

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 MCCOOL, MISSISSIPPI
COMPILATION REPORT
AND REPORT ON AGREED-UPON PROCEDURES
SEPTEMBER 30, 2021**

**TOWN OF MCCOOL, MISSISSIPPI
COMPILATION REPORT AND REPORT ON AGREED-UPON PROCEDURES
SEPTEMBER 30, 2021**

Contents

	<u>Page</u>
Independent Accountants' Compilation Report	1
Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities	3
Supplementary Information	
Schedule of Investments	7
Schedule of Capital Assets	8
Schedule of Long-Term Debt	9
Schedule of Surety Bonds for Municipal Officials	10
Report on Compliance with State Laws and Regulations	11
Independent Accountants' Report on Applying Agreed-Upon Procedures	12



WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

James L. Stafford, CPA	Stephen D. Flake, CPA
Harry W. Stevens, CPA	John N. Russell, CPA
S. Keith Winfield, CPA	Anita L. Goodrum, CPA
William B. Stagers, CPA	Ricky D. Allen, CPA
Michael W. McCully, CPA	Jason D. Brooks, CPA
R. Steve Sinclair, CPA	Robert E. Cordle, Jr., CPA
Marsha L. McDonald, CPA	Perry C. Rackley, Jr., CPA
Wanda S. Holley, CPA	Jerry L. Gammel, CPA
Robin Y. McCormick, CPA/PFS	Michael C. Knox, CPA
J. Randy Scrivner, CPA	Clifford P. Stewart, CPA
Kimberly S. Caskey, CPA	Edward A. Maxwell, CPA
Susan M. Lummus, CPA	

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Honorable Mayor and Board of Alderwomen
Town of McCool, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements—Governmental and Business-type Activities of the Town of McCool, 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 Statement of Cash Receipts and Disbursements—Governmental and Business-type Activities 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 these financial statements.

The Statements of Cash Receipts and Disbursements—Governmental and Business-type Activities 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 statement of cash receipts and disbursements - governmental and business-type activities, they might influence the user's conclusions about the Town of McCool, Mississippi's cash receipts and disbursements. Accordingly, the statement of cash receipts and disbursements - governmental and business-type activities are not designed for those who are not informed about such matters.

The supplementary information contained in Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials is presented in compliance with the requirements of the Mississippi Office of the State Auditor and has been compiled from information that is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

The statement of cash receipts and disbursements-governmental and business-type activities are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

In accordance with the provisions of §21-35-31, Miss Code Ann. (1972), we have issued a report dated December 29, 2022 on the results of our agreed-upon procedures.

Kosciusko, Mississippi
December 29, 2022

Watkins Ward and Stafford, PLLC

Town of McCool
Statement of Cash Receipts and Disbursements-
Governmental and Business-type Activities
For the Year Ended September 30, 2021

	<u>Governmental Activities</u>		<u>Fiduciary Activities</u>		<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Total</u>	<u>Fiduciary Fund</u>	<u>Total</u>	<u>Water & Sewer Fund</u>	<u>Total</u>
CASH RECEIPTS:						
Taxes						
General property tax	\$ 12,235	\$ 12,235	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue						
State shared revenue						
General municipal aid	33,352	33,352	-	-	-	-
Sales tax	3,231	3,231	-	-	-	-
Gasoline tax	405	405	-	-	-	-
Nuclear Plant Income	734	734	-	-	-	-
Homestead reimbursement	1,016	1,016	-	-	-	-
Charges for services						
Water utility	-	-	-	-	58,686	58,686
Other receipts						
Interest earned	10	10	6	6	3	3
Cemetery Fund Revenue	-	-	2,426	2,426	-	-
TOTAL CASH RECEIPTS	\$ 50,983	\$ 50,983	\$ 2,432	\$ 2,432	\$ 58,689	\$ 58,689

See accompanying independent accountants' compilation report.

Town of McCool
Statement of Cash Receipts and Disbursements-
Governmental and Business-type Activities
For the Year Ended September 30, 2021

	<u>Governmental Activities</u>		<u>Fiduciary Activities</u>		<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Total</u>	<u>Fiduciary Fund</u>	<u>Total</u>	<u>Water & Sewer Fund</u>	<u>Total</u>
DISBURSEMENTS:						
General government	\$ 27,174	\$ 27,174	\$ -	\$ -	\$ -	\$ -
Water Utility	-	-	-	-	60,792	60,792
Cemetery	-	-	1,150	1,150	-	-
TOTAL DISBURSEMENTS	<u>\$ 27,174</u>	<u>\$ 27,174</u>	<u>\$ 1,150</u>	<u>\$ 1,150</u>	<u>\$ 60,792</u>	<u>\$ 60,792</u>

See accompanying independent accountants' compilation report.

Town of McCool
Statement of Cash Receipts and Disbursements-
Governmental and Business-type Activities
For the Year Ended September 30, 2021

	<u>Governmental Activities</u>		<u>Fiduciary Activities</u>		<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Total</u>	<u>Fiduciary Fund</u>	<u>Total</u>	<u>Water & Sewer Fund</u>	<u>Total</u>
EXCESS (DEFICIENCY) OF CASH RECEIPTS OVER DISBURSEMENTS	\$ 23,809	\$ 23,809	\$ 1,282	\$ 1,282	\$ (2,103)	\$ (2,103)
OTHER FINANCING SOURCES (USES)						
Transfers	(4,500)	(4,500)	-	-	4,500	4,500
TOTAL OTHER FINANCING SOURCES (USES)	(4,500)	(4,500)	-	-	4,500	4,500
 Excess of cash receipts and other financing sources over disbursements and other financing uses	 19,309	 19,309	 1,282	 1,282	 2,397	 2,397
CASH BALANCE-BEGINNING	119,045	119,045	59,957	59,957	30,661	30,661
CASH BALANCE-ENDING	<u>\$ 138,354</u>	<u>\$ 138,354</u>	<u>\$ 61,239</u>	<u>\$ 61,239</u>	<u>\$ 33,058</u>	<u>\$ 33,058</u>

See accompanying independent accountants' compilation report.

SUPPLEMENTARY INFORMATION

TOWN OF MCCOOL, MISSISSIPPI
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2021

Ownership	Type of Investment	Interest Rate	Acquisition Date	Maturity	Bank	Amount
General Fund	CD	1.90%	08/31/20	12/29/22	LPL Financial	\$96,379
Cemetery Fund	CD	1.90%	08/31/20	12/29/22	LPL Financial	55,463
Water Fund	CD	1.90%	08/31/20	12/29/22	LPL Financial	30,005
						<u>\$181,847</u>

TOWN OF MCCOOL, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
SEPTEMBER 30, 2021

General Fund:

	Balance 9/30/2020	Additons & Reclassifications	Retirements & Reclassifications	Balance 9/30/2021
Equipment	\$ 7,046	-	-	\$ 7,046
Infrastructure	2,000	-	-	2,000
	<u>\$ 9,046</u>	<u>-</u>	<u>-</u>	<u>\$ 9,046</u>

Proprietary Fund:

Water System Equipment	<u>\$ 1,108,268</u>	<u>-</u>	<u>-</u>	<u>\$ 1,108,268</u>
------------------------	---------------------	----------	----------	---------------------

**TOWN OF MCCOOL, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
SEPTEMBER 30, 2021**

None

**TOWN OF MCCOOL, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2021**

Position	Name	Insurance Company	Bond Amount
Mayor	Charles Fancher	Travelers Casualty & Surety Co.	\$ 25,000
City Clerk	Meagan Hill	Travelers Casualty & Surety Co.	\$ 50,000
Alderwoman	Kaylen Hester	Travelers Casualty & Surety Co.	\$ 10,000
Alderwoman	Savannah Hester	Travelers Casualty & Surety Co.	\$ 10,000
Alderwoman	Daphne Steed	Travelers Casualty & Surety Co.	\$ 10,000
Alderwoman	Teri Jean Dempsey	Travelers Casualty & Surety Co.	\$ 10,000
Alderwoman	Gina Renee Smith	Travelers Casualty & Surety Co.	\$ 10,000



WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

James L. Stafford, CPA
Harry W. Stevens, CPA
S. Keith Winfield, CPA
William B. Staggers, CPA
Michael W. McCully, CPA
R. Steve Sinclair, CPA
Marsha L. McDonald, CPA
Wanda S. Holley, CPA
Robin Y. McCormick, CPA/PFS
J. Randy Scrivner, CPA
Kimberly S. Caskey, CPA
Susan M. Lummus, CPA

Stephen D. Flake, CPA
John N. Russell, CPA
Anita L. Goodrum, CPA
Ricky D. Allen, CPA
Jason D. Brooks, CPA
Robert E. Cordle, Jr., CPA
Perry C. Rackley, Jr., CPA
Jerry L. Gammel, CPA
Michael C. Knox, CPA
Clifford P. Stewart, CPA
Edward A. Maxwell, CPA

REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

The Honorable Mayor and Board of Alderwomen
Town of McCool, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of McCool, Mississippi, for the year ended September 30, 2021, in accordance with Statements of 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.

The results of those procedures 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.

Kosciusko, Mississippi
December 29, 2022

Watkins Ward and Stafford, P.C.



WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

James L. Stafford, CPA	Stephen D. Flake, CPA
Harry W. Stevens, CPA	John N. Russell, CPA
S. Keith Winfield, CPA	Anita L. Goodrum, CPA
William B. Staggars, CPA	Ricky D. Allen, CPA
Michael W. McCully, CPA	Jason D. Brooks, CPA
R. Steve Sinclair, CPA	Robert E. Cordle, Jr., CPA
Marsha L. McDonald, CPA	Perry C. Rackley, Jr., CPA
Wanda S. Holley, CPA	Jerry L. Gammel, CPA
Robin Y. McCormick, CPA/PFS	Michael C. Knox, CPA
J. Randy Scrivner, CPA	Clifford P. Stewart, CPA
Kimberly S. Caskey, CPA	Edward A. Maxwell, CPA
Susan M. Lummus, CPA	

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

The Honorable Mayor and Board of Alderwomen
Town of McCool, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of McCool, 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 McCool, 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 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.

Bank	Fund	Balance
Renasant Bank	General funds:	
	General fund	\$ 41,975
	Cemetery fund	5,776
	Total General funds	\$ 47,751
Renasant Bank	Proprietary funds:	
	Water fund	\$ 3,053
	Total Proprietary funds	\$ 3,053

All investments were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by §21-33-323, Miss. Code Ann. (1972). This total is included in the ending cash balance in the statement of cash receipts and disbursements.

Type	Fund	Value
Certificate of Deposit	General Fund	\$96,379
Certificate of Deposit	Cemetery Fund	55,463
Certificate of Deposit	Enterprise Fund	30,005
		\$181,847

- 2) We performed the following procedures with respect to taxes on real and personal property

(including motor vehicles) levied during the fiscal year:

- a. Trace 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 compliance 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. Ad valorem tax collections were found to be within the limitations of §27-39-320 to §27-39-323, Miss. Code Ann. (1972).

There were no ad valorem tax collections for the retirement of General Obligation Debt.

- 3) 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:

Payment Purpose	Receiving Fund	Amount
Gasoline Tax	General Fund	\$ 405
General Municipal Aid	General Fund	67
Homestead Exemption Reimbursement	General Fund	1,016
Sales Tax Allocation	General Fund	3,231
Other Aid	General Fund	33,285
Nuclear Plant Payments in lieu of Taxes	General Fund	734
		<u>\$ 38,738</u>

- 4) 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:

- a. Number of Sample Items 13
- b. Total Dollar Value of Sample \$6,980

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

- 5) 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. 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. 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 McCool, Mississippi for the year ended September 30, 2021.

Kosciusko, Mississippi
December 29, 2022

Watkins Ward and Stafford, PLLC