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TOWN OF MEADVILLE, MISSISSIPPI

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2020

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Meadville, Mississippi

Management is responsible for the accompanying financial statements of the Town of Meadville, Mississippi for the year ended September 30, 2020, 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 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.



CERTIFIED PUBLIC ACCOUNTANT

Bernell McGehee, CPA
Liberty, Mississippi

October 23, 2020

TOWN OF MEADVILLE, 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>2020</u>	<u>2019</u>
Cash	\$353,456	\$440,095	\$793,551	\$663,889
Cash-Reserved	158,414	17,082	175,496	171,741
Accounts Receivable		20,697	20,697	20,932
Due from Water & Sewer	57,435		57,435	36,277
Fixed assets (net of accumulated depreciation)		225,293	225,293	276,005
Total Assets	\$569,305	\$703,167	\$1,272,472	\$1,168,844
 <u>Liabilities and Fund Equity</u>				
Accounts Payable	\$10,672	\$7,170	17,842	\$38,299
Due to General Fund		57,435	57,435	36,277
Notes Payable		158,236	158,236	200,110
Customer deposits		17,082	17,082	15,346
Total Liabilities	\$10,672	\$239,923	\$250,595	\$290,032
Retained Earnings:				
Unreserved		\$463,244	\$463,244	\$417,344
Fund balance:				
Unreserved	400,219		400,219	305,073
Reserved - Fire Fund	153,591		153,591	151,589
Reserved - Unemployment benefits	4,823		4,823	4,806
Total Fund Equity	\$558,633	\$463,244	\$1,021,877	\$878,812
Total Liabilities and Fund Equity	\$569,305	\$703,167	\$1,272,472	\$1,168,844

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

TOWN OF MEADVILLE, 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>2020</u>	<u>2019</u>
Revenue:		
Ad valorem	\$ 147,566	\$ 139,017
Licenses and Permits	29,258	29,100
Intergovernmental	224,582	206,390
Fines and Forfeits	4,050	5,148
Interest	2,907	1,990
Other	<u>34,238</u>	<u>40,620</u>
Total Revenue	<u>\$ 442,601</u>	<u>\$ 422,265</u>
Expenditures:		
General government	\$ 127,786	\$ 138,686
Public safety	111,074	101,154
Streets	<u>106,576</u>	<u>93,847</u>
Total Expenditures	<u>\$ 345,436</u>	<u>\$ 333,687</u>
Excess (deficiency) of revenues over expenditures	\$ 97,165	\$ 88,578
Fund balance at beginning of year	<u>461,468</u>	<u>372,890</u>
Fund balance at end of year	<u>\$ 558,633</u>	<u>\$ 461,468</u>

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

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

	<u>WATER</u>	<u>SEWER</u>	<u>TOTALS</u>	
			<u>2020</u>	<u>2019</u>
Operating revenues:				
Charges for services	\$ 163,379	\$ 91,869	\$ 255,248	\$ 247,402
Operating expenses:				
Personal services	33,623	33,453	67,076	62,332
Supplies	11,547	12,170	23,717	21,622
Other services and charges	35,289	31,729	67,018	72,132
Depreciation	<u>33,712</u>	<u>17,000</u>	<u>50,712</u>	<u>56,258</u>
Total operating expenses	<u>114,171</u>	<u>94,352</u>	<u>208,523</u>	<u>212,344</u>
Operating income	<u>49,208</u>	<u>(2,483)</u>	<u>46,725</u>	<u>35,058</u>
Non-operating revenues (expenses):				
State Sewer Bond	-	-	-	-
Interest - net	1,651	(2,476)	(825)	(4,271)
Transfers in (out)	<u>(4,959)</u>	<u>4,959</u>	<u>-</u>	<u>-</u>
Total non-operating revenue (expense)	(3,308)	2,483	(825)	(4,271)
Net income (loss)	<u>45,900</u>	<u>-</u>	<u>45,900</u>	<u>30,787</u>
Retained earnings, beginning of year	<u>417,344</u>	<u>-</u>	<u>417,344</u>	<u>386,557</u>
Retained earnings, end of year	<u>\$ 463,244</u>	<u>\$ -</u>	<u>\$ 463,244</u>	<u>\$ 417,344</u>

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

**TOWN OF MEADVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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 statement is 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 MEADVILLE, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<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	8,000	-	-	8,000
Machinery and Equipment	<u>946,928</u>	<u>-</u>	<u>-</u>	<u>946,928</u>
Total Business-type activities capital assets	\$ <u>954,928</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>954,928</u>

TOWN OF MEADVILLE, MISSISSIPPI
STATEMENT OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 10-01-2019</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED REDEEMED</u>	<u>BALANCE OUTSTANDING 09/30/2020</u>
Water and Sewer System			
General Obligation Notes:			
State of Mississippi - Capital Improvement Loans:			
Water Tank Refurbishing	\$ 1,454	\$ - \$ 1,454	\$ -
Water Well & Transmission System	9,720	- 9,720	-
State of Mississippi - Dept. of Environmental Quality			
Water Pollution Control Emergency Loan Fund			
2013 Sewer Lift Station	70,374	- 18,637	51,737
US Department of Agriculture			
Rural Development	118,562	- 12,063	106,499
Total Long Term Debt	\$ 200,110	\$ - \$ 41,874	\$ 158,236
Population - 2010 Census	449		

**TOWN OF MEADVILLE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS
YEAR ENDED SEPTEMBER 30, 2020**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Lane B Reed	Mayor	FCCI Insurance Group	\$50,000
Kay Scott	Alderman	FCCI Insurance Group	\$6,000
William D. Scarbrough	Alderman	FCCI Insurance Group	\$6,000
Bobby Kelly	Alderman	FCCI Insurance Group	\$6,000
Arthur B. Jones	Alderman	FCCI Insurance Group	\$6,000
Charles Calcote	Alderman	FCCI Insurance Group	\$6,000
Leslie Thompson	Clerk	FCCI Insurance Group	\$50,000
Milly Thornton	Asst Clerk	FCCI Insurance Group	\$50,000
Taylor McMinn	Police Chief	FCCI Insurance Group	\$50,000
James Cooley	Deputy	FCCI Insurance Group	\$50,000

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

Mayor and Board of Aldermen
Meadville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Meadville, Mississippi as of September 30, 2020 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 Meadville, 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>	
Bank of Franklin	General	\$ 272,044	
Bank of Franklin	Fire Fund Special	153,591	
Bank of Franklin	Clearing Accounts	25,184	
Bank of Franklin	Employment Insurance Reserve	4,823	
United MS Bank	Certificates of Deposit	56,228	\$ 511,870
Bank of Franklin	Water and Sewer Fund	410,713	
United MS Bank	Certificates of Deposit	30,890	
Bank of Franklin	Certificates of Deposit	15,574	\$ 457,177
	Total		<u>\$ 969,047</u>

2. As of September 30, 2020 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 Meadville 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.

PAYMENTS TO THE TOWN OF MEADVILLE

<u>PAYMENT PURPOSE</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$ 118,628
Fire Protection Allocation	General	2,709
Grand Gulf Nuclear Plant	General	8,067
Homestead Exemption Reimbursement	General	4,397
Use Tax	General	12,113
Internet Sales Tax	General	12,522
Other Aid	General	10,704

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	5
Dollar value of sample	\$57,885

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

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.
7. I have read the Municipal Compliance questionnaire completed by the Town. 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, 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 Meadville, taken as a whole.

Bunell M. Lhee

CERTIFIED PUBLIC ACCOUNTANT

October 23, 2020