

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.

APPLICATION FOR EXEMPTION FROM AUDIT - FOR MUNICIPALITIES WITH REVENUES OR EXPENDITURES OF \$100,000 OR LESS

| | | |
|---------------------|--------------------------------------|--|
| NAME OF GOVERNMENT: | Town of Montrose | For the Fiscal Year Ended September 30, <u>2022</u> |
| ADDRESS: | P.O. Box 1160 Lumberton, MS 39338 | |
| CONTACT PERSON: | Randy James | |
| TELEPHONE: | 601-739-3205 | |
| E-MAIL: | | |
| FAX: | 601-739-3568 | |

Return to: State of Mississippi
Office of the State Auditor
Quality Assurance - Municipal Audits
P. O. Box 956
Jackson, MS 39205
Email: municipal.reports@osa.ms.gov
Call (800) 321-1275 or (601) 576-2657 if you need help completing this form.

Regulations issued by the Office of the State Auditor explain the requirement to apply for an exemption from audit.

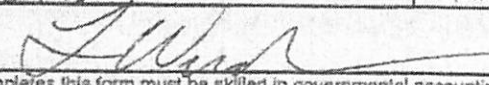
If total revenues or expenditures are \$100,000 or less you may use this form.

Instructions:

In order to ensure that your government's application will be accepted by the Office of the State Auditor, you must do the following:

1. Prepare this form completely and accurately. Please note that there are seven parts to this form and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within 3 months after the end of the fiscal year. For years ended September 30, the form must be in the Office of the State Auditor by December 31.
3. The form must be completed by a person skilled in governmental accounting.
4. The application may be mailed, faxed, or emailed as indicated above. If faxed or emailed, a resolution of the governing board must accompany the application from exemption from audit in a format that includes the signatures of a majority of the governing body (see sample resolution). If mailed, an original plus one copy should be sent.
5. The preparer must sign the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

PART 1 - CERTIFICATION OF PREPARER

| | | |
|--|--|--------------------------------|
| 1-1 | Name: Tom Windham | Title: CPA |
| 1-2 | Firm name (if applicable): Windham and Lacey, PLLC | |
| 1-3 | Address: 2702 Old Brandon Road Pearl, MS 39208 | |
| 1-4 | Date prepared: 5/30/23 | Telephone number: 601-939-9671 |
| 1-5 | Signature:  | |
| The person that completes this form must be skilled in governmental accounting. (Skilled means possessing sufficient knowledge of governmental accounting to complete the exemption form.) | | Check One |
| | | Yes No |
| 1-6 | Are you a person skilled in governmental accounting? | |
| If no, this exemption will be rejected. | | |

PART 2 - REVENUE (Receipts-Cash Basis)

| REVENUE: All revenue for all funds must be reflected in this section including proceeds from the sale of the government's land, building, and equipment and proceeds from debt or lease transactions. | | |
|---|--------------------------------------|--------------|
| | Description | (Omit cents) |
| 2-1 | Taxes: | \$ |
| 2-2 | Property | \$ 7,883 |
| 2-3 | Sales | \$ 9,699 |
| 2-4 | Franchise | \$ 4,812 |
| 2-5 | Licenses and permits | \$ |
| 2-6 | Intergovernmental | \$ |
| 2-7 | Fines | \$ 5,017 |
| 2-8 | Investment earnings | \$ |
| 2-9 | Payments in lieu of tax | \$ 77 |
| 2-10 | Drug forfeitures | \$ |
| 2-11 | Charges for utility services | \$ |
| 2-12 | Debt proceeds | \$ 75,286 |
| 2-13 | Lease proceeds | \$ |
| 2-14 | Proceeds from sale of capital assets | \$ |
| 2-15 | Other (specify): | \$ |
| 2-16 | Gasoline Tax | \$ 330 |
| 2-17 | Homestead Exemption Reimbursement | \$ 765 |
| 2-18 | General Municipal Aid | \$ 70 |
| 2-19 | Grant | \$ 17,088 |
| 2-20 | Parking Permits | \$ 1,100 |
| 2-21 | TOTAL REVENUE all sources | \$ 122,057 |

| PART 3 - EXPENDITURES (Disbursements-Cash Basis) | | |
|---|--|--------------|
| EXPENDITURES: All expenditure for all funds must be reflected in this section including the purchase of fixed and movable assets and principal and interest payments on long-term debt. | | |
| | Description | (Omit cents) |
| 3-1 | Administrative | \$ |
| 3-2 | Salaries | \$ 2,875 |
| 3-3 | Payroll taxes | \$ 16,195 |
| 3-4 | Contract services | \$ |
| 3-5 | Employee benefits | \$ |
| 3-6 | Insurance | \$ |
| 3-7 | Accounting and legal fees | \$ 7,413 |
| 3-8 | Repair and maintenance | \$ |
| 3-9 | Supplies | \$ 11,815 |
| 3-10 | Utilities and telephone | \$ 1,390 |
| 3-11 | Police | \$ 21,300 |
| 3-12 | Fire | \$ |
| 3-13 | Streets and highways | \$ |
| 3-14 | Public health | \$ |
| 3-15 | Culture and recreation | \$ |
| 3-16 | Utility operations | \$ |
| 3-17 | Capital outlay | \$ 8,387 |
| 3-18 | Debt service principal | \$ 360 |
| 3-19 | Debt service interest | \$ |
| 3-20 | Contribution to pension plan | \$ |
| 3-21 | Other (specify): Sales tax | \$ |
| 3-22 | Miscellaneous | \$ 1,698 |
| 3-23 | | \$ 4,831 |
| 3-24 | | \$ |
| 3-25 | TOTAL EXPENDITURES all categories | \$ 75,214 |

| PART 4 - DEBT OUTSTANDING, ISSUED AND RETIRED | | | | | | |
|--|---|-------------------------------------|---------------------------------------|---|-------------------------------------|-------------------------------------|
| Please answer the following questions by marking the appropriate box | | | | Yes | No | |
| 4-1 | Do you have outstanding debt? | | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| If yes: | Is the debt repayment schedule attached? | | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Please complete the following debt schedule, if applicable: | | Outstanding at start of fiscal year | Total issued during fiscal year (add) | Total retired during fiscal year (less) | Outstanding at fiscal year end | |
| General obligation bonds | | \$ - | \$ - | \$ - | \$ - | |
| Revenue bonds | | \$ - | \$ - | \$ - | \$ - | |
| Notes/loans | | \$ 29,300 | \$ - | \$ 4,780 | \$ 24,520 | |
| Leases | | \$ - | \$ - | \$ - | \$ - | |
| Other (specify): | | \$ - | \$ - | \$ - | \$ - | |
| | | | | | | |
| Please answer the following questions by marking the appropriate box | | | | Yes | No | |
| 4-2 | Does the municipality have any authorized, but unissued debt? | | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | If yes, how much? | | \$ - | | | |
| If yes: | If yes, what is the authorization date? | | | | | |
| 4-3 | Does the municipality intend to issue debt within the next fiscal year? | | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | If yes, how much? | | \$ - | | | |

| PART 5 - CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR | | | | | | |
|--|--|-------------------|------------------|-------------------------|-------------------------------------|--------------------------|
| and investment balances. | | Checking Accounts | Savings Accounts | Certificates of Deposit | Total | |
| 5-1 | Cash deposits | \$ 158,359 | \$ 108,273 | \$ 30,565 | \$ 297,197 | |
| 5-2 | Investments: | | | | | |
| 5-3 | | | | | \$ - | |
| 5-4 | | | | | \$ - | |
| 5-5 | | | | | \$ - | |
| 5-6 | | | | | \$ - | |
| 5-7 | Total Investments | | | | \$ - | |
| 5-8 | Total Cash and Investments | | | | \$ 297,197 | |
| Please answer the following question by marking in the appropriate box | | | | Yes | No | |
| 5-9 | Are your deposits in an eligible public depository (Sec 27-105-5 & 27-105-353) | | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5-10 | If no, please explain: | | | | | |

| PART 6 - CAPITAL ASSETS | | | | | | | |
|---|--|---------------------------------|-----------|-----------|---------------------------|-------------------------------------|-------------------------------------|
| Please answer the following questions by marking in the appropriate boxes | | | | | Yes | No | |
| 6-1 | Do you have land, buildings, and/or equipment? | | | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 6-2 | Have you prepared an inventory of your land, buildings, and/or equipment | | | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | If no, please explain: | | | | | | |
| Complete the following table. | | Balance - Beginning of the Year | Additions | Deletions | Balance - End of the Year | | |
| Land | | \$ - | \$ - | \$ - | \$ - | | |
| Buildings | | \$ - | \$ - | \$ - | \$ - | | |
| Machinery and equipment | | \$ - | \$ - | \$ - | \$ - | | |
| Furniture and fixtures | | \$ - | \$ - | \$ - | \$ - | | |
| Other (explain): | | \$ - | \$ - | \$ - | \$ - | | |
| PART 7 - BUDGET INFORMATION | | | | | | | |

| | | | |
|--|--|---------------------------------------|--------------------------|
| Please answer the following question by marking in the appropriate boxes | | Yes | No |
| 7-1 | Did the municipality approve a budget for the next fiscal year end? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7-2 | If no, please explain: | | |
| If yes | Please indicate the amount appropriated for each of your funds for the next fiscal year end? | | |
| | Fund Name | Budgeted fiscal year end Expenditures | |
| | General | \$ 21,176 | - |
| | Water | \$ 47,120 | - |
| | | \$ | - |
| PART 8 - GENERAL INFORMATION | | | |
| Please answer the following question by marking in the appropriate boxes | | Yes | No |
| 8-1 | Has the Municipal Compliance Questionnaire been completed, adopted by your board and now part of your minutes? If no please explain: | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

| PART 9 - GOVERNING BODY APPROVAL | | | |
|--|---|-------------------|---------------------------|
| <p>We, the undersigned, certify that this Application for Exemption from Audit has been:</p> <p>Prepared consistent with regulations by OSA, which states that an Application with revenues or expenditures of \$100,000 or less must be prepared by a person skilled in governmental accounting;</p> <p>Completed to the best of our knowledge and is accurate and true;</p> <p>Reviewed and approved by a majority of the governing body</p> | | | |
| <p>Note: Please list all current members of the governing body. In addition, original signatures <u>must</u> be provided for a majority of those listed.</p> | | | |
| | Name (please print or type all current members of the governing body) | Date Term Expires | Signature |
| 9-1 | Gloria James | 2025 | <i>Gloria James</i> |
| 9-2 | Kenneth Smith | 2025 | <i>Kenneth Smith</i> |
| 9-3 | Christine Bean | 2025 | <i>Christine Bean</i> |
| 9-4 | Shirley Bortwright | 2025 | <i>Shirley Bortwright</i> |
| 9-5 | Mary Bean | 2025 | <i>Mary Bean</i> |
| 9-6 | | | |
| 9-7 | | | |
| 9-8 | | | |