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TOWN OF SHUBUTA, MISSISSIPPI
COMPILATION REPORT
AND
REPORT ON AGREED-UPON PROCEDURES
September 30, 2019

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, 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 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 June 30, 2021, on the results of our agreed-upon procedures.

Walker & Company CPAs, P.C.
Flowood, Mississippi
June 30, 2021



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TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2019

	General Fund	Proprietary Funds		Totals (Memo Only)	
		Water Fund	Sanitation Fund	Sept. 30, 2019	Sept. 30, 2018
Revenue Receipts:					
General property taxes	\$ 88,330	\$ -	\$ -	\$ 88,330	89,197
Licenses and permits	403	-	-	403	706
Franchise taxes on utilities	16,762	-	-	16,762	15,990
Intergovernmental Revenues:					
Sales tax	38,873	-	-	38,873	40,388
Gasoline tax	1,351	-	-	1,351	1,351
Motor vehicle tax	20,365	-	-	20,365	18,404
Fire insurance premium tax distribution	5,206	-	-	5,206	2,444
County shared taxes	12,128	-	-	12,128	716
Municipal aid	1,852	-	-	1,852	1,107
Homestead reimbursement	-	-	-	-	7,921
Rail car taxes	-	-	-	-	2,175
Charges for Services:					
Garbage collection fees	-	40,741	4,335	45,076	37,575
Water and sewer	-	91,139	-	91,139	99,139
Interest income	3,976	2	-	3,978	99
Police fines	2,316	-	-	2,316	0
Miscellaneous	23,828	26	0	23,854	55,511
Total Revenue Receipts	215,390	131,908	4,335	351,633	372,723
Other Receipts:					
Board of Supervisors	-	-	-	-	-
Transfers in from other funds	23,518	14,502	0	38,020	233,482
Law enforcement block grant	-	-	-	-	0
Other grants	0	-	-	-	3,513
CDBG revenue	-	0	-	-	488,304
Multi-purpose building	3,135	-	-	3,135	4,040
Ball park	-	-	-	-	900
Proceeds from notes payable	-	-	-	-	-
Total Other Receipts	26,653	14,502	-	41,155	730,239
Total Receipts	242,043	146,410	4,335	392,788	1,102,962
Cash Balance - Beginning of Year (Includes CD's and petty cash)	94,852	1,740	534	97,126	102,944
Total Amount to Account For	\$ 336,895	\$ 148,150	\$ 4,869	\$ 489,914	\$ 1,205,906
Operating Disbursements:					
General Government:					
Salaries, payroll tax and retirement	\$ 71,018	\$ -	\$ -	\$ 71,018	87,513
Administrative	19,385	-	-	19,385	20,029
Utilities	25,440	-	-	25,440	25,681
Tax collector commission	-	-	-	-	1,925
Telephone	5,129	-	-	5,129	6,046
Office supplies and postage	4,449	-	-	4,449	4,031
Repairs and parts	11,203	-	-	11,203	12,678
Grant Expense	7,929	-	-	7,929	0
Legal, accounting and engineering	1,500	-	-	1,500	14,696
Insurance	40,618	-	-	40,618	27,526
Miscellaneous	1,725	-	-	1,725	12,400
Street	54	-	-	54	271
Ball park	627	-	-	627	1,449
Multi-purpose building	999	-	-	999	1,699

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2019

	Proprietary Funds		Totals (Memo Only)	
General Fund	Water Fund	Sanitation Fund	Sept. 30, 2019	Sept. 30, 2018
Operating Disbursements - continued:				
Public Safety:				
Police:				
Supplies	6,149	-	6,149	241
Salaries	0	-	-	2,900
Automobile	445	-	445	214
Court	755	-	755	833
Fire:				
Operating	67	-	67	0
Water and Sewer:				
Salaries, payroll tax and retirement	-	64,785	64,785	38,928
Administrative	-	1,638	1,638	23,751
Supplies	-	20,334	20,334	16,753
Repair and maintenance	-	14,330	14,330	16,681
Accounting	-	500	500	38
Gas and oil	-	4,782	4,782	5,730
Insurance	-	5,436	5,436	4,633
Utilities	-	17,697	17,697	14,493
Sales tax	-	146	146	157
State retirement	-	1,607	1,607	(91)
Miscellaneous	-	5,869	5,869	13,283
Sanitation:				
Salaries, payroll tax and retirement	-	-	2,532	4,267
Clarke County landfill fees	-	-	4,732	6,862
Gasoline and repairs - truck	-	-	2,079	2,213
Supplies	-	-	1,146	1,660
Total Operating Disbursements	197,492	137,124	345,105	369,490
Other Disbursements and Transfers:				
Loans repaid with interest	0	8,985	8,985	126,058
Capital outlays	533	0	763	489,149
Transfers to other funds	10,155	-	4,109	124,083
Total Other Disbursements and Transfers	10,688	8,985	13,857	739,290
Total Disbursements and Transfers	208,180	146,109	358,962	1,108,780
Cash Balance including CD's and petty cash at end of year				
	128,715	2,041	130,952	97,126
Total Amount Accounted For	\$ 336,895	\$ 148,150	\$ 489,914	\$ 1,205,906

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Investments (All Funds)
For the Year Ended September 30, 2019

<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	1.05%	7/15/2019	7/15/2020	Bank Plus	\$ 61,181
General Fund	Certificate of Deposit	1.00%	4/9/2018	4/9/2022	Bank Plus	\$ 10,123
General Fund	Certificate of Deposit	1.00%	1/5/2019	1/5/2020	Bank Plus	\$ 10,100
General Fund	Certificate of Deposit	0.50%	11/1/2018	11/1/2019	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, 2019

	Balance Outstanding 10/1/2018	Issued in Fiscal Year 2019	Redeemed in Fiscal Year 2019	Balance Outstanding 9/30/2019
Revenue Bonds & Debt				
MS Development Authority	\$ 116,552	\$ -	\$ 8,985	\$ 107,567
Bank Plus	12,908	-	4,106	8,802
Total	<u>\$ 129,460</u>	<u>\$ -</u>	<u>\$ 13,091</u>	<u>\$ 116,369</u>

Assessed valuation	2,137,459
Population per latest census	675

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Surety Bonds for Town Officials
For the Year Ended September 30, 2019

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

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, 2019

Revenue:		
Garbage revenue	\$	45,076
Expenses:		
Clarke County landfill fees (*)	5,914	
Wages & payroll taxes	2,532	
Supplies	1,146	
Gasoline & truck	<u>2,079</u>	
Total expense		<u>11,671</u>
Excess of revenue over expenses	\$	<u>33,405</u>
Number of users		221
Average annual cost per user	\$	52.81

* Includes \$1,181 accrued balance due at 9/30/19.

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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, 2019, 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:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Bank Plus	General Fund	\$ (421)
Bank Plus	General Fund	\$ 7,965
Bank Plus	General Fund	\$ 9,083
Bank Plus	General Fund	\$ 2,104
Bank Plus	General Fund	\$ 983
Bank Plus	General Fund	\$ 57
Bank Plus	General Fund	\$ 9,302
Bank Plus	General Fund	\$ 1,673
Bank Plus	General Fund	\$ 10,100
Bank Plus	Water Fund	\$ 422
Bank Plus	Water Fund	\$ 734
Bank Plus	Water Fund	\$ (701)
Bank Plus	Water Fund	\$ 28
Bank Plus	Water Fund	\$ 1,899
Bank Plus	Water Fund	\$ (341)
Bank Plus	Sanitation Fund	\$ 196



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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	\$ 61,181
Bank Plus CD	General Fund	\$ 10,100
Bank Plus CD	General Fund	\$ 10,123

- 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	\$ 38,873
Gasoline refund allocation	General Fund	\$ 1,351
Homestead reimbursement	General Fund	\$ 8,360
Fire protection allocation	General Fund	\$ 2,603
Municipal aid	General Fund	\$ 1,852
Grantor payments nontaxable	General Fund	\$ 7,929

- 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	53
Dollar Value of Sample	\$ 138,609

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, 2019.

Walker & Company CPAs, P.C.
Flowood, Mississippi
June 30, 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, 2019, 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, 2019 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 no 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.

Brandon, Mississippi
June 30, 2021



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