

## 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 SHUBUTA, MISSISSIPPI  
AGREED-UPON PROCEDURES**

**SEPTEMBER 30, 2022**

# **TOWN OF SHUBUTA, MISSISSIPPI**

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# Windham and Lacey, PLLC

## *Certified Public Accountants*

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### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and the Board of Aldermen  
Town of Shubuta, 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 Shubuta, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Shubuta, Mississippi's compliance with certain laws and regulations as of September 30, 2022, 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:

1. We were able to reconcile cash on deposit with the following banks to balances in the respective general ledger accounts and obtain confirmation of the related balances from the banks.

<u>Bank</u>	<u>Fund/Account Name</u>	<u>Balance per General Ledger</u>
Bank Plus	General Fund Checking	\$ 114,083
Bank Plus	Ballpark Checking	1,020
Bank Plus	First Money Fund	4,807
Bank Plus	Multi-Purpose Bldg.	2,567
Bank Plus	Insurance Account	75
Bank Plus	Police Department	251
Bank Plus	Fire Protection Fund	2,020
Bank Plus	Mayor Health Council	1,667
Bank Plus	Renovation	<u>200,000</u>
	Total General Fund	\$ <u>326,490</u>

(Continued)

<u>Bank</u>	<u>Fund/Account Name</u>	<u>Balance per General Ledger</u>
Bank Plus	W&S Checking	\$ 33,370
Bank Plus	Meter Deposit Account	5,252
Bank Plus	CDBG Grant	(1)
Bank Plus	CDBG Grant	15
Bank Plus	Bond & Interest Account	(700)
Bank Plus	Reserve Fund	55,766
Bank Plus	Water Cap Fund	<u>(340)</u>
	Total W/S Fund	\$ <u>93,362</u>
Bank Plus	Sanitation Checking	\$ <u>169</u>
	Total Sanitation Fund	\$ <u>169</u>

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees.

<u>Bank</u>	<u>Fund/Account Name</u>	<u>Balance per General Ledger</u>
Bank Plus CD	General Fund	\$ 20,019
Bank Plus CD	General Fund	40,133
Bank Plus CD	General Fund	10,275
Bank Plus CD	General Fund	10,098
Bank Plus CD	General Fund	20,196
Bank Plus CD	General Fund	10,409
Bank Plus CD	General Fund	10,021
First State Bank CD	General Fund	<u>16,648</u>
	Total General Fund	\$ <u>137,799</u>

3. We obtained a list of payments made by the Department of Finance and Administration (DFA) to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Grantor Payments Nontaxable	General Fund	\$ 16,535
Gasoline Tax	General Fund	1,254
General Municipal Aid	General Fund	220
Homestead Exemption Reimbursement	General Fund	9,131
Fire Protection Allocation	General Fund	5,131
Utility Relocation	General Fund	120,350
Grantor Payments on Behalf of Grantee	General Fund	200,000
Sales Tax Allocation	General Fund	47,984
Other Aid	General Fund	<u>88,826</u>
Total		\$ <u>489,431</u>

4. 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	8
Total Dollar Value of Sample	\$ 104,650

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

5. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the Town not to be in compliance with the requirements of the abovementioned sections.

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

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

- Traced levies to governing body minutes;
- 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).

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 Shubuta, Mississippi, 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.



Windham and Lacey, PLLC  
August 14, 2024

**TOWN OF SHUBUTA, MISSISSIPPI  
FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

# Windham and Lacey, PLLC

## *Certified Public Accountants*

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### ACCOUNTANTS' COMPILATION REPORT

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

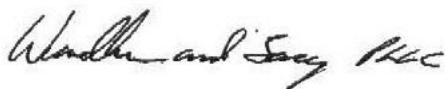
Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities, of the Town of Shubuta, Mississippi, for the year ended September 30, 2022, in accordance with the cash-basis of accounting, and for determining that the cash-basis of accounting is an acceptable financial reporting framework. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statement is prepared 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.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements prepared in accordance with the cash-basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is 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 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 other information contained in the Schedule of Long-term Debt and the Schedule of Surety Bonds for Town Officials has been compiled from information that is the representation of management. We have not audited or reviewed the other information and accordingly, we do not express an opinion or provide any assurance on such other information.



Windham and Lacey, PLLC  
August 14, 2024



TOWN OF SHUBUTA, MISSISSIPPI  
Statement of Cash Receipts and Disbursements  
Governmental and Business-type Activities  
For the Year Ended September 30, 2022

	Governmental Funds			Proprietary Funds		
	General Fund	Renovation Fund	Total Governmental Funds	Water & Sewer Fund	Sanitation Fund	Total Proprietary Funds
RECEIPTS						
Taxes:						
General property taxes	\$ 54,171		54,171			
Intergovernmental receipts:						
Federal grants	493,555		493,555			
State shared receipts:						
General municipal aid	220		220			
Homestead exemption	9,131		9,131			
Sales tax	47,984		47,984			
Gasoline tax	1,254		1,254			
Fines and forfeits	3,544		3,544			
Franchise tax	16,754		16,754			
Water and sewer utility				249,220	3,086	252,306
Interest income	218		218	70		70
Miscellaneous	5,036		5,036			
Total Receipts	631,867	0	631,867	249,290	3,086	252,376
DISBURSEMENTS						
General government	242,687		242,687			
Public safety	70,443		70,443			
Public works	17,785		17,785			
Water & sewer utility:						
Personal services				51,168		51,168
Materials and supplies				96,902	40,094	136,996
Other expenses				25,896	4,086	29,982
Total Disbursements	330,915	0	330,915	173,966	44,180	218,146

(Continued)

TOWN OF SHUBUTA, MISSISSIPPI  
Statement of Cash Receipts and Disbursements  
Governmental and Business-type Activities  
For the Year Ended September 30, 2022

	Governmental Funds			Proprietary Funds		
	General Fund	Renovating Fund	Total Governmental Fund	Water & Sewer Fund	Sanitation Fund	Total Proprietary Total
OTHER CASH SOURCES (USES)						
Principal on long-term debt				(20,881)		(20,881)
Interest on long-term debt				(3,383)		(3,383)
Transfer in out	(206,131)	200,000	(6,131)	(32,072)	38,203	6,131
Total Other Cash Sources and (uses)	(206,131)	200,000	(6,131)	(56,336)	38,203	(18,133)
Excess of Receipts Over (Under) Disbursements	94,821	200,000	294,821	18,988	(2,891)	16,097
Cash - Beginning	169,467		169,467	74,374	3,060	77,434
Cash - Ending	\$ 264,288	200,000	464,288	93,362	169	93,531

See accompanying Accountants' Compilation Report.

TOWN OF SHUBUTA, MISSISSIPPI  
Schedule of Long-term Debt - UNAUDITED  
For the Fiscal Year Ended September 30, 2022

Definition and Purpose	Balance Outstanding Sept. 30, 2021	Issued	Redeemed	Balance Outstanding Sept. 30, 2022
MS Development Authority	\$ 92,877		(8,940)	83,937
Bank Plus - 2021 Ford F350	42,618		(9,017)	33,601
John Deere Financial - Lawn Mower	<u>7,314</u>		<u>(2,924)</u>	<u>4,390</u>
Total	\$ <u>142,809</u>	<u>0</u>	<u>(20,881)</u>	<u>121,928</u>

See accompanying Accountants' Compilation Report.

TOWN OF SHUBUTA, MISSISSIPPI  
Schedule of Surety Bonds for Town Officials - UNAUDITED  
September 30, 2022

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Coverage</u>
Cleveland W. Peebles	Mayor	MS Municipal Bond Program	\$ 50,000
Toria Hozie-Miles	Alderwoman	MS Municipal Bond Program	\$ 25,000
Dora McFarland	Alderwoman	MS Municipal Bond Program	\$ 25,000
Charles Williams	Alderman	MS Municipal Bond Program	\$ 25,000
Latricia M. McCarty	Alderwoman	MS Municipal Bond Program	\$ 25,000
Everett L. Heildelberg	Alderman	MS Municipal Bond Program	\$ 25,000
Kutrinah Nelson	Town Clerk	Travelers	\$ 50,000

See accompanying Accountants' Compilation Report.

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### REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

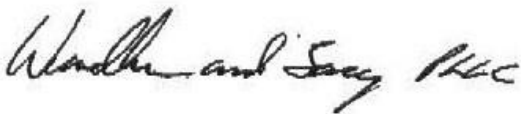
To the Mayor and the Board of Aldermen  
Town of Shubuta, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, the Schedule of Long-term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Shubuta, Mississippi, for the year ended September 30, 2022, 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, the Schedule of Long-term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Shubuta, Mississippi, for the year ended September 30, 2022, disclosed no material 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 14, 2024