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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 NOXAPATER, MISSISSIPPI

**SPECIAL REPORT ON AGREED-UPON PROCEDURES
FOR SMALL MUNICIPALITIES**

AND

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023



TOWN OF NOXAPATER, MISSISSIPPI

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SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES

(COMPLIANCE LETTER)

Honorable Mayor and Alderpersons
Town of Noxapater, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Noxapater, Mississippi, as of September 30, 2023, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss Code Ann. (1972). It is understood that the report is solely for the use of the governing body of the Town of Noxapater, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. Our procedures and findings are as follows.

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

Financial Institution	Fund	Balance per General Ledger
The Citizens Bank	General Fund	\$ 457,939
The Citizens Bank	Other Governmental Funds	140,472
The Citizens Bank	Proprietary Fund	755,771
Total		\$ <u>1,354,182</u>

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss Code Ann. (1972).

Town of Noxapater, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2023

<u>Financial Institution</u>	<u>Security</u>	<u>Fund</u>	<u>General Ledger</u>
The Citizens Bank	Certificate of Deposit	General	\$ 78,977
The Citizens Bank	Certificate of Deposit	General	16,050
The Citizens Bank	Certificate of Deposit	General	21,797
The Citizens Bank	Certificate of Deposit	General	35,705
The Citizens Bank	Certificate of Deposit	Proprietary	57,171
The Citizens Bank	Certificate of Deposit	Proprietary	59,909
The Citizens Bank	Certificate of Deposit	Proprietary	11,588
Total			\$ 281,197

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the year:

- A. Proved the mathematical accuracy of the tax rolls;
- B. Traced levies to governing body minutes;
- C. Reconciled the amount of taxes levied per the tax rolls to amounts actually collected;
- D. Examined uncollected taxes for proper handling, including tax sales;
- E. Traced distribution of taxes collected to proper funds; and
- F. Analyzed increase in taxes for most recent period for comparison with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

Tax assessments were found to be mathematically correct and in agreement with collections as follows:

Town of Noxapater, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2023

Tax Assessments	Assessed Value	Tax Millage	Tax Levy
Realty	\$ 1,506,141		
Personal Property	265,095		
Personal - Automobile & Mobile Home	-		
Public Utility	-		
	<u>\$ 1,771,236</u>	<u>0.02486</u>	<u>44,033</u>
Add: Actual Homestead Reimbursement			7,699
Prior Year's Unpaid Realty Taxes			
Deduct : Homestead Credit			(7,700)
Total to be Accounted for		\$	<u>44,032</u>

	Taxes	Homestead	
	Penalties & Interest	Reimbursement	Total
Credits:			
Collections allocated to:			
General Fund	\$ 41,890	7,391	49,281
Street Fund	2,143	308	2,451
Balance represented by:			
Unpaid realty taxes,			
Board Adjustments, etc.			(7,700)
Total Accounted for		\$	<u>44,032</u>

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972), As follows:

Actual Collections (Excluding debt service)		Actual Collections (Excluding debt service)	
Tax Collected 2021-2022	\$ 47,790	Tax Collected 2022-2023	\$ 44,101
10% Increase	4,779	Homestead Exemption	
Tax increase due to increase in assessed value	<u>-</u>	Reimbursement	7,699
		Under (Over) Limitation	<u>769</u>
Total	<u>\$ 52,569</u>	Total	<u>\$ 52,569</u>

Town of Noxapater, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2023

4. We obtained a statement of payments made by the Department of Finance and Administration to the Municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger in the appropriate accounts.

Payment Purpose	Receiving Fund	General Ledger Amount
Sales Tax Allocation	General	\$ 105,870
Homestead Reimbursement	General	7,699
TVA	General	3,922
Fire Protection	Other Governmental	8,183
Gasoline Tax	General	1,194
Liquor Tax	General	1,350
General Municipal Aid	General	195
Modernization Use Tax	General	49,455
House Bill 2023 Grant	Other Governmental	200,000
MDA Grants	Other Governmental	100,000
Total		\$ <u>477,868</u>

5. We selected a sample of purchases made by the Municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Sections 31-7-1, 31-7-49 and 31-7-57 Miss. Code Ann. (1972), as applicable. We also reviewed the board minutes for approval of claims.

The sample consisted of the following:

Number of sample items:	15
Total dollar value of sample:	\$15,694

We found the Municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections (except as follows).

- a. Requisitions were only of a verbal nature not written
- b. Certain purchase orders were not properly completed or not completed at all.

6. We have read the Municipal Compliance Questionnaire completed by the Municipality. The following responses to the questionnaire and our observations indicate noncompliance with state requirements:

Part V-Question 1. The Town has not adopted the county ad valorem tax rolls on its board minutes in accordance with Section 27-35-167.

Part V-Question 4. The Town has not deposited ad valorem tax collections into the appropriate funds in accordance with Section 21-33-53; specifically, the Town did not deposit the collections of the street levy into the street fund.

Town of Noxapater, Mississippi
Special Report on Agreed-Upon Procedures for Small Municipalities (Continued)
September 30, 2023

Part V-Question 9. The Town has not levied or appropriated not less than $\frac{1}{4}$ mill for fire protection in accordance with Sections 83-1-37 and 83-1-39.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in paragraphs 1, 2, and 3 should be adjusted. Had we performed additional procedures, or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Noxapater, Mississippi, for the year ended September 30, 2023.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
May 29, 2024

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INDEPENDENT ACCOUNTANT'S REPORT ON THE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Honorable Mayor and Alderpersons
Town of Noxapater, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities of the Town of Noxapater, Mississippi, for the year ended September 30, 2023. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

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

The accompanying supplemental information, Schedule of Long-Term Debt, Schedule of Investments, and the Schedule of Surety Bonds for Municipal Officials referred to in the table of contents is presented for purposes of additional analysis and is not a required part of the statement of cash receipts and disbursements. We have not audited or reviewed the accompanying supplemental information and accordingly, do not express an opinion or any other assurance on it.

We conducted a limited scope audit as of September 30, 2023, as set forth in the Mississippi Municipal Audit and Accounting Guide, which pertains to small municipalities. Under the provision of this Guide, we performed prescribed procedures on the Municipality as outlined in the guide.

These reports are intended solely for informational use of the governing body and management of the Town of Noxapater, Mississippi, and filing with the Office of the State Auditor of Mississippi. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
May 29, 2024

Town of Noxapater
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the Year Ended September 30, 2023

	Governmental Activities			Business-Type Activities
	Major Fund	Other		Water &
	General	Governmental		Garbage
	Fund	Fund	Total	Fund
Revenue Receipts:				
General Property Taxes	\$ 44,101	-	44,101	-
Licenses and Permits	1,217	-	1,217	-
Intergovernmental Revenues:				
State Shared Revenues:				
Sales Tax	105,870	-	105,870	-
Modernization Use Tax	49,455	-	49,455	-
Gasoline Tax	1,194	-	1,194	-
Liquor Tax	1,350	-	1,350	-
TVA	3,922	-	3,922	-
Homestead Exemption Reimbursement	7,699	-	7,699	-
General Municipal Aid	195	-	195	-
Railcar Tax	1,641	-	1,641	-
House Bill 2023		200,000	200,000	-
State Fire Protection		8,183	8,183	-
CDBG		100,000	100,000	-
County Shared Revenues:				
County Maintenance	4,548	-	4,548	-
Charges for Services:				
Water and Tap Fees	-	-	-	320,422
Garbage and Sewer Fees	-	-	-	115,373
Utility Franchise Charges	6,384	-	6,384	-
Miscellaneous	22,550	-	22,550	1,235
Fines and Bonds	2,285	-	2,285	-
Other Receipts:				
Interest	607	380	987	904
Rent	8,539	-	8,539	-
Grants	14,745	2,800	17,545	-
Total Receipts	\$ 276,302	311,363	587,665	437,934

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

Town of Noxapater
Statement of Cash Receipts and Disbursements-Cont.
Governmental and Business-Type Activities
For the Year Ended September 30, 2023

	Governmental Activities			Business-type Activities
	Major Funds	Other		Water &
	General	Governmental		Garbage
	Fund	Fund	Total	Fund
OPERATING DISBURSEMENTS:				
General Government				
Personnel	\$ 92,659	-	92,659	-
Other	142,892	224,634	367,526	-
Public Safety:				
Police:				
Personnel	33,079	-	33,079	-
Fire:				
Other	-	11,600	11,600	-
Grant Expenditures	-	450,235	450,235	-
Enterprise:				
Personnel Expense	-	-	-	150,721
Consumable Supplies	-	-	-	58,350
Contractual Services	-	-	-	192,954
Total Operating Disbursements	268,630	686,469	955,099	402,025
Excess of Receipts over (under) Disbursements	7,672	(375,106)	(367,434)	35,909
OTHER CASH SOURCES (USES)				
Proceeds from Short-Term Debt	200,000	-	-	-
Interest on Notes	-	-	-	(27,893)
Principal on Notes Retired	-	(200,000)	(200,000)	(37,768)
Transfers - Other	(200,000)	200,000	-	-
Deposits received over refunded	-	-	-	5,215
Total Other Cash Sources (Uses)	-	-	(200,000)	(60,446)
Net Changes in Cash	7,672	(375,106)	(367,434)	(24,537)
Cash Balance, Beginning	450,267	515,578	965,845	780,308
Cash Balance, Ending	457,939	140,472	598,411	755,771

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

**TOWN OF NOXAPATER, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE (A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Noxapater, Mississippi (the Municipality), have been prepared using the cash receipts and disbursements basis of accounting. That is, revenues are recognized when received rather than when measurable and available, and expenditures are recognized when paid rather than when the obligations are incurred. Accordingly, the statement of cash receipts and disbursements - all fund types - is not intended to present results of operations in conformity with generally accepted accounting principles.

General Information:

The Municipality operates under the Mayor and Alderpersons form of government and provides services as required by law.

Reporting Entity:

The Municipality utilizes fund accounting, with each fund being considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Municipality reports the following fund types:

Governmental Fund Types:

General Fund- This fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds- These funds are used to account for and report financial resources that are restricted, committed, or assigned to certain expenditures.

Capital Projects Funds- These funds are used to account for and report financial resources to be used for the acquisition and construction of major capital facilities.

Proprietary Fund Types:

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 county has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

**TOWN OF NOXAPATER, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

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.

NOTE (C) Budget

Budgets are adopted as prescribed by the State of Mississippi. Annual appropriated budgets are adopted for all funds. The Mississippi Code Ann. (1972) prescribes cash basis reporting of revenues for budgeting of expenditures to be disbursed within thirty days after year end (with exception for construction in progress).

NOTE (D) Cash and Cash Equivalents

The carrying amount of the Municipality's deposits with financial institutions reported in the governmental funds was \$1,354,182 which includes \$281,197 in certificate of deposits with original maturities beyond three months. The bank balance was \$1,358,485.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the Municipality will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Municipality does not have a formal policy for custodial credit risk. 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 Deposit Insurance Corporation (FDIC). 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 Municipality.

NOTE (E) Property Tax

The Board of Alderpersons, 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 vehicle and mobile homes become a lien and are due in the month that coincides with the month of the original purchase. The Municipality has entered into a contract with the Winston County Tax Collector to bill and collect real and personal property taxes and personal auto taxes and mobile home taxes. The County tax collector remits these payments to the Municipality on a monthly basis. The millage rate for the Town of Noxapater was 24.86 mills.

TOWN OF NOXAPATER
SCHEDULE OF LONG-TERM DEBT
SEPTEMBER 30, 2023

Definition and Purpose	Balance	Additions	Reductions	Balance
	Oct. 1, 2022			Sept. 30, 2023
USDA Loan 1999	344,488	-	24,590	319,898
USDA Loan 2003	48,429	-	2,501	45,928
USDA Loan 2019	514,361	-	10,677	503,684
	<u>907,278</u>	<u>-</u>	<u>37,768</u>	<u>869,510</u>

**TOWN OF NOXAPATER
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2023**

Type of Investment	Certificate Number	Interest Rate	Acquired Date	Maturity Date	Financial Institution	Balance as of September 30, 2023
Certificate of Deposit	171029260	0.65%	9/8/2007	8/8/2024	The Citizens Bank	\$ 78,977
Certificate of Deposit	171013045	0.80%	3/5/2007	3/5/2025	The Citizens Bank	35,705
Certificate of Deposit	171032330	0.47%	8/29/2007	8/29/2024	The Citizens Bank	21,797
Certificate of Deposit	171060920	0.70%	9/9/2008	12/9/2024	The Citizens Bank	16,050
Certificate of Deposit	171064950	0.70%	9/30/2008	12/30/2024	The Citizens Bank	11,588
Certificate of Deposit	171064960	0.70%	9/30/2008	12/30/2024	The Citizens Bank	59,909
Certificate of Deposit	180000401	0.70%	2/28/2017	2/28/2024	The Citizens Bank	57,171
						<u>\$ 281,197</u>

**TOWN OF NOXAPATER
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2023**

Name of Company	Policy Period Ending	Position	Person Covered	Amount
Travelers	7/1/2025	Mayor	Sammy Carter	\$ 50,000
Travelers	6/1/2024	Town Clerk	Faye Ellis	\$ 50,000
Travelers	6/1/2024	Deputy Town Clerk	Anna Stalcup	\$ 50,000
Travelers	7/1/2025	Aldersperson	Thomas M. Bartholomew	\$ 25,000
Travelers	7/1/2025	Aldersperson	Hugh Brian Burrage	\$ 25,000
Travelers	7/1/2025	Aldersperson	Thomas Chris Wells	\$ 25,000
Travelers	7/1/2025	Aldersperson	Jamie Yarbrough	\$ 25,000
Travelers	7/1/2025	Aldersperson	Terry W. Kelley	\$ 25,000

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Alderpersons
Town of Noxapater, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities, and Schedule of Surety Bonds for Municipal Officials for the year ended September 30, 2023, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described by the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor of Mississippi. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Municipality's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to items tested, the results of those procedures, our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities, and Schedule of Surety Bonds for Municipal Officials, of the Town of Noxapater, Mississippi, for the year ended September 30, 2023, disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of management, Town Alderpersons, and the Office of the State Auditor of Mississippi 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.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
May 29, 2024