

## 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 TUTWILER, MISSISSIPPI – ALL FUNDS**  
**FINANCIAL STATEMENT**  
**SEPTEMBER 30, 2021**  
(With independent auditor's report thereon.)

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## **Independent Auditor's Report**

Honorable Mayor and Members of the Board of Alderman  
Town of Tutwiler  
Tutwiler, Mississippi

We have audited the accompanying statement of cash receipts, disbursements and changes in cash basis fund balances – all funds of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Tutwiler, Mississippi, as of and for the year ended September 30, 2021, and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

The Town of Tutwiler, Mississippi's management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinion**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Tutwiler, Mississippi, as of September 30, 2021, and the respective changes in cash basis financial position for the year then ended, in accordance with the basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Matters***Required Supplementary Information*

Management has omitted the management's discussion and analysis that cash basis of accounting (which requires the inclusion of applicable disclosures and information required under accounting principles generally accepted in the United States of America) 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 the financial reporting for placing the basic financial statement in appropriate operational and economic context. Our opinion on the basic financial statement is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the Town of Tutwiler, Mississippi's basic financial statement. The schedule of long-term debt, schedule of capital assets, and schedule of surety bonds on pages 9 through 11 are presented for purposes of additional analysis and are not a required part of the basic financial statement. Although not a part of the basic financial statement, the schedules referred to above are required to be presented in supplementary information in order to comply with the State of Mississippi Code Section 21-35-51.

The schedules listed in the supplementary information section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We were unable to trace the supplementary information included in the schedule of capital assets to the underlying accounting and other records of the Town of Tutwiler, Mississippi. In our opinion, except for the Schedule of Capital Assets, the supplementary information is fairly presented in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our reports dated April 25, 2022, on our consideration of the Town of Tutwiler's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Tutwiler's internal control over financial reporting and compliance.

EGP, PLLC

April 25, 2022

Certified Public Accountants & Consultants  
Bryant, Arkansas

**Town of Tutwiler, Mississippi**  
**Combined Statement of Cash Receipts, Disbursements**  
**and Changes in Fund Balances Cash Basis- All Funds**  
**For the Year Ended September 30, 2021**  
(See independent auditor's report.)

	<b>Governmental Fund</b>	<b>Proprietary Fund</b>	<b>Total (Memorandum Only)</b>
	<b>General Fund</b>	<b>Water and Sewer Enterprise Fund</b>	
<b>Receipts</b>			
Property taxes	\$ 1,235,903	-	1,235,903
Licenses, commissions and other receipts	22,348	-	22,348
Fines and forfeitures	36,625	-	36,625
Intergovernmental receipts	730,888	-	730,888
Charges for services	63,913	755,234	819,147
Miscellaneous receipts	72,296	-	72,296
<b>Total Receipts</b>	<b>2,161,973</b>	<b>755,234</b>	<b>2,917,207</b>
<b>Disbursements</b>			
General government	491,338	-	491,338
Public safety	555,813	-	555,813
Public works	430,294	-	430,294
Culture and recreation	11,000	-	11,000
Water and sewer	-	734,862	734,862
<b>Total Disbursements</b>	<b>1,488,445</b>	<b>734,862</b>	<b>2,223,307</b>
<b>Excess of Receipts Over (Under)</b>			
<b>Disbursements</b>	<b>673,528</b>	<b>20,372</b>	<b>693,900</b>
<b>Other Cash Sources (Uses)</b>			
Transfers in	84,722	-	84,722
Transfers out	-	(84,722)	(84,722)
<b>Total Other Cash Sources and Uses</b>	<b>84,722</b>	<b>(84,722)</b>	<b>-</b>
<b>Net Changes in Cash</b>	<b>758,250</b>	<b>(64,350)</b>	<b>693,900</b>
<b>Net Cash Balance, Beginning of Year</b>	<b>2,501,940</b>	<b>2,612,564</b>	<b>5,114,504</b>
<b>Net Cash Balance, End of Year</b>	<b>\$ 3,260,190</b>	<b>2,548,214</b>	<b>5,808,404</b>

The accompanying notes are an integral part of this financial statement.

**Town of Tutwiler, Mississippi**  
**Notes to the Financial Statement**  
**September 30, 2021**

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**1. Summary of Significant Accounting Policies**

Financial Reporting Entity

The Town of Tutwiler, Mississippi in Tallahatchie County (the “Town”) was incorporated in 1905 as a political subdivision of the State of Mississippi. The Town is governed by its Charter and local laws and the Mississippi Code of 1972. The City operates under the Mayor-Board of Alderman Form of Government, which consists of an elected Mayor and five elected Alderman. This legislative body provides services as authorized by law, including but not limited to, general government support, public safety, parks and recreation, sewer, water, lighting and road maintenance. The City’s population according to the 2010 census was 3,550.

Financial Statement Presentation

In evaluating how to define the Town of Tutwiler 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 Section 2100 of Governmental Accounting Standards Board’s (“GASB”) *Codification of Governmental Accounting and Financial Reporting Standards* include whether:

- the organization is legally separate;
- the Town holds corporate powers of the organization;
- the Town appoints a voting majority of the organization’s board;
- the Town is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the Town; and
- there is a fiscal dependency by the organization on the Town.

Based on the application of these criteria, there are no outside organizations that should be included as component units of the Town’s reporting entity.

Measurement Focus and Basis of Accounting

The Town of Tutwiler has elected to prepare its financial statements using the cash basis of accounting which is a statutory basis allowed by the Mississippi Office of the State Auditor. Accordingly, the accompanying financial statements are not intended to present financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States of America.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. These funds include a general fund for the governmental fund which is the government’s primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Proprietary fund types include the water and sewer fund. This fund is established to account for revenues derived from charges for water and sewer consumption and usage and the application of such revenues toward related operating expenses.

Property Tax Receipts

The Board of Alderman, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property are due on or before February 1 of the next succeeding year.



**Town of Tutwiler, Mississippi**  
**Notes to the Financial Statement**  
**September 30, 2021**

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Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase. All property taxes are recognized as receipts when collected. The millage rate for the fiscal year ended September 30, 2021, was 45 mils.

**Cash and Cash Equivalents**

At September 30, 2021, the carrying amount of the Town's deposit with financial institutions was \$5,808,404 and the bank balance was \$5,846,496. The collateral for public entities' deposits in financial institutions are held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code Ann. (1972). Under this program, the entity's funds are protected through the collateral pool administered by the State Treasurer. Financial institutions holding deposits of the public funds must pledge securities as collateral against those deposits. In the event of the failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation. As of September 30, 2021, none of the City's bank balance was exposed to custodial credit risk.

**Defined Benefit Pension Plan**

The Town of Tutwiler, Mississippi contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit provisions are established by state law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

At September 30, 2021, PERS members are required to contribute 9% of their annual covered salary, and the Town is required to contribute at an actuarially determined rate. The rate at September 30, 2021 was 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The Town's contributions to PERS for the years ending September 30, 2021, 2020, and 2019 were \$106,135, \$98,343, and \$103,202 respectively, which is equal to the required contributions for each year.

**Budgets and Budgetary Accounting**

Budgeted revenues and expenses are also prepared using the cash basis of accounting used by the general and proprietary funds. The governing body may alter or revise the budget and unpledged funds for another purpose. However, funds resulting from taxes levied under statutes or ordinance for specific purposes may not be diverted to another purpose and appropriated funds may not be diverted to another purpose wherein any creditor of the Town would be prejudiced thereby.

**2. Risk Management**

The Town of Tutwiler has entered into a joint and severable relationship with other public entities in the Mississippi Municipal Worker's Compensation Group and the Mississippi Municipal Liability Group. Each member shares responsibility for premium contribution based on payroll and their own loss experience as well as assessments needed for fund deficits. They also share the benefit of fund surplus in the form of dividends when applicable.

**Town of Tutwiler, Mississippi**  
**Notes to the Financial Statement**  
**September 30, 2021**

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**3. Litigation**

The Town is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the Town with respect to the various proceedings. However, the Town's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material effect on the financial condition of the Town.

**4. Contingencies**

The Town has received state financial assistance in the form of a grant that is subject to review and audit by the grantor agency. An audit could result in requests for reimbursement by the grantor agency for expenditures disallowed under the terms and conditions specified in the grant agreement. In the opinion of Town management such disallowed costs, if any, will not be significant.

**5. Subsequent Events**

Subsequent events have been evaluated through April 25, 2022, which is the date the financial statement was available to be issued. Events occurring after that date will be evaluated to determine whether a change in the financial statement would be required.

**Town of Tutwiler, Mississippi**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2021**  
(See independent auditor's report.)

	<b>General Fund</b>			
	<b>Original Budget</b>	<b>Amended and Final Budget</b>	<b>Actual (Budgetary Basis)</b>	<b>Favorable (Unfavorable) Variance</b>
<b>Receipts</b>				
Property taxes	\$ 1,204,871	1,204,871	1,235,903	31,032
Licenses, commissions and other receipts	25,700	25,700	22,348	(3,352)
Fines and forfeitures	20,000	20,000	36,625	16,625
Intergovernmental receipts	254,770	270,520	730,888	460,368 (1)
Charges for services	60,000	60,000	63,913	3,913
Miscellaneous receipts	-	-	72,296	72,296
<b>Total Receipts</b>	<b>1,565,341</b>	<b>1,581,091</b>	<b>2,161,973</b>	<b>580,882</b>
<b>Disbursements</b>				
General government	424,751	422,501	439,310	(16,809)
Public safety	685,243	593,743	555,813	37,930
Public works	197,811	330,811	430,294	(99,483) (2)
Sanitation	51,624	52,624	52,028	596
Culture and recreation	32,000	12,000	11,000	1,000
Water and sewer	-	-	-	-
<b>Total Disbursements</b>	<b>1,391,429</b>	<b>1,411,679</b>	<b>1,488,445</b>	<b>(76,766)</b>
<b>Excess of Receipts Over (Under) Disbursements</b>	<b>173,912</b>	<b>169,412</b>	<b>673,528</b>	<b>504,116</b>
<b>Other Cash Sources (Uses)</b>				
Transfers in	-	-	84,722	84,722
Transfers out	-	-	-	-
<b>Total Other Cash Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>84,722</b>	<b>84,722</b>
<b>Net Changes in Fund Balance</b>	<b>173,912</b>	<b>169,412</b>	<b>758,250</b>	<b>588,838</b>
<b>Net Cash Balance, Beginning of Year</b>	<b>2,501,940</b>	<b>2,501,940</b>	<b>2,501,940</b>	<b>-</b>
<b>Net Cash Balance, End of Year</b>	<b>\$ 2,675,852</b>	<b>2,671,352</b>	<b>3,260,190</b>	<b>588,838</b>

The variances from budgeted resulted from the following:

- (1) Intergovernmental receipts exceed the budget due to unexpected increase in variable state grant.
- (2) Contractual service expenses exceed the budget due to additional costs required by public work projects.
- (3) Water and sewer expenses exceed the budget due to additional personnel costs.

Proprietary Fund			
Original and Final Budget	Amended and Final Budget	Actual (Budgetary Basis)	Favorable (Unfavorable) Variance
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
725,600	725,600	755,234	29,634
-	-	-	-
725,600	725,600	755,234	29,634
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
657,897	657,897	734,862	(76,965) (3)
657,897	657,897	734,862	(76,965)
67,703	67,703	20,372	(47,331)
-	-	-	-
-	-	(84,722)	(84,722)
-	-	(84,722)	(84,722)
67,703	67,703	(64,350)	(132,053)
2,612,564	2,612,564	2,612,564	-
2,680,267	2,680,267	2,548,214	(132,053)

**Town of Tutwiler, Mississippi**  
**Schedule of Long-Term Debt**  
**For the Year Ended September 30, 2021**  
(See independent auditor's report.)

The Town of Tutwiler has no long-term debt.

**Town of Tutwiler, Mississippi**  
**Schedule of Capital Assets**  
**For the Year Ended September 30, 2021**  
(See independent auditor's report.)

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Land and land improvements	\$ 75,000	5,000	-	80,000
Construction in Progress	115,222	-	115,222	-
Building and building improvements	634,833	-	97,357	537,476
Furniture and equipment	547,350	-	55,130	492,220
Vehicles & other mobile equipment	444,737	185,747	-	630,484
Infrastructure	1,223,081	-	168,229	1,054,852
Governmental fund capital assets	<u>3,040,223</u>	<u>190,747</u>	<u>435,938</u>	<u>2,795,032</u>
<b>Business-Type Activities</b>				
Construction in Progress	\$ 39,600	-	39,600	-
Building and building improvements	638,993	227,549	-	866,542
Vehicles	50,500	157,667	-	208,167
Furniture and equipment	376,605	-	206,978	169,627
Infrastructure	6,284,502	-	331,902	5,952,600
Total capital assets	<u>7,390,200</u>	<u>385,216</u>	<u>578,480</u>	<u>7,196,936</u>
Less accumulated depreciation	<u>(863,542)</u>	<u>-</u>	<u>-</u>	<u>(863,542)</u>
Enterprise fund capital assets, net	<u>6,526,658</u>	<u>385,216</u>	<u>578,480</u>	<u>6,333,394</u>
 Total capital assets, net	 <u>\$ 9,566,881</u>	 <u>575,963</u>	 <u>1,014,418</u>	 <u>9,128,426</u>

**Town of Tutwiler, Mississippi**  
**Schedule of Surety Bonds for Municipal Officials**  
**For the Year Ended September 30, 2021**  
(See independent auditor's report.)

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Expiration Date</u>	<u>Bond Amount</u>
Nichole Harris	Mayor	Clyde C. Scott Insurance	7/1/2025	\$ 25,000
Alma Harris	City Clerk	Clyde C. Scott Insurance	10/10/2022	50,000
Modella Hayes	Deputy City Clerk	Clyde C. Scott Insurance	10/10/2022	50,000
LaShanda Harris	Court Clerk	Clyde C. Scott Insurance	10/10/2022	50,000
Marion Bedford	Police Chief	Clyde C. Scott Insurance	10/10/2022	50,000
various	Police Officers	Clyde C. Scott Insurance	10/10/2022	25,000
Queen Jones	Alderman	Clyde C. Scott Insurance	7/1/2025	25,000
James Farmer	Alderman	Clyde C. Scott Insurance	7/1/2025	25,000
Dianne Pimpton	Alderman	Clyde C. Scott Insurance	7/1/2025	25,000
Donnie Cox-Powell	Alderman	Clyde C. Scott Insurance	7/1/2025	25,000
Linda Gaither Johnson	Alderman	Clyde C. Scott Insurance	7/1/2025	25,000

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

Honorable Mayor and Members of the Board of Alderman  
Town of Tutwiler  
Tutwiler, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Town of Tutwiler (the "Town"), general and proprietary funds as of and for the year ended September 30, 2021, and have issued our report thereon dated April 25, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

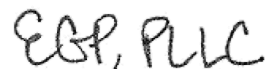
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



April 25, 2022

Certified Public Accountants & Consultants  
Bryant, Arkansas

**Independent Auditor's Report on Compliance With State Laws and Regulations**

Honorable Mayor and Members of the Board of Alderman  
Town of Tutwiler  
Tutwiler, Mississippi

We have audited the basic financial statement of the Town of Tutwiler, Mississippi as of and for the year ended September 30, 2021 and have issued our report dated April 25, 2022. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards.

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 audit and, accordingly, we do not express such an opinion.

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'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.

EGP, PLLC

April 25, 2022

Certified Public Accountants & Consultants  
Bryant, Arkansas

**Town of Tutwiler**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2021**

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**Summary of Auditor's Results**

The auditor's report expresses an unmodified opinion on the financial statement of the Town of Tutwiler (the "Town").

Significant deficiencies in internal control were disclosed by the audit of the financial statement and are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and on Other Matters. No material weaknesses were reported.

Instances of noncompliance material to the financial statement of the Town were disclosed during the audit and are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and on Other Matters.

**Findings and Questioned Costs**

No findings in current year.

**Town of Tutwiler**  
**Status of Prior Audit Findings and Recommendations**  
**For the Year Ended September 30, 2021**

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Prior year finding # 2020-1

**Finding:** Per Section 21-17-5, Miss. Code Ann. (1972), states that the municipal governing authority is responsible for the protective custody of its assets. This protective custody cannot be accomplished without complete and accurate records. During our audit, it came to our attention that the Town does not maintain a detailed listing of capital assets, their cost, acquisition dates, depreciable lives, depreciation details and other pertinent information. Management has invested in a tracking program for capital assets, however, the data entry is still in progress.

**Status:** Management implemented a fixed asset tracking program during the audit year. As of the date of the audit, the program was fully operational.