

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 PICKENS, MISSISSIPPI
AGREED-UPON PROCEDURES**

SEPTEMBER 30, 2017

TOWN OF PICKENS, MISSISSIPPI

TABLE OF CONTENTS

	PAGE
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	1-4
FINANCIAL STATEMENTS	5
ACCOUNTANT'S COMPILATION REPORT	6-7
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS	8-9
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS	10
REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS	11

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and the Board of Aldermen
Town of Pickens, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Pickens, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Pickens, Mississippi's compliance with certain laws and regulations as of September 30, 2017, and for the year then ended. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- I. 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:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
BankPlus	General	\$ 37,587
BankPlus	General/Fire	63,912
BankPlus	Fire Escrow Account	1,592
BankPlus	Trust/Unemployment	3,065
BankPlus	Clearing	6,989
BankPlus	Payroll Clearing	780
Total General Fund		\$ <u>113,925</u>
BankPlus	Water/Sewer	\$ 337,278
BankPlus	Water/Sewer Deposits	45,473
BankPlus	Water/Sewer CDBG	0
Total Water/Sewer		\$ <u>382,751</u>

2. We confirmed with the bank the certificates of deposits owned by the Town. All investment transactions were in compliance with Section 21-33-323, Miss. Code Ann. (1972).

<u>Certificate of Deposit</u>	<u>Certificate Number</u>	<u>Balance</u>
BankPlus	1124065385	\$ 5,300
BankPlus	1124065429	5,500
BankPlus	1124065438	10,000
BankPlus	1124065296	30,000
BankPlus	1124065198	25,000
BankPlus	1124065456	29,052
BankPlus	1124065189	25,000
BankPlus	1124065312	15,000
BankPlus	1124065606	11,620
BankPlus	1124065474	5,000
BankPlus	1124065580	93,323
BankPlus	1124065465	15,000
BankPlus	1124065161	20,000
BankPlus	1124065170	15,000
BankPlus	1124065303	12,000
BankPlus	1124065394	10,000
BankPlus	1124065287	25,000
Total		\$ <u>351,795</u>

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
- Verified use of certified county assessment rolls and traced levies to governing body minutes;
 - Examined uncollected taxes for proper handling, including tax sales;
 - Traced distribution of taxes collected to proper funds; and
 - 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).

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).

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. A statement of payments made by DFA for the fourth quarter was not made available; therefore, this schedule does not include such payments. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Fire Protection Allocation	General	\$ 6,478
Gasoline Tax	General	3,470
Mayor Health Grant	General	3,894
Sales Tax Allocation	General	78,332
Nuclear Plant - Payments in Lieu	General	21,489
Liquor Privilege Tax	General	900
Homestead Exemption	General	12,619
Other Aid	General	95
Total		<u>\$ 127,277</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 Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	25
Total Dollar Value of Sample	\$ 91,721

We found the municipality's purchasing procedures to be in agreement with the requirements of the abovementioned sections.

6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk settled daily with the municipal clerk. We 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.

We found the municipality to be in agreement with the requirements of the abovementioned sections.

7. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Town of Pickens and the Office of the State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink, appearing to read "Windham and Lacey, PLLC". The signature is written in a cursive, flowing style.

Windham and Lacey, PLLC
August 28, 2020

**TOWN OF PICKENS, MISSISSIPPI
FINANCIAL STATEMENTS**

SEPTEMBER 30, 2017

Windham and Lacey, PLLC

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ACCOUNTANT'S COMPILATION REPORT

To the Mayor and the Board of Aldermen
Town of Pickens, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities of the Town of Pickens, Mississippi, for the year ended September 30, 2017. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

The management of the Town of Pickens, Mississippi, is responsible for the preparation and fair presentation of the financial statements 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 statements.

Management has not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from the cash basis transactions for the Town's governmental activities and business-type activities are not reasonably determinable.

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 statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information contained in the Schedule of Surety Bonds for Municipal Officials has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated August 28, 2020, on the results of our agreed-upon procedures.

A handwritten signature in cursive script, appearing to read "Windham and Lacey, PLLC".

Windham and Lacey, PLLC
August 28, 2020

TOWN OF PICKENS
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the Year Ended September 30, 2017

	Governmental Activities Major Fund	Business-type Activities Major Fund
	General Fund	Water & Sewer Fund
RECEIPTS		
General property taxes	\$ 190,799	
License and permits	20,653	
Intergovernmental revenues:		
General municipal aid:		
State shared revenues:		
Sales taxes	78,332	
Gasoline tax	3,470	
Alcoholic beverage tax	900	
Fire protection allocation	6,978	
Tax loss 65 and over	12,618	
Mayor health grant	3,894	
Fines and forfeits	26,158	
Charges for services:		
Water		225,646
Sewer		86,981
Garbage		123,337
Interest income	370	230
Other receipts	11,040	21,140
Total Receipts	<u>355,212</u>	<u>457,334</u>
DISBURSEMENTS		
General government	87,727	
Public safety:		
Court	29,738	
Police	182,576	
Fire	3,491	
Public works:		
Streets	22,326	
Care and maintenance	1,947	
Parks	1,096	
Library	35,389	
Health and welfare	4,669	
Water, sewer and garbage:		
Personal services		197,144
Supplies		104,544
Utilities		27,441
Other services and charges		34,166
Total Disbursements	<u>368,959</u>	<u>363,295</u>
Excess of Receipts Over (Under) Disbursements	<u>(13,747)</u>	<u>94,039</u>

(Continued)

TOWN OF PICKENS
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the Year Ended September 30, 2017

	Governmental Activities Major Fund	Business-type Activities Major Fund
	General Fund	Water & Sewer Fund
OTHER CASH SOURCES (USES)		
Capital outlay equipment		(4,650)
Transfer in	45,000	
Transfer out	(40,584)	(47,538)
Total Other Cash Sources and (Uses)	4,416	(52,188)
Net Changes in Cash	(9,331)	41,851
Cash - Beginning	300,660	507,570
Cash - Ending	\$ 291,329	549,421

See accompanying accountant's compilation report.

TOWN OF PICKENS
Schedule of Surety Bonds for Municipal Officials
September 30, 2017

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Rayfield Washington	Mayor	Travelers Casualty and Surety Co.	\$ 25,000
William Primer, Jr.	Mayor	Travelers Casualty and Surety Co.	\$ 25,000
Etta Greer	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
David J. Johnson	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
William Primer, Jr.	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
William D. Edwards	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
James Earl White	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
Laura Moore	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
Marion Crayton	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
Tonya F. Jones	Alderman	Travelers Casualty and Surety Co.	\$ 25,000
Felesia Edwards	Town Clerk	Travelers Casualty and Surety Co.	\$ 50,000
Joe Davis	Police Chief	Travelers Casualty and Surety Co.	\$ 50,000
Gwendolyn Harris	Deputy Town Clerk	Travelers Casualty and Surety Co.	\$ 50,000
Felesia Edwards	Municipal Court Clerk	Travelers Casualty and Surety Co.	\$ 50,000
Joe Davis	Deputy Court Clerk	Travelers Casualty and Surety Co.	\$ 50,000
Flora Holmes	Water Billing Clerk	Travelers Casualty and Surety Co.	\$ 25,000
	Police Officers	Travelers Casualty and Surety Co.	\$ 25,000

See accompanying accountant's compilation report.

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REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and the Board of Aldermen
Town of Pickens, 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 of the Town of Pickens, Mississippi, for the year ended September 30, 2017, 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 generally accepted accounting principles in the United States of America.

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

With respect to the items tested, the results of those procedures and 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 Pickens, Mississippi, for the year ended September 30, 2017, disclosed no instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of management 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.



Windham and Lacey, PLLC
August 28, 2020