

## OFFICE OF THE STATE AUDITOR REPORT NOTE:

*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.



# Town of Jonestown, Mississippi

Special Report on Agreed Upon Procedures  
For Small Municipalities (Towns)

For the Year Ended September 30, 2020



**BOOKER T. CAMPER, JR.**

**Certified Public Accountants**  
**Memphis, Tennessee**

# **Town of Jonestown, Mississippi**

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Booker T. Camper Jr., CPA PLLC

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## **SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

Honorable Mayor and Board of Alderman  
Town of Jonestown  
Jonestown, Mississippi  
FYE 2020

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Jonestown, 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 Mississippi Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Jonestown, 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:

Bank	Fund	Balance Per General Ledger
First National Bank	General	\$ 109,504
CB & S Bank	Water & Sewer	30,895
Shreveport Federal Credit Union	Water & Sewer Reserve	443
First National Bank	General (CDBG)	-
Total		<u>\$ 140,842</u>

2. The Town did not possess any securities held for investment. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code Ann. (1972), and is presented below.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Verified use of certified county assessment rolls and traced levies to governing body minutes,
  - b. Examined uncollected taxes for proper handling, including tax sales,
  - c. Traced distribution of taxes collected to proper funds; and
  - d. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Mississippi Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Mississippi Code Ann. (1972).

# **SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

**Honorable Mayor and Board of Alderman**

**Town of Jonestown**

**Jonestown, Mississippi**

**FYE 2020**

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There were no Ad valorem tax collections for the retirement of general obligation debt. Ad valorem tax collections for the retirement of water and sewer bonds were found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, 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 deposits in the respective bank accounts and recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
General Municipal Aid	General	\$ 647
ABC Permits	General	900
Sales Tax Allocation	General	40,208
Gasoline Tax	General	3,813
Homestead Exemption Reimbursement	General	14,125
Nuclear Plant	General	17,718
Fire Protection	General	7,831
MDA - CDBG	General	46,676
Other Aid	General	137
Department of Health	General	-
Petroleum Municipal Aid	General	-
Total		<u>\$ 132,055</u>

5. The Town of Jonestown is so small that we were able to review the entire record of purchases for the fiscal year. Nothing came to our attention that would lead us to believe that the Town's purchasing procedures were not in agreement with the requirement of Title 31, Chapter 7, Mississippi Code Ann. (1972).


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

6. The Town did not prepare the Municipal Compliance Questionnaire. Based on our interview of the Town Clerk, we noted the following:
- Fixed assets were not properly tagged and accounted (Section II-Municipal Audit & Accounting Guide).
  - The Town did not contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of the fiscal year (Section 21-35-31).

**SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**  
**Honorable Mayor and Board of Alderman**  
**Town of Jonestown**  
**Jonestown, Mississippi**  
**FYE 2020**  
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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. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, other significant 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 Jonestown, Mississippi, for the year ended September 30, 2020.

BOOKER T. CAMPER, JR.  
Certified Public Accountants

BY:   
BOOKER T. CAMPER, JR.  
Certified Public Accountant  
FOR THE FIRM

Memphis, Tennessee  
December 4, 2022



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Booker T. Camper Jr., CPA PLLC

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## ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderman  
Town of Jonestown  
Jonestown, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements – all fund types as of September 30, 2020, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

BOOKER T. CAMPER, JR.  
Certified Public Accountants

BY:   
BOOKER T. CAMPER, JR.  
Certified Public Accountant  
FOR THE FIRM

Memphis, Tennessee  
December 4, 2022

**Town of Jonestown, Mississippi**  
**Combined Statement of Cash Receipts and Disbursements (All Funds)**  
**For the Fiscal Year Ended September 30, 2020**

	Governmental Fund Types		
	General	Special Revenue Funds	
		Insurance Fund	Community Dev Block Grant
REVENUE RECEIPTS:			
General Property Taxes	\$ 221,849	\$ -	\$ -
Licenses and Permits	663	-	-
Franchise Taxes	16,492	-	-
Inter-Governmental Revenues:			
General Municipal Aid	647	-	-
State Shared Revenue:			
General Sales Tax	40,208	-	-
Road Tax	-	-	-
Motor Vehicle Fuel Tax	3,813	-	-
Alcoholic Beverage License	900	-	-
Fire Protection	7,831	-	-
Grand Gulf Distribution	17,718	-	-
State Surplus	-	-	-
Gaming	-	-	-
Motor Vehicle Licenses	50,801	-	-
Emergency Management	-	-	-
Health Department	-	-	-
MDA - CDBG	-	-	46,676
MS Development Authority	-	-	-
Other Aid	137	-	-
Charges for Services:			
Water and Sewage Utility	-	-	-
Waste Collection	-	-	-
Fines and Forfeits	2,010	-	-
Interest Income	-	-	-
Other Grant Income	-	-	-
Rent	2,460	-	-
Other Income	171	-	-
Total Revenue Receipts	365,700	-	46,676
Other Receipts			
Transfers from Other Funds	13,000	-	-
Cash Balance Adjustment	-	-	-
Insurance Proceeds	-	-	-
Bank Loan Proceeds	-	-	-
Other Proceeds	-	-	-
Total Other Receipts	13,000	-	-
Total Receipts	378,700	-	46,676
Cash Balance - Beginning of Year	20,131	-	-
Total Amount to Account For	\$ 398,831	\$ -	\$ 46,676

The accompanying notes are an integral part of these Financial Statements.



Proprietary Fund		2020	2019
Water Fund Reserve	Water and Sewer Fund	TOTALS (MEMORANDUM ONLY)	TOTALS (MEMORANDUM ONLY)
\$ -	\$ -	\$ 221,849	\$ 181,763
-	-	663	565
-	-	16,492	16,849
-	-	-	-
-	-	647	647
-	-	-	-
-	-	40,208	38,397
-	-	-	-
-	-	3,813	3,813
-	-	900	900
-	-	7,831	7,661
-	-	17,718	9,883
-	-	-	-
-	-	-	-
-	-	50,801	53,627
-	-	-	-
-	-	-	3,050
-	-	46,676	327,974
-	-	-	-
-	-	137	-
-	189,554	189,554	192,196
-	-	-	-
-	-	2,010	4,563
-	-	-	-
-	-	-	-
-	-	2,460	2,610
-	35	206	12,143
-	189,589	601,965	856,641
-	-	-	-
-	30,000	43,000	66,536
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	10,214
-	30,000	43,000	76,750
-	219,589	644,965	933,391
443	22,662	43,236	73,763
\$ 443	\$ 242,251	\$ 688,201	\$ 1,007,154

The accompanying notes are an integral part of these Financial Statements.

**Town of Jonestown, Mississippi**  
**Combined Statement of Cash Receipts and Disbursements (All Funds)**  
**For the Fiscal Year Ended September 30, 2020**

	Governmental Fund Types		
	General	Special Revenue Funds	
		Insurance Fund	Community Dev Block Grant
<b>OPERATING DISBURSEMENTS:</b>			
General Government:			
Executive and Financial	\$ 116,396	\$ -	\$ -
Legislative	50,930	-	-
Judicial and Law	9,414	-	-
Public Safety:			
Police	55,620	-	-
Fire	9,039	-	-
Highways and Streets:			
Lighting & Maintenance	33,736	-	-
Sanitation	14,192	-	-
Water and Sewage Utility	-	-	-
Recreation	-	-	-
Election	-	-	-
Beautification	-	-	-
Interest Expense	-	-	-
Summer food Service Program	-	-	-
Total Operating Disbursements	289,327	-	-
<b>OTHER DISBURSEMENTS:</b>			
Transfers	-	-	-
MDA/CDBG (Note 4)	-	-	46,676
Lease Payment (Principal)	-	-	-
Payment on Note (Principal)	-	-	-
Summer Food Service Program	-	-	-
Less Depreciation	-	-	-
Transfer Adjustment	-	-	-
Other Disbursement	-	-	-
Total Other Disbursements	-	-	46,676
Total Disbursements	289,327	-	46,676
Cash Balance - End of Year	109,504	-	-
Total Amount Accounted For	\$ 398,831	\$ -	\$ 46,676

The accompanying notes are an integral part of these Financial Statements.

Proprietary Fund		2020	2019
Water Fund Reserve	Water and Sewer Fund	TOTALS (MEMORANDUM ONLY)	TOTALS (MEMORANDUM ONLY)
\$ -	\$ -	\$ 116,396	\$ 221,299
-	-	50,930	78,828
-	-	9,414	16,051
-	-	-	-
-	-	55,620	58,196
-	-	9,039	8,663
-	-	-	-
-	-	33,736	22,438
-	-	14,192	3,361
-	175,029	175,029	195,030
-	-	-	-
-	-	-	-
-	-	-	-
-	9,546	9,546	12,322
-	-	-	-
-	184,575	473,902	616,188
		0	0
-	40,000	40,000	-
-	-	46,676	377,883
-	-	-	-
-	34,863	34,863	32,087
-	-	-	-
-	(48,082)	(48,082)	(48,082)
-	-	-	(16,927)
-	-	-	2,769
-	26,781	73,457	347,730
-	211,356	547,359	963,918
443	30,895	140,842	43,236
\$ 443	\$ 242,251	\$ 688,201	\$ 1,007,154

The accompanying notes are an integral part of these Financial Statements.

**Town of Jonestown Mississippi**  
**Profit & Loss Statement – Water & Sewer Fund**  
**For the Fiscal Year Ended September 30, 2020**

Revenue:	
Water Sales	189,554
Other Income	35
	<hr/>
Total Water Fund Revenues	\$ 189,589
	<hr/>
Expenses:	
Salaries	35,186
Fringe Benefits	7,373
Chemical	7,076
Supplies	5,426
Professional Services	13,449
Water Well - Electricity	18,141
Repairs and Maintenance	27,530
Inmate Lunches	1,311
Taxes	3,299
Printing and Binding	815
Advertising	643
Insurance	634
Fuel, Oil & Lubricants	4,178
Postage	1,225
Motor Vehicle Repairs	-
Other	175
Depreciation Expense (Note 3)	48,082
Rural Development Loan - Interest	9,546
	<hr/>
Total Water Expenses	184,089
	<hr/>
Net Profit (Loss) - Ordinary	5,500
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Refund on Vehicle Repairs	-
Transfers In	-
Transfers Out	(40,000)
	<hr/>
Net Profit (Loss)	\$ (34,500)
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The accompanying notes are an integral part of these Financial Statements.

## NOTES TO FINANCIAL STATEMENTS

TOWN OF JONESTOWN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENT  
September 30, 2020

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Note 1 - Summary of Significant Accounting Policies

The more significant of the government's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The Town of Jonestown has no component units.

The Mississippi Delta is an agriculturally based economy. The economic stability of the taxpayers and utility customers of the Town of Jonestown is significantly affected by this environment.

B. Fund Accounting

The government uses funds to report on the cash receipts and disbursements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities including the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. Special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

(Continued)

TOWN OF JONESTOWN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENT - CONTINUED  
September 30, 2020

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C. 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.

D. 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.

E. Cash

The Town deposits excess funds in financial institutions selected by the board in accordance with state statutes. Cash consists of amounts on deposit in demand accounts and is valued at cost.

Various restrictions on these deposits are imposed by state statutes. These restrictions are summarized as follows:

All deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) or by the Federal Savings and Loan Insurance Corporation (FSLIC), or any successors to such insurance corporations, must be collateralized in an amount equal to 105 % of the uninsured amount. The collateral must be on deposit with the Town Clerk.

The Town is allowed, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the state of Mississippi, or of any county or municipality of this state, when such county or municipal bonds have been properly approved, or in interest-bearing time certificates of deposit with any financial institution approved for the deposit of state funds.

F. Memorandum Only - Total Columns

Total columns on the financial statement are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial positions, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

G. Plant and Equipment

Plant and equipment recorded in the water and sewage fund is stated at cost less accumulated depreciation. Depreciation has been provided using the straight-line method.

(Continued)

TOWN OF JONESTOWN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENT - CONTINUED  
September 30, 2020

H. General Fixed Assets

General fixed assets purchased are recorded as expenditures (Capital Outlay) in the fund making the purchase. Such assets are capitalized at cost in the general fixed assets group of accounts.

Note 2 - Property Tax

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied as of January 1 and payable on or before February 1. Taxes are collected and remitted by the Jonestown County Tax Collector.

The distribution of taxes to funds was in accordance with prescribed tax levies, and uncollected taxes were properly handled.

Note 3 – Fixed Assets – Water and Sewage Fund

The plant and equipment consist of the following:

	Cost	Depreciation Expense	Accumulated Depreciation	Un-Depreciated Cost
Water System Improvements	417,053	16,951	394,601	22,452
Water/Sewage System	852,702	14,212	658,333	194,369
Machinery and Equipment	8,238	-	8,238	-
Water/Sewage Rehab	676,751	16,919	321,461	355,290
Total	<u>\$ 1,954,744</u>	<u>\$ 48,082</u>	<u>\$ 1,382,633</u>	<u>\$ 572,111</u>

Water and Sewage Fund

Note 3 – Bonds Payable

TOWN OF JONESTOWN	Payable To	Dated	Due	Face Amount	Balance Due
4.50%	Rural Development (Formerly FmHA)	September 1, 1999	September 1, 2034	157,100	78,347
4.50%	Rural Development (Formerly FmHA)	September 1, 1999	September 1, 2034	59,950	26,523
5%	Rural Development (Formerly FmHA)	September 1, 1999	October 1, 2034	380,319	77,952
					<u>\$182,822</u>



## SUPPLEMENTARY INFORMATION

**Town of Jonestown Mississippi**  
**Schedule of Long-Term Debt**  
**For the Fiscal Year Ended September 30, 2020**

	Balance Outstanding	Transactions During Fiscal Year		Balance Outstanding
Lender	September 30, 2019	Adjustments See Note Below	Redeemed	September 30, 2020
Rural Development	59,978	23,425	5,451	77,952
Rural Development	4,501	-	-	-
Rural Development	22,199	6,552	2,228	26,523
Rural Development	137,116	(31,586)	27,183	78,347
Total	<u>\$ 223,794</u>	<u>\$ (1,609)</u>	<u>\$ 34,862</u>	<u>\$ 182,822</u>

Total Payments \$44,409

Interest Expense recorded at \$9,546

See Note 3 in the Notes to the Financial Statements.

**NOTE:** Worksheet adjustments were made to correct and update the notes currently outstanding per Rural Development.

The accompanying notes are an integral part of these Financial Statements.

**Town of Jonestown Mississippi**  
**Schedule of Surety Bonds for Municipal Officials**  
**September 30, 2020**

NAME	POSITION	COMPANY	BOND
Vivian S Burnett	Mayor	Clyde C. Scott	\$ 25,000.00
Pearline Johnson	City Clerk	Clyde C. Scott	50,000.00
LaShasa Griffin	Alderman	Clyde C. Scott	10,000.00
Terrence Holmes	Alderman	Clyde C. Scott	10,000.00
Metisha Johnson	Alderman	Clyde C. Scott	10,000.00
Renaldo Roberts	Alderman	Clyde C. Scott	10,000.00
Unta Wiley	Alderman	Clyde C. Scott	10,000.00

The accompanying notes are an integral part of these Financial Statements.



Booker T. Camper Jr., CPA PLLC

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and Board of Alderman  
Town of Jonestown  
Jonestown, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements in accordance with statements on Standards for Accounting and Review Services established by the American Institute of Certified Public Accountants of the Town of Jonestown as of and for the year ended September 30, 2020 and have issued our report dated December 4, 2022.

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.

The results of those procedures disclosed the following material instances of noncompliance with state laws and regulations. Our findings and recommendations and the Town's responses are as follows:

### **2020 Findings:**

#### **2020-1 Observations:**

The Town did not tag or account for fixed assets (Section II-Municipal Audit and Accounting Guide).

The Town did not contract with a Certified Public Accountant or auditor approved by the State Auditor for its annual audit within twelve months of the end of the fiscal year (Section 21-35-31).

#### **Recommendation:**

We recommend the Town develop a corrective action plan detailing the procedures and policies it will take or initiate to correct the conditions mentioned above.

#### **2020-2 Observations:**

It has been discovered that the IRS has gone back several years and has a claim on the Town due to failure to file Forms 941 and failure to deposit correct payroll taxes and failure to file Forms W-2/3 dating back to 2004. Substantially all of these amounts are currently in "uncollectible status" which means that the IRS is not actively trying to collect at this time but the debt remains unpaid.

#### **Recommendation:**

We recommend that the monthly deposits of payroll taxes be strictly observed and verified so that this matter will not recur.


**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH STATE LAWS AND REGULATIONS**

**Page 2**

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

This report is intended for the information of the Town of Jonestown's 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.

BOOKER T. CAMPER, JR.  
Certified Public Accountants

BY:   
BOOKER T. CAMPER, JR.  
Certified Public Accountant  
FOR THE FIRM

Memphis, Tennessee  
December 4, 2022