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TOWN OF HICKORY, MISSISSIPPI
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES
YEAR ENDED SEPTEMBER 30, 2021

**TOWN OF HICKORY
YEAR ENDED SEPTEMBER 30, 2021
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1927-2011

INDEPENDENT ACCOUNTANT'S SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)

Honorable Mayor and Board of Alderpersons
Town of Hickory, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Hickory, 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, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Hickory, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. 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 bank balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

Bank	Fund	General Ledger Balance
Bank First	General	\$ 95,848
Bank First	Water/Sewer Operations	1,455
Bank First	General - Recreation	10,615
Bank First	Special Revenue - Fire Fund	29,146
Bank First	General - Court Account	1,845
Bank First	General - Savings	47,887
Bank First	General - Playground	11,127
Total Available Funds		<u>\$ 197,923</u>

2. The Town did not own any 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 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, and uncollected taxes were to be properly handled by Newton County. The Town of Hickory contracts with Newton County, Mississippi for the collection of all property taxes. The County allocates tax collections as to real, personal, and motor vehicle, mobile home current and prior in their office's judgment and reports this information in monthly settlements to the Town of Hickory. The Town of Hickory's total tax accounts were in agreement with the total taxes collected by Newton County.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, 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 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>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 155,982
General Municipal Aid	General Fund	264
Gasoline Tax	General Fund	1,623
Homestead Exemption	General Fund	4,159
Utilities	General Fund	1,558
Use Tax	General Fund	35,565
JAG	General Fund	4,285
BP Settlement	General Fund	35,000
MEMA Covid 19	General Fund	12,414
ARPA - Coronavirus Local	General Fund	65,026
FY20 Corona Emergency	General Fund	10,000
Total		<u>\$ 325,876</u>

5. We 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	8 (100% of transactions equal to or greater than \$5,000)
Total Dollar Value of Sample	\$88,561

We found the municipality's purchasing procedures to be in agreement 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.

We found the Town to be in agreement with the requirements of the above mentioned sections except as follows:

The October and November, 2020 assessments were settled in February, 2021, April, 2021 was settled in June 2021, and July, 2021 was settled in September, 2021.

7. We have read the Municipal Compliance Questionnaire completed by the municipality. 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, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Hickory, Mississippi, for the year ended September 30, 2021.



Price & Co
Forest, Mississippi

December 11, 2021

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Hickory
Hickory, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements - Governmental and Business-type Activities of the Town of Hickory, Mississippi, for the year ended September 30, 2021, 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 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.

We draw attention to Note A of the financial statement, which describes the basis of accounting. 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 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, budgetary comparison information and the schedules related to the net pension liability that the cash-basis of accounting requires to be presented to supplement the basic financial statement. 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 and for placing the basic financial statement in an appropriate operational, economic, or historical context.

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, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a separate report dated December 11, 2021 on the results of the Office of State Auditor agreed-upon procedures.



Price & Co.
Forest, Mississippi

December 11, 2021

TOWN OF HICKORY, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS -
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Year Ended September 30, 2021

	Governmental Activities		Business-Type Activities	Totals	
	General Fund	Fire Protection Fund	Water Fund	(Memorandum Only)	
				2021	2020
RECEIPTS					
General Property Taxes	\$ 33,425	\$ -	\$ -	\$ 33,425	\$ 29,074
Penalties and Interest on Delinquent Taxes	153	-	-	153	361
Rail Car Tax	4,173	-	-	4,173	3,905
Licenses and Permits:					
Privilege Licenses	690	-	-	690	110
Franchise Charges - Utilities	15,049	-	-	15,049	15,746
Federal Grants	69,311	-	-	69,311	403,560
State Shared Revenues:					
General Municipal Aid	264	-	-	264	264
Sales Tax	155,982	-	-	155,982	118,481
Gasoline Tax	1,623	-	-	1,623	1,623
Motor Vehicle Tax	10,717	-	-	10,717	12,574
BP Settlement	35,000	-	-	35,000	-
Homestead Exemption	4,159	-	-	4,159	4,057
Use Tax	35,565	-	-	35,565	24,688
MEMA Covid	12,414	-	-	12,414	-
Corona - Local Law	10,000	-	-	10,000	-
County Shared Revenues:					
Road Taxes	10,565	-	-	10,565	9,954
Fire Protection	-	13,815	-	13,815	11,270
Charges for Services:					
Water and Sewer	-	-	361,932	361,932	380,881
Fines and Forfeits	6,696	-	-	6,696	10,866
Recreation	-	-	-	-	3,905
Rent	1,100	-	-	1,100	1,000
Interest Income	18	63	-	81	75
Donations	300	-	-	300	-
Miscellaneous	3,673	100	925	4,698	40
Total Receipts	\$ 410,877	\$ 13,978	\$ 362,857	\$ 787,712	\$ 1,032,434

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS -
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Year Ended September 30, 2021

	Governmental Activities		Business-Type Activities	Totals	
	General Fund	Special Revenue Fund	Water Fund	(Memorandum Only) 2021	2020
DISBURSEMENTS					
General Government	\$ 266,094	\$ -	\$ -	\$ 266,094	\$ 260,195
Public Safety:					
Police	4,285	-	-	4,285	4,189
Fire	-	2,853	-	2,853	11,290
Parks and Recreation	8,833	-	-	8,833	-
Enterprise:					
Water and Sewer	-	-	302,953	302,953	267,725
Redemption of Principal	10,660	-	43,062	53,722	50,420
Interest Expense	503	-	10,938	11,441	14,743
Total Disbursements	290,375	2,853	356,953	650,181	608,562
Excess (Deficiency) of Receipts Over Disbursements	120,502	11,125	5,904	137,531	423,872
Other Cash Sources (Uses)					
Transfers	36,723	-	(36,723)	-	-
Loan Proceeds	-	-	-	-	-
Capital Expenditures	(47,746)	-	-	(47,746)	(406,476)
Total Other Cash Sources (Uses)	(11,023)	-	(36,723)	(47,746)	(406,476)
Net Changes in Cash	109,479	11,125	(30,819)	89,785	17,396
Cash - Beginning	57,843	18,021	32,474	108,338	90,942
Cash - Ending	\$ 167,322	\$ 29,146	\$ 1,655	\$ 198,123	\$ 108,338

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
Year Ended September 30, 2021

	Balance Outstanding 9/30/20	Transactions During Fiscal Year		Balance Outstanding 9/30/21
		Issued	Redeemed	
Revenue Bonds:				
1990 Water and Sewer	\$ 160,731	\$ -	\$ 38,883	\$ 121,848
1995 Water and Sewer	31,701	-	2,903	28,798
1995 Water and Sewer	<u>14,046</u>	<u>-</u>	<u>1,276</u>	<u>12,770</u>
Total Revenue Bonds	<u><u>\$ 206,478</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 43,062</u></u>	<u><u>\$ 163,416</u></u>
Other Long-term Debt:				
Bank First				
2019 Dodge 1500	23,463	-	6,438	17,025
Bank of Forest				
2008 Mack GU8 Truck	<u>7,567</u>	<u>-</u>	<u>4,222</u>	<u>3,345</u>
Total Other Long-Term Debt	<u><u>\$ 31,030</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,660</u></u>	<u><u>\$ 20,370</u></u>

See accountant's compilation report.

TOWN OF HICKORY, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
Year Ended September 30, 2021

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond</u>
Carolyn Burks	Mayor	Western Surety	\$ 50,000
Carol Youngblood	Town Clerk	Western Surety	50,000
Joyce Johnson	Deputy Clerk	Western Surety	10,000
Donna Ferguson	Alderwoman	Western Surety	10,000
Maggie Nichols	Alderwoman	Western Surety	10,000
Ken Morgan	Alderman	Western Surety	10,000
Charles Guyse	Alderman	Western Surety	10,000
Lori Gallaspy	Alderwoman	Western Surety	10,000
Mark Spence	Police Chief	Western Surety	50,000
Robert Johnson	Policeman	Western Surety	5,000
Pete Pierman	Policeman	Western Surety	5,000
Billy Pat Walker	Policeman	Western Surety	5,000
Dustin McGee	Policeman	Western Surety	5,000
David Irby	Policeman	Western Surety	5,000
Christopher Ferguson	Policeman	Western Surety	5,000
Freddrick Smith	Policeman	Western Surety	5,000
Lowell Shinn	Policeman	Western Surety	5,000

See accountant's compilation report.

**TOWN OF HICKORY, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

Note A: Summary of Significant Accounting Policies

General Information

The town operates under the alderman/mayor 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 the cash-basis of accounting, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

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.