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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 STONEWALL, MISSISSIPPI

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
AND ACCOUNTANTS' COMPILATION REPORT**

For the Fiscal Year Ended September 30, 2024

JUN 10 2025

TOWN OF STONEWALL, MISSISSIPPI

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L. Reeves CPA, PLLC

CERTIFIED PUBLIC ACCOUNTANT

305 PARK RIDGE DRIVE

BRANDON, MS 39042

601-624-0777

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Members of the Board of Aldermen
Town of Stonewall, Mississippi

We have performed the procedures enumerated below on cash, ad valorem taxes, state receipts, disbursements, court assessments and the municipal compliance questionnaire of the Town of Stonewall, Mississippi as of September 30, 2024, and for the year then ended. The Town of Stonewall, Mississippi's management is responsible for cash, ad valorem taxes, state receipts, disbursements, court assessments and the municipal compliance questionnaire.

The Town of Stonewall, Mississippi has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with requirements of the Office of the State Auditor under the provisions of Section 21-35-31, Miss. Code Ann. (1972). This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained cash reconciliations prepared by the municipal clerk and performed procedures to determine that the following bank balances reconcile to the respective general ledger accounts and confirmed the related bank balances with the bank:

Bank	Fund	Balance per General Ledger
BankPlus	General Fund	\$ 301,672
BankPlus	General Fund	80,786
BankPlus	General Fund	27,056
BankPlus	General Fund	5,141
Total General Fund		<u>\$ 414,655</u>
BankPlus	Economic Development Fund	<u>\$ 90,244</u>
BankPlus	American Rescue Plan Fund	<u>\$ 48,248</u>
BankPlus	Modernization Use Tax Fund	<u>\$ 134,640</u>

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
BankPlus	Grant Fund	\$ 1,989
BankPlus	Grant Fund	1,303
BankPlus	Grant Fund	16,499
BankPlus	Grant Fund	4,635
Total Grant Fund		<u>\$ 24,426</u>
BankPlus	Fire Protection Fund	<u>\$ 39,539</u>
BankPlus	Water & Sewer Fund	\$ 79,899
BankPlus	Water & Sewer Fund	28,570
Total Water and Sewer Fund		<u>\$ 108,469</u>
BankPlus	Sanitation Fund	<u>\$ 71,757</u>

Cash reconciliations prepared by the municipal clerk for the above bank accounts reconcile to the respective general ledger accounts.

2. 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 compliance with increase limitations of Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The levies were found to be properly approved by the board of alderman.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to have not exceeded the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

3. We obtained a statement of payments from the Department of Finance and Administration for the municipality and traced payments to deposit in the respective bank accounts and posting in the general ledger. Payments are as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Balance Per General Ledger</u>
JAG Grant	General Fund	\$ 4,899
Sales Tax Allocation	General Fund	58,577
Municipal Aid	General Fund	439
Gasoline Taxes	General Fund	2,692
Homestead Exemption	General Fund	24,000
Modernization Use Tax	Modernization Use Tax Fund	67,236
Fire Rebate	Other Governmental Funds	21,964
CDBG Grant	Water & Sewer Fund	546,432
		<u>\$ 726,239</u>

All payments were found to be deposited into the respective bank accounts and posted in the general ledger.

4. We 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, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items:	25
Total Dollar Value of Sample:	\$19,690.90

We found that the municipality's purchasing procedures as it related to the sampled purchases to be in compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972).

5. 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 that the municipality appears to have settled monthly as required by state statute.

6. We have read the Municipal Compliance Questionnaire completed by the municipality and performed a survey to test its compliance with state requirements.

Our completed survey indicated no instances of noncompliance with state requirements.

We also examined surety bonds and determined all officials were appropriately bonded for the fiscal year.

We were engaged by the Town of Stonewall, Mississippi to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on cash, ad valorem taxes, state receipts, disbursements, court assessments and the municipal compliance questionnaire. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town of Stonewall, Mississippi and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Town of Stonewall, Mississippi and the Office of the State Auditor of Mississippi and is not intended to be and should not be used by anyone other than those specified parties.

L. Reeves, CPA, PLLC

L. Reeves CPA, PLLC
Brandon, Mississippi
May 29, 2025

L. Reeves CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANT
305 PARK RIDGE DRIVE
BRANDON, MS 39042
601-624-0777

ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Members of the Board of Aldermen
Town of Stonewall, Mississippi

Management is responsible for the accompanying combined statement of cash receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stonewall, Mississippi as of and for the year ended September 30, 2024, 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 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. We did not audit or review the combined statement of cash receipts and disbursements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on the financial statement.

The combined statement of cash receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information 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 financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the combined statement of receipts and disbursements, they might influence the user's conclusions about the Town's receipts and disbursements. Accordingly, the combined statement of receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information is not designed for those who are not informed about such matters.

The supplementary information contained on pages 7 through 9 is presented for purposes of additional analysis and is not a required part of the combined statement of receipts and disbursements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

L. Reeves, CPA, PLLC

L. Reeves CPA, PLLC
Brandon, Mississippi
May 29, 2025

TOWN OF STONEWALL, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Governmental Activities						Business-type Activities		
	Major Funds					Total	Major Funds		Total
	General Fund	Economic Development Fund	American Rescue Plan Fund	Modernization Use Tax Fund	Other Governmental Funds		Water and Sewer Fund	Sanitation Fund	
Receipts									
Taxes:									
General Property Taxes	\$ 296,340	\$ -	\$ -	\$ -	\$ -	\$ 296,340	\$ -	\$ -	\$ -
Other Taxes	3,372	-	-	-	-	3,372	-	-	-
Licenses and Permits:									
Privilege Licenses	1,310	-	-	-	-	1,310	-	-	-
Franchise Charges - Utilities	44,756	-	-	-	-	44,756	-	-	-
Intergovernmental Receipts:									
Federal Receipts:									
JAG Grant	4,899	-	-	-	-	4,899	-	-	-
CDBG Grant	-	-	-	-	-	-	546,432	-	546,432
State-shared Receipts:									
Municipal Aid	439	-	-	-	-	439	-	-	-
Sales Tax	58,577	-	-	-	-	58,577	-	-	-
Gasoline Tax	2,692	-	-	-	-	2,692	-	-	-
Homestead Exemption	24,000	-	-	-	-	24,000	-	-	-
Fire Rebate	-	-	-	-	21,964	21,964	-	-	-
Modernization Use Tax	-	-	-	67,236	-	67,236	-	-	-
Local-shared Receipts:									
Pro Rata County Road Tax	32,529	-	-	-	-	32,529	-	-	-
Other County Ad Valorem	2,685	-	-	-	-	2,685	-	-	-
Fire Runs	13,761	-	-	-	-	13,761	-	-	-
Charges for Services:									
Water Utility Service Fees	-	-	-	-	-	-	253,400	-	253,400
Sanitation	-	-	-	-	-	-	-	72,980	72,980
Fines and Forfeitures	18,753	-	-	-	-	18,753	-	-	-
Interest Earnings	8,515	1,620	1,540	2,176	1,098	14,949	2,052	1,362	3,414
Rental of Facilities	3,650	18,000	-	-	-	21,650	-	-	-
Cemetery Plot Sales	1,500	-	-	-	-	1,500	-	-	-
Miscellaneous Receipts	16,116	-	-	-	-	16,116	-	730	730
Proceeds from Debt	43,998	-	-	-	-	43,998	42,000	-	42,000
Total Receipts	577,892	19,620	1,540	69,412	23,062	691,526	843,884	75,072	918,956
Disbursements									
General Government									
(Executive & Financial)	131,816	-	-	-	-	131,816	-	-	-
Public Safety:									
Police	188,718	-	-	-	2,300	191,018	-	-	-
Fire	15,006	-	-	-	-	15,006	-	-	-
Highways and Streets	159,701	-	-	23,523	-	183,224	-	-	-
Health and Welfare	18,510	-	-	-	-	18,510	-	-	-
Culture and Recreation:									
Parks	6,042	-	-	-	-	6,042	-	-	-
Libraries	12,671	-	-	-	-	12,671	-	-	-
Conservation of Natural Resources	-	-	37,531	-	-	37,531	-	-	-
Enterprises:									
Water and Sewer Utility	-	-	-	-	-	-	801,403	-	801,403
Sanitation Utility	-	-	-	-	-	-	-	69,254	69,254
Redemption of Principal	13,039	-	-	-	-	13,039	4,801	-	4,801
Debt Service Interest	4,855	-	-	-	-	4,855	3,944	-	3,944
Total Disbursements	550,358	-	37,531	23,523	2,300	613,712	810,148	69,254	879,402
Excess (Deficiency) of Receipts Over / (Under) Disbursements	27,534	19,620	(35,991)	45,889	20,762	77,814	33,736	5,818	39,554
Cash Basis Fund Balance - Beginning of Year	399,917	70,624	84,239	88,751	43,202	686,733	89,214	71,364	160,578
Prior Period Adjustment									
- Correct Beginning Fund Balance	(12,796)	-	-	-	-	(12,796)	(14,481)	(5,425)	(19,906)
Cash Basis Fund Balance - Restated	387,121	70,624	84,239	88,751	43,202	673,937	74,733	65,939	140,672
Cash Basis Fund Balance - End of Year	\$ 414,655	\$ 90,244	\$ 48,248	\$134,640	\$ 63,964	\$ 751,751	\$ 108,469	\$ 71,757	\$ 180,226

See accountants' compilation report.

SUPPLEMENTARY INFORMATION

TOWN OF STONEWALL, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2024

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Jerry L Rich	Mayor	Old Republic Surety Company	\$ 50,000
Glynis D Banes	Town Clerk	Old Republic Surety Company	50,000
Kent Stephens	Chief of Police	NGM Insurance Company / RLI Insurance Company	50,000
Pamela Tew	Court Clerk	NGM Insurance Company / RLI Insurance Company	50,000
Greg Mangum	Alderman	RLI Insurance Company	50,000
Ricky Carpenter	Alderman	RLI Insurance Company	50,000
Kimberley Street	Alderman	RLI Insurance Company	50,000
Richard Smith	Alderman	Old Republic Surety Company	50,000
Shanna Starks	Alderman	NGM Insurance Company / Old Republic Surety Company	50,000
Pamela Tew	Clerk	RLI Insurance Company	50,000

See accountants' compilation report.

**TOWN OF STONEWALL, MISSISSIPPI
SCHEDULE OF CHANGES IN LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Definition and Purpose	Balance Outstanding 10/1/2023	Transactions During Fiscal Year		Balance Outstanding 9/30/2024
		Issued	Redeemed	
2019 Dodge Charger	7,473	-	7,473	-
2023 Dodge Ram	-	42,000	4,801	37,199
2023 For Explorer	-	43,998	5,566	38,432
Total	<u>\$ 7,473</u>	<u>\$ 85,998</u>	<u>\$ 17,840</u>	<u>\$ 75,631</u>

See accountants' compilation report.

**TOWN OF STONEWALL, MISSISSIPPI
SOLID WASTE MANAGEMENT SERVICES SCHEDULE
FULL COST ACCOUNTING
SUMMARY OF COST REPORTING
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Revenue:

Garbage Fees	\$	72,980	
Interest Income		1,362	
Miscellaneous Income		<u>730</u>	
Total Revenue			75,072

Expenses:

Contractual Services		<u>69,254</u>	
Total Expenses			<u>69,254</u>

Excess (Deficiency) of Revenue Over Expenses		\$	<u>5,818</u>
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Number of Users			<u>424</u>
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Average Annual Cost Per User		\$	<u>163</u>
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See accountants' compilation report.

L. Reeves CPA, PLLC

CERTIFIED PUBLIC ACCOUNTANT

305 PARK RIDGE DRIVE

BRANDON, MS 39042

601-624-0777

ACCOUNTANTS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Members of the Board of Aldermen
Town of Stonewall, Mississippi

We have compiled the combined statement of cash receipts and disbursements of the Town of Stonewall, Mississippi, as of and for the year ended September 30, 2024, and performed certain other agreed-upon procedures as required by the Office of the State Auditor of Mississippi and have issued our report dated May 29, 2025.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our compilation and, accordingly, we do not express such an opinion.

The results of those agreed-upon procedures and our compilation of the statement of cash receipts and disbursements disclosed no material instances of noncompliance with state laws and regulations.

This report is intended for the information of the Town's management 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.

L. Reeves, CPA, PLLC

L. Reeves CPA, PLLC
Brandon, Mississippi
May 29, 2025