

## 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.

**CITY OF COLLINS, MISSISSIPPI**

**Audited Financial Statements**

**For Year Ended September 30, 2022**

**PRINCE CPA FIRM, PLLC  
CERTIFIED PUBLIC ACCOUNTANTS**

# CITY OF COLLINS, MISSISSIPPI

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## PRINCE CPA FIRM, PLLC

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### INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor Hope Jones and  
Members of the Board of Aldermen  
City of Collins, Mississippi

#### **Report on the Financial Statements**

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Collins, Mississippi, ("City") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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 these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 statements. 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 statements 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 statements.

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

## **Opinions**

In our opinions, the financial statements referred to above present 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 City as of September 30, 2022, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

## **Other Matters**

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Collins, Mississippi's financial statements as a whole. The supplemental section, which includes Budgetary Comparison Schedule and other information section, which include the Schedule of Capital Assets and Schedule of Surety Bonds for Municipal Officials and Employees are presented for purposes of additional analysis and are not a required part of the financial statements. This information has not been subjected to the auditing procedures applied in the cash basis financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

## **Basis of Accounting**

We draw attention to Note 1 of the financial statements, 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 opinions are not modified with respect to this matter.

## **Other Reporting Requirements required by the Office of State Auditor**

In accordance with requirements set forth by the Office of State Auditor of Mississippi, we have issued out report dated November 30, 2022, on our consideration of the City of Collins, Mississippi's compliance with state laws and regulations. The purpose of this report is to describe the scope of our testing of compliance with certain laws and regulations and the result of that testing, and not provide an opinion on compliance.

*Prima CPA Firm, PLLC*

November 30, 2022  
Magee, Mississippi

**CITY OF COLLINS, MISSISSIPPI**

**BASIC FINANCIAL STATEMENTS**



CITY OF COLLINS, MISSISSIPPI  
Statement of Net Position-Cash Basis  
September 30, 2022

Exhibit 1

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and Cash Equivalents	\$ 1,247,075		1,247,075
Restricted Cash and Cash Equivalents	1,392,347	5,489,331	6,881,678
Total Assets	\$ 2,639,422	5,489,331	8,128,753
<b>NET POSITION</b>			
Restricted for:			
Public safety	\$ 130,640		130,640
Public works	226,786	5,489,331	5,716,117
Economic Development and assistance	925,609		925,609
Unemployment compensation	109,312		109,312
Unrestricted	1,247,075		1,247,075
Total Net Position	\$ 2,639,422	5,489,331	8,128,753

The notes to the financial statements are an integral part of this statement.

## CITY OF COLLINS, MISSISSIPPI

## Statement of Activities and Net Position-Cash Basis

As of and For the Year Ended September 30, 2022

Exhibit 2

Functions/Programs	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Business- type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 511,899	154,054			(357,845)		(357,845)
Public safety	2,263,177		46,213	187,629	(2,029,335)		(2,029,335)
Public works	1,235,069	157,210			(1,077,859)		(1,077,859)
Culture and recreation	367,285				(367,285)		(367,285)
Economic development and assistance	114,114				(114,114)		(114,114)
Total Governmental Activities	4,491,544	311,264	46,213	187,629	(3,946,438)		(3,946,438)
Business-type activities:							
Water, sewer and electricity	5,632,822	5,975,807	298,087			641,072	641,072
Total Primary Government	\$ 10,124,366	6,287,071	344,300	187,629	(3,946,438)	641,072	(3,305,366)
General Receipts and Transfers:							
Property taxes					\$ 1,093,456		1,093,456
Sales					1,752,696		1,752,696
Franchise fees					47,016		47,016
Rents					158,085		158,085
Grants and contributions not restricted to specific programs					568,703		568,703
Unrestricted interest income					15,397	40,274	55,671
Miscellaneous					69,504	17,669	87,173
Transfers					285,977	(285,977)	
Total General Receipts and Transfers					3,990,834	(228,034)	3,762,800
Changes in Net Position					44,396	413,038	457,434
Net Position - Beginning					2,595,026	5,076,293	7,671,319
Net Position - Ending					\$ 2,639,422	5,489,331	8,128,753

The notes to the financial statements are an integral part of this statement.



CITY OF COLLINS, MISSISSIPPI  
Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
As of and For the Year Ended September 30, 2022

Exhibit 3

	Major Funds	Other	Total
	General	Governmental	Governmental
	Fund	Funds	Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 978,098	268,977	1,247,075
Restricted Cash and Cash Equivalents	<u>925,599</u>	<u>466,748</u>	<u>1,392,347</u>
Total Cash Basis Assets	\$ <u>1,903,697</u>	<u>735,725</u>	<u>2,639,422</u>
<b>FUND BALANCES</b>			
Restricted for:			
Public safety		130,640	130,640
Public works		226,786	226,786
Economic development and assistance	925,599	10	925,609
Unemployment compensation		109,312	109,312
Unassigned	<u>978,098</u>	<u>268,977</u>	<u>1,247,075</u>
	\$ <u>1,903,697</u>	<u>735,725</u>	<u>2,639,422</u>

The notes to the financial statements are an integral part of this statement.

## CITY OF COLLINS, MISSISSIPPI

Exhibit 4

Statement of Cash Basis Assets and Fund Balances and  
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances  
Governmental Funds  
As of and For the Year Ended September 30, 2022

	Major Fund	Other	Total
	General	Governmental	Governmental
	Fund	Funds	Funds
<b>RECEIPTS</b>			
Property taxes	\$ 944,383	149,073	1,093,456
Sales Taxes	1,752,696		1,752,696
Franchise Fees	47,016		47,016
Licenses, commissions and other revenue	36,112		36,112
Fines and forfeitures	117,378	564	117,942
Intergovernmental receipts	568,703	233,842	802,545
Charges for services		157,210	157,210
Interest income	11,642	3,755	15,397
Rent	158,085		158,085
Miscellaneous receipts	63,789	5,715	69,504
Total Receipts	<u>3,699,804</u>	<u>550,159</u>	<u>4,249,963</u>
<b>DISBURSEMENTS</b>			
Current:			
General government	511,899	0	511,899
Public safety	1,465,415	533,241	1,998,656
Public works	915,258	274,019	1,189,277
Culture and recreation	342,295		342,295
Economic Development	45,146	68,968	114,114
Capital Outlay			
Public Safety	104,396	160,125	264,521
Public Works	45,792		45,792
Culture and Recreation	24,990		24,990
Total Disbursements	<u>3,455,191</u>	<u>1,036,353</u>	<u>4,491,544</u>
Excess of Receipts over (under) Disbursements	<u>244,613</u>	<u>(486,194)</u>	<u>(241,581)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in		772,338	772,338
Transfers out	(486,361)		(486,361)
Total Other Financing Sources and Uses	<u>(486,361)</u>	<u>772,338</u>	<u>285,977</u>
Net Changes in Fund Balances	(241,748)	286,144	44,396
Fund Balances - Beginning	<u>2,145,445</u>	<u>449,581</u>	<u>2,595,026</u>
Fund Balances - Ending	\$ <u><u>1,903,697</u></u>	<u><u>735,725</u></u>	<u><u>2,639,422</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF COLLINS, MISSISSIPPI  
Statement of Cash Basis Assets and Net Position  
September 30, 2022

Exhibit 5

		Business-type Activities Enterprise Funds
		Utility Enterprise Fund
<b>ASSETS</b>		
Restricted Cash and Cash Equivalents	\$	5,489,331
Total Assets		<u>5,489,331</u>
<b>NET POSITION</b>		
Restricted for:		
Public works		5,489,331
Total Net Position	\$	<u>5,489,331</u>

The notes to the financial statements are an integral part of this statement.

## CITY OF COLLINS, MISSISSIPPI

Exhibit 6

## Statement of Cash Receipts, Disbursements and Changes in Cash Basis

## Net Position-Proprietary Funds

As of and For the Year Ended September 30, 2022

	Business-type Activities Enterprise Funds
	Utility Enterprise Fund
Operating Receipts	
Charges for services	\$ 5,975,807
Late charges and service charges	
Miscellaneous	17,669
Total Operating Receipts	5,993,476
Operating Disbursements:	
Costs of sales and services	5,038,757
Administration	460,721
Capital Outlay	60,059
Indirect administrative costs	73,285
Total Operating Disbursements	5,632,822
Excess Operating Receipts Over (Under) Operating Disbursements	360,654
Nonoperating Receipts/(Disbursements):	
Intergovernmental grants	298,087
Investment income	40,274
Net Nonoperating Receipts/(Disbursements)	338,361
Excess Receipts Over (Under) Disbursements Before Transfers	699,015
Transfers	(285,977)
Changes in Net Position	413,038
Net Position - Beginning	5,076,293
Net Position - Ending	\$ 5,489,331

The notes to the financial statements are an integral part of this statement.

CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

**(1) Summary of Significant Accounting Policies**

**A. Introduction.**

The City of Collins, Mississippi ("City") is incorporated under the laws of the State of Mississippi. The City operates under a Code Charter with a full-time Mayor elected from the City at large and five aldermen, with four aldermen elected from wards and one alderman elected from the City at large. The City's major operations include police and fire protection, parks and recreation, public works and general administrative services. In addition, the City owns and operates a water and sewer system, a cable communication system and an electric utility system.

The financial statements are presented in accordance with a cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of only cash and cash equivalents and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) reported in the period in which they occurred.

The cash basis of accounting differs from GAAP primarily because revenues (cash receipts) are recognized when received in cash rather than when earned and susceptible to accrual, and expenditures or expenses (cash disbursements) are recognized when paid rather than when incurred or subject to accrual. As a result, only cash and cash equivalents and related net position or fund balances arising from cash transactions are reported in the statements of net position and balance sheets. All other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that would be reported in GAAP basis financial statements are not reported in this cash presentation.

The accounting and reporting framework and the more significant accounting principles and practices of the City are discussed in subsequent sections of this Note. The remainder of the Notes is organized to provide explanation, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2019.

**B. Financial Statements.**

*Government-wide Statements:*

Government-wide financial statements are the Statement of Activities and Net Position- Cash Basis. These statements report information for the City as a whole, excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and the City's general receipts, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the disbursements of a given function offset by program receipts directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the disbursements and program receipts associated with a distinct functional activity. Program receipts include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets. These receipts are subject to externally imposed restrictions to these program uses. Taxes and other receipts sources not properly included with program receipts are reported as general receipts.

*Fund Financial Statements:*

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.



CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

**.(1) Summary of Significant Accounting Policies - Continued**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation.**

The government-wide financial statements are reported using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as established by Governmental Accounting Standards Board. Receipts are recorded when collected and expenditures are recorded when cash is spent.

Governmental fund financial statements are reported using the of cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as established by Governmental Accounting Standards Board. Receipts are recorded when they are collected and disbursements are recorded when cash is spent.

The City reports the following major Governmental Funds:

General Fund - This fund is used to account for all financial resources not reported in other funds.

The City reports the following major Proprietary Funds:

Utility Enterprise Fund - This fund is used to account for the operating activities of the City's electricity, sewer and water utility services.

Additionally, the City reports the following fund types:

**GOVERNMENTAL FUND TYPE**

Special Revenue Funds - These funds are used to account for the proceeds of specific cash sources (other than for major capital projects) that are legally restricted or committed to disbursement for specified purposes. Special Revenue Funds account for, among others, certain federal grant programs, taxes levied with statutorily defined distributions and other resources restricted or committed as to purpose.

Capital Projects Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to disbursements for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

**PROPRIETARY FUND TYPE**

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the city has decided that periodic determination of receipts earned, disbursements paid and/or net income is necessary for management accountability.

**D. Account Classifications.**

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing and Financial Reporting* as issued in 2012 by the Government Finance Officers Association.



CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

(1) **Summary of Significant Accounting Policies - Continued**

**E. Cash and Investments.**

The City maintains and controls cash in each of the funds or fund types operated. Investments are separately held and reflected in respective funds as investments, some of which are restricted funds.

State law authorizes the City to invest in interest bearing time certificates of deposit with depositories and in obligations of the U.S. Treasury, State of Mississippi, or any county, municipality or school district of this state.

Cash includes cash on hand, demand deposits, and all certificates of deposit and cash equivalents, which are short-term highly liquid investments that are readily convertible to cash (generally three months or less). All cash deposits are reported at carrying amount (cost) which reasonably estimates fair market value.

**F. Restricted Assets.**

Certain resources are classified as Restricted because they are set aside for the specific purposes.

**G. Equity Classifications.**

Government-wide Financial Statements:

Equity is classified as net position and displayed in two components:

*Restricted net position* - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

*Unrestricted net position* - All other net position not meeting the definition of "restricted".

Fund Financial Statements:

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as restricted or unassigned. The following are descriptions of fund classifications used by the City.

*Restricted fund balance* includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

*Unassigned fund balance* is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

**Summary of Significant Accounting Policies – Continued**

**H. Property Tax Receipts.**

State statutes exist under which the Board of Aldermen may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the City. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

The Board of Aldermen, 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, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase.

**(2) Cash and Cash Equivalents**

Cash:

The carrying amount of the City's total deposits with financial institutions at September 30, 2022, was \$6,104,746, and the bank balance was \$6,153,175. The collateral for public entities' deposits in financial institutions is 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 a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of 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.

**Custodial Credit Risk - Deposits.** Custodial credit risk is the risk that in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the City.

Certificates of Deposits:

As of September 30, 2022, the City had the following certificates of deposits:

<u>Investment Type</u>	<u>Maturities (in years)</u>	<u>Fair Value</u>	<u>Rating</u>
Certificate of Deposit	Less than 1	\$ <u>2,024,007</u>	Not Rated

**Interest Rate Risk -** The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk –** State law limits investments to those prescribed in Sections 27-105-33(d) and 27-105-33(e), Miss. Code Ann. (1972). The City does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.



CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

**(2) Deposits and Investments - Continued**

Concentration of Credit Risk – Disclosure of investments by amount and issuer for any issuer that represents five percent or more of the total investments is required. This requirement does not apply to investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds and external investment pools, and other pooled investments. As of September 30, 2022, the City had no investments other than Certificates of Deposits.

**(3) Interfund Transactions and Balances**

The following is a summary of interfund balances at September 30, 2022:

Transfer In	Transfer Out	Amount
Fire Protection Fund	General Fund	486,361
Other Governmental Funds	Proprietary Fund	285,977
Total		\$ 772,338

The principal purposes of interfund transfers were to provide funds for operations of the fire department and transferring ARPA funds to governmental activities from proprietary activities. The interfund transfers were routine and consistent with the activities of the funds making the transfer.

**(4) Claims and Judgments.**

Risk Management.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**(5) Contingencies.**

Federal Grants - The City has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the City. Accordingly, no provision for any liability that may result has been recognized in the City's financial statements.

Litigation - The City of Collins, Mississippi is not a defendant in any lawsuits at this time.

**(6) Defined Benefit Pension Plan.**

General Information about the Pension Plan.

**Plan Description:** The City of Collins is a member of the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan as defined in GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Membership in PERS is a condition of employment and is granted upon hiring for qualifying employees and officials of the City. Code Section 25-11-15, Miss. Code Ann. (1972), grants the authority for general administration and proper operation of PERS to the PERS Board of Trustees (PERS Board). PERS issues a publicly available Comprehensive Annual Financial Report that can be obtained at [www.pers.ms.gov](http://www.pers.ms.gov).

**Funding Policy:** Per Chapter 11 of Title 25, Miss. Code Ann. (1972), contribution requirements of plan members and their employers are established and may be amended only by the PERS Board. The adequacy of these rates is assessed annually by actuarial valuation. For the year ended September 30, 2017, member employees were required to contribute 9.00 percent of their annual pay, while the City's required contribution rate was 15.75 percent of annual covered payroll. The City's employer contributions to PERS for the years ended September 30, 2022, 2021 and 2020 were \$445,716, \$400,747 and \$361,059, respectively. The contributions for each year met the required contributions.

CITY OF COLLINS MISSISSIPPI  
Notes to the Financial Statements  
For the Year Ended September 30, 2022

**(7) Subsequent Events.**

Events that occur after the Statement of Net Position-Cash Basis date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position-Cash Basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position-Cash Basis date require disclosure in the accompanying notes. Management of the City evaluated the activity of the City through November 30, 2022, and determined that no subsequent event has occurred requiring disclosure in the notes to the financial statements.

CITY OF COLLINS MISSISSIPPI  
Notes to Supplementary Information  
For the Year Ended September 30, 2021

CITY OF COLLINS, MISSISSIPPI

SUPPLEMENTARY INFORMATION

CITY OF COLLINS, MISSISSIPPI  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 General Fund  
 For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 1,061,930	944,383	944,383	0
Sales taxes		1,752,696	1,752,696	0
Licenses, commissions and other revenue	49,000	36,112	36,112	0
Fines and forfeitures	203,950	117,378	117,378	0
Intergovernmental revenues	2,506,140	568,703	568,703	0
Charges for services				0
Franchise fees		47,016	47,016	0
Rents	0	158,085	158,085	0
Interest income		11,642	11,642	0
Miscellaneous revenues	67,800	63,789	63,789	0
Total Revenues	3,888,820	3,699,804	3,699,804	0
EXPENDITURES				
Current:				
General government				0
Board of Alderman	178,995	168,255	168,255	0
City Court	125,045	126,067	126,067	0
Mayor	102,030	102,754	102,754	0
Finance and accounting	247,480	110,310	110,310	0
Elections	0	0	0	0
Cemetery	5,000	4,513	4,513	0
Public Safety				0
Police Protection	1,641,040	1,565,661	1,565,661	0
Public works				0
Street maintenance	861,275	937,780	937,780	0
Landfill	500	0	0	0
Culture and Recreation				0
Parks and recreation	247,385	276,808	276,808	0
Library	10,600	16,739	16,739	0
Non departmental				0
Dog Pound	5,800	4,150	4,150	0
Mosquito Control	23,000	23,270	23,270	0
Industrial Park	5,309	5,309	5,309	0
Old Depot	17,900	27,326	27,326	0
Civic Center	36,000	29,444	29,444	0
Millcreek Building	5,500	3,402	3,402	0
Cleaning property	6,000			0
Nursing home	0			0
Senior citizens center	48,170	53,403	53,403	0
Total Expenditures	3,567,029	3,455,191	3,455,191	0
Excess of Revenues over (under) Expenditures	321,791	244,613	244,613	0



CITY OF COLLINS, MISSISSIPPI  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 General Fund  
 For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Other financing sources	133,000		0	0
Transfers in	73,900			0
Transfers out	(505,075)	(486,361)	(486,361)	0
Total Other Financing Sources and Uses	(298,175)	(486,361)	(486,361)	0
Net Change in Fund Balance	23,616	(241,748)	(241,748)	0
Fund Balances - Beginning	2,009,383	2,145,445	2,145,445	0
Fund Balances - Ending	\$ 2,032,999	1,903,697	1,903,697	0

The accompanying notes to the Required Supplementary Information are an integral part of this statement.

**A. Budgetary Information.**

The City Clerk submits an annual budget to the Board of Aldermen on or before the last Tuesday of August in accordance with the State of Mississippi's statutory requirements. The budget is presented to the Board of Aldermen for review, and public hearings are held to address priorities and the allocation of resources. In September, the Board of Aldermen adopts the annual fiscal year budget for Board of Aldermen operating funds.

**B. Basis of Budgeting.**

The City's budget is prepared principally on the cash basis of accounting. All appropriations lapse at year end, and there are no encumbrances to budget because state law does not require that funds be available when goods or services are ordered, only when payment is made.

Each fund's appropriated budget is prepared on a detailed line item basis. Receipts are budgeted by source. Expenditures are budgeted by department within a fund as follows: personal services, contracted services, supplies, other services and charges, and capital outlay. Budget revisions are subject to final review by the Board of Aldermen. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. One revision to the budget was made throughout the year.

**C. Basis of Presentation.**

The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary (Non-GAAP Basis) and variances between the final budget and the actual amounts. The schedule is presented for the General Fund and each major Special Revenue Fund. The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) is a part of supplemental information.

CITY OF COLLINS, MISSISSIPPI

OTHER INFORMATION

CITY OF COLLINS, MISSISSIPPI  
Schedule of Capital Assets  
For the Fiscal Year Ended September 30,  
2022

	Balance Oct. 1, 2021	Additions	Deletions	Adjustments	Balance Sept. 30, 2022
<b>GOVERNMENTAL ACTIVITIES</b>					
<u>Non-depreciable capital assets:</u>					
Land	668,039				668,039
Construction in progress	181,482			(181,482)	
Total non-depreciable capital assets	849,521			(181,482)	668,039
<u>Depreciable capital assets:</u>					
Buildings	5,421,835	175,465			5,597,300
Infrastructure & Improvements					
Other than Buildings	4,345,212				4,345,212
Furniture, Machinery & Equipment	4,672,873	159,838	98,178		4,734,533
Total depreciable capital assets	14,439,920	335,303	98,178		14,677,045
Governmental activities capital assets, net	15,289,441	335,303	98,178	(181,482)	15,345,084
<b>BUSINESS-TYPE ACTIVITIES</b>					
<u>Non-depreciable capital assets:</u>					
Land	64,400				64,400
Total non-depreciable capital assets	64,400				64,400
<u>Depreciable capital assets:</u>					
Buildings	104,571				104,571
Infrastructure & Improvements					
Other than Buildings	9,840,497				9,840,497
Furniture, Machinery & Equipment	2,199,344	60,059			2,259,403
Intangible asset - Water rights	20,000				20,000
Total depreciable capital assets	12,164,412	60,059			12,224,471
Business-type activities capital assets, net	12,228,812	60,059			12,288,871

Adjustment is a result of reclassifying a project from a capital project to a maintenance project

CITY OF COLLINS, MISSISSIPPI  
Schedule of Bonds of City Officials  
September 30, 2022

- 1) Company: FCCI Insurance Group  
(Southgroup Insurance and Financial Services, LLC)

Limits of liability: Surety bond coverage as follows:

<u>Position</u>	<u>Coverage Amount</u>	<u>Term of Bond</u>
City Alderman (5)	\$50,000	07/01/17 - 07/01/21

- 4) Company: C N A  
(Southgroup Insurance and Financial Services, LLC)

Limits of liability: Position bond coverage as follows:

<u>Position</u>	<u>Coverage Amount</u>	<u>Term of Bond</u>
Mayor	\$50,000	12/01/18 - 12/01/21
Mayor Protem	\$50,000	12/01/18 - 12/01/21
City Clerk	\$50,000	12/01/18 - 12/01/21
Police Chief	\$50,000	12/01/18 - 12/01/21
Court Clerk	\$50,000	12/01/18 - 12/01/21
Clerk/Bookkeeper	\$50,000	12/01/18 - 12/01/21
Clerks (3)	\$50,000	12/01/18 - 12/01/21
Dispatchers (6)	\$50,000	12/01/18 - 12/01/21

CITY OF COLLINS, MISSISSIPPI

SPECIAL REPORT





## PRINCE CPA FIRM, PLLC

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### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

The Honorable Mayor Hope Jones and  
Honorable Members of the Board of Aldermen  
City of Collins, Mississippi

We have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Collins, Mississippi, ("City") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued my report thereon dated November 30, 2022. We conducted our audit 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 (GAAP) as established by the Governmental Accounting Standards Board

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.

Due to the reduced scope, these compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. The results of my compliance tests and my audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information disclosed no material instance of noncompliance with state laws and regulations.

The purpose of this report is solely to describe the scope of my testing of compliance with certain state laws and regulations and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

*Prince CPA Firm, PLLC*

November 30, 2022  
Magee, Mississippi

