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**Town of Polkville
Financial Statements
Year Ended September 30, 2018**

Town of Polkville

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Town of Polkville
Financial Section
September 30, 2018

JEFFREY F. TULLOS, EA

**POST OFFICE BOX 505
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TELEPHONE 601-782-9411

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

June 12, 2020

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Polkville, 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, Mississippi Code, 1972, Annotated. This report is solely for the use of the governing body of the Town of Polkville, Mississippi, and the Office of the State Auditor and not be used for any other purposes. However, this report is a matter of public record, and its distribution is not limited. Our procedures and findings are as follows:

- A. I reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance</u>
Trustmark National	General Fund	\$ 4,110
Trustmark National	Water Enterprise Fund	3,059
Bank of Morton	Enterprise Fund	119,116
Bank of Morton	Grant Account	3,131
Trustmark National	Payroll	1,240
Trustmark National	Solid Waste	5,642
Trustmark National	Fire Millage	9,646
Trustmark National	Fire Rebate	25,954
Trustmark National	General-CD	51,625

- B. The Town did not possess any securities held for investments during the year.
- C. The Town of Polkville, Mississippi levies no advalorem taxes, therefore, no procedures were performed in this area.

- D. I obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposit in the bank recording in the general ledger. Cash receipts were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax	General	\$ 15,923
Gasoline Tax	General	2,499
Municipal Aid	General	415
Fire Protection	General	4,755
Other Municipal Aid	General	682

- E. Purchasing Law Compliance.

A sample was taken to test compliance with the purchasing laws as set forth in Sections 31-7-, 31-7-13, 31-7-57s Mississippi Code 1972, Annotated. Our procedures indicated boards approval of purchases in the board minutes, bids were obtained for purchases in amounts that required the solicitation of bids.

- F. We have read the Municipal Compliance Questionnaire completed by the town.
The completed survey indicated no instances of noncompliance.

- G. Population according to town officials: 833

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, I do not express an opinion on any of the accounts of items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that specifies accounts or items should be adjusted. Had I performed additional procedures or standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and do not extend to any financial statements of the Town of Polkville, taken as a whole.


Jeffrey F Tullos, EA

JEFFREY F. TULLOS, EA
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RALEIGH, MISSISSIPPI 39153
TELEPHONE 601-782-9411

Independent Accountant's Compilation Report

June 12, 2020

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Polkville for the year ended September 30, 2018, in accordance with standards Mississippi State Department of Audit.

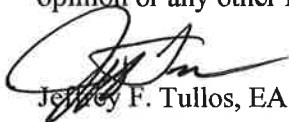
A compilation is limited to presenting in the form of financial statement information that is the representation of management. I have not audited or reviewed the accompanying statement of cash receipt and disbursements – all fund types and, accordingly do not express an opinion or any other form of assurance on it.

The Town of Polkville policy is to prepare its financial statement on the basis of cash receipts and disbursements: consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements-all fund types is not intended to present results of operations, in conformity with the generally accepted accounting principles.

These statements are presented in accordance with the requirements of the Office of State Auditor, which differs from generally accepted accounting principles. Accordingly, these statements are not designed for those who are informed about such differences.

Town officials have elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included, they might influence the user's conclusions about the Town of Polkville cash receipts and disbursements, financial position, results of operations or cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained reported is presented for purposes of additional analysis and has been compiled by us from information that is the presentation of the town officials of the Town of Polkville, without audit of review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.


Jeffrey F. Tullos, EA

TOWN OF POLKVILLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-ALL FUND TYPES
FISCAL YEAR ENDING SEPTEMBER 30, 2018

	Governmental Funds	Proprietary Funds	
	General Fund	Water and Garbage Collection	Totals
<u>Receipts</u>			
Licenses & Permits			
Utility Franchise	7,840		7,840
Privilege Licenses	734		734
State of Mississippi			
Fire Protection	4,755		
Gasoline Tax	2,499		
Municipal Aid	1,097		
Sales Tax	15,923		
Total State	24,274		24,274
Charges for Services:			
Garbage Collection		38,151	38,151
Water Sales		147,795	147,795
Connection Fees		5,125	5,125
Reconnect Fees		1,125	1,125
Late Fees		4,570	4,570
Misc Fees		777	777
Interest		321	321
Fire Millage	7,750		7,750
Fire Aid Assistance Millage	6,500		6,500
Fines	30,352		30,352
Police Grant			
Polkville Day	1,663		1,663
Rent – Civic Center	1,375		1,375
Misc	1,617		1,617
Permits-Building	102		102
CDBG Grant	287,301		287,301
Total Receipts	<u>369,508</u>	<u>197,864</u>	<u>567,372</u>

TOWN OF POLKVILLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-ALL FUND TYPES
FISCAL YEAR ENDING SEPTEMBER 30, 2018

	Governmental Funds	Proprietary Funds	
	<u>General Fund</u>	<u>Water and Garbage Collection</u>	<u>Totals</u>
<u>Operating Disbursements</u>			
General Government	20,760		20,760
Street Dept	1,827		1,827
Library	8,389		8,389
Public Safety			
Police	15,481		15,481
Capital Outlay	5,738		5,738
Fire Protection	11,466		11,466
Court Dept	10,362		10,362
Grant Expense	279,975		279,975
Water & Garbage Collection		209,005	209,005
Total Disbursements	<u>353,998</u>	<u>209,005</u>	<u>563,003</u>
Excess (Deficiency) of Receipts over Disbursements	\$15,510	(\$11,141)	4,369
Cash Balance – Beginning of Year	<u>37,272</u>	<u>130,257</u>	<u>167,529</u>
Cash Balance – End of Year	52,782	119,116	171,898
	=====	=====	=====

Town of Polkville

Notes to Financial Statements

September 30, 2018

Note 1- Summary of significant accounting policies

Reporting Entity

The financial statement for the town consists of all the funds of the town.

The Citizens of Polkville have elected to operate under a Code of Charter as permitted by Mississippi Statutes 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

Fund Accounting:

The accounts of the town are organized on the basis of funds, each of which is considered a separated accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise of its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement for the report, into four generic fund types and two broad fund categories as follows:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. Included in the fund is the General Fund.

Special Revenue Fund – The Special Revenue Fund accounts for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds that are legally restricted to expenditures for specified purposes. The Special Revenue Fund is the Capital Projects Fund.

Fiduciary Funds – Fiduciary funds are used to account for assets held in a trustee or agency capacity for others.

Enterprise Funds – Enterprise Funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred and or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Enterprise Funds are the Water and Sewer Fund.

Basis of Accounting:

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

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Town of Polkville

Notes to Financial Statements

September 30, 2018

Note 2 – Report Classifications

Receipts and disbursements were classified according to requirements for small town in the State of Mississippi as prescribed by the Office of the State Auditor

Town of Polkville

**Supplemental Section
September 30, 2018**

**TOWN OF POLKVILLE
SCHEDULE OF CAPITAL ASSETS
YEAR ENDED SEPTEMBER 30, 2018**

	Balance at <u>10/01/17</u>	<u>Increases</u>	<u>Decreases</u>	Balance at <u>09/30/18</u>
Governmental Activities:				
Buildings and Infrastructure	861,700			861,700
Machinery and Equipment	<u>257,087</u>	5,738		<u>262,825</u>
 Total Governmental Activities	 1,118,787 =====	 =====	 =====	 1,124,525 =====
Business Type Activities:				
Buildings and Infrastructure	83,443	279,975		363,418
Machinery and Equipment	<u>9,360</u>			<u>9,360</u>
 Total Business Activities	 92,803 =====	 279,975 =====	 0 =====	 372,778 =====

**TOWN OF POLKVILLE
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
FISCAL YEAR ENDING SEPTEMBER 30, 2018**

<u>NAME</u>	<u>POSITION</u>	<u>SURETY</u>	<u>BOND AMOUNT</u>
Robert Miles	Mayor	The Policy Center	50,000
Mark Purvis	Alderman	The Policy Center	10,000
Lloyd Gray	Alderman	The Policy Center	10,000
James Arender	Alderman	The Policy Center	10,000
Glenn Wiggins	Alderman	The Policy Center	10,000
Ricky Myers	Alderman	The Policy Center	10,000
Jerri Barnes	Town Clerk	The Policy Center	50,000

JEFFREY F. TULLOS, EA

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**ACCOUNTANTS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Polkville for the year ended September 30, 2018, and issued our report. We conducted our compilation in accordance with standards Mississippi State Department of Audit.

As required 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 my engagement and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed the following material instance of noncompliance with state laws and regulations. Our finding is included in the Accountants Report on Agreed-Upon Procedures.

This is intended for the information of the Town'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.



Jeffrey F. Tullos, EA