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TOWN OF SHUBUTA, MISSISSIPPI
COMPILATION REPORT
AND
REPORT ON AGREED-UPON PROCEDURES
September 30, 2020

WALKER & COMPANY CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
FLOWOOD, MISSISSIPPI

TOWN OF SHUBUTA, MISSISSIPPI

Table of Contents

	Page
Accountant's Compilation Report	1
Combined Statement of Cash Receipts and Disbursements (All Funds)	2-3
Supplemental Information:	
Schedule of Investments	4
Schedule of Long-term Debt	5
Schedule of Surety Bonds for Town Officials	6
Solid Waste Management Services Full Cost Accounting Summary of Costs Report	7
Accountant's Report on Applying Agreed-Upon Procedures	8-10
Report on Compliance with State Laws and Regulations	11

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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, 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 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 October 4, 2021, on the results of our agreed-upon procedures.

Walker & Company CPAs, P.C.
Flowood, Mississippi
October 4, 2021



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TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2020

	General Fund	Proprietary Funds		Totals (Memo Only)	
		Water Fund	Sanitation Fund	Sept. 30, 2020	Sept. 30, 2019
Revenue Receipts:					
General property taxes	\$ 96,853	\$ -	\$ -	\$ 96,853	88,330
Licenses and permits	393	-	-	393	403
Franchise taxes on utilities	20,103	-	-	20,103	16,762
Intergovernmental Revenues:					
Sales tax	40,230	-	-	40,230	38,873
Gasoline tax	1,351	-	-	1,351	1,351
Motor vehicle tax	17,646	-	-	17,646	20,365
Fire insurance premium tax distribution	5,321	-	-	5,321	5,206
County shared taxes	14,355	-	-	14,355	12,128
Municipal aid	19,618	-	-	19,618	1,852
Homestead reimbursement	4,017	-	-	4,017	0
Rail car taxes	-	-	-	-	0
Charges for Services:					
Garbage collection fees (transferred from water fund)	-	30,055	13,600	43,655	45,076
Water and sewer	-	148,354	-	148,354	91,139
Interest income	146	5	-	151	3,978
Police fines	4,775	-	-	4,775	2,316
Miscellaneous	1,816	6,586	0	8,402	23,854
Total Revenue Receipts	226,624	185,000	13,600	425,224	351,633
Other Receipts:					
Board of Supervisors	-	-	-	-	-
Transfers in from other funds	-	15,521	1,980	17,501	33,920
Law enforcement block grant	-	-	-	-	0
Other grants	133,029	34,093	-	167,122	-
CDBG revenue	-	36,816	-	36,816	-
Multi-purpose building	2,255	-	-	2,255	3,135
Ball park	-	-	-	-	0
Proceeds from notes payable	-	-	-	-	-
Total Other Receipts	135,284	86,430	1,980	223,694	37,055
Total Receipts	361,908	271,430	15,580	648,918	388,688
Cash Balance - Beginning of Year (Includes CD's and petty cash)	128,715	2,041	196	130,952	97,126
Total Amount to Account For	\$ 490,623	\$ 273,471	\$ 15,776	\$ 779,870	\$ 485,814
Operating Disbursements:					
General Government:					
Salaries, payroll tax and retirement	\$ 89,918	\$ -	\$ -	\$ 89,918	71,018
Administrative	10,155	-	-	10,155	19,385
Utilities	22,790	-	-	22,790	25,440
Tax collector commission	-	-	-	-	0
Telephone	5,363	-	-	5,363	5,129
Office supplies and postage	3,858	-	-	3,858	4,449
Repairs and parts	4,697	-	-	4,697	11,203
Grant Expense	72,477	-	-	72,477	7,929
Legal, accounting and engineering	3,555	-	-	3,555	1,500
Insurance	24,023	-	-	24,023	40,618
Miscellaneous	42,712	-	-	42,712	1,725
Street	37	-	-	37	54
Ball park	12,018	-	-	12,018	627
Multi-purpose building	50	-	-	50	999

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Year Ended September 30, 2020

	General Fund	Proprietary Funds		Totals (Memo Only)	
		Water Fund	Sanitation Fund	Sept. 30, 2020	Sept. 30, 2019
Operating Disbursements - continued:					
Public Safety:					
Police:					
Supplies	4,240	-	-	4,240	6,149
Salaries	100	-	-	100	0
Automobile	178	-	-	178	445
Court	353	-	-	353	755
Fire:					
Operating	13,954	-	-	13,954	67
Water and Sewer:					
Salaries, payroll tax and retirement	-	25,167	-	25,167	64,785
Administrative	-	21,514	-	21,514	1,638
Supplies	-	29,199	-	29,199	20,334
Repair and maintenance	-	42,425	-	42,425	14,330
Accounting	-	865	-	865	500
Gas and oil	-	4,238	-	4,238	4,782
Insurance	-	3,996	-	3,996	5,436
Utilities	-	20,265	-	20,265	17,697
Sales tax	-	108	-	108	146
State retirement	-	3,114	-	3,114	1,607
Miscellaneous	-	57,113	-	57,113	5,869
Sanitation:					
Insurance	-	-	4,646	4,646	2,532
Clarke County landfill fees	-	10,146	5,390	15,536	4,732
Gasoline and repairs - truck	-	-	2,885	2,885	2,079
Supplies	-	-	2,124	2,124	1,146
Total Operating Disbursements	310,478	218,150	15,045	543,673	345,105
Other Disbursements and Transfers:					
Loans repaid with interest	0	10,782	-	10,782	8,985
Capital outlays	642	22,675	-	23,317	763
Transfers to other funds	1,700	0	72	1,772	4,109
Total Other Disbursements and Transfers	2,342	33,457	72	35,871	13,857
Total Disbursements and Transfers	312,820	251,607	15,117	579,544	358,962
Cash Balance including CD's and petty cash at end of year	177,803	21,864	659	200,326	130,952
Total Amount Accounted For	\$ 490,623	\$ 273,471	\$ 15,776	\$ 779,870	\$ 489,914

See accountant's compilation report.

TOWN OF SHUBUTA, MISSISSIPPI
Schedule of Investments (All Funds)
For the Year Ended September 30, 2020

<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%	7/15/2020	7/15/2021	Bank Plus	\$ 61,881
General Fund	Certificate of Deposit	1.00%	4/9/2018	4/9/2022	Bank Plus	\$ 10,123
General Fund	Certificate of Deposit	1.00%	1/5/2020	1/5/2021	Bank Plus	\$ 10,201
General Fund	Certificate of Deposit	0.50%	11/1/2019	11/1/2020	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, 2020

	Balance Outstanding 10/1/2019	Issued in Fiscal Year 2020	Redeemed in Fiscal Year 2020	Balance Outstanding 9/30/2020
Revenue Bonds & Debt				
MS Development Authority	\$ 107,567	\$ -	\$ 10,782	\$ 96,785
Bank Plus	8,802	-	3,422	5,380
Total	<u>\$ 116,369</u>	<u>\$ -</u>	<u>\$ 14,204</u>	<u>\$ 102,165</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, 2020

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, 2020

Revenue:		
Garbage revenue	\$	43,655
Expenses:		
Clarke County landfill fees	15,536	
Insurance	4,646	
Supplies	2,124	
Gasoline & truck	<u>2,885</u>	
Total expense		<u>25,191</u>
Excess of revenue over expenses	\$	<u>18,464</u>
Number of users		221
Average annual cost per user	\$	113.99

See accountant's compilation report.

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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, 2020, 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:

Bank	Fund	Balance per General Ledger
Bank Plus	General Fund	\$ 12,113
Bank Plus	General Fund	\$ 2,678
Bank Plus	General Fund	\$ 48,096
Bank Plus	General Fund	\$ 2,609
Bank Plus	General Fund	\$ 3,299
Bank Plus	General Fund	\$ 2,581
Bank Plus	General Fund	\$ 5,982
Bank Plus	General Fund	\$ 1,675
Bank Plus	Water Fund	\$ 18,308
Bank Plus	Water Fund	\$ 1,700
Bank Plus	Water Fund	\$ (701)
Bank Plus	Water Fund	\$ 26
Bank Plus	Water Fund	\$ 2,871
Bank Plus	Water Fund	\$ (340)
Bank Plus	Sanitation Fund	\$ 659



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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).

Security	Fund	Balance per General Ledger
Bank Plus CD	General Fund	\$ 61,881
Bank Plus CD	General Fund	\$ 10,201
Bank Plus CD	General Fund	\$ 10,123
First State Bank CD	General Fund	\$ 16,565

- 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:

Purpose for Payment	Receiving Fund	Amount per General Ledger
Sales tax allocation	General Fund	\$ 43,707
Gasoline refund allocation	General Fund	\$ 1,351
Homestead reimbursement	General Fund	\$ 4,017
Fire protection allocation	General Fund	\$ 2,660
Municipal aid	General Fund	\$ 19,365
Grantor payments nontaxable	General Fund	\$ 135,136

- 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	55
Dollar Value of Sample	\$ 102,521

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, 2020.

Walker & Company CPAs, P.C.
Flowood, Mississippi
October 4, 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, 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 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, 2020 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 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.

Walker & Company CPAs, P.C.
Flowood, Mississippi
October 4, 2021



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