

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 Coffeeville, Mississippi

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

For the Year Ended September 30, 2021

Town of Coffeeville, Mississippi

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

Honorable Mayor and Board of Alderman
Town of Coffeeville
Coffeeville, Mississippi
9/30/21

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Coffeeville, Mississippi, as of September 30, 2021, 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 Coffeeville, 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 reviewed cash on deposit with the following bank and obtained statements of the related balances from the bank:

Bank	Fund	Balance Per Books
Renasant Bank	General	\$ 15,002
Renasant Bank	General-Fire - Rebate	46,653
Renasant Bank	General-Cemetery	25,509
Renasant Bank	General-Bond	24,099
Renasant Bank	General-Contingent	12,000
Renasant Bank	General-Depreciation	12,000
Renasant Bank	General-Court	5,253
Renasant Bank	General-Industrial Park	7,199
Renasant Bank	Water & Sewer-Drainage	4,796
Renasant Bank	General-State Code	1,229
Renasant Bank	General-Police Seized	15,835
Renasant Bank	Water & Sewer	1
Renasant Bank	Water & Sewer Revenue	5,115
Renasant Bank	Modernization	14,065
Renasant Bank	ARPA Grant	101,534
Subtotal		\$ 290,290
CDs		166,960
Total Cash and Cash Equivalents		\$ 457,250

2. 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 in the Schedule of Investments on Page 12 of this report.

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

Honorable Mayor and Board of Alderman

Town of Coffeeville

Coffeeville, Mississippi

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3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
- Verified use of certified county assessment rolls and traced levies to governing body minutes,
 - Examined uncollected taxes for proper handling, including tax sales,
 - Traced distribution of taxes collected to proper funds; and
 - 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).

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:

Homestead Reimbursement	\$	19,930
Fire Protection		-
Gasoline Tax		2,772
TVA Payments in Lieu Tax		8,938
Sales Tax Allocation		114,765
Other Aid		41,361
Municipal Aid		451
MS Emergency Management		21,197
MDA-CDBG		164,461
		<hr/>
Total	\$	<u>373,875</u>

5. We reviewed the Town of Coffeeville's 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.

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

Honorable Mayor and Board of Alderman

Town of Coffeeville

Coffeeville, Mississippi

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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. This report should not be associated with the financial statements of the Town of Coffeeville, Mississippi, for the year ended September 30, 2021.

The Myles Firm, PLLC

THE MYLES FIRM, PLLC

Tupelo, Mississippi

December 12, 2023

Town of Coffeeville Mississippi
Combined Statement of Cash Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2021

RECEIPTS	Governmental Activities				Business-Type Activities
	General Fund	Debt Service	Special Revenue	Total	Enterprise Fund
General Property Taxes	127,133	-	-	127,133	-
Licenses and Permits:					
Privilege Licenses	2,130	-	-	2,130	-
Franchise Charges	30,350	-	-	30,350	-
Other Taxes	12,517	-	-	12,517	-
Intergovernmental Revenues:					
Fire Protection Allocation	20,680	-	-	20,680	16,216
Gasoline Tax	2,772	-	-	2,772	-
General Municipal Aid	451	-	-	451	-
Pro Rata Road Taxes	40,160	-	-	40,160	-
Sales Taxes	114,765	-	-	114,765	-
TVA PILT	8,938	-	-	8,938	-
Charges for Services:					
Cemetery	16,780	-	-	16,780	-
Water, Sewer & Garbage	-	-	-	-	373,337
Fines and Forfeitures	34,611	-	-	34,611	-
Interest	583	-	-	583	1
Rent	20,805	-	-	20,805	13,431
Transfers	-	-	-	-	-
CDBG Improvement	164,461	-	-	164,461	-
MS Emergency Management	21,197	-	-	21,197	-
Other Income	38,318	-	-	38,318	-
Modernization Grant	-	-	-	-	5,047
ARPA Grant	-	-	101,534	101,534	-
Total Receipts	656,651	-	101,534	758,185	408,032

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

Town of Coffeeville Mississippi
Combined Statement of Cash Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2021

	Governmental Activities				Business-Type Activities
	General Fund	Debt Service	Special Revenue	Total	Enterprise Fund
DISBURSEMENTS					
General Government	182,474	-	-	182,474	-
Public Safety:					
Police	150,427	-	-	150,427	-
Fire	13,622	-	-	13,622	-
Public Works	-			-	-
Culture and Recreation	-	-	-	-	-
Enterprise:					
Sanitation	-	-	-	-	60,000
Water	-	-	-	-	350,568
CDBG Improvement	164,461	-	-	164,461	-
Debt Service:					
Principal	-	-	-	-	23,895
Interest	-	-	-	-	23,613
Total Disbursements	510,984	-	-	510,984	458,076
Excess (deficiency) of Receipts over Disbursements	133,150	-	101,534	247,201	(50,044)
Other Financing Sources:					
Transfers	-	-	-	-	-
Modernization Grant	-	-	-	-	-
ARPA Grant	-	-	28,980	28,980	-
Excess (deficiency) of Receipts and Other Financing Sources over Disbursements and other financing uses	133,150	-	72,554	218,221	(50,044)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	220,649	-	3,783	224,432	43,894
Cash Balance Adjustment - CDs	-	-	-	-	20,747
CASH AND CASH EQUIVALENTS - END OF YEAR	353,799	-	76,337	442,653	14,597

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

NOTES TO FINANCIAL STATEMENTS

TOWN OF COFFEEVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENT
September 30, 2021

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The financial statement of the Town consists of all the funds of the Town.

The Citizens of Coffeeville have elected to operate under a Code Charter as permitted by Mississippi Statute 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

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 accounting principles generally accepted in the United States of America. The basic – but not only – criterion for including a potential component unit with the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no includable or excludable potential component units.

B. Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into three generic fund types and two broad fund categories as follows:

C. Governmental Funds

General Fund - The general fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF COFFEEVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

C. Governmental Funds (Cont'd)

Debt Service Fund - The Debt Service Fund is used to account for accumulation of resources for general long-term debt principal, interest, and related costs. The Debt Service Fund is used to account for the cash bond funds required for debt services.

D. Proprietary Fund

Enterprise Fund – The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or (b) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Enterprise Fund is the Water Fund.

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Town uses the cash basis of accounting as prescribed by the Mississippi Office of the State Auditor.

In the fund financial statements, governmental, and business-like activities are presented using a cash basis of accounting. This basis recognizes assets, liabilities, net-assets/fund equity, revenues and expenditures/expenses when they result from cash transactions with a provision for depreciation in the proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the Town utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Under the modified accrual basis revenues are recognized when measurable and available. Measurable means, being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

TOWN OF COFFEEVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Under the accrual basis revenues are recognized when earned. Expenses (including depreciation and amortization) are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Note 2 - 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.

SUPPLEMENTARY INFORMATION

Town of Coffeeville Mississippi
Schedule of Investments (All Funds)
For the Fiscal Year Ended September 30, 2021

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Cost/Value</u>
General Fund	Certificate of Deposit	0.145%	9/27/2019	Renasant Bank	\$ 25,816.00
General Fund	Certificate of Deposit	0.245%	10/27/2019	Renasant Bank	2,072.00
Debt Service	Certificate of Deposit	0.245%	12/27/2019	Renasant Bank	23,011.00
Enterprise Fund	Certificate of Deposit	0.245%	1/8/2020	Renasant Bank	36,061.00
General Fund	Certificate of Deposit	0.644%	12/29/2022	Renasant Bank	80,000.00
Total Investments					<u>\$ 166,960.00</u>

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

Town of Coffeeville Mississippi
Schedule of Long-Term Debt (All Funds)
For the Fiscal Year Ended September 30, 2021

Definition and Purpose	Balance	Transactions		Balance
	Outstanding 9/30/2020	During Fiscal Year		Outstanding 9/30/2021
		Issued	Redeemed	
5% USDA Rural Development Loan, issued December 8, 2000, original amount \$760,000, due in monthly installments of \$3,959, principal and interest, beginning January 8, 2001.	\$ 483,148	\$ -	\$ 23,897	\$ 459,251
3% Mississippi Development Authority Capital Improvements Loan, issued February 7, 2011, original amount \$65,000, due in monthly installments of \$628, principal and interest, beginning May 1, 2011.	6,871	-	6,871	-
Total	<u>\$ 490,019</u>	<u>\$ -</u>	<u>\$ 30,768</u>	<u>\$ 459,251</u>

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

Town of Coffeeville Mississippi
Schedule of Surety Bonds for Municipal Officials
September 30, 2021

<u>NAME</u>	<u>POSITION</u>	<u>SURETY</u>	<u>BOND</u>
William Shelton, Jr.	Mayor	Travelers	25,000
Rosaline Torrance	City Clerk	Travelers	50,000
Onia Sims	Deputy Clerk	Travelers	50,000
Terrence Turner	Police Chief	Travelers	50,000
Reginald Nicholson	Alderman	Travelers	25,000
Sonya Murray	Alderman	Travelers	25,000
Rhonda Spearman	Alderman	Travelers	25,000
Eddie R Brewer	Alderman	Travelers	25,000
Michael Ayers, Sr.	Alderman	Travelers	25,000

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

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

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

We prepared the general-purpose financial statements of the Town of Coffeeville as of and for the year ended September 30, 2021 and have issued our report dated December 12, 2023.

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. However, providing an opinion on compliance with state laws and regulations was not an objective of our compilation and, accordingly, we do not express such an opinion.

The results of those procedures and our preparation of the general-purpose financial statements disclosed no material instances of noncompliance with state laws and regulations.

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 Coffeeville'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.

The Myles Firm, PLLC

THE MYLES FIRM, PLLC
Tupelo, Mississippi
December 12, 2023