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# **APPLICATION FOR EXEMPTION FROM AUDIT - FOR MUNICIPALITIES WITH REVENUES OR EXPENDITURES OF \$100,000 OR LESS**

NAME OF GOVERNMENT:	Town of Silver City	For the Fiscal Year _____ Ended September 30, <u>2020</u>
ADDRESS:	P.O. Box 117 Silver City, MS 39166	
CONTACT PERSON:	Robert A. Hairston, Mayor	
TELEPHONE:	662-836-8431	
E-MAIL:	bgkalex@Bellsouth. Net	
FAX:	662-873-0220	

Return to: State of Mississippi  
Office of the State Auditor  
Technical Assistance Division  
P. O. Box 956  
Jackson, MS 39205  
FAX: (601) 576-2750  
Email: tech@osa.ms.gov  
Call (800) 321-1275 if you need help completing this form.

Regulations issued by the Office of the State Auditor explain the requirement to apply for an exemption from audit.

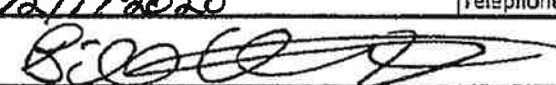
If total revenues or expenditures are \$100,000 or less you may use this form.

## **Instructions:**

In order to ensure that your government's application will be accepted by the Office of the State Auditor, you must do the following:

1. Prepare this form completely and accurately. Please note that there are seven parts to this form and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended September 30, the form **must** be in the Office of the State Auditor by December 31.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application may be mailed, faxed, or emailed as indicated above. If faxed or emailed, a resolution of the governing board **must** accompany the application from exemption from audit in a format that includes the signatures of a majority of the governing body (see sample resolution). If mailed, an original plus one copy should be sent.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

## **PART 1 - CERTIFICATION OF PREPARER**

1-1	Name: Bill Alexander	Title: Accountant				
1-2	Firm name (if applicable): Holcomb CPA Firm, PA					
1-3	Address: P.O. Box 217 Rollingfork, MS 39159					
1-4	Date prepared: 12/11/2020	Telephone number: 662-873-0250				
1-5	<b>Signature:</b> 					
	The person that completes this form must be skilled in governmental accounting. (Skilled means possessing sufficient knowledge of governmental accounting to complete the exemption form.)	<b>Check One</b> <table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </table>	Yes	No	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Yes	No					
<input checked="" type="checkbox"/>	<input type="checkbox"/>					
1-6	Are you a person skilled in governmental accounting?					
	If no, this exemption will be rejected.					

**PART 2 - REVENUE(Receipts-Cash Basis)**

REVENUE: All revenues for all funds must be reflected in this section including proceeds from the sale of the government's land, building, and equipment and proceeds from debt or lease transactions.

	Description	(Omit cents)
2-1	Taxes:	\$ -
2-2	Property	\$ 28,902
2-3	Sales	\$ -
2-4	Franchise	\$ -
2-5	Licenses and permits	\$ -
2-6	Intergovernmental	\$ -
2-7	Fines	\$ -
2-8	Investment earnings	\$ -
2-9	Payments in lieu of tax	\$ -
2-10	Drug forfeitures	\$ -
2-11	Charges for utility services WATER AND SEWER	\$ 41,887
2-12	Debt proceeds	\$ -
2-13	Lease proceeds	\$ -
2-14	Proceeds from sale of capital assets	\$ -
2-15	Other (specify): MS MODERNIZATION	\$ 21,845
2-16	Interest Income Interest Income	\$ -
2-17		\$ -
2-18		\$ -
2-19		\$ -
2-20		\$ -
2-21	<b>TOTAL REVENUE all sources</b>	\$ 92,634

**PART 3 - EXPENDITURES(Disbursements-Cash Basis)**

EXPENDITURES: All expenditures for all funds must be reflected in this section including the purchase of fixed and movable assets and principal and interest payments on long-term debt.

	Description	(Omit cents)
3-1	Administrative	\$ -
3-2	Salaries	\$ 7,916
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ 8,128
3-5	Employee benefits	\$ -
3-6	Insurance	\$ 5,876
3-7	Accounting and legal fees	\$ -
3-8	Repair and maintenance	\$ 12,700
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ 8,153
3-11	Police	\$ -
3-12	Fire	\$ -
3-13	Streets and highways	\$ -
3-14	Public health	\$ -
3-15	Culture and recreation	\$ -
3-16	Utility operations	\$ -
3-17	Capital outlay	\$ -
3-18	Debt service principal	\$ 9,691
3-19	Debt service interest	\$ 2,273
3-20	Contribution to pension plan	\$ -
3-21	Other (specify):	\$ -
3-22	See Attached SEE ATTACHED...	\$ 13,669
3-23		\$ -
3-24		\$ -
3-25	<b>TOTAL EXPENDITURES all categories</b>	\$ 68,346

PART 4 - DEBT OUTSTANDING, ISSUED AND RETIRED							
Please answer the following questions by marking the appropriate box					Yes	No	
4-1	Do you have outstanding debt?				<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If yes:	Is the debt repayment schedule attached? <b>SEE ATTACHED...</b>					<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Please complete the following debt schedule, if applicable:	Outstanding at start of fiscal year	Total issued during fiscal year (add)	Total retired during fiscal year (less)	Outstanding at fiscal year end		
	General obligation bonds	\$ -	\$ -	\$ -	\$ -		
	Revenue bonds	\$ -	\$ -	\$ -	\$ -		
	Notes/loans	\$ 31,452	\$ 0.00	\$ 9,631	\$ 21,821		
	Leases	\$ -	\$ -	\$ -	\$ -		
	Other (specify):	\$ -	\$ -	\$ -	\$ -		
Please answer the following questions by marking the appropriate box					Yes	No	
4-2	Does the municipality have any authorized, but unissued debt?				<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	If yes, how much?	\$ -					
	If yes, what is the authorization date?						
4-3	Does the municipality intend to issue debt within the next fiscal year?				<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes:	If yes, how much?	\$ -					

PART 5 - CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR						
Please provide the entity's cash deposit and investment balances.		Checking Accounts	Savings Accounts	Certificates of Deposit	Total	
5-1	Cash deposits	\$ 39,525	\$ -	\$ -	\$ 39,525	
5-2	Investments:					
5-3					\$ -	
5-4					\$ -	
5-5					\$ -	
5-6					\$ -	
5-7	Total Investments				\$ -	
5-8	Total Cash and Investments				\$ 39,525	
Please answer the following question by marking in the appropriate box					Yes	No
5-9	Are your deposits in an eligible public depository (Sec 27-105-5 & 27-105-353)				<input checked="" type="checkbox"/>	<input type="checkbox"/>
5-10	If no, please explain:					

PART 6 - CAPITAL ASSETS						
Please answer the following questions by marking in the appropriate boxes					Yes	No
6-1	Do you have land, buildings, and/or equipment?				<input checked="" type="checkbox"/>	<input type="checkbox"/>
6-2	Have you prepared an inventory of your land, buildings, and/or equipment				<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	If no, please explain:					
Complete the following table:		Balance - Beginning of the Year	Additions	Deletions	Balance - End of the Year	
Land		\$ 20,000	\$ -	\$ -	\$ 20,000	
Buildings		\$ 15,000	\$ -	\$ -	\$ 15,000	
Machinery and equipment		\$ -	\$ -	\$ -	\$ -	
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -	
Other (explain): <b>WATER, SEWER, TREATMENT SYSTEMS</b>		\$ 835,880	\$ -	\$ -	\$ 835,880	

**PART 7 - BUDGET INFORMATION**

Please answer the following question by marking in the appropriate boxes		Yes	No
7-1	Did the municipality approve a budget for the next fiscal year end? SEE ATTACHED...	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7-2	If no, please explain:		
If yes:	Please indicate the amount appropriated for each of your funds for the next fiscal year end?		
	Fund Name	Budgeted fiscal year end Expenditures	
	Debt Service	\$ 11,904	-
		\$	-

**PART 8 - GENERAL INFORMATION**

Please answer the following question by marking in the appropriate boxes		Yes	No
8-1	Has the Municipal Compliance Questionnaire been completed, adopted by your board and now part of your minutes? If no please explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**PART 9 - GOVERNING BODY APPROVAL**

We, the undersigned, certify that this Application for Exemption from Audit has been:  
 Prepared consistent with regulations by OSA, which states that an Application with revenues or expenditures of \$100,000 or less **must** be prepared by a person skilled in governmental accounting;  
 Completed to the best of our knowledge and is **accurate** and true;  
 Reviewed and approved by a **majority** of the governing body.

Note: Please list all current members of the governing body. In addition, original signatures **must** be provided for a majority of those listed.

	Name (please print or type all current members of the governing body)	Date Term Expires	Signature
9-1	Robert A. Hairston	6/2021	<i>R.A. Hairston</i>
9-2	Hal Bridges	6/2021	<i>Harold W. Bridges</i>
9-3	Jack Reed	6/2021	<i>John B. Reed</i>
9-4	Camille H. Rodgers	6/2021	<i>Camille H. Rodgers</i>
9-5	Irene Hall	6/2021	<i>Irene Hall</i>
9-6	Jerry W. McLendon	6/2021	<i>Jerry W. McLendon</i>
9-7			
9-8			

**ANNUAL FINANCIAL REPORT - TOWN OF SILVER CITY, Page 2, Part 3, Line 3-22 -OTHER EXPENDITURES****Application for Exemption from Audit - For Municipalities with Revenues or Expenditures of \$100,000 or Less****Town of Silver City - FYE 9/30/2020**

OTHER DEDUCTIONS	AMOUNT
Computer and Programming	\$ 732
Dues and Subscriptions	\$ 646
Employee's [PERS] Retirement Benefits	\$ 1,201
News Paper Listings (Public works)	\$ 754
Office Supplies	\$ 238
Postage, Freight and Shipping	\$ 516
Printing and Reproduction	\$ -
Professional Services	\$ 6,400
Rent	\$ 116
Sales Tax	\$ 52
Travel	\$ 480
Water Tank Inspection	\$ 1,000
Water Quality Fee(State Dept Health)	\$ 300
Waste Water Testing	\$ 1,234
<b>OTHER DEDUCTIONS</b>	<b>\$ 13,669</b>

Form RD 442-2  
(Rev. 9-97)

Position 3

FORM APPROVED  
OMB NO. 0575-0015  
OMB NO. 0572-0137UNITED STATES DEPARTMENT OF AGRICULTURE  
STATEMENT OF BUDGET, INCOME AND EQUITY

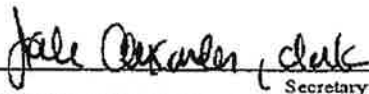
Schedule 1

Name  
TOWN OF SILVER CITYPO BOX 117  
Address SILVER CITY, MS 39166

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the <u>10-01-2020</u> Months Ended <u>09-30-2021</u>		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		BEG <u>10-01-2020</u>	CURRENT YEAR		
		END <u>09-30-2021</u> (3)	Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. <u>TAX RECEIPTS</u>		28,000			28,000
2. <u>WATER/SEWER</u>		43,000			43,000
3. <u>ST OF MISS</u>		21,000			21,000
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions		0			0
7. Total Operating Income (Add lines 1 through 6)	0	92,000	0	0	92,000
<u>OPERATING EXPENSES</u>					
8. <u>SALARIES</u>		9,000			9,000
9. <u>INSURANCE</u>		8,000			8,000
10. <u>REPAIRS/MAINT</u>		8,000			8,000
11. <u>WATER QUALITY</u>		8,000			8,000
12. <u>UTILITIES</u>		11,000			11,000
13. <u>CONTRACT LABOR</u>		17,000			17,000
14. <u>VARIOUS OTHER</u>		6,000			6,000
15. Interest		3,000			3,000
16. Depreciation					0
17. Total Operating Expense (Add Lines 8 through 16)	0	70,000	0	0	70,000
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	22,000	0	0	22,000
<u>NONOPERATING INCOME</u>					
19. _____					0
20. _____					0
21. Total Nonoperating Income (Add 19 and 20)	0	0	0	0	0
22. NET INCOME (LOSS) (Add lines 18 and 21)	0	22,000	0	0	22,000
23. Equity Beginning of Period					0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	0	22,000	0	0	22,000

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct



09-01-2020

Secretary

Date



9/1/20

Appropriate Official

Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0572-0137. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



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**Town of Silver City  
MINUTES**

September 1, 2020

Present: Bob Hairston, Camille Rodgers, Hal Bridges, Jack Reed, and Irene Hall

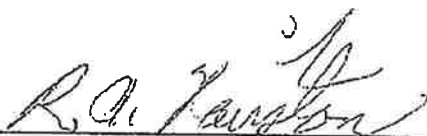
Meeting called to order by Hal Bridges. Motion seconded by Camille Rodgers. All voted aye. Motion carried.

Motion made by Hal Bridges to accept minutes as read for August 4, 2020. Motion seconded by Irene Hall. All voted aye. Motion carried.

Motion made by Hal Bridges to adopt the attached Annual Budget for FYE 10/1/2020 through 9/30/2021 as prepared by Holcomb CPA Firm, PA (see attached). And to engage Holcomb CPA Firm, PA and Bill Alexander to prepare Fiscal Year End reporting for: The USDA – Annual Report for Water & Sewer, The MS State Treasury – Funds Verification Annual Report for Public Depositing, and The MS State Auditors Office Water and Sewer Annual Report and the Annual Audit Exemption Report. Motion seconded by Camille Rodgers. All voted aye. Motion carried.

Motion made by Camille Rodgers to keep the current Town of Silver City millage tax rate at 22.0 mills with no increase for FYE 10/1/2020 through 9/30/2021. Motion seconded by Irene Hall. All voted aye. Motion carried.

Motion made by Jack Reed to pay the bills and adjourn. Motion seconded by Hal Bridges. All voted aye. Motion carried.

  
Robert A. Hairston, Mayor

  
Gale Alexander, Town Clerk

TOWN OF SILVER CITY  
USDA LOAN ACTIVITY WORK PAPER

ATTACH# 4-1

LOAN		DATE		BEGINNING	PAYMENT	INTEREST	PRINCIPAL	ENDING	Short/Term	Long/Term
28-027-0640636298-0H01 - WATER				BALANCE				BALANCE		
		9/30/2019		\$8,767.81				\$8,767.81		
		10/1/19			\$ 521.00	\$ 30.81	\$ 490.19	\$8,277.62		
		11/1/19			\$ 521.00	\$ 59.80	\$ 461.20	\$7,816.42		
		12/1/19			\$ 521.00	\$ 32.66	\$ 488.34	\$7,328.08		
		12/31/2019						\$7,328.08		
		1/1/20			\$ 521.00	\$ 42.26	\$ 478.74	\$6,849.34		
		2/1/20			\$ 521.00	\$ 16.14	\$ 504.86	\$6,344.48		
		3/1/20			\$ 521.00	\$ 27.21	\$ 493.79	\$5,850.69		
		4/1/20			\$ 521.00	\$ 35.71	\$ 485.29	\$5,365.40		
		5/1/20			\$ 521.00	\$ 42.80	\$ 478.20	\$4,887.20		
		6/1/20			\$ 521.00	\$ 7.27	\$ 513.73	\$4,373.47		
		7/1/20			\$ 521.00	\$ 30.97	\$ 490.03	\$3,883.44		
		8/1/20			\$ 521.00	\$ 14.75	\$ 506.25	\$3,377.19		
		9/30/2020			\$ 521.00	\$ 16.83	\$ 504.17	\$2,873.02	\$5,361.84	\$0.00
					\$ 6,252.00	\$ 357.21	\$ 5,894.79			

PER 1098

12/31/2019

TOWN OF SILVER CITY  
USDA LOAN ACTIVITY WORK PAPER

LOAN		DATE		BEGINNING	PAYMENT	INTEREST	PRINCIPAL	ENDING	Short/Term	Long/Term
28-027-0640636298-0H02 - SEWER				BALANCE				BALANCE		
		9/30/2019		\$20,907.30				\$20,907.30		
		10/1/19			\$ 471.00	\$ 83.65	\$ 387.35	\$20,519.95		
		11/1/19			\$ 471.00	\$ 167.88	\$ 303.12	\$20,216.83		
		12/1/19			\$ 471.00	\$ 95.08	\$ 375.92	\$19,840.91		
		12/31/2019						\$19,840.91		
		1/1/20			\$ 471.00	\$ 127.94	\$ 343.06	\$19,497.85		
		2/1/20			\$ 471.00	\$ 51.01	\$ 419.99	\$19,077.86		
		3/1/20			\$ 471.00	\$ 89.91	\$ 381.09	\$18,696.77		
		4/1/20			\$ 471.00	\$ 124.11	\$ 346.89	\$18,349.88		
		5/1/20			\$ 471.00	\$ 157.19	\$ 313.81	\$18,036.07		
		6/1/20			\$ 471.00	\$ 28.40	\$ 442.60	\$17,593.47		
		7/1/20			\$ 471.00	\$ 129.40	\$ 341.60	\$17,251.87		
		8/1/20			\$ 471.00	\$ 66.52	\$ 404.48	\$16,847.39		
		9/30/2020			\$ 471.00	\$ 82.77	\$ 388.23	\$16,459.16	\$5,652.00	\$10,807.16

PER 1098

12/31/2019