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**TOWN OF SEBASTOPOL, MISSISSIPPI  
AGREED-UPON PROCEDURES**

**SEPTEMBER 30, 2016**

**TOWN OF SEBASTOPOL, MISSISSIPPI  
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# Windham and Lacey, PLLC

*Certified Public Accountants*

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2708 Old Brandon Road  
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 (601)939-8676

Members:  
 American Institute of CPAs  
 Mississippi Society of CPAs

## INDEPENDENT ACCOUNTANT'S 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, 2016, 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	\$ 67,410
The Citizens Bank	General - Clearing Account	(1,767)
The Citizens Bank	General - Street Maintenance Account	28,592
The Citizens Bank	General - Sebastopolooza Account	7,238
The Citizens Bank	General - Seized Property Account	4,507
Total General Fund		\$ 105,980
The Citizens Bank	Special Revenue - Fire - Operating Account	\$ 28,110
Total Special Revenue - Fire - Operating Account		\$ 28,110

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).
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:

Payment Purpose	Receiving Fund	General Ledger Amount
Sales Tax Allocation	General	\$ 201,417
Gasoline Tax	General	833
General Municipal Aid	General	136
Homestead Exemption Reimbursement	General	1,938
TVA Payments in Lieu of Taxes	General	3,007
Other Aid: State of MS Police Grant	General	1,686
Fire Protection Allocation	Special Revenue Fund - Fire	1,744
 Total		 \$ <u>210,761</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	14
Total Dollar Value of Sample	\$ 82,866

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

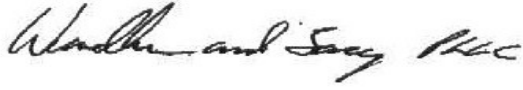
6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled properly with the Department of Finance and Administration but however, did not settle monthly.

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 with state requirements.
8. The Town has no long-term debt. Therefore, no long-term debt schedule is presented.

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  
July 31, 2017

**TOWN OF SEBASTOPOL, MISSISSIPPI  
FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2016**

# Windham and Lacey, PLLC

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## ACCOUNTANT'S COMPILATION REPORT

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 of the Town of Sebastopol, Mississippi, for the year ended September 30, 2016. 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 Sebastopol, 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. 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 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 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.



In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated July 31, 2017, on the results of our agreed-upon procedures.

A handwritten signature in cursive script that reads "Windham and Lacey, PLLC".

Windham and Lacey, PLLC  
July 31, 2017

Town of Sebastopol  
Statement of Cash Receipts and Disbursements  
Governmental Activities  
For the Year Ended September 30, 2016

	Governmental Activities		
	Major Funds		
	General Fund	Special Revenue Fund - Fire	Total
<b>RECEIPTS</b>			
Taxes:			
General property taxes	\$ 47,734		47,734
Road and bridge and privilege taxes	6,474		6,474
Licenses and permits:			
Utility franchise charges	8,262		8,262
Privilege licenses	1,191		1,191
Intergovernmental receipts:			
State grants			
Police equipment grant	1,686		1,686
State shared receipts			
General municipal aid	136		136
Homestead exemption	1,938		1,938
Sales taxes	201,417		201,417
Fire protection		1,744	1,744
Gasoline taxes	833		833
TVA payments in lieu of taxes	3,007		3,007
County grants			
Fire allocation		14,650	14,650
Fines	84,652		84,652
Charges for services:			
Recreation programs	41,869		41,869
Sebastopolooza sponsorships, sales and fees	21,098		21,098
Other receipts:	17,415		17,415
Total Receipts	<u>437,712</u>	<u>16,394</u>	<u>454,106</u>
<b>DISBURSEMENTS</b>			
General government	140,435		140,435
Public safety:			
Police	172,151		172,151
Fire	8,674		8,674
Public works	23,017		23,017
Culture and recreation	66,508		66,508
Other Disbursements:			
Capital outlay police	8,710		8,710
Capital outlay fire	4,864	22,751	27,615
Total Disbursements	<u>424,359</u>	<u>22,751</u>	<u>447,110</u>
Excess of Receipts over (under) Disbursements	13,353	(6,357)	6,996
Cash - Beginning	<u>92,627</u>	<u>34,467</u>	<u>127,094</u>
Cash - Ending	<u>\$ 105,980</u>	<u>28,110</u>	<u>134,090</u>

See accompanying accountant's compilation report.

Town of Sebastopol  
 Schedule of Surety Bonds for Municipal Officials and Employees  
 September 30, 2016

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Coverage</u>
Jeff Taylor	Alderman	Travelers	\$ 10,000
Randy Peoples	Alderman	Travelers	10,000
Al Easom	Alderman	Travelers	10,000
Renita Landrum	Alderman	Travelers	10,000
Larry Bennett	Alderman	Travelers	10,000
Greg McGarrity	Mayor	Travelers	25,000
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
Chad Moorehead	Police Officer	Travelers	25,000
Scotty McPhail	Police Officer	Travelers	25,000
Daniel Ogletree	Police Officer	Travelers	25,000
Michael Madden	Police Officer	Travelers	25,000
Jessie Warren	Police Officer	Travelers	25,000

See accompanying accountant's compilation report.

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## REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

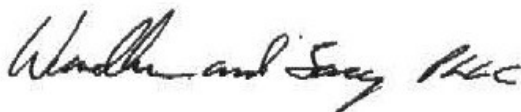
To the Mayor and the Board of Aldermen  
Town of Sebastopol, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental Activities and Schedule of Surety Bonds for Town Officials of the Town of Sebastopol, Mississippi, for the year ended September 30, 2016, 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 and Schedule of Surety Bonds for Town Officials of the Town of Sebastopol, Mississippi, for the year ended September 30, 2016, 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  
July 31, 2017