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**TOWN OF SEBASTOPOL, MISSISSIPPI
AGREED-UPON PROCEDURES**

SEPTEMBER 30, 2020

TOWN OF SEBASTOPOL, MISSISSIPPI

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and the Board of Aldermen
Town of Sebastopol, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Sebastopol, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Sebastopol, Mississippi's compliance with certain laws and regulations as of September 30, 2020, and for the year then ended. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of 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.

Our procedures and 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/Account Name</u>	<u>Balance per General Ledger</u>
The Citizens Bank	General - Operating Account	\$ 68,098
The Citizens Bank	General - Clearing Account	7,694
The Citizens Bank	General - Street Maintenance Account	31,894
The Citizens Bank	General - Sebastopolooza Account	1,656
The Citizens Bank	General - Seized Property Account	5,732
Total General Fund		\$ <u>115,074</u>
The Citizens Bank	Special Revenue - Fire - Operating Account	\$ 35,523
The Citizens Bank	Special Revenue - Mod Use Tax - Operating	24,822
Total Special Revenue		\$ <u>60,345</u>

2. The Town has no securities held for investments.
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 comparison with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

4. We obtained a list of payments made by the Department of Finance and Administration (DFA) 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>General Ledger Amount</u>
Sales Tax Allocation	General	\$ 211,430
Gasoline Tax	General	833
General Municipal Aid	General	136
Homestead Exemption Reimbursement	General	1,979
TVA Payments in Lieu of Taxes	General	4,972
Other Aid: Public Safety Grant	General	3,616
Other Aid: RGT Grant	General	91,425
Other Aid: Modernization Tax	Mod Use Tax	24,822
Fire Protection Allocation	Fire	1,640
Total		<u>\$ 340,853</u>

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for 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	5
Total Dollar Value of Sample	\$ 209,446

We found the municipality's purchasing procedures to be in agreement with the requirements of the abovementioned sections.

6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk 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 properly with the Department of Finance and Administration.

We found the Town to be in agreement with the requirements of the abovementioned sections.

7. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance, except that an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor has not been completed.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. 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 of the Town of Sebastopol and the Office of the State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is not intended to be and should not be used by anyone other than those specified parties.



Windham and Lacey, PLLC
July 28, 2021

**TOWN OF SEBASTOPOL, MISSISSIPPI
FINANCIAL STATEMENTS**

SEPTEMBER 30, 2020

Windham and Lacey, PLLC

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ACCOUNTANTS' COMPILATION REPORT

To the Mayor and the Board of Aldermen
Town of Sebastopol, Mississippi

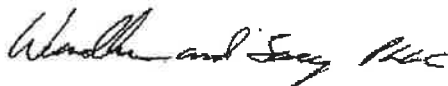
Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, of the Town of Sebastopol, Mississippi, for the year ended September 30, 2020, in accordance with the cash-basis of accounting, and for determining that the cash-basis of accounting is an acceptable financial reporting framework. We have performed the 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 financial statement 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 this financial statement.

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 ordinarily included in the financial statements 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 information that is required to be presented for purposes of additional analysis. Such missing information 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 Schedule of Long-term Debt and the Schedule of Surety Bonds for Town Officials has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.



Windham and Lacey, PLLC
July 28, 2021

TOWN OF SEBASTOPOL, MISSISSIPPI
Statement of Cash Receipts and Disbursements
Governmental Activities
For the Year Ended September 30, 2020

	Governmental Activities			
	Major Funds			
	General Fund	Special Revenue Fund Fire	Special Revenue Mod Use Tax	Total
RECEIPTS				
Taxes:				
General property taxes	\$ 48,351			48,351
Road and bridge and privilege taxes	13,090			13,090
Licenses and permits:				
Utility franchise charges	8,633			8,633
Privilege licenses	2,896			2,896
Intergovernmental receipts:				
State grants				
Public safety grant	3,616			3,616
Recreation/equipment grant	91,425			91,425
State shared receipts				
General municipal aid	136			136
Homestead exemption	1,979			1,979
Sales taxes	211,430			211,430
Fire protection		1,640		1,640
Gasoline taxes	833			833
TVA payments in lieu of taxes	4,972			4,972
Modernization tax			24,822	24,822
County grants				
Fire allocation		5,903		5,903
MS tennis grant	3,500			3,500
Fines and forfeits	30,133			30,133
Charges for services:				
Recreation programs	19,400			19,400
Sebastopolooza sponsorships, sales and fees	12,509			12,509
Interest income	2,647	770		3,417
Other receipts	10,615			10,615
Total Receipts	466,165	8,313	24,822	499,300
DISBURSEMENTS				
General government	209,124			209,124
Public safety:				
Police	82,196			82,196
Fire	7,478			7,478
Culture and recreation	146,235			146,235
Total Disbursements	445,033	0	0	445,033
OTHER CASH SOURCES (USES)				
Capital outlay equipment	(171)	(1,552)		(1,723)
Principal paid bonds and notes	(106,300)			(106,300)
Interest paid on bonds and notes	(6,238)			(6,238)
Proceeds from loan	130,000			130,000
Total Other Cash Sources and (Uses)	17,291	(1,552)	0	15,739
Excess of Receipts Over (Under) Disbursements	38,423	6,761	24,822	70,006
Cash - Beginning	76,651	28,762	0	105,413
Cash - Ending	\$ 115,074	35,523	24,822	175,419

See accompanying accountants' compilation report.

TOWN OF SEBASTOPOL, MISSISSIPPI
Schedule of Long-term Debt
For the Fiscal Year Ended September 30, 2020

<u>Definition and Purpose</u>	<u>Balance Outstanding Oct. 1, 2019</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance Outstanding Sept. 30, 2020</u>
Bank of Forest, Promissory Note, dated August 3, 2017, monthly payments of \$1,044.87, including interest of 3.900% per annum; purchase building for community center	\$ 160,218		(6,300)	153,918
Bank of Forest, Promissory Note, dated April 13, 2020, one payment of \$130,100, including interest of 3.89%, maturity Oct. 15, 2020; recreation trail		130,100	(100,000)	30,100
Total	<u>\$ 160,218</u>	<u>130,100</u>	<u>(106,300)</u>	<u>184,018</u>

See accompanying accountants' compilation report.

TOWN OF SEBASTOPOL, MISSISSIPPI
Schedule of Surety Bonds for Municipal Officials and Employees
September 30, 2020

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Coverage</u>
Jeff Taylor	Alderman	Travelers	\$50,000
Randy Peoples	Alderman	Travelers	\$50,000
Al Easom	Alderman	Travelers	\$50,000
Renita Wilcher	Alderwoman	Travelers	\$50,000
Tarah Boykin	Alderwoman	Travelers	\$50,000
Greg McGarrity	Mayor	Travelers	\$50,000
Michelle Anderson	Municipal Clerk	Travelers	\$50,000
Justin McDill	Deputy Municipal Court Clerk	Travelers	\$50,000
Michelle Anderson	Municipal Court Clerk	Travelers	\$50,000
Justin McDill	Police Chief	Travelers	\$50,000

See accompanying accountants' compilation report.

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REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and the Board of Aldermen
Town of Sebastopol, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities, Schedule of Long-term Debt and Schedule of Surety Bonds for Municipal Officials and Employees of the Town of Sebastopol, Mississippi, for the year ended September 30, 2020, 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 generally accepted accounting principles in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described in 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 the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities, Schedule of Long-term Debt and Schedule of Surety Bonds for Municipal Officials and Employees of the Town of Sebastopol, Mississippi, for the year ended September 30, 2020, disclosed no instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of management 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.



Windham and Lacey, PLLC
July 28, 2021