

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.

VILLAGE OF PACHUTA, MISSISSIPPI
INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON
PROCEDURES AND
ACCOUNTANTS' COMPILATION REPORT

For the fiscal year ended September 30, 2018

VILLAGE OF PACHUTA, MISSISSIPPI

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)

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

We have performed the procedures enumerated below, which were agreed to by the Board of Alderman and Mayor of the Village of Pachuta, Mississippi on cash, ad valorem taxes, state receipts, disbursements, and the municipal compliance questionnaire of the Village of Pachuta, Mississippi as of September 30, 2018, 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). The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor and the Village of Pachuta, Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated 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	\$ 33,882
Citizens National Bank	General Fund	189,444
Total General Fund		<u>\$ 223,326</u>
Citizens National Bank	Water & Sewer Fund	\$ 99,739
Total Water & Sewer Fund		<u>\$ 99,739</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 Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The levies were found to be properly approved by the board of alderman.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to have not exceeded the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

3. We obtained a statement of payments from 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 Fund	\$ 24,991
Gasoline Taxes	General Fund	799
Homestead Exemption	General Fund	3,015
Fire Protection	General Fund	1,490
Municipal Aid	General Fund	130
CDBG Grant	Water and Sewer Fund	370,136
Total		<u>\$ 400,561</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: 25

Total Dollar Value of Sample: \$379,084.75

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

5. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements. We also examined surety bonds and determined all officials were appropriately bonded for the fiscal year.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on cash, ad valorem taxes, state receipts, disbursements, and the municipal compliance questionnaire of the Village of Pachuta,

Mississippi. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Village of Pachuta, Mississippi and the Office of the State Auditor of Mississippi and is not intended to be and should not be used by anyone other than the specified parties.

A handwritten signature in black ink, appearing to read "Stephen D. Myrick". The signature is fluid and cursive, with the first name "Stephen" and last name "Myrick" clearly legible.

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

Quitman, Mississippi
November 25, 2020

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

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ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying Combined Statement of Cash Receipts and Disbursements of the governmental activities, the business-type activities and each major fund of the Village of Pachuta, Mississippi, as of and for the year ended September 30, 2018, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. 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 Combined Statement of Cash Receipts and Disbursements 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 these financial statements.

The financial statement is 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 the disclosures ordinarily included in financial statements prepared with the cash basis of accounting. If the omitted disclosures were included in the financial 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 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 of 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 Village of Pachuta, Mississippi has omitted the Management's Discussion and Analysis as well as other required supplementary information required to be presented to supplement the basic financial statements. Such information, although not a part of the basis financial statements, is required by the Governmental Accounting Standards Board who considers it to be

an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

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. Such information is the representation of management. The information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have also issued a report dated September 30, 2020, on the results of our agreed-upon procedures.

A handwritten signature in black ink, appearing to read "Stephen D. Myrick". The signature is fluid and cursive, with the first name "Stephen" and last name "Myrick" clearly distinguishable.

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

Quitman, Mississippi
November 25, 2020

VILLAGE OF PACHUTA, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Governmental Activities		Business-type Activities	
	Major Fund		Major Fund	
	General Fund	Total	Water and Sewer Fund	Total
Revenue Receipts				
Taxes:				
General Property Taxes	\$ 84,509	\$ 84,509	\$ -	\$ -
Penalties and Interest on Delinquent Taxes	893	893	-	-
Licenses and Permits:				
Privilege Licenses	610	610	-	-
Franchise Charges - Utilities	13,437	13,437	-	-
Intergovernmental Receipts:				
State-shared Receipts:				
CDBG Grant	-	-	370,136	370,136
Municipal Aid	130	130	-	-
Sales Tax	24,991	24,991	-	-
Gasoline Tax	799	799	-	-
Homestead Exemption	3,015	3,015	-	-
Fire Protection	1,490	1,490	-	-
Local-shared Receipts:				
Other County Ad Valorem	1,289	1,289	-	-
Railcar Tax	2,096	2,096	-	-
Charges for Services:				
Senior Citizens Center Rental	550	550	-	-
Water Utility Service Fees	-	-	78,433	78,433
Sanitation	15,070	15,070	-	-
Sale of Cemetery Lots	1,395	1,395	-	-
Interest Earnings	1,257	1,257	499	499
Miscellaneous Receipts	505	505	1,189	1,189
Total Receipts	<u>152,036</u>	<u>152,036</u>	<u>450,257</u>	<u>450,257</u>
Disbursements				
General Government				
Executive	21,063	21,063	-	-
Financial	33,331	33,331	-	-
Public Safety:				
Fire	9,831	9,831	-	-
Public Works:				
Highways and Streets	43,318	43,318	-	-
Sanitation	4,935	4,935	-	-
Culture and Recreation:				
Parks	1,523	1,523	-	-
Libraries	4,782	4,782	-	-
Senior Citizens Center	9,195	9,195	-	-
Cemetery	4,602	4,602	-	-
Enterprises:				
Water and Sewer Utility	-	-	440,719	440,719
Total Disbursements	<u>132,580</u>	<u>132,580</u>	<u>440,719</u>	<u>440,719</u>
Excess (Deficiency) of Receipts Over Disbursements	19,456	19,456	9,538	9,538
Other Financing Sources				
Transfers In	9,336	9,336	-	-
Transfers Out	-	-	(9,336)	(9,336)
Total Other Financing Sources (Uses)	<u>9,336</u>	<u>9,336</u>	<u>(9,336)</u>	<u>(9,336)</u>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Sources (Uses)	28,792	28,792	202	202
Cash Basis Fund Balance - Beginning of Year	<u>194,534</u>	<u>194,534</u>	<u>99,537</u>	<u>99,537</u>
Cash Basis Fund Balance - End of Year	<u>\$ 223,326</u>	<u>\$ 223,326</u>	<u>\$ 99,739</u>	<u>\$ 99,739</u>

See Accountants' Compilation Report.

SUPPLEMENTARY INFORMATION

VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS
SEPTEMBER 30, 2018

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

See accountants' compilation report.

**VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Definition and Purpose	Balance Outstanding 10/1/2017	Transactions During Fiscal Year		Balance Outstanding 9/30/2018
		Issued	Redeemed	

No Outstanding Debt

See accountants' compilation report.

**VILLAGE OF PACHUTA, MISSISSIPPI
SOLID WASTE MANAGEMENT SERVICES SCHEDULE
FULL COST ACCOUNTING
SUMMARY OF COSTS REPORT
SEPTEMBER 30, 2018**

Revenue:

Garbage Fees	\$ 16,400	
Total Revenue		16,400

Expenses:

Wages	5,200	
Contract Labor	40	
Insurance	(11)	
Fuel	1,025	
Landfill Fee	2,000	
Supplies and Maintenance	1,300	
Total Expenses		9,554

Excess (Deficiency) of Revenue Over Expenses	\$ 6,846
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Number of Users	112
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Average Annual Cost Per User	\$ 61
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See accountants' compilation report.

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ACCOUNTANTS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

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

We have compiled the Combined Statement of Cash Receipts and Disbursements of the Village of Pachuta, Mississippi, as of and for the year ended September 30, 2018, and performed certain other agreed-upon procedures as required by the Office of the State Auditor of Mississippi and have issued our report dated November 25, 2020.

As required by the state legal compliance audit program prescribed by the Office of the 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 statement of cash receipts and disbursements and agreed-upon procedures 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 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.



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

Quitman, Mississippi
November 25, 2020