

## 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 SEBASTOPOL, MISSISSIPPI  
AGREED-UPON PROCEDURES**

**SEPTEMBER 30, 2023**

**TOWN OF SEBASTOPOL, MISSISSIPPI**

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# Windham and Lacey, PLLC

## Certified Public Accountants

2708 Old Brandon Road  
 Pearl, MS 39208  
 (601)939-8676 Fax (601)939-8761  
 windhamandlacey.com

P. O. Box 759  
 Crystal Springs, MS 39059  
 (601)892-4001 Fax (601)892-5978

Members:  
 American Institute of CPAs  
 Mississippi Society of CPAs

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

To the Mayor and the Board of Aldermen  
 Town of Sebastopol, 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 Sebastopol, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Sebastopol, Mississippi's compliance with certain laws and regulations as of September 30, 2023, 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 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:

Bank	Fund/Account Name	Balance per General Ledger
The Citizens Bank	General - Operating Account	\$ 197,421
The Citizens Bank	General - Clearing Account	11,939
The Citizens Bank	General - Street Maintenance Account	28,546
The Citizens Bank	General - Sebastopolooza Account	10,238
The Citizens Bank	General - Seized Property Account	3,416
Total General Fund		\$ 251,560
The Citizens Bank	Special Revenue - Fire - Operating Account	\$ 41,688
The Citizens Bank	Special Revenue - Mod Use Tax - Operating	38,511
The Citizens Bank	Special Revenue - SB2971	64,098
The Citizens Bank	Special Revenue - HB603	250,005
The Citizens Bank	Special Revenue - HB1353	25,059
The Citizens Bank	Special Revenue - ARPA	(80)
Total Special Revenue		\$ 419,281

2. The Town has no securities held for investments.

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Traced levies to governing body minutes;
  - b. Traced distribution of taxes collected to proper funds; and
  - c. 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 found the town to be in agreement with the requirements of the abovementioned sections.

4. 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>
Sales Tax Allocation	General	\$ 289,699
Gasoline Tax	General	815
General Municipal Aid	General	133
Homestead Exemption Reimbursement	General	2,163
Fire Protection Allocation	General	7,489
TVA Payments in Lieu of Taxes	General	4,774
Grantor Payments Nontaxable	General	64,229
HB1353	HB1353	25,000
HB603	HB603	250,000
Other Aid: Modernization Tax	Mod Use Tax	48,219
 Total		 <u>\$ 692,521</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	12
Total Dollar Value of Sample	\$ 185,073

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 properly with the Department of Finance and Administration.

We found the Town 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, except that an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor has not been completed.

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 Sebastopol 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 cursive script that reads "Windham and Lacey, PLLC".

Windham and Lacey, PLLC  
June 4, 2024

**TOWN OF SEBASTOPOL, MISSISSIPPI  
FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2023**

# Windham and Lacey, PLLC

*Certified Public Accountants*

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windhamandlacey.com

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## ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, of the Town of Sebastopol, Mississippi, for the year ended September 30, 2023, 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 supplementary 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 supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.



Windham and Lacey, PLLC  
June 4, 2024



TOWN OF SEBASTOPOL, MISSISSIPPI  
Statement of Cash Receipts and Disbursements  
Governmental Activities  
For the Year Ended September 30, 2023

	Governmental Activities				
	Major Funds			Non-Major Funds	Total
	General Fund	SB2971 Fund	HB603 Fund		
<b>RECEIPTS</b>					
Taxes:					
General property taxes	\$ 200,501				200,501
Road and bridge and privilege taxes	54,215				54,215
Licenses and permits:					
Utility franchise charges	11,677				11,677
Privilege licenses	10,451				10,451
Intergovernmental receipts:					
State grants:					
SMLPC grant	62,229				62,229
Covid grant	2,000				2,000
HB603 grant			250,000		250,000
HB1353 grant				25,000	25,000
State shared receipts:					
General municipal aid	133				133
Homestead exemption	2,163				2,163
Sales taxes	289,699				289,699
Gasoline taxes	815				815
TVA payments in lieu of taxes	4,774				4,774
Modernization tax				48,219	48,219
County grants:					
Fire allocation	8,250				8,250
Fines and forfeits	43,994				43,994
Charges for services:					
Recreation programs	41,983				41,983
Sebastopolooza sponsorships, sales and fees	13,261				13,261
Interest income	5,496	3,899	5	2,955	12,355
Other receipts	2,069				2,069
Total Receipts	<u>753,710</u>	<u>3,899</u>	<u>250,005</u>	<u>76,174</u>	<u>1,083,788</u>
<b>DISBURSEMENTS</b>					
General government	357,928				357,928
Public safety:					
Police	143,091				143,091
Fire	15,928			2,641	18,569
Public works				128,851	128,851
Culture and recreation	185,772	140,412			326,184
Total Disbursements	<u>702,719</u>	<u>140,412</u>	<u>0</u>	<u>131,492</u>	<u>974,623</u>

(Continued)

TOWN OF SEBASTOPOL, MISSISSIPPI  
Statement of Cash Receipts and Disbursements  
Governmental Activities  
For the Year Ended September 30, 2023

	Governmental Activities				Total
	Major Funds			Non-Major Funds	
	General Fund	SB2971 Fund	HB603 Fund		
OTHER CASH SOURCES (USES)					
Principal paid bonds and notes	(14,634)				(14,634)
Interest paid on bonds and notes	(6,305)				(6,305)
Transfer in out	38,106				38,106
Total Other Cash Sources (Uses)	<u>17,167</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,167</u>
Excess of Receipts Over (Under) Disbursements	68,158	(136,513)	250,005	(55,318)	126,332
Cash - Beginning	<u>183,402</u>	<u>200,611</u>	<u>0</u>	<u>160,496</u>	<u>544,509</u>
Cash - Ending	<u>\$ 251,560</u>	<u>64,098</u>	<u>250,005</u>	<u>105,178</u>	<u>670,841</u>

See accompanying accountants' compilation report.

TOWN OF SEBASTOPOL, MISSISSIPPI  
Schedule of Long-term Debt  
For the Fiscal Year Ended September 30, 2023

<u>Definition and Purpose</u>	<u>Balance Outstanding Oct. 1, 2022</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance Outstanding Sept. 30, 2023</u>
Bank of Forest, Promissory Note, dated August 3, 2017, monthly payments of \$1,044.87, including interest of 3.900% per annum, purchase building for community center	\$ 141,080		(7,164)	133,916
The Citizens Bank, Promissory Note, Dated August 1, 2022, monthly payments of \$589.85, including interest of 3.23%, maturity 8/1/2027, 2022 Ford Explorer	<u>31,576</u>		<u>(7,470)</u>	<u>24,106</u>
Total	<u>\$ 172,656</u>	<u>0</u>	<u>(14,634)</u>	<u>158,022</u>

See accompanying accountants' compilation report.

TOWN OF SEBASTOPOL, MISSISSIPPI  
 Schedule of Surety Bonds for Municipal Officials and Employees  
 September 30, 2023

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Coverage</u>
Jeff Taylor	Alderman	Travelers	\$ 50,000
Randy Peoples	Alderman	Travelers	\$ 50,000
Al Eason	Alderman	Travelers	\$ 50,000
Renita Wilcher	Alderwoman	Travelers	\$ 50,000
Tarah Boykin	Alderwoman	Travelers	\$ 50,000
Greg McGarrity	Mayor	Travelers	\$ 50,000
Michelle Anderson	Municipal Clerk	Travelers	\$ 50,000
Justin McDill	Deputy Municipal Court Clerk	Travelers	\$ 50,000
Michelle Anderson	Municipal Court Clerk	Travelers	\$ 50,000
Justin McDill	Police Chief	Travelers	\$ 50,000

See accompanying accountants' compilation report.

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## **REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

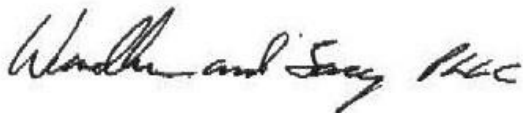
To the Mayor and the Board of Aldermen  
Town of Sebastopol, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities, Schedule of Long-term Debt and Schedule of Surety Bonds for Municipal Officials and Employees of the Town of Sebastopol, Mississippi, 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 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 Activities, Schedule of Long-term Debt and Schedule of Surety Bonds for Municipal Officials and Employees of the Town of Sebastopol, Mississippi, for the year ended September 30, 2023, 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  
June 4, 2024