</b>	<b>-0-</b>	<b>3,737</b>	<b>\$ 9,274</b>
<b>TOTAL AMOUNT ACCOUNTED FOR</b>	<b>\$ 43,270</b>	<b>2,886</b>	<b>47,029</b>	<b>\$ 93,185</b>

See notes to the financial statement.



**TOWN OF COAHOMA**  
**Notes to the Financial Statement**  
**September 30, 2018**

**NOTE 1 - SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING  
POLICIES**

A. Reporting Entity

In evaluating and defining the Town's government, it was determined that the Town has no component units and therefore is considered as one unit.

B. Accounting Method

The Town uses funds to report its cash receipts and disbursements. Fund accounting is used to demonstrate legal compliance by segregating transactions related to specific government functions.

The Town uses three classifications of funds: general fund, special revenue and proprietary fund. Each fund has a separate balanced set of accounts.

The general governmental fund is used to account for all the Town's general governmental activities and include the accounting for fixed assets and general long term debt.

The special revenue fund is used to account for specific revenues that are restricted to expenditures for specific purposes.

The proprietary fund (utility fund) is used to account for activities where net income or net loss is determined as if operated as a business-type activity.

C. Basis of Accounting

The financial statement is prepared using the cash receipts and disbursements method of accounting as prescribed by the Office of the State Auditor. Revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred.

**TOWN OF COAHOMA**  
**Notes to the Financial Statement (continued)**  
**September 30, 2018**

**D. Cash Deposits**

The Town deposits all its funds in financial institutions selected by the board of aldermen that are insured by the Federal Deposit Insurance Corporation up to \$250,000.

**E. Column Totals**

The total column in this financial statement is presented for overview information purposes and is not meant to present fairly the cash receipts and disbursements on a consolidated basis.

**F. Date of Management's Review**

The Town's management has evaluated subsequent events through July 30, 2020, the date on which the financial statement was available to be issued.

**NOTE 2 – AD VALOREM TAX**

The Town uses the county tax rolls for the assessment of its Ad Valorem tax. Property is assessed in January of each year and the millage rate is set in September of each year. The Town Clerk bills property owners for the Ad Valorem tax in December of each year. They are due on January 1<sup>st</sup> and become delinquent after February 1<sup>st</sup>. The taxes levied for the year ended September 30, 2018 was 41.30 mills.

**NOTE 3 – CASH AND OTHER DEPOSITS**

The collateral for public entities' deposit in financial institutions are now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code (1972). Under this program, the entity's funds are protected through a collateral pool administered by the securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasury to replace the public deposits not covered by the Federal Depository Insurance Corporation.

The carrying amount of the Town's deposit with financial institutions was \$9,274 and the bank balance was \$9,274.

**TOWN OF COAHOMA**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2018**

<b><u>POSITION</u></b>	<b><u>SURETY</u></b>	<b><u>BOND</u></b>
<b>Mayor</b>	<b>Scott Insurance Co.</b>	<b>\$25,000</b>
<b>Town Clerk</b>	<b>EMC Insurance</b>	<b>\$50,000</b>
<b>Police Chief</b>	<b>EMC Insurance</b>	<b>\$50,000</b>
<b>Aldermen (5)</b>	<b>Travelers</b>	<b>\$10,000(each)</b>

**TOWN OF COAHOMA**  
**SCHEDULE OF LONG-TERM DEBT**  
**For the Year Ended September 30, 2018**

<u>Description</u>	Balance Outstanding <u>Oct. 1, 2017</u>	Transactions During Year		Balance Outstanding <u>Sept. 30, 2018</u>
		<u>Issued</u>	<u>Redeemed</u>	
Water Works and Sewage System - RD 5.0% Interest, Matures 2023	\$ 41,160		19,840	\$ 21,320
Water Works and Sewage System - RD 4.125% Interest, Matures 2040	40,317		5,205	35,112
<b>TOTAL</b>	<b>\$ 81,477</b>	<b>-0-</b>	<b>25,045</b>	<b>\$ 56,432</b>



ATRIS NITER JR., CPA

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and Board of Aldermen  
Town of Coahoma  
Coahoma, Mississippi

I have audited the general-purpose financial statement of cash receipts and disbursements of the Town of Coahoma as of and for the year ended September 30, 2018 and have issued my report dated July 30, 2020. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, I 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 my audit and, accordingly, I do not express such an opinion.

The results of those procedures and my audit of the general-purpose financial statement of cash receipts and disbursements disclosed the following instances of noncompliance with state laws and regulations. My findings and recommendations and your responses are as follows:


### **2018 Findings:**

Observation:	The Town's accounting records are not in conformity to the system prescribed by the state auditor.
Recommendation:	The Town should immediately develop their accounting records to comply with the state requirements.
Response:	The Town of Coahoma is currently working with a CPA to incorporate the GAAP and GASB standards and requirements into a new accounting program. The Town has made substantial progress in this area.

Honorable Mayor and Board of Aldermen  
Town of Coahoma  
Coahoma, Mississippi

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

This report is intended for the information of the Town of Coahoma's 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.



Atris Niter, Jr.  
Memphis, Tennessee  
July 30, 2020