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# APPLICATION FOR EXEMPTION FROM AUDIT - FOR MUNICIPALITIES WITH REVENUES OR EXPENDITURES OF \$100,000 OR LESS

|                     |                  |  |
|---------------------|------------------|--|
| NAME OF GOVERNMENT: | Town of Montrose | For the Fiscal Year<br>Ended September 30, <u>2018</u> |
| ADDRESS:            | PO Box 160       |  |
|                     | Louis, MS. 39338 |  |
| CONTACT PERSON:     | Carl Matthews    |  |
| TELEPHONE:          | 601-739-3205     |  |
| E-MAIL:             |                  |  |
| FAX:                | 601-739-3568     |  |

Return to: State of Mississippi  
 Office of the State Auditor  
 Technical Assistance Division  
 P. O. Box 956  
 Jackson, MS 39205  
 FAX: (601) 576-2750  
 Email: tech@osa.ms.gov  
 Call (800) 321-1275 if you need help completing this form.

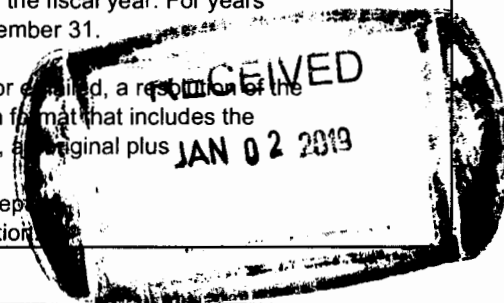
Regulations issued by the Office of the State Auditor explain the requirement to apply for an exemption from audit.

**If total revenues or expenditures are \$100,000 or less you may use this form.**

**Instructions:**

In order to ensure that your government's application will be accepted by the Office of the State Auditor, you must do the following:

1. Prepare this form completely and accurately. Please note that there are seven parts to this form and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within **3 months** after the end of the fiscal year. For years ended September 30, the form **must** be in the Office of the State Auditor by December 31.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application may be **mailed, faxed, or emailed** as indicated above. If faxed or emailed, a resolution of the governing board **must** accompany the application from exemption from audit in a format that includes the signatures of a majority of the governing body (see sample resolution). If mailed, a **original plus one copy** should be sent.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.



## PART 1 - CERTIFICATION OF PREPARER

|     |  |                                |
|-----|--|--------------------------------|
| 1-1 | Name: David Dill   | Title: CPA                     |
| 1-2 | Firm name (if applicable): Holt & Associates, PLLC   |                                |
| 1-3 | Address: 2815 Highway 15 N. Laurel, MS. 39440  |                                |
| 1-4 | Date prepared: <u>12-20-18</u>   | Telephone number: 601-649-3000 |
| 1-5 | Signature: <i>David Dill</i>   |                                |
|     | The person that completes this form must be skilled in governmental accounting. (Skilled means possessing sufficient knowledge of governmental accounting to complete the exemption form.) | Check One                      |
|     |  | Yes      No                    |
| 1-6 | Are you a person skilled in governmental accounting?   |                                |
|     | If no, this exemption will be rejected.  |                                |

## PART 2 - REVENUE(Receipts-Cash Basis)

| REVENUE: All revenues for all funds must be reflected in this section including proceeds from the sale of the government's land, building, and equipment and proceeds from debt or lease transactions. |                                      |              |
|--|--------------------------------------|--------------|
|  | Description                          | (Omit cents) |
| 2-1  | Taxes:                               | \$ -         |
| 2-2  | Property                             | \$ 12,460 -  |
| 2-3  | Sales                                | \$ 4,324 -   |
| 2-4  | Franchise                            | \$ 3,237 -   |
| 2-5  | Licenses and permits                 | \$ -         |
| 2-6  | Intergovernmental                    | \$ -         |
| 2-7  | Fines                                | \$ -         |
| 2-8  | Investment earnings                  | \$ 55 -      |
| 2-9  | Payments in lieu of tax              | \$ -         |
| 2-10   | Drug forfeitures                     | \$ -         |
| 2-11   | Charges for utility services         | \$ 73,406 -  |
| 2-12   | Debt proceeds                        | \$ 236 -     |
| 2-13   | Lease proceeds                       | \$ 1,300 -   |
| 2-14   | Proceeds from sale of capital assets | \$ -         |
| 2-15   | Other (specify):                     | \$ 1,023 -   |
| 2-16   | Gasoline Tax                         | \$ 429 -     |
| 2-17   | Homestead Exemption Reimbursement    | \$ 863 -     |
| 2-18   | General Municipal Aid                | \$ 70 -      |
| 2-19   | Fire Protection                      | \$ 800 -     |
| 2-20   | Rail Car Tax                         | \$ 1,766 -   |
| 2-21   | <b>TOTAL REVENUE</b> all sources     | \$ 99,969 -  |

### PART 3 - EXPENDITURES(Disbursements-Cash Basis)

| EXPENDITURES: All expenditures for all funds must be reflected in this section including the purchase of fixed and movable assets and principal and interest payments on long-term debt. |  |              |
|--|--|--------------|
|  | Description                              | (Omit cents) |
| 3-1  | Administrative                           | \$ 4,506 -   |
| 3-2  | Salaries                                 | \$ 19,979 -  |
| 3-3  | Payroll taxes                            | \$ -         |
| 3-4  | Contract services                        | \$ 1,310 -   |
| 3-5  | Employee benefits                        | \$ -         |
| 3-6  | Insurance                                | \$ 7,062 -   |
| 3-7  | Accounting and legal fees                | \$ 2,054 -   |
| 3-8  | Repair and maintenance                   | \$ 11,850 -  |
| 3-9  | Supplies                                 | \$ 10,521 -  |
| 3-10   | Utilities and telephone                  | \$ 18,695 -  |
| 3-11   | Police                                   | \$ -         |
| 3-12   | Fire                                     | \$ -         |
| 3-13   | Streets and highways                     | \$ -         |
| 3-14   | Public health                            | \$ 7,803 -   |
| 3-15   | Culture and recreation                   | \$ -         |
| 3-16   | Utility operations                       | \$ -         |
| 3-17   | Capital outlay                           | \$ -         |
| 3-18   | Debt service principal                   | \$ -         |
| 3-19   | Debt service interest                    | \$ -         |
| 3-20   | Contribution to pension plan             | \$ -         |
| 3-21   | Other (specify): Miscellaneous           | \$ 2,318 -   |
| 3-22   | Sales Tax                                | \$ 213 -     |
| 3-23   | MS Liability Plan                        | \$ 1,222 -   |
| 3-24   | Advertising                              | \$ 414 -     |
| 3-25   | <b>TOTAL EXPENDITURES</b> all categories | \$ 87,947 -  |

### PART 4 - DEBT OUTSTANDING, ISSUED AND RETIRED

|  |     |    |
|--|-----|----|
| Please answer the following questions by marking the appropriate box | Yes | No |
|--|-----|----|

|         |   |                                     |                                       |   |                                |
|---------|---|-------------------------------------|---------------------------------------|---|--------------------------------|
| 4-1     | Do you have outstanding debt?                               |                                     |                                       |   | ✓                              |
| If yes: | Is the debt repayment schedule attached?                    |                                     |                                       |   | ✓                              |
|         | Please complete the following debt schedule, if applicable: | Outstanding at start of fiscal year | Total issued during fiscal year (add) | Total retired during fiscal year (less) | Outstanding at fiscal year end |
|         | General obligation bonds                                    | \$ -                                | \$ -                                  | \$ -                                    | \$ -                           |
|         | Revenue bonds   | \$ -                                | \$ -                                  | \$ -                                    | \$ -                           |
|         | Notes/loans   | \$ 12,986 -                         | \$ -                                  | \$ 6,493 -                              | \$ 6,493 -                     |
|         | Leases  | \$ -                                | \$ -                                  | \$ -                                    | \$ -                           |
|         | Other (specify):  | \$ -                                | \$ -                                  | \$ -                                    | \$ -                           |

|  |   |      |    |
|--|---|------|----|
| Please answer the following questions by marking the appropriate box |   | Yes  | No |
| 4-2  | Does the municipality have any authorized, but unissued debt?           |      | ✓  |
| If yes:  | If yes, how much?   | \$ - |    |
|  | If yes, what is the authorization date?                                 |      |    |
| 4-3  | Does the municipality intend to issue debt within the next fiscal year? |      | ✓  |
| If yes:  | If yes, how much?   | \$ - |    |

| PART 5 - CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR |   |                   |                  |                         |              |
|--|---|-------------------|------------------|-------------------------|--------------|
|  | Please provide the entity's cash deposit and investment balances. | Checking Accounts | Savings Accounts | Certificates of Deposit | Total        |
| 5-1  | Cash deposits   | \$ 54,885 -       | \$ 68,035 -      | \$ 30,107 -             | \$ 153,027 - |
| 5-2  | Investments:  |                   |                  |                         |              |
| 5-3  |   |                   |                  |                         | \$ -         |
| 5-4  |   |                   |                  |                         | \$ -         |
| 5-5  |   |                   |                  |                         | \$ -         |
| 5-6  |   |                   |                  |                         | \$ -         |
| 5-7  | Total Investments   |                   |                  |                         | \$ -         |
| 5-8  | Total Cash and Investments  |                   |                  |                         | \$ 153,027 - |

|  |  |     |    |
|--|--|-----|----|
| Please answer the following question by marking in the appropriate box |  | Yes | No |
| 5-9  | Are your deposits in an eligible public depository (See 27-105-5 & 27-105-353) | ✓   |    |
| 5-10   | If no, please explain:   |     |    |

| PART 6 - CAPITAL ASSETS   |  |                                 |           |           |                           |    |   |
|---|--|---------------------------------|-----------|-----------|---------------------------|----|---|
| Please answer the following questions by marking in the appropriate boxes |  |                                 |           |           | Yes                       | No |   |
| 6-1   | Do you have land, buildings, and/or equipment?                           |                                 |           |           |                           | ✓  |   |
| 6-2   | Have you prepared an inventory of your land, buildings, and/or equipment |                                 |           |           |                           |    | ✓ |
| If yes:   | If no, please explain:   |                                 |           |           |                           |    |   |
|   | Complete the following table:  | Balance - Beginning of the Year | Additions | Deletions | Balance - End of the Year |    |   |
|   | Land   | \$ -                            | \$ -      | \$ -      | \$ -                      |    |   |
|   | Buildings  | \$ -                            | \$ -      | \$ -      | \$ -                      |    |   |
|   | Machinery and equipment  | \$ -                            | \$ -      | \$ -      | \$ -                      |    |   |
|   | Furniture and fixtures   | \$ -                            | \$ -      | \$ -      | \$ -                      |    |   |
|   | Other (explain):   | \$ -                            | \$ -      | \$ -      | \$ -                      |    |   |

| PART 7 - BUDGET INFORMATION  |   |     |    |
|--|---|-----|----|
| Please answer the following question by marking in the appropriate boxes |   | Yes | No |
| 7-1  | Did the municipality approve a budget for the next fiscal year end? | ✓   |    |
| 7-2  | If no, please explain:  |     |    |

|         |  |                                       |
|---------|--|---------------------------------------|
| If yes: | Please indicate the amount appropriated for each of your funds for the next fiscal year end? |                                       |
|         | Fund Name  | Budgeted fiscal year end Expenditures |
|         | General  | \$ 24,600 -                           |
|         | Water  | \$ 83,200 -                           |
|         |  | \$ -                                  |

### PART 8 - GENERAL INFORMATION

| Please answer the following question by marking in the appropriate boxes |  | Yes | No |
|--|--|-----|----|
| 8-1  | Has the Municipal Compliance Questionnaire been completed, adopted by your board and now part of your minutes? If no please explain: | ✓   |    |

### PART 9 - GOVERNING BODY APPROVAL

We, the undersigned, certify that this Application for Exemption from Audit has been:

Prepared consistent with regulations by OSA, which states that an Application with revenues or expenditures of \$100,000 or less **must** be prepared by a person skilled in governmental accounting;

Completed to the best of our knowledge and is **accurate** and **true**;

Reviewed and approved by a **majority** of the governing body.

**Note: Please list all current members of the governing body. In addition, original signatures must be provided for a majority of those listed.**

|     | Name (please print or type all current members of the governing body) | Date Term Expires | Signature            |
|-----|---|-------------------|----------------------|
| 9-1 | Sandra Smith  | 2018              | <i>Sandra Smith</i>  |
| 9-2 | Randy James   | 2018              | <i>Randy James</i>   |
| 9-3 | Kenneth Smith   | 2018              | <i>Kenneth Smith</i> |
| 9-4 | Carl Matthews   | 2018              | <i>Carl Matthews</i> |
| 9-5 | Robin Lowe  | 2018              | <i>Robin Lowe</i>    |
| 9-6 |   |                   |                      |
| 9-7 |   |                   |                      |
| 9-8 |   |                   |                      |

