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TOWN OF SHUBUTA, MISSISSIPPI
COMPILATION REPORT
AND
REPORT ON AGREED-UPON PROCEDURES
September 30, 2018

WALKER & COMPANY CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
FLOWOOD, MISSISSIPPI

TOWN OF SHUBUTA, MISSISSIPPI

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

Management is responsible for the accompanying combined statement of cash receipts and disbursements (all funds) of the Town of Shubuta, 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 accompanying financial statement and we were not 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, and do not provide any form of assurance on the accompanying financial statement.

The accompanying 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.

The supplementary information contained in the schedule of investments, schedule of long-term debt and the schedule of surety bonds for town officials is presented for purposes of additional analysis and is not a required part of the financial statement. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Management has elected to omit substantially all the disclosures ordinarily included in a financial statement prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis, budgetary comparison information, and the schedules related to net pension liability that are required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statement, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated March 1, 2021, on the results of our agreed-upon procedures.

Walker & Company CPAs, P.C.
Flowood, Mississippi
March 1, 2021



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TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2018

	General Fund	Proprietary Funds		Totals (Memo Only)	
		Water Fund	Sanitation Fund	Sept. 30, 2018	Sept. 30, 2017
Revenue Receipts:					
General property taxes	\$ 89,197	\$ -	\$ -	\$ 89,197	67,693
Licenses and permits	706	-	-	706	469
Franchise taxes on utilities	15,990	-	-	15,990	14,878
Intergovernmental Revenues:					
Sales tax	40,388	-	-	40,388	45,649
Gasoline tax	1,351	-	-	1,351	1,351
Motor vehicle tax	18,404	-	-	18,404	26,040
Fire insurance premium tax distribution	2,444	-	-	2,444	2,469
County shared taxes	716	-	-	716	614
Municipal aid	1,107	-	-	1,107	220
Homestead reimbursement	7,921	-	-	7,921	7,510
Rail car taxes	2,175	-	-	2,175	1,761
Charges for Services:					
Garbage collection fees (transferred from water fund)	-	-	37,575	37,575	32,940
Water and sewer	-	99,139	-	99,139	96,292
Interest income	100	(1)	-	99	259
Police fines	-	-	-	-	4,931
Miscellaneous	14,462	40,830	219	55,511	12,887
Total Revenue Receipts	194,961	139,968	37,794	372,723	315,963
Other Receipts:					
Board of Supervisors	-	-	-	-	-
Transfers in from other funds	28,177	203,144	2,161	233,482	262,809
Law enforcement block grant	-	-	-	-	0
Other grants	3,513	-	-	3,513	9,187
CDBG revenue	298,040	190,264	-	488,304	284,673
Multi-purpose building	4,040	-	-	4,040	4,555
Ball park	900	-	-	900	1,900
Proceeds from notes payable	-	-	-	-	100,405

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2018

	General Fund	Proprietary Funds Water Fund	Sanitation Fund	Totals (Memo Only) Sept. 30, 2018	Sept. 30, 2017
Total Other Receipts	334,670	393,408	2,161	730,239	663,529
Total Receipts	529,631	533,376	39,955	1,102,962	979,492
Cash Balance - Beginning of Year (Includes CD's and petty cash)	98,776	2,631	1,537	102,944	95,428
Total Amount to Account For	<u>\$ 628,407</u>	<u>\$ 536,007</u>	<u>\$ 41,492</u>	<u>\$ 1,205,906</u>	<u>\$ 1,074,920</u>
Operating Disbursements:					
General Government:					
Salaries, payroll tax and retirement	\$ 87,513	\$ -	\$ -	\$ 87,513	81,313
Administrative	20,029	-	-	20,029	24,828
Utilities	25,681	-	-	25,681	23,476
Tax collector commission	1,925	-	-	1,925	2,928
Telephone	6,046	-	-	6,046	7,702
Office supplies and postage	4,031	-	-	4,031	1,937
Repairs and parts	12,678	-	-	12,678	7,633
Legal, accounting and engineering	14,696	-	-	14,696	3,400
Insurance	27,526	-	-	27,526	20,876
Miscellaneous	12,400	-	-	12,400	5,133
Street	271	-	-	271	1,175
Ball park	1,449	-	-	1,449	5,144
Multi-purpose building	1,699	-	-	1,699	2,878

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2018

	General	Proprietary Funds		Totals (Memo Only)	
	Fund	Water	Sanitation	Sept. 30,	Sept. 30,
		Fund	Fund	2018	2017
Operating Disbursements - continued:					
Public Safety:					
Police:					
Supplies	241	-	-	241	282
Salaries	2,900	-	-	2,900	0
Automobile	214	-	-	214	0
Court	833	-	-	833	3,368
Fire:					
Operating	-	-	-	-	3,308
Water and Sewer:					
Salaries, payroll tax and retirement	-	38,928	-	38,928	40,737
Administrative	-	23,751	-	23,751	49,751
Supplies	-	16,753	-	16,753	9,739
Repair and maintenance	-	16,681	-	16,681	12,389
Accounting	-	38	-	38	-
Gas and oil	-	5,730	-	5,730	4,396
Insurance	-	4,633	-	4,633	4,026
Utilities	-	14,493	-	14,493	13,473
Sales tax	-	157	-	157	424
State retirement	-	(91)	-	(91)	1,536
Miscellaneous	-	13,284	-	13,284	2,172
Sanitation:					
Salaries, payroll tax and retirement	-	-	4,267	4,267	12,492
Clarke County landfill fees	-	-	6,862	6,862	2,918
Gasoline and repairs - truck	-	-	2,213	2,213	2,501
Supplies	-	-	1,660	1,660	336
Total Operating Disbursements	220,132	134,357	15,002	369,491	352,271
Other Disbursements and Transfers:					
Loans repaid with interest	116,174	9,884	-	126,058	10,125
Capital outlays	99,122	390,027	-	489,149	346,771

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2018

	General Fund	Proprietary Funds Water Fund	Sanitation Fund	Totals (Memo Only) Sept. 30, 2018	Sept. 30, 2017
Transfers to other funds	98,127	-	25,956	124,083	262,809
Total Other Disbursements and Transfers	313,423	399,911	25,956	739,290	619,705
Total Disbursements and Transfers	533,555	534,267	40,958	1,108,780	971,976
Cash Balance including CD's and petty cash at end of year	94,852	1,740	534	97,126	102,944
Total Amount Accounted For	<u>\$ 628,407</u>	<u>\$ 536,007</u>	<u>\$ 41,492</u>	<u>\$ 1,205,906</u>	<u>\$ 1,074,920</u>

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Investments (All Funds)
For the Year Ended September 30, 2018

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Date of Acquisition</u>	<u>Date of Maturity</u>	<u>Other Information</u>	<u>Investment Cost/Value</u>
General Fund	Certificate of Deposit	0.25%	9/20/2018	9/20/2019	Bank Plus	\$ 49,331
General Fund	Certificate of Deposit	1.00%	4/9/2018	4/9/2022	Bank Plus	\$ 10,050
General Fund	Certificate of Deposit	0.15%	11/1/2017	11/1/2018	First State Bank	\$ 16,565

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Changes in Long-term Debt
For the Year Ended September 30, 2018

	Balance Outstanding 10/1/2017	Issued in Fiscal Year 2018	Redeemed in Fiscal Year 2018	Balance Outstanding 9/30/2018
Revenue Bonds & Debt				
MS Development Authority	\$ 126,435	\$ -	\$ 7,435	\$ 119,000
Bank Plus	-	15,150	1,484	13,666
Bank Plus	98,487	-	98,487	-
Total	<u>\$ 224,922</u>	<u>\$ 15,150</u>	<u>\$ 107,406</u>	<u>\$ 132,666</u>
Assessed valuation	2,137,459			
Population per latest census	675			

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Surety Bonds for Town Officials
For the Year Ended September 30, 2018

Name	Position	Company	Bond
Cleveland W. Peebles	Mayor	Zurich North American Surety	\$ 50,000
Robin Jones	Alderman	MS Municipal Bond Program	\$ 50,000
Roosevelt Williams, Jr.	Alderman	MS Municipal Bond Program	\$ 50,000
Toria Hoze-Miles	Alderman	MS Municipal Bond Program	\$ 50,000
Wayne P. Jenkins	Alderman	MS Municipal Bond Program	\$ 50,000
Willie B. Nelson	Alderman	MS Municipal Bond Program	\$ 50,000
Diane A. Turner Brown	Town Clerk	Zurich North American Surety	\$ 50,000
Arkala Howze	Deputy Clerk	Travelers	\$ 10,000
Police Officers (2 @ \$25,000 each)		Travelers	\$ 50,000

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Solid Waste Management Services
Full Cost Accounting Summary of Costs Report
For the Fiscal Year Ended September 30, 2018

Revenue:		
Garbage revenue	\$	37,575
Expenses:		
Clarke County landfill fees	6,862	
Wages & payroll taxes	4,267	
Supplies	1,660	
Gasoline & truck	<u>2,213</u>	
Total expense		<u>15,002</u>
Excess of revenue over expenses	<u>\$</u>	<u>22,573</u>
Number of users		221
Average annual cost per user	\$	67.88

See accountant's compilation report.

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Accountant's Report on Applying Agreed-Upon Procedures

Honorable Mayor and Board of Aldermen
Town of Shubuta, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Town of Shubuta, Mississippi, on management's compliance with laws and regulations as of September 30, 2018, 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 Town of Shubuta, 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 associated findings are as follows:

- A. We 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:

Bank	Fund	Balance per General Ledger
Bank Plus	General Fund	\$ 5,183
Bank Plus	General Fund	\$ 301
Bank Plus	General Fund	\$ 1,606
Bank Plus	General Fund	\$ 2,961
Bank Plus	General Fund	\$ 165
Bank Plus	General Fund	\$ 262
Bank Plus	General Fund	\$ 6,766
Bank Plus	General Fund	\$ 1,662
Bank Plus	Water Fund	\$ 430
Bank Plus	Water Fund	\$ 720
Bank Plus	Water Fund	\$ -
Bank Plus	Water Fund	\$ 18
Bank Plus	Water Fund	\$ 262
Bank Plus	Water Fund	\$ 103
Bank Plus	Water Fund	\$ 103
Bank Plus	Sanitation Fund	\$ 534



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- B. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323 of the Miss. Code Ann. (1972).

<u>Security</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Bank Plus CD	General Fund	\$ 49,331
Bank Plus CD	General Fund	\$ 10,050
First State Bank CD	General Fund	\$ 16,565

- C. 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 without exception. Payments traced were as follows:

<u>Purpose for Payment</u>	<u>Receiving Fund</u>	<u>Amount per General Ledger</u>
Sales tax allocation	General Fund	\$ 40,388
Gasoline refund allocation	General Fund	\$ 1,351
Homestead reimbursement	General Fund	\$ 7,922
Fire protection allocation	General Fund	\$ 2,444
Municipal aid	General Fund	\$ 1,107
Community Heritage Preservation	General Fund	\$ 48,791
Grantor payments nontaxable	General Fund	\$ 1,141
Grantor payments nontaxable	Water Fund	\$ 10,540
Water pollution control	Water Fund	\$ 224,200

- D. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with the 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	40
Dollar Value of Sample	\$ 480,076

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

- E. We performed the following procedures with respect to taxes on real and personal property levied during the fiscal year:
- Traced levies to governing body minutes;
 - Traced distribution of taxes collected to proper funds; and
 - Analyzed increase in taxes for most recent period for completion and increase limitations of Sections 27-39-320 to 27-39-233, Miss. Code Ann. (1972).

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

- F. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality's settlement procedures to be in agreement with requirements.

- G. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements.

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 management's compliance with laws and regulations. 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 use and information of the Town of Shubuta, Mississippi and the Office of the State Auditor, State of Mississippi and is not intended to be, and should not be, used by anyone other than those specified parties.

This report should not be associated with the financial statement of the Town of Shubuta, Mississippi, for the year ended September 30, 2018.

Walker & Company CPAs, P.C.
Flowood, Mississippi
March 1, 2021

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Report on Compliance with State Laws and Regulations

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

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type activities, schedule of investments (all funds), schedule of changes in long-term debt, and schedule of surety bonds for town officials for the Town of Shubuta, Mississippi for the year ended September 30, 2018, 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. 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 and our compilation of the accompanying statement of cash receipts and disbursements – governmental and business-type activities, schedule of investments (all funds), schedule of long-term debt and schedule of surety bonds for town officials for the Town of Shubuta, Mississippi, for the year ended September 30, 2018 disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of 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.

Walker & Company CPAs, P.C.
Flowood, Mississippi
March 1, 2021



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