

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 BUDE, MISSISSIPPI
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2022

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Bude, Mississippi

Management is responsible for the accompanying financial statements of the Town of Bude, Mississippi for years ended September 30, 2022 and September 30, 2021, as listed in the Table of Contents, in accordance with accounting principles generally accepted in the United States of America. I 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. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America, including a statement of cash flows for proprietary funds. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management is also responsible for the Schedules as listed in the Table of Contents as required by the Mississippi Office of State Auditor. I compiled this information from information provided by management, but I did not audit or review this supplementary information and I do not express an opinion, a conclusion, or provide any assurance on the information.



CERTIFIED PUBLIC ACCOUNTANT

Bernell McGehee, CPA

November 30, 2022

TOWN OF BUDE , MISSISSIPPI
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
(UNAUDITED)
YEARS ENDED SEPTEMBER 30

<u>Assets</u>	<u>Governmental Fund Types</u>	<u>Proprietary Fund Types</u>	<u>Total (Memorandum Only)</u>	
			<u>2022</u>	<u>2021</u>
Cash	\$175,391	\$7,029	\$182,420	\$239,936
Cash-Reserved	157,556	135,510	293,066	346,629
Accounts Receivable		40,307	40,307	36,905
Other Receivable		127,687	127,687	
Due from Water & Sewer	449,793		449,793	242,735
Fixed assets (net of accumulated depreciation)		2,216,935	2,216,935	2,304,201
Total Assets	\$782,740	\$2,527,468	\$3,310,208	\$3,170,406
 <u>Liabilities and Fund Equity</u>				
Accounts Payable		\$885	\$886	\$28,023
Due to General Fund		449,793	449,793	242,735
Notes Payable		862,100	862,100	996,402
Customer deposits		30,838	30,838	27,702
Total Liabilities	\$0	\$1,343,616	\$1,343,616	\$1,294,862
Retained Earnings:				
Unreserved		\$1,079,180	\$1,079,180	\$1,217,216
Fund balance:				
Unreserved	625,184		625,184	339,401
Reserved- ARPA Recovery Fund		104,672	104,672	122,923
Reserved - Modernization Fund	0			49,811
Reserved - Fire Fund	152,700		152,700	141,350
Reserved - Unemployment benefits	4,856		4,856	4,843
Total Fund Equity	\$782,740	\$1,183,852	\$1,966,592	\$1,875,544
Total Liabilities and Fund Equity	\$782,740	\$2,527,468	\$3,310,208	\$3,170,406

The accompanying compilation report is an integral part of this balance sheet.

TOWN OF BUDE, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
(UNAUDITED)
YEARS ENDED SEPTEMBER 30

	<u>2022</u>	<u>2021</u>
Revenue:		
Ad valorem	\$ 139,375	\$ 130,990
Licenses and Permits	27,080	2,212
Intergovernmental	239,037	388,294
Fines and Forfeits	6,871	22,454
Interest	3,438	4,271
Other	<u>55,140</u>	<u>21,310</u>
Total Revenue	<u>\$ 470,941</u>	<u>\$ 569,531</u>
Expenditures:		
General government	\$ 256,858	\$ 245,446
Public safety	89,671	106,019
Streets	<u>-</u>	<u>17,620</u>
Total Expenditures	<u>\$ 346,529</u>	<u>\$ 369,085</u>
Excess (deficiency) of revenues over expenditures	\$ 124,412	\$ 200,446
Fund balance at beginning of year	<u>658,328</u>	<u>457,882</u>
Fund balance at end of year	<u>\$ 782,740</u>	<u>\$ 658,328</u>

The accompanying compilation report is an integral part of this financial statement

TOWN OF BUDE, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS -- ALL PROPRIETARY FUND TYPES
(UNAUDITED)
YEARS ENDED SEPTEMBER 30

	<u>Water and Sewer</u>	
	<u>2022</u>	<u>2021</u>
Operating revenues:		
Charges for services	\$ 367,500	\$ 279,115
Operating expenses:		
Personal services	130,422	91,901
Other services and charges	245,270	135,178
Depreciation	<u>87,266</u>	<u>99,608</u>
	-	-
Total operating expenses	<u>462,958</u>	<u>326,687</u>
Operating income	<u>(95,458)</u>	<u>(47,572)</u>
Non-operating revenues (expenses):		
ARPA	122,923	
Grant Revenues	187,847	196,654
Grant Projects	(230,566)	(196,654)
Interest - net	<u>(18,110)</u>	<u>(18,247)</u>
Total non-operating revenue (expense)	<u>62,094</u>	<u>(18,247)</u>
Net income (loss)	<u>\$ (33,364)</u>	<u>\$ (65,819)</u>
Retained earnings, beginning of year	<u>1,217,216</u>	<u>1,283,035</u>
Retained earnings, end of year	<u>\$ 1,183,852</u>	<u>\$ 1,217,216</u>

The accompanying compilation report is an integral part of this financial statement

**TOWN OF BUDE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Note A: Summary of Significant Accounting Policies

General Information

The town operates under the Mayor/Alderman 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 statements are prepared on an accrual basis.

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.

TOWN OF BUDE, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Note: Governmental asset details are currently unavailable.</i>				
Business Type Activities:				
Capital Assets				
Land		-		
Machinery and Equipment	<u>3,297,874</u>	<u>-</u>	<u>-</u>	<u>3,297,874</u>
Total Business-type activities capital assets	<u>\$ 3,297,874</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,297,874</u>

**TOWN OF BUDE, MISSISSIPPI
STATEMENT OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 10-01-2021</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED REDEEMED</u>	<u>BALANCE OUTSTANDING 09/30/2022</u>
Water and Sewer System			
General Obligation Notes:			
State of Mississippi - Department of Health:			
Drinking Water Systems Improvement			
Revolving Loan Fund			
Water Tank # 3			
Water Well & Transmission System	\$ 850,449	\$ -	\$ 802,440
United MS Bank Water Meter Loan	<u>146,847</u>	<u>-</u>	<u>59,660</u>
Total Long Term Debt	<u>\$ 997,296</u>	<u>\$ -</u>	<u>\$ 862,100</u>

Population - 2020 Census

780

**TOWN OF BUDE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS
YEAR ENDED SEPTEMBER 30, 2022**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Linda G. Green	Mayor	MS Municipalities	\$25,000
James Griffffin, Jr.	Alderman	MS Municipalities	\$25,000
Jeffrey Quick	Alderman	MS Municipalities	\$25,000
Norma Jean Kelly	Alderman	MS Municipalities	\$25,000
Jillian Dunmore	Alderman	MS Municipalities	\$25,000
John Knight	Alderman	MS Municipalities	\$25,000
Kimberly Vaughn	Clerk	Travelers	\$50,000
Latanja Lewis	Asst Clerk	Travelers	\$50,000
Reginald Cain	Police Chief	Travelers	\$50,000
Everette Marshall	Deputy	Travelers	\$50,000

BERNELL McGEHEE, CPA
P. O. BOX 410
LIBERTY, MISSISSIPPI 39645

Mayor and Board of Aldermen
Bude, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Bude, Mississippi as of September 30, 2022 and for the year then ended, as required by the office of the State Auditor. This is solely for the use of the governing body of the Town of Bude, Mississippi, and the office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. My procedures and findings are as follows:

1. I reconciled cash on deposit with the following banks to balances in the respective fund accounts and obtained confirmation of the related balances from the banks.

BANK	ACCOUNT NAME	BALANCE PER GENERAL LEDGER	
United MS Bank	Paymode	\$ 147	
United MS Bank	Clearing Accounts	9,934	
United MS Bank	General	165,275	
N/A	Petty Cash	35	
United MS Bank	Fire-State Rebated	142,156	
United MS Bank	Fire-CD	10,544	
Bank of Franklin	Employment Compensation	4,856	332,947
Bank of Franklin	Water and Sewer	\$ 16,693	
United MS Bank	Water and Sewer	21,174	
United MS Bank	American Recovery Act Program	104,672	142,539
	Total		<u>\$475,486</u>

2. As of September 30, 2022 the town held no investment securities.
3. I performed the following procedures with respect to taxes on real and personal property levied during the fiscal year.
 - a. Traced levies to governing body minutes.
 - b. Traced distribution of taxes collected to proper funds.
 - 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. Ad Valorem tax collections were found to be within the limitations of sections 27-39-320 to 27-39-323, Miss Code Ann (1972).

Please note that the Town of Bude contracts with Franklin County, Mississippi to collect property taxes on its behalf.

4. I obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposit in banks and recording in the general fund, except one. Payments to the Town of Bude were, as follows:

<u>PAYMENT PURPOSE</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$ 163,881
Modernization (Internet Use Tax)	General	40,955
Fire Protection Allocation	General	9,859
Grand Gulf Nuclear Plant	General	9,690
Homestead Exemption Reimbursement	General	10,848
Police Grant	General	1,487
Other Aid	General	3,004
ARPA Recovery Funds	Water and Sewer	122,923
MS Development Authority	Water and Sewer	93,150
Water and Sewer Billings	Water and Sewer	2,642

5. I 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	17
Dollar value of sample	\$331,553

I found the town's purchasing procedures to be in compliance with the requirements of the above mentioned sections.

6. I selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. I 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.

7. I read the Municipal Compliance Questionnaire completed by the town. There were no indications of noncompliance reported.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, I do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe that the specified accounts or items should be adjusted. Had I performed additional procedures or had I conducted an audit on the financial statements in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Bude, taken as a whole.



CERTIFIED PUBLIC ACCOUNTANT

November 30, 2022