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Town of Bude

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Bude, Mississippi 39630
Phone 601-384-2600 Fax 601-384-4193
townofbude@ftcweb.net

Linda Green, Mayor
Mary K. Williamson, Attorney
David Blackwell, Police Chief
Elisha Ford, Clerk
Ann Newman, Deputy Clerk

Aldermen/Alderwoman
Grady Huff Jeffery Quick
Tony Gibbs John B. Knight
Norma J. Kelly

December 30, 2019

Office of the State Auditor
P. O. Box 956
Jackson, Mississippi 39205

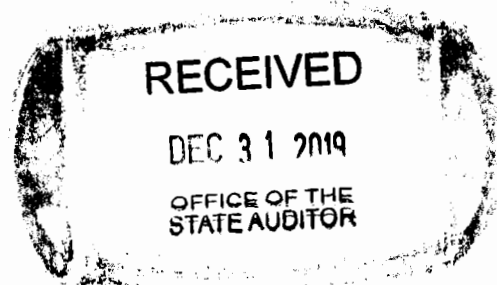
RE: Annual Municipal Audit

Accompanying this letter is a copy of the annual Financial Statements of the Town of Bude, Mississippi, for the fiscal year ended September 30, 2019. A separate management letter was not written to the Town of Bude in connection with this audit.

Sincerely,

*Elisha Ford, Clerk for
Town of Bude*

Mayor



**TOWN OF BUDE, MISSISSIPPI
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2019**

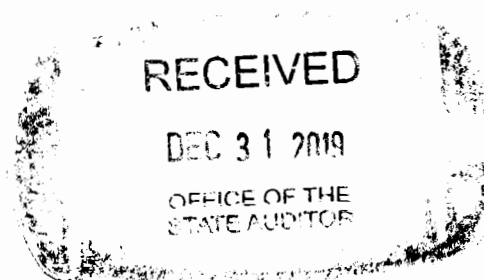


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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Bude, Mississippi

Management is responsible for the accompanying financial statements of the Town of Bude, Mississippi for year ended September 30, 2019, as listed in the Table of Contents, in accordance with accounting principles generally accepted in the United States of America. I 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. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America, including a statement of cash flows for proprietary funds. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

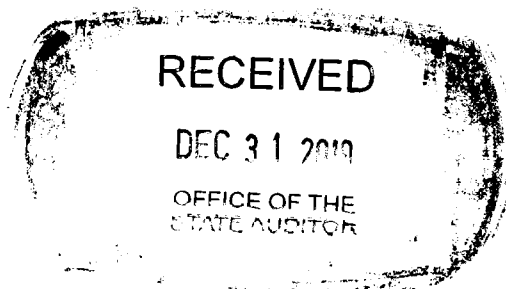
Management is also responsible for the Schedules as listed in the Table of Contents as required by the Mississippi Office of State Auditor. I compiled this information from information provided by management, but did not audit or review this supplementary information and do not express an opinion, a conclusion, or provide any assurance on the information.

Bernell M. Gehee

CERTIFIED PUBLIC ACCOUNTANT

Bernell McGehee, CPA

December 12, 2019



TOWN OF BUDE , MISSISSIPPI
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
(UNAUDITED)
YEAR ENDED SEPTEMBER 30

<u>Assets</u>	<u>Governmental Fund Types</u>	<u>Proprietary Fund Types</u>	<u>Total (Memorandum Only)</u>	
			<u>2019</u>	<u>2018</u>
Cash	\$112,748	\$26,900	\$139,648	\$78,760
Cash-Reserved	137,463	28,636	166,099	159,610
Accounts Receivable		21,692	21,692	21,043
Due from Water & Sewer	116,051		116,051	120,420
Fixed assets (net of accumulated depreciation)		2,351,360	2,351,360	2,388,056
Total Assets	\$366,262	\$2,428,588	\$2,794,850	\$2,767,889
 <u>Liabilities and Fund Equity</u>				
Accounts Payable	\$7,863	\$8,220	\$16,083	\$14,463
Due to General Fund		116,051	116,051	120,420
Notes Payable		941,079	941,079	1,010,660
Customer deposits		28,636	28,636	27,216
Total Liabilities	\$7,863	\$1,093,986	\$1,101,849	\$1,172,759
Retained Earnings:				
Unreserved		\$1,334,602	\$1,334,602	\$1,324,786
Fund balance:				
Unreserved	230,610		230,610	139,602
Reserved - Fire Fund	122,989		122,989	125,959
Reserved - unemployment benefits	4,800		4,800	4,783
Total Fund Equity	\$358,399	\$1,334,602	\$1,693,001	\$1,595,130
Total Liabilities and Fund Equity	\$366,262	\$2,428,588	\$2,794,850	\$2,767,889

The accompanying compilation report is an integral part of this balance sheet.

TOWN OF BUDE, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
(UNAUDITED)
YEAR ENDED SEPTEMBER 30

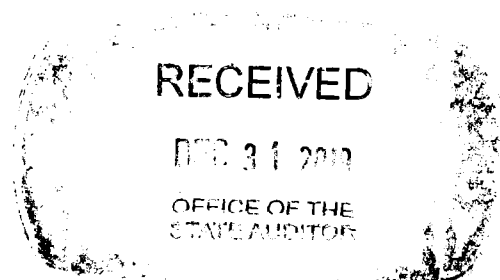
	<u>2019</u>	<u>2018</u>
Revenue:		
Ad valorem	\$ 153,388	\$ 130,248
Licenses and Permits	26,966	25,596
Intergovernmental	157,693	183,463
Fines and Forfeits	21,781	11,587
Interest	680	290
Other	<u>27,211</u>	<u>42,754</u>
Total Revenue	<u>\$ 387,719</u>	<u>\$ 393,938</u>
Expenditures:		
General government	\$ 211,318	\$ 228,147
Public safety	88,244	74,718
Streets	<u>102</u>	<u>24,470</u>
Total Expenditures	<u>\$ 299,664</u>	<u>\$ 327,335</u>
Excess (deficiency) of revenues over expenditures	\$ 88,055	\$ 66,603
Fund balance at beginning of year	<u>270,344</u>	<u>203,741</u>
Fund balance at end of year	<u>\$ 358,399</u>	<u>\$ 270,344</u>

The accompanying compilation report is an integral part of this financial statement

TOWN OF BUDE, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS -- ALL PROPRIETARY FUND TYPES
(UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2019

	<u>Water and Sewer</u>	
	<u>2019</u>	<u>2018</u>
Operating revenues:		
Charges for services	\$ 264,515	\$ 220,429
Operating expenses:		
Personal services	65,779	77,673
Other services and charges	132,777	130,774
Depreciation	<u>87,042</u>	<u>84,693</u>
Total operating expenses	<u>285,598</u>	<u>293,140</u>
Operating income	<u>(21,083)</u>	<u>(72,711)</u>
Non-operating revenues (expenses):		
CDBG Water Line Grant	50,346	174,771
Interest - net	<u>(19,447)</u>	<u>(20,366)</u>
Total non-operating revenue (expense)	<u>30,899</u>	<u>154,405</u>
Net income (loss)	\$ <u>9,816</u>	\$ <u>81,694</u>
Retained earnings, beginning of year	<u>1,324,786</u>	<u>1,243,092</u>
Retained earnings, end of year	<u>\$ 1,334,602</u>	<u>\$ 1,324,786</u>

The accompanying compilation report is an integral part of this financial statement



**TOWN OF BUDE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Note A: Summary of Significant Accounting Policies

General Information

The town operates under the Mayor/Alderman form of government and provides services as authorized by law.

Reporting Entity

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

Fund Accounting

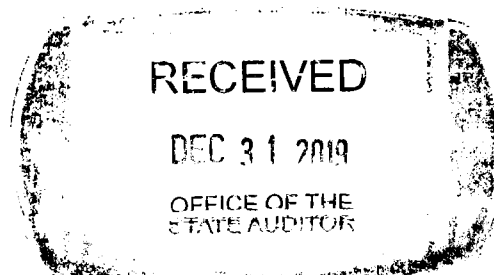
The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statements are prepared on an accrual basis.

Note B: Report Classifications

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



TOWN OF BUDE, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

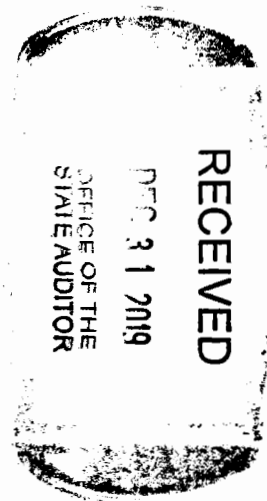
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Note: Governmental asset details are currently unavailable.</i>				
Business Type Activities:				
Capital Assets				
Land		-	-	
Machinery and Equipment	2,967,904	225,117	-	3,193,021
Construction in Progress	<u>174,771</u>	<u>-</u>	<u>174,771</u>	<u>-</u>
Total Businesss-type activities capital assets	<u>\$ 3,142,675</u>	<u>\$ 225,117</u>	<u>\$ -</u>	<u>\$ 3,193,021</u>

**TOWN OF BUDE, MISSISSIPPI
STATEMENT OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 10/01/2018</u>	<u>TRANSACTIONS DURING FISCAL YEAR</u>		<u>BALANCE OUTSTANDING 09/30/2019</u>
		<u>ISSUED</u>	<u>REDEEMED</u>	
Water and Sewer System				
General Obligation Notes:				
State of Mississippi - Department of Health:				
Drinking Water Systems Improvement				
Revolving Loan Fund				
Water Tank # 3				
Water Well & Transmission System	\$ 985,520	\$ -	\$ 44,441	\$ 941,079
		-		
United Mississippi Bank				
Operating Loans	25,140	-	25,140	-
Total Long Term Debt	\$ 1,010,660	\$ -	\$ 69,581	\$ 941,079

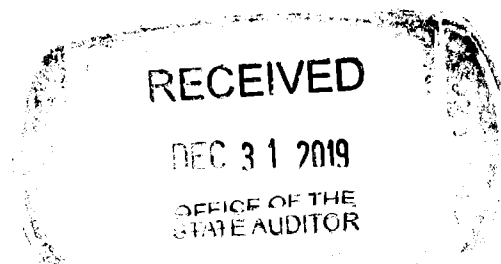
Population - 2010 Census

1,063



**TOWN OF BUDE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS
YEAR ENDED SEPTEMBER 30, 2019**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Linda Green	Mayor	Travelers	\$25,000
Grady Huff	Alderman	Travelers	\$25,000
Jeffrey Quick	Alderman	Travelers	\$25,000
Norma Jean Kelly	Alderman	Travelers	\$25,000
Tommy Gibbs	Alderman	Travelers	\$25,000
John Knight	Alderman	Travelers	\$25,000
Elisha Ford	Clerk	Western Surety	\$50,000
Missy Newman	Asst Clerk	Brierfield	\$50,000
David Blackwell	Police Chief	Brierfield	\$50,000
Everitt Marshall	Deputy	Brierfield	\$50,000



BERNELL McGEHEE, CPA
P. O. BOX 410
LIBERTY, MISSISSIPPI 39645

Mayor and Board of Aldermen
Bude, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Bude, Mississippi as of September 30, 2019 and for the year then ended, as required by the office of the State Auditor. This is solely for the use of the governing body of the Town of Bude, Mississippi, and the office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. My procedures and findings are as follows:

1. I reconciled cash on deposit with the following banks to balances in the respective fund accounts and obtained confirmation of the related balances from the banks.

<u>BANK</u>	<u>ACCOUNT NAME</u>	<u>BALANCE PER GENERAL LEDGER</u>	
United MS Bank	Paymode	\$ 49	
United MS Bank	Clearing Accounts	(2,131)	
United MS Bank	General	113,526	
N/A	Petty Cash	35	
United MS Bank	Fire-State Rebated	122,016	
United MS Bank	Fire-CD	10,470	
United MS Bank	Law Enforcement - CD	694	
Bank of Franklin	Employment Compensation	4,800	249,459
Bank of Franklin	Water and Sewer Revenue	43,723	
United MS Bank	Water and Sewer	12,565	56,288
	Total		<u>\$305,747</u>

2. As of September 30, 2019 the town held no investment securities.
3. I performed the following procedures with respect to taxes on real and personal property levied during the fiscal year.
 - a. Traced levies to governing body minutes.
 - b. Traced distribution of taxes collected to proper funds.
 - c. Analyzed increase in taxes for most recent period for completion with increase limitations of sections 27-39-320 to 27-39-323, Miss Code Ann (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies. Ad Valorem tax collections were found to be within the limitations of sections 27-39-320 to 27-39-323, Miss Code Ann (1972).

Please note that the Town of Bude contracts with Franklin County, Mississippi to collect property taxes on its behalf.

4. 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 banks and recording in the general fund, except one. Payments to the Town of Bude were, as follows:

<u>PAYMENT PURPOSE</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$ 133,453
Fire Protection Allocation	General	9,774
Grand Gulf Nuclear Plant	General	10,631
Homestead Exemption Reimbursement	General	11,838
Police Grant	General	3,700
Other Aid	General	2,058
CDBG Water Line Grant	Water and Sewer	50,346
Water and Sewer Billings	Water and Sewer	2,931

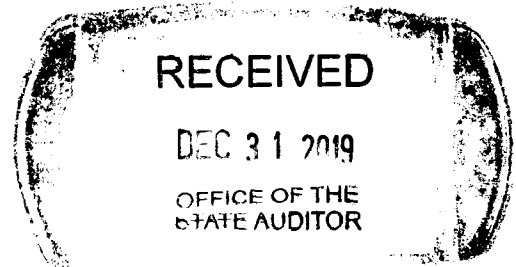
5. I selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7 Mississippi Code Ann. (1972) if applicable.

The sample consisted of the following:

Number of sample items	9
Dollar value of sample	\$141,681

I found the town's purchasing procedures to be in compliance with the requirements of the above mentioned sections.

6. I selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. I also selected a sample of state-imposed court assessments collected and determined that the municipal clerk had not settled monthly with the Department of Finance and Administration, but had paid all known assessments due by the end of the year.
7. I have read the Municipal Compliance questionnaire completed by the Town. The completed survey indicated and I have determined instances of non compliance with state requirements as follows:
- a. An annual inventory of General Fund assets was not made.



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

Bernell M. Hechee

CERTIFIED PUBLIC ACCOUNTANT

November 27, 2019

