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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, 2019

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 on cash, ad valorem taxes, state receipts, disbursements and the municipal compliance questionnaire of the Village of Pachuta, Mississippi as of September 30, 2019. The Village of Pachuta, Mississippi's Management is responsible for the cash, ad valorem taxes, state receipts, disbursements and the municipal compliance questionnaire.

The Village of Pachuta, Mississippi has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose. This report may not be suitable for any other purpose. The procedures performed may not address all of the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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	\$ 33,959
Citizens National Bank	General Fund	213,008
Total General Fund		<u>\$ 246,967</u>
Citizens National Bank	Water & Sewer Fund	\$ 123,478
Total Water & Sewer Fund		<u>\$ 123,478</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 compliance 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	\$ 41,848
Gasoline Taxes	General Fund	799
Homestead Exemption	General Fund	3,183
Fire Protection	General Fund	1,540
Municipal Aid	General Fund	130
CDBG Grant	Water and Sewer Fund	44,312
Total		<u>\$ 91,812</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: \$7,390.19

We found seven instances where expenditures were not properly approved by the Board of Aldermen and one instance where proper documentation for an expenditure could not be located.

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.

We were engaged by the Village of Pachuta, Mississippi to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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. 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.

We are required to be independent of the Village of Pachuta, Mississippi and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

A handwritten signature in black ink, reading "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
October 15, 2021

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 and the Business-type Activities of the Village of Pachuta, Mississippi, for the year ended September 30, 2019, 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 of the Governmental Activities and the Business-type Activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on the Combined Statement of Cash Receipts and Disbursements of the Governmental Activities and the Business-type Activities.

The Combined Statement of Cash Receipts and Disbursements of the Governmental Activities and the Business-type Activities 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 a financial statement prepared in accordance 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 October 15, 2021, 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
October 15, 2021

VILLAGE OF PACHUTA, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Major Fund</u>		<u>Major Fund</u>	
	General Fund	Total	Water and Sewer Fund	Total
Revenue Receipts				
Taxes:				
General Property Taxes	\$ 75,511	\$ 75,511	\$ -	\$ -
Licenses and Permits:				
Privilege Licenses	1,732	1,732	-	-
Franchise Charges - Utilities	14,760	14,760	-	-
Intergovernmental Receipts:				
State-shared Receipts:				
CDBG Grant	-	-	44,312	44,312
Municipal Aid	130	130	-	-
Sales Tax	41,848	41,848	-	-
Gasoline Tax	799	799	-	-
Homestead Exemption	3,183	3,183	-	-
Fire Protection	1,540	1,540	-	-
Local-shared Receipts:				
Other County Ad Valorem	2,712	2,712	-	-
Railcar Tax	2,188	2,188	-	-
Fire Run Revenue	2,400	2,400	-	-
Charges for Services:				
Senior Citizens Center Rental	950	950	-	-
Water Utility Service Fees	-	-	89,237	89,237
Sanitation	14,759	14,759	-	-
Sale of Cemetery Lots	1,386	1,386	-	-
Interest Earnings	1,502	1,502	802	802
Miscellaneous Receipts	1,275	1,275	922	922
Total Receipts	<u>166,675</u>	<u>166,675</u>	<u>135,273</u>	<u>135,273</u>
Disbursements				
General Government:				
Executive	54,219	54,219	-	-
Financial	20,052	20,052	-	-
Public Safety:				
Fire	13,327	13,327	-	-
Public Works:				
Highways and Streets	32,209	32,209	-	-
Sanitation	6,356	6,356	-	-
Culture and Recreation:				
Parks	1,983	1,983	-	-
Libraries	4,682	4,682	-	-
Senior Citizens Center	8,312	8,312	-	-
Cemetery	2,400	2,400	-	-
Enterprise:				
Water and Sewer Utility	-	-	111,028	111,028
Total Disbursements	<u>143,540</u>	<u>143,540</u>	<u>111,028</u>	<u>111,028</u>
Excess (Deficiency) of Receipts Over Disbursements	23,135	23,135	24,245	24,245
Other Financing Sources				
Transfers In	506	506	-	-
Transfers Out	-	-	(506)	(506)
Total Other Financing Sources (Uses)	<u>506</u>	<u>506</u>	<u>(506)</u>	<u>(506)</u>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Sources (Uses)	23,641	23,641	23,739	23,739
Cash Basis Fund Balance - Beginning of Year	<u>223,326</u>	<u>223,326</u>	<u>99,739</u>	<u>99,739</u>
Cash Basis Fund Balance - End of Year	<u>\$ 246,967</u>	<u>\$ 246,967</u>	<u>\$ 123,478</u>	<u>\$ 123,478</u>

See Accountants' Compilation Report.

SUPPLEMENTARY INFORMATION

VILLAGE OF PACHUTA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS
SEPTEMBER 30, 2019

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Phil Fuller	Mayor	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, 2019**

<u>Definition and Purpose</u>	Balance	<u>Transactions During Fiscal Year</u>		Balance
	<u>Outstanding 10/1/2018</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding 9/30/2019</u>
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, 2019**

Revenue:

Garbage Fees	\$ 14,759	
Total Revenue		14,759

Expenses:

Wages	5,400	
Contract Labor	120	
Insurance	272	
Fuel	1,495	
Landfill Fee	1,787	
Supplies and Maintenance	1,633	
Total Expenses		10,707

Excess (Deficiency) of Revenue Over Expenses	\$ 4,052
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Number of Users	110
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Average Annual Cost Per User	\$ 37
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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, 2019, and performed certain other agreed-upon procedures as required by the Office of the State Auditor of Mississippi and have issued our report dated October 15, 2021.

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
October 15, 2021