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*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.

**VILLAGE OF PACHUTA, MISSISSIPPI**

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

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

**VILLAGE OF PACHUTA, MISSISSIPPI**

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

Honorable Mayor and Members of the Board of Alderman  
Village of Pachuta, Mississippi

We have performed the procedures enumerated below on cash, ad valorem taxes, state receipts, disbursements and the municipal compliance questionnaire of the Village of Pachuta, Mississippi as of September 30, 2021 and for the year then ended. The Village of Pachuta, Mississippi's management is responsible for the cash, ad valorem taxes, state receipts, disbursements and the municipal compliance questionnaire.

The Village of Pachuta, Mississippi has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with requirements of the Office of the State Auditor under the provisions of Section 21-35-31, Miss. Code Ann. (1972). This report may not be suitable for any other purpose. The procedures performed may not address all of the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained cash reconciliations prepared by the municipal clerk and performed procedures to determine that the following bank balances reconcile to the respective general ledger accounts and confirmed the related bank balances with the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Great Southern National Bank	General Fund	\$ 33,993
Citizens National Bank	General Fund	535,552
Total General Fund		<u>\$ 569,545</u>
Citizens National Bank	Water & Sewer Fund	\$ 150,554
Total Water & Sewer Fund		<u>\$ 150,554</u>

Cash reconciliations prepared by the municipal clerk for the above bank accounts reconcile to the respective general ledger accounts.

As a part of our procedures, we observed that the Modernization Use Tax funds were not maintained in a separate checking account as is required by the State of Mississippi.

2. 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 compliance with increase limitations of Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The levies were found to be properly approved by the board of alderman.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to have not exceeded the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

3. We obtained a statement of payments from the Department of Finance and Administration for the municipality and traced payments to deposit in the respective bank accounts and posting in the general ledger. Payments are as follows:

Payment Purpose	Receiving Fund	Balance per General Ledger
Sales Tax Allocation	General Fund	\$ 50,794
American Rescue Plan Act Grant	General Fund	28,641
Modernization Use Tax	General Fund	27,193
COVID Grant	General Fund	6,113
Homestead Exemption	General Fund	3,351
Gasoline Taxes	General Fund	799
Municipal Aid	General Fund	130
CDBG Grant	Water and Sewer Fund	220,815
Total		<u>\$ 337,836</u>

All payments were found to be deposited into the respective bank accounts and posted in the general ledger.

4. 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, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items:	25
Total Dollar Value of Sample:	\$26,256.38

As a result of our procedures on the sample of purchases, we observed the following:

- One instance where no documentation was provided for a disbursement.
  - Two instances where the amount paid exceeded the amount listed on the invoice.
  - Three instances where personnel paid utilities without board approval.
5. We have read the Municipal Compliance Questionnaire completed by the municipality and performed a survey to test its compliance with state requirements. The completed survey indicated no instances of noncompliance with state requirements other than the following:
- Bonds for the mayor and board of aldermen were not signed.
  - The Board did not appoint or bond anyone as municipal clerk.
  - Unable to observe the actual bonds for deputy clerks.

We were engaged by the Village of Pachuta, Mississippi to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on cash, ad valorem taxes,

state receipts, disbursements and the municipal compliance questionnaire. 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.

We are required to be independent of the Village of Pachuta, Mississippi and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Management of the Village of Pachuta, Mississippi and the Office of the State Auditor of Mississippi and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink, reading "Stephen D. Myrick". The signature is fluid and cursive, with the first name "Stephen" and last name "Myrick" clearly legible.

Stephen D. Myrick, C.P.A., L.L.C.  
Quitman, Mississippi  
January 20, 2023

# ***Stephen D. Myrick C.P.A., L.L.C.***

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## **ACCOUNTANTS' COMPILATION REPORT**

Honorable Mayor and Members of the Board of Aldermen  
Village of Pachuta, Mississippi

Management is responsible for the accompanying combined statement of cash receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Pachuta, Mississippi, as of and 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 combined statement of cash receipts and disbursements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on this financial statement.

The combined statement of cash receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information 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 statements, they might influence the user's conclusions about the Village's receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

The supplementary information contained on pages 7 through 9 is presented for purposes of additional analysis and is not a required part of the financial statement. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.



Stephen D. Myrick, C.P.A., L.L.C.  
Quitman, Mississippi  
January 20, 2023

**VILLAGE OF PACHUTA, MISSISSIPPI**  
**COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities		Business-type Activities	
	Major Fund		Major Fund	
	General		Water and	
	Fund	Total	Sewer Fund	Total
<b>Revenue Receipts</b>				
Taxes:				
General Property Taxes	\$ 142,974	\$ 142,974	\$ -	\$ -
Licenses and Permits:				
Privilege Licenses	2,076	2,076	-	-
Franchise Charges - Utilities	15,567	15,567	-	-
Intergovernmental Receipts:				
State-shared Receipts:				
CDBG Grant	-	-	220,815	220,815
Municipal Aid	130	130	-	-
Sales Tax	50,794	50,794	-	-
Modernization Use Tax	27,193	27,193	-	-
COVID Grant	6,113	6,113	-	-
American Rescue Plan Act Grant	28,641	28,641	-	-
Gasoline Tax	799	799	-	-
Homestead Exemption	3,351	3,351	-	-
Fire Protection	1,950	1,950	-	-
Local-shared Receipts:				
Other County Ad Valorem	1,042	1,042	-	-
Railcar Tax	2,348	2,348	-	-
Charges for Services:				
Senior Citizens Center Rental	600	600	-	-
Water Utility Service Fees	-	-	83,319	83,319
Sanitation	13,675	13,675	-	-
Sale of Cemetery Lots	2,034	2,034	-	-
Interest Earnings	4,709	4,709	1,444	1,444
Miscellaneous Receipts	5,687	5,687	1,690	1,690
<b>Total Receipts</b>	<b>309,683</b>	<b>309,683</b>	<b>307,268</b>	<b>307,268</b>
<b>Disbursements</b>				
General Government:				
Executive	56,339	56,339	-	-
Financial	46,975	46,975	-	-
Public Safety:				
Fire	11,719	11,719	-	-
Public Works:				
Highways and Streets	27,927	27,927	-	-
Sanitation	10,669	10,669	-	-
Culture and Recreation:				
Parks	1,287	1,287	-	-
Libraries	6,157	6,157	-	-
Senior Citizens Center	4,534	4,534	-	-
Cemetery	2,400	2,400	-	-
Enterprise:				
Water and Sewer Utility	-	-	309,172	309,172
<b>Total Disbursements</b>	<b>168,007</b>	<b>168,007</b>	<b>309,172</b>	<b>309,172</b>
<b>Excess (Deficiency) of Receipts</b>				
<b>Over Disbursements</b>	<b>141,676</b>	<b>141,676</b>	<b>(1,904)</b>	<b>(1,904)</b>
<b>Cash Basis Fund Balance -</b>				
<b>Beginning of Year</b>	<b>427,869</b>	<b>427,869</b>	<b>152,458</b>	<b>152,458</b>
<b>Cash Basis Fund Balance -</b>				
<b>End of Year</b>	<b>\$ 569,545</b>	<b>\$ 569,545</b>	<b>\$ 150,554</b>	<b>\$ 150,554</b>

See Accountants' Compilation Report.



## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF PACHUTA, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS**  
**SEPTEMBER 30, 2021**

Name	Position	Company	Bond
Phil Fuller	Mayor	Travelers	\$ 50,000
Glenda A. Bennett	Alderman	Travelers	25,000
Terry W. Herring	Alderman	Travelers	25,000
Keith Bogan	Alderman	Travelers	25,000
Linda M. Perry / Amy Lynn Newton	Alderman	Travelers	25,000
Shirley F. Johnson	Alderman	Travelers	25,000

See accountants' compilation report.

**VILLAGE OF PACHUTA, MISSISSIPPI**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

<u>Definition and Purpose</u>	Balance	<u>Transactions During Fiscal Year</u>		Balance
	<u>Outstanding</u> <u>10/1/2020</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding</u> <u>9/30/2021</u>
No Outstanding Debt				

See accountants' compilation report.

**VILLAGE OF PACHUTA, MISSISSIPPI**  
**SOLID WASTE MANAGEMENT SERVICES SCHEDULE**  
**FULL COST ACCOUNTING**  
**SUMMARY OF COSTS REPORT**  
**SEPTEMBER 30, 2021**

**Revenue:**

Garbage Fees	\$	<u>13,675</u>	
Total Revenue			13,675

**Expenses:**

Wages	2,400		
Contract Labor	270		
Insurance	245		
Fuel	591		
Landfill Fee	2,353		
Supplies and Maintenance	<u>7,210</u>		
Total Expenses			<u>13,069</u>

Excess (Deficiency) of Revenue Over Expenses	\$	<u><u>606</u></u>
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Number of Users	<u><u>115</u></u>
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Average Annual Cost Per User	<u><u>\$ 5</u></u>
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See accountants' compilation report.

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## **ACCOUNTANTS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and Members of the Board of Alderman  
Village of Pachuta, Mississippi

We have compiled the combined statement of cash receipts and disbursements of the Village of Pachuta, Mississippi, as of and for the year ended September 30, 2021, and performed certain other agreed-upon procedures as required by the Office of the State Auditor of Mississippi and have issued our report dated January 20, 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 agreed-upon procedures and our compilation of the statement of cash receipts and disbursements disclosed no material instances of noncompliance with state laws and regulations.

This report is intended for the information of the Village's management and the Office of the State Auditor of Mississippi 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.



Stephen D. Myrick, C.P.A., L.L.C.  
Quitman, Mississippi  
January 20, 2023