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TOWN OF HICKORY, MISSISSIPPI
FINANCIAL STATEMENT AND SUPPLEMENTARY INFORMATION
SPECIAL REPORT ON AGREED-UPON PROCEDURES
YEAR ENDED SEPTEMBER 30, 2020

**TOWN OF HICKORY
YEAR ENDED SEPTEMBER 30, 2020
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1927-2011

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Hickory
Hickory, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements - all fund types of the Town of Hickory, Mississippi, as of and for the year ended September 30, 2020, and the related notes to the financial statements 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 statement of cash receipts and disbursements - all fund types nor were we 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, nor provide any form of assurance on the statement of cash receipts and disbursements - all fund types.

We draw attention to Note A of the financial statement, which describes the basis of accounting. The 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,

Management has elected to omit substantially all the disclosures required by 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 the net pension liability that the cash basis of accounting requires to be presented to supplement the basic financial statement. 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 and 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 September 4, 2021 on the results of our agreed-upon procedures.

Price & Co.

September 4, 2021

TOWN OF HICKORY, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
For the Year Ended September 30, 2020

	Governmental Activities		Business-Type Activities	Totals	
	General Fund	Special Revenue Fund	Water Fund	(Memorandum Only)	
				2020	2019
RECEIPTS					
General Property Taxes	\$ 29,074	\$ -	-	\$ 29,074	\$ 29,594
Penalties and Interest on Delinquent Taxes	361	-	-	361	52
Rail Car Tax	3,905	-	-	3,905	3,889
Licenses and Permits:					
Privilege Licenses	110	-	-	110	700
Franchise Charges - Utilities	15,746	-	-	15,746	16,686
Federal Grants	403,560	-	-	403,560	44,460
State Shared Revenues:					
General Municipal Aid	264	-	-	264	264
Sales Tax	118,481	-	-	118,481	99,071
Gasoline Tax	1,623	-	-	1,623	1,623
Motor Vehicle Tax	12,574	-	-	12,574	10,850
Fire Protection	-	3,197	-	3,197	3,128
Homestead Exemption	4,057	-	-	4,057	3,851
Law Enforcement Grants	24,688	-	-	24,688	-
County Shared Revenues:					
Road Taxes	9,954	-	-	9,954	9,361
Fire Protection	-	11,270	-	11,270	10,764
Charges for Services:					
Water and Sewer	-	-	380,881	380,881	366,956
Fines and Forfeits	-	10,866	-	10,866	6,968
Recreation	-	3,905	-	3,905	5,482
Rent	1,000	-	-	1,000	1,100
Interest Income	75	-	-	75	58
Sale of Vehicles	-	-	-	-	9,000
Miscellaneous	40	-	-	40	515
Total Receipts	\$ 625,512	\$ 29,238	\$ 380,881	\$1,035,631	\$ 624,372

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
For the Year Ended September 30, 2020

	Governmental Activities		Business-Type Activities	Totals	
	General Fund	Special Revenue Fund	Water Fund	(Memorandum Only) 2020	2019
DISBURSEMENTS					
General Government	\$ 260,195	\$ -	-	\$ 260,195	\$ 307,334
Public Safety:					
Police	-	4,189	-	4,189	6,551
Fire	-	11,290	-	11,290	4,954
Parks and Recreation	-	-	-	-	2,741
Enterprise:					
Water and Sewer	-	-	267,725	267,725	269,550
Redemption of Principal	4,099	5,710	40,611	50,420	40,598
Interest Expense	341	1,013	13,389	14,743	16,193
Total Disbursements	264,635	22,202	321,725	608,562	647,921
Excess (Deficiency) of Receipts Over Disbursements	360,877	7,036	59,156	427,069	(23,549)
Other Financing Sources (Uses)					
Transfers	48,198	3,728	(51,926)	-	-
Loan Proceeds	-	-	-	-	43,160
Capital Expenditures	(406,476)	-	-	(406,476)	-
Due From Hickory Volunteer Fire Department	-	(3,197)	-	(3,197)	-
Total Other Financing Sources (Uses)	(358,278)	531	(51,926)	(409,673)	43,160
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing Sources (Uses)	2,599	7,567	7,230	17,396	19,611
Cash Basis Fund Balance - Beginning of Year	38,620	27,078	25,244	90,942	71,331
Cash Basis Fund Balance - End of Year	\$ 41,219	\$ 34,645	\$ 32,474	\$ 108,338	\$ 90,942

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
Year Ended September 30, 2020

	Balance Outstanding 9/30/19	Transactions During Fiscal Year		Balance Outstanding 9/30/20
		Issued	Redeemed	
Revenue Bonds:				
1990 Water and Sewer	\$ 197,373	\$ -	\$ 36,642	\$ 160,731
1995 Water and Sewer	34,464	-	2,763	31,701
1995 Water and Sewer	<u>15,252</u>	<u>-</u>	<u>1,206</u>	<u>14,046</u>
Total Revenue Bonds	<u>\$ 247,089</u>	<u>\$ -</u>	<u>\$ 40,611</u>	<u>\$ 206,478</u>
Other Long-term Debt:				
Bank First				
2019 Dodge 1500	\$ 29,174	\$ -	\$ 5,711	\$ 23,463
Bank of Forest				
2008 Mack GU8 Truck	<u>11,666</u>	<u>-</u>	<u>4,099</u>	<u>7,567</u>
Total Other Long-Term Debt	<u>\$ 40,840</u>	<u>\$ -</u>	<u>\$ 9,810</u>	<u>\$ 31,030</u>

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
Year Ended September 30, 2020

Name	Position	Surety	Bond
J. C. Wash	Mayor	Western Surety	\$ 50,000
Joyce Johnson	Town Clerk	Western Surety	50,000
Carolyn Burks	Deputy Clerk	Western Surety	10,000
Donna Ferguson	Aldерwoman	Western Surety	10,000
Greg Hudnall	Alderman	Western Surety	10,000
Ken Morgan	Alderman	Western Surety	10,000
Charles Guyse	Alderman	Western Surety	10,000
Billie Robinson	Aldерwoman	Western Surety	10,000
Mark Spense	Police Chief	Western Surety	50,000
Robert Johnson	Policeman	Western Surety	5,000
Fred Smith	Policeman	Western Surety	5,000
Billy Pat Walker	Policeman	Western Surety	5,000
Dustin McGee	Policeman	Western Surety	5,000
David Irby	Policeman	Western Surety	5,000
Christopher Ferguson	Policeman	Western Surety	5,000
Lawarncе Card	Policeman	Western Surety	5,000
Lowell Shinn	Policeman	Western Surety	5,000
Kelb Rice	Policeman	Western Surety	5,000

See accountant's compilation report.

**TOWN OF HICKORY, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2020**

Note A: Summary of Significant Accounting Policies

General Information

The town operates under the alderman/mayor 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 statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

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.

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

Honorable Mayor and Board of Alderpersons
Town of Hickory, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Hickory, Mississippi, as of September 30, 2020, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Hickory, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

1. 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 First	General	\$ 12,327
Bank First	Water/Sewer Operations	32,274
Bank First	Recreation	13,720
Bank First	Fire Fund	18,021
Bank First	Court Account	2,904
Bank First	General Savings	28,892

2. There were no securities held for investment.

3. 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 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, Mississippi Code Ann. (1972).

4. We obtained a statement of payments made by 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>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 118,481
Municipal Revolving Fund	General Fund	264
Gasoline Tax	General Fund	1,623
Homestead Exemption	General Fund	4,057
Fire Protection	Special Revenue Fund	3,197
Utilities	General Fund	6,111
Community Development Block Grant	Water and Sewer Fund	403,560
Other Aid	General Fund	12,043

5. 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, Mississippi Code Ann. (1972), if applicable.

The sample consisted of the following:

Number of Sample Items	14
Total Dollar Value of Sample	\$447,531

We found the municipality's purchasing procedures to be in agreement with the requirements of the above mentioned sections except as follows:

The board approved the purchase of a vehicle for \$8,000.00 on their April 7, 2020 minutes. This was an emergency purchase, since the old truck was not working, but the original minutes do not mention that it was an emergency purchase. The minutes were corrected in September, 2021 to reflect that this was an emergency purchase.

6. 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 and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality to be in agreement with the requirements of the above mentioned sections except as follows:

The December, 2019 - June, 2020 assessments were all settled in August, 2020.

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

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Hickory, Mississippi, for the year ended September 30, 2020.

Pricer & Co.

September 4, 2021