

## 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, 2023**

JAN 6 2024

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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, 2023, and September 30, 2022, 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

December 28, 2023

**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>2023</u>	<u>2022</u>
Cash	\$122,895	\$262,437	\$385,332	\$182,420
Cash-Reserved	169,714	116,301	286,015	293,066
Accounts Receivable		36,482	36,482	40,307
Other Receivable				127,687
Due from Water & Sewer	559,532		559,532	449,793
Fixed assets (net of accumulated depreciation)		2,152,622	2,152,622	2,216,935
<b>Total Assets</b>	<b>\$852,141</b>	<b>\$2,567,842</b>	<b>\$3,419,983</b>	<b>\$3,310,208</b>
 <b><u>Liabilities and Fund Equity</u></b>				
Accounts Payable	\$14,698	\$20,765	\$35,463	\$885
Due to General Fund		559,532	559,532	449,793
Notes Payable		754,397	754,397	862,100
Customer deposits		32,338	32,338	30,838
<b>Total Liabilities</b>	<b>\$14,698</b>	<b>\$1,367,032</b>	<b>\$1,381,730</b>	<b>\$1,343,616</b>
Retained Earnings:				
Unreserved		\$1,116,847	\$1,116,847	\$1,079,180
Fund balance:				
Unreserved	667,729		667,729	625,184
Reserved- ARPA Recovery Fund		83,963	83,963	104,672
Reserved - Fire Fund	164,846		164,846	152,700
Reserved - Unemployment benefits	4,868		4,868	4,856
<b>Total Fund Equity</b>	<b>\$837,443</b>	<b>\$1,200,810</b>	<b>\$2,038,253</b>	<b>\$1,966,592</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$852,141</b>	<b>\$2,567,842</b>	<b>\$3,419,983</b>	<b>\$3,310,208</b>

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><b>2023</b></u>	<u><b>2022</b></u>
Revenue:		
Ad valorem	\$ 134,728	\$ 139,375
Licenses and Permits	32,307	27,080
Intergovernmental	272,068	239,037
Fines and Forfeits	9,636	6,871
Interest	3,812	3,438
Other	<u>34,911</u>	<u>55,140</u>
Total Revenue	<u>\$ 487,462</u>	<u>\$ 470,941</u>
Expenditures:		
General government	\$ 300,215	\$ 256,858
Public safety	130,741	89,671
Streets	<u>1,803</u>	<u>-</u>
Total Expenditures	<u>\$ 432,759</u>	<u>\$ 346,529</u>
Excess (deficiency) of revenues over expenditures	\$ 54,703	\$ 124,412
Fund balance at beginning of year	<u>782,740</u>	<u>658,328</u>
Fund balance at end of year	<u>\$ 837,443</u>	<u>\$ 782,740</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>2023</u>	<u>2022</u>
Operating revenues:		
Charges for services	\$ 413,758	\$ 367,500
Operating expenses:		
Personal services	106,250	130,422
Other services and charges	173,774	245,270
Depreciation	<u>103,377</u>	<u>87,266</u>
Total operating expenses	<u>383,401</u>	<u>462,958</u>
Operating income	<u>30,357</u>	<u>(95,458)</u>
Non-operating revenues (expenses):		
ARPA	288,025	122,923
Grant Revenues	55,350	187,847
ARPA/Grant Projects	(343,375)	(230,566)
Interest - net	<u>(13,399)</u>	<u>(18,110)</u>
Total non-operating revenue (expense)	<u>(13,399)</u>	<u>62,094</u>
Net income (loss)	<u>\$ 16,958</u>	<u>\$ (33,364)</u>
Retained earnings, beginning of year	<u>1,183,852</u>	<u>1,217,216</u>
Retained earnings, end of year	<u>\$ 1,200,810</u>	<u>\$ 1,183,852</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, 2023**

**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 FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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

**TOWN OF BUDE, MISSISSIPPI  
STATEMENT OF LONG-TERM DEBT  
FOR THE FISCAL YER ENDED SEPTEMBER 30, 2023**

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 10-01-2022</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED      REDEEMED</u>	<u>BALANCE OUTSTANDING 09/30/2023</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	\$ 802,440	\$ - \$ 48,043	\$ 754,397
United MS Bank Water Meter Loan	<u>59,660</u>	<u>- 59,660</u>	<u>-</u>
Total Long Term Debt	<u>\$ 862,100</u>	<u>\$ - \$ 107,703</u>	<u>\$ 754,397</u>

Population - 2020 Census

780

**TOWN OF BUDE, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS  
YEAR ENDED SEPTEMBER 30, 2023**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Linda G. Green	Mayor	MS Municipalities	\$25,000
James Griffiffin, 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
Elisha Ford	Clerk	Travelers	\$50,000
Latanja Lewis	Asst Clerk	Travelers	\$50,000
Reginald Cain	Police Chief	Travelers	\$50,000
Everette Marshall	Deputy	Travelers	\$50,000
Lee Turner	Deputy	Travelers	\$50,000
Derek Bethley	Deputy	Travelers	\$50,000
Kenneth Short	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, 2023 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.

<u>BANK</u>	<u>ACCOUNT NAME</u>	<u>BALANCE PER</u> <u>GENERAL LEDGER</u>	
United MS Bank	Paymode	\$ 189	
United MS Bank	Clearing Accounts	5,807	
United MS Bank	General	116,864	
N/A	Petty Cash	35	
United MS Bank	Fire-State Rebated	154,090	
United MS Bank	Fire-CD	10,756	
Bank of Franklin	Employment Compensation	4,868	292,609
Bank of Franklin	Water and Sewer	\$ 203,503	
United MS Bank	Water and Sewer	91,272	
United MS Bank	American Recovery Act Program	83,963	378,738
	Total		<u>\$671,347</u>

2. As of September 30, 2023 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	\$ 107,711
Modernization (Internet Use Tax)	General	66,063
Fire Protection Allocation	General	10,365
Grand Gulf Nuclear Plant	General	9,384
Homestead Exemption Reimbursement	General	12,274
Police Grant	General	755
Other Aid	General	2,779
MS Development Authority	Water and Sewer	290,525
Water and Sewer Billings	Water and Sewer	4,218

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	22
Dollar value of sample	\$512,934

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. The only exception noted was that annual inventory of town assets was not completed.

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.

*Bernell M. Lehee*

CERTIFIED PUBLIC ACCOUNTANT

November 30, 2023