

TOWN OF UTICA, MISSISSIPPI
AUDITED FINANCIAL STATEMENTS
AND
SPECIAL REPORT

SEPTEMBER 30, 2023

TOWN OF UTICA, MISSISSIPPI

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TOWN OF UTICA, MISSISSIPPI

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Utica, Mississippi, as of and for the year ended September 30, 2023, and the related Notes to the Financial Statements, which collectively comprise the Town of Utica, Mississippi's cash basis financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Utica, Mississippi, as of September 30, 2023, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Utica, Mississippi, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the Town of Utica, Mississippi, prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Utica, Mississippi's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:


- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Utica, Mississippi's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Utica, Mississippi's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Budgetary Comparison Schedule, the Schedule of Changes in Long-term Debt, the Schedule of Investments – All Funds, the Schedule of Capital Assets, the Schedule of Surety Bonds for Municipal Officials and Employees of the Town of Utica, Mississippi, and the corresponding notes, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Windham and Lacey, PLLC
September 24, 2024

TOWN OF UTICA, MISSISSIPPI

FINANCIAL STATEMENTS

TOWN OF UTICA, MISSISSIPPI
Statement of Activities and Net Cash Position - Cash Basis
As of and for the Year Ended September 30, 2023

Functions/Programs	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Cash Position		
		Fines, Fees and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 114,063				(114,063)		(114,063)
Public safety	250,555	27,749	30,387		(192,419)		(192,419)
Public works	163,391	7,359			(156,032)		(156,032)
Sanitation	66,750	62,417			(4,333)		(4,333)
Culture and recreation	600				(600)		(600)
Total Governmental Activities	<u>595,359</u>	<u>97,525</u>	<u>30,387</u>	<u>0</u>	<u>(467,447)</u>	<u>0</u>	<u>(467,447)</u>
Business-type Activities:							
Water/sewer	599,893	235,704		401,147		36,958	36,958
Gas	231,588	262,669		100,000		131,081	131,081
Interest on long-term debt	13,000					(13,000)	(13,000)
Total Business-type Activities	<u>844,481</u>	<u>498,373</u>	<u>0</u>	<u>501,147</u>	<u>0</u>	<u>155,039</u>	<u>155,039</u>
Total Government	<u>\$ 1,439,840</u>	<u>595,898</u>	<u>30,387</u>	<u>501,147</u>	<u>(467,447)</u>	<u>155,039</u>	<u>(312,408)</u>
General Receipts							
Taxes:							
Property taxes					\$ 199,804		199,804
Homestead reimbursement					11,183		11,183
Sales tax					87,247		87,247
Franchise taxes					13,710		13,710
Grants and contributions not restricted to specific programs					1,987		1,987
Unrestricted interest income					310	4,352	4,662
Miscellaneous					29,502		29,502
Proceeds from loan					10,000	(10,000)	
Total General Receipts					<u>353,743</u>	<u>(5,648)</u>	<u>348,095</u>
Change in Net Cash Position					(113,704)	149,391	35,687
Net Cash Position - Beginning					<u>291,176</u>	<u>326,592</u>	<u>617,768</u>
Net Cash Position - Ending					<u>\$ 177,472</u>	<u>475,983</u>	<u>653,455</u>

(Continued)

TOWN OF UTICA, MISSISSIPPI
Statement of Activities and Net Cash Position - Cash Basis
As of and for the Year Ended September 30, 2023

ASSETS	
Cash and cash equivalents	\$ 507,803
Restricted cash	<u>145,652</u>
 Total Assets	 \$ <u><u>653,455</u></u>
 NET CASH POSITION	
Restricted:	
Public safety	\$ 46,643
Public works	94,670
Meter deposits	4,339
Unrestricted	<u>507,803</u>
 Total Net Cash Position	 \$ <u><u>653,455</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF UTICA, MISSISSIPPI
Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental and Business-type Funds
As of and for the Year Ended September 30, 2023

	<u>Governmental Activities</u>				<u>Business-type Activities</u>				
	<u>Major Funds</u>				<u>Major Funds</u>				
	<u>General Fund</u>	<u>ARPA Fund</u>	<u>Fire Fund</u>	<u>Total</u>	<u>Water/Sewer Fund</u>	<u>Gas Fund</u>	<u>CDBG Fund</u>	<u>State Bond Fund</u>	<u>Total</u>
RECEIPTS									
Ad valorem taxes	\$ 199,804			199,804					
Licenses and permits	1,159			1,159					
Fines and forfeitures	27,749			27,749					
Franchise tax on utilities	13,710			13,710					
Intergovernmental revenues:									
Federal revenues:									
Grants	6,000			6,000			350,485		350,485
State shared revenues:									
Sales taxes	87,247			87,247					
Homestead exemption reimbursement	11,183			11,183					
General municipal aid	318			318					
Gasoline tax	1,669			1,669					
Fire protection			9,559	9,559					
Grants	14,828			14,828	50,662			100,000	150,662
Charges for services:									
Garbage	62,417			62,417					
Rental income	6,200			6,200					
Water and sewer utility					235,704	262,669			498,373
Interest income	67	243		310	155	4,197			4,352
Miscellaneous revenue	29,502			29,502					
Total Receipts	<u>461,853</u>	<u>243</u>	<u>9,559</u>	<u>471,655</u>	<u>286,521</u>	<u>266,866</u>	<u>350,485</u>	<u>100,000</u>	<u>1,003,872</u>

(Continued)

TOWN OF UTICA, MISSISSIPPI
Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental and Business-type Funds
As of and for the Year Ended September 30, 2023

	<u>Governmental Activities</u>				<u>Business-type Activities</u>				
	<u>Major Funds</u>				<u>Major Funds</u>				
	<u>General Fund</u>	<u>ARPA Fund</u>	<u>Fire Fund</u>	<u>Total</u>	<u>Water/Sewer Fund</u>	<u>Gas Fund</u>	<u>CDBG Fund</u>	<u>State Bond Fund</u>	<u>Total</u>
DISBURSEMENTS									
General government	\$ 114,063			114,063					
Public safety	240,105		10,450	250,555					
Public works	57,643	16,278		73,921					
Sanitation	66,750			66,750					
Culture and recreation	600			600					
Water and sewer utility and cemetery:									
Personal services					104,286	82,691			186,977
Supplies					32,348	97,636			129,984
Maintenance & repairs					17,110	2,862		8,382	28,354
Utilities					26,400	7,985			34,385
Other expenses					23,311	27,037			50,348
Total Disbursements	<u>479,161</u>	<u>16,278</u>	<u>10,450</u>	<u>505,889</u>	<u>203,455</u>	<u>218,211</u>	<u>0</u>	<u>8,382</u>	<u>430,048</u>
Excess of Receipts Over (Under) Disbursements	<u>(17,308)</u>	<u>(16,035)</u>	<u>(891)</u>	<u>(34,234)</u>	<u>83,066</u>	<u>48,655</u>	<u>350,485</u>	<u>91,618</u>	<u>573,824</u>
OTHER CASH SOURCES (USES)									
Capital outlay		(89,470)		(89,470)	(19,583)	(4,995)	(350,485)		(375,063)
Principal paid on loan purchase					(26,370)				(26,370)
Interest paid on loan purchase					(13,000)				(13,000)
Transfers	10,000			10,000		(10,000)			(10,000)
Total Other Cash Sources and (Uses)	<u>10,000</u>	<u>(89,470)</u>	<u>0</u>	<u>(79,470)</u>	<u>(58,953)</u>	<u>(14,995)</u>	<u>(350,485)</u>	<u>0</u>	<u>(424,433)</u>

(Continued)

TOWN OF UTICA, MISSISSIPPI
Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental and Business-type Funds
As of and for the Year Ended September 30, 2023

	<u>Governmental Activities</u>				<u>Business-type Activities</u>				
	<u>Major Funds</u>				<u>Major Funds</u>				
	<u>General Fund</u>	<u>ARPA Fund</u>	<u>Fire Fund</u>	<u>Total</u>	<u>Water/Sewer Fund</u>	<u>Gas Fund</u>	<u>CDBG Fund</u>	<u>State Bond Fund</u>	<u>Total</u>
Excess (Deficiency) of Receipts and Other Cash Sources Over Disbursements and Other Cash Uses	(7,308)	(105,505)	(891)	(113,704)	24,113	33,660	0	91,618	149,391
CASH BASIS FUND BALANCE – Beginning of Year	<u>43,467</u>	<u>200,175</u>	<u>47,534</u>	<u>291,176</u>	<u>67,630</u>	<u>227,453</u>	<u>359</u>	<u>31,150</u>	<u>326,592</u>
CASH BASIS FUND BALANCE – End of Year	<u>\$ 36,159</u>	<u>94,670</u>	<u>46,643</u>	<u>177,472</u>	<u>91,743</u>	<u>261,113</u>	<u>359</u>	<u>122,768</u>	<u>475,983</u>
CASH BASIS ASSETS – End of Year									
Cash and cash equivalents	\$ 36,159			36,159	87,404	261,113	359	122,768	471,644
Restricted cash		<u>94,670</u>	<u>46,643</u>	<u>141,313</u>	<u>4,339</u>				<u>4,339</u>
Total Cash Basis Assets	<u>\$ 36,159</u>	<u>94,670</u>	<u>46,643</u>	<u>177,472</u>	<u>91,743</u>	<u>261,113</u>	<u>359</u>	<u>122,768</u>	<u>475,983</u>
CASH BASIS FUND BALANCES – End of Year									
Restricted:									
Public safety	\$		46,643	46,643					
Public works		94,670		94,670					
Meter deposits					4,339				4,339
Unassigned	<u>36,159</u>			<u>36,159</u>	<u>87,404</u>	<u>261,113</u>	<u>359</u>	<u>122,768</u>	<u>471,644</u>
Total Cash Basis Fund Balances	<u>\$ 36,159</u>	<u>94,670</u>	<u>46,643</u>	<u>177,472</u>	<u>91,743</u>	<u>261,113</u>	<u>359</u>	<u>122,768</u>	<u>475,983</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF UTICA, MISSISSIPPI

**Notes to Financial Statements
For the Year Ended September 30, 2023**

(1) Summary of Significant Accounting Policies.

A. Financial Reporting Entity.

The Town of Utica, Mississippi, (the Town) is a code-charter municipality governed by an elected mayor and five aldermen. The Town operates under an alderman/mayor form of government and provides all of the rights and privileges provided by statute for municipalities.

The financial statements of the Town have been prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

B. Government-wide and Fund Financial Statements.

The government-wide financial statements (i.e., the Statement of Net Cash Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental receipts, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Town combines the Statement of Activities and Statement of Net Cash Position.

The Statement of Activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. *Direct disbursements* are those that are clearly identifiable with a specific function or segment. *Program receipts* include (1) receipts from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as *general receipts*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation.

The government-wide financial statements are reported using the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when collected and disbursements are recorded when cash is spent.

Governmental fund financial statements are reported using the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when collected and disbursements are recorded when cash is spent.

The government reports the following major Governmental Funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

TOWN OF UTICA, MISSISSIPPI

**Notes to Financial Statements
For the Year Ended September 30, 2023**

The *ARPA Fund* is a special revenue fund that accounts for grant funds.

The *Fire Fund* is a special revenue fund that accounts for fire funds.

The government reports the following major Proprietary Funds:

The *water/sewer fund* accounts for the activities of providing water and sewer services to citizens of the Town.

The *gas fund* accounts for the activities of providing natural gas to citizens of the Town.

The *CDBG fund* is a capital project fund that accounts for grant funds.

The *State Bond fund* is a special revenue fund that accounts for grant funds.

Amounts reported as *program receipts* include (1) receipts from customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general receipts* rather than as program receipts.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets and Net Assets or Equity.

1. Cash and Investments.

The government's cash and cash equivalents are considered to be cash on hand or invested in certificates of deposit.

2. Equity Classifications.

Government-wide Financial Statements:

Equity is classified as net position and displayed in two components:

Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position not meeting the definition of "restricted".

Fund Financial Statements:

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

TOWN OF UTICA, MISSISSIPPI

Notes to Financial Statements For the Year Ended September 30, 2023

Governmental fund balance is classified as restricted or unassigned. The following are descriptions of fund classifications used by the Town:

Restricted - Includes fund balance amounts that are constrained for specific purposes which are internally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Unassigned - The residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

The Town uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly, unassigned amounts of unrestricted fund balance when expenditures are made.

(2) Cash and Cash Equivalents.

At year-end, the Town's carrying amount of deposits was \$653,455 and the bank balance was \$657,074. The collateral for public entities' deposits in financial institutions are held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the Town's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation.

Custodial Credit Risk - Deposits and Investments: Custodial credit risk is defined as the risk that, in the event of a failure of a financial institution, the Town will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Town does not have a formal policy for custodial credit risk. However, the Mississippi State Treasury manages the risk on behalf of the Town. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on the behalf of the Town.

Interest Rate Risk: The Town does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: State law limits investments to those prescribed in Sections 27-105-33(d) and 27-105-33(e), Miss. Code Ann. (1972). The Town does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

TOWN OF UTICA, MISSISSIPPI

**Notes to Financial Statements
For the Year Ended September 30, 2023**

(3) Subsequent Events.

Events that occur after the Statement of Net Cash Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Cash Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the Town evaluated the activity of the Town through September 24, 2024, and determined that no subsequent event has occurred requiring disclosure in the notes to the financial statements.

TOWN OF UTICA, MISSISSIPPI

OTHER INFORMATION

TOWN OF UTICA, MISSISSIPPI
Budgetary Comparison Schedule -
Budget and Actual (Non-GAAP Basis)
General Fund - UNAUDITED
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ 255,484	199,804	199,804	
Licenses and permits	2,000	1,159	1,159	
Fines and forfeitures	22,000	27,749	27,749	
Intergovernmental revenues	143,516	134,955	134,955	
Charges for services	66,600	68,617	68,617	
Interest earned	13	67	67	
Miscellaneous revenues	21,200	29,502	29,502	
Total Revenues	<u>510,813</u>	<u>461,853</u>	<u>461,853</u>	<u>0</u>
EXPENDITURES				
General government	102,706	114,063	114,063	
Public safety	310,026	240,105	240,105	
Public works	50,800	57,643	57,643	
Sanitation	51,000	66,750	66,750	
Culture and recreation	600	600	600	
Total Expenditures	<u>515,132</u>	<u>479,161</u>	<u>479,161</u>	<u>0</u>
OTHER CASH SOURCES (USES)				
Transfers	4,319	10,000	10,000	
Total Other Cash Sources (Uses)	<u>4,319</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Excess of Revenues				
Over (Under) Expenditures	<u>0</u>	<u>(7,308)</u>	<u>(7,308)</u>	<u>0</u>
Net Change in Fund Balance	0	(7,308)	(7,308)	0
Fund Balances - Beginning	<u>0</u>	<u>43,467</u>	<u>43,467</u>	<u>0</u>
Fund Balances - Ending	<u>\$ 0</u>	<u>36,159</u>	<u>36,159</u>	<u>0</u>

The accompanying notes to the other information are an integral part of this statement.

TOWN OF UTICA, MISSISSIPPI
Schedule of Investments - All Funds - UNAUDITED
September 30, 2023

	<u>Deposit Amount</u>
Business-type Activities	
Water and Sewer Fund:	
Certificate of Deposit with Cadence Bank; maturing June 2, 2024	\$ <u>4,339</u>
Total Water and Sewer Fund	<u>4,339</u>
Gas Fund:	
Certificate of Deposit with Cadence Bank; maturing June 2, 2024	53,174
Certificate of Deposit with Cadence Bank; maturing June 2, 2024	5,785
Certificate of Deposit with Cadence Bank; maturing October 3, 2023	51,264
Certificate of Deposit with Cadence Bank; maturing October 3, 2023	<u>60,980</u>
Total Gas Fund	<u>171,203</u>
Total Business-type Activities	<u>\$ <u>175,542</u></u>

TOWN OF UTICA, MISSISSIPPI
Schedule of Changes in Long-term Debt - UNAUDITED
For the Year Ended September 30, 2023

<u>Description</u>	<u>Outstanding Balance Sept. 30, 2022</u>	<u>Redeemed</u>	<u>Outstanding Balance Sept. 30, 2023</u>
Business-type Activities:			
CAP loan	\$ 473,907	26,370	447,537
Total Long-term Debt	<u>\$ 473,907</u>	<u>26,370</u>	<u>447,537</u>

TOWN OF UTICA, MISSISSIPPI
Schedule of Capital Assets - UNAUDITED
For the Fiscal Year Ended September 30, 2023

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Governmental Activities:			
Land	\$ 71,105		71,105
Buildings and improvements	187,623		187,623
Machinery and equipment	<u>642,565</u>	<u>89,470</u>	<u>732,035</u>
Governmental Activities Capital Assets	<u>\$ 901,293</u>	<u>89,470</u>	<u>990,763</u>
Business-type Activities:			
Land	\$ 29,150		29,150
Waterworks and sewage system	4,288,411	19,583	4,307,994
Machinery and equipment	182,308		182,308
Natural gas system	320,408	4,995	325,403
Construction in progress		<u>350,485</u>	<u>350,485</u>
Business-type Activities Capital Assets	<u>\$ 4,820,277</u>	<u>375,063</u>	<u>5,195,340</u>

TOWN OF UTICA, MISSISSIPPI
Schedule of Surety Bonds For Municipal Officials and Employees - UNAUDITED
For the Year Ended September 30, 2023

<u>Name</u>	<u>Position</u>	<u>Surety Agency</u>	<u>Bond Amount</u>
Kenneth Broome	Mayor	Travelers	\$ 50,000
Doris L. Ross	Alderwoman	Travelers	\$ 50,000
Robin Robinson	Alderwoman	Travelers	\$ 50,000
George K. Walker	Alderman	Travelers	\$ 50,000
Ella B. Green	Alderwoman	Travelers	\$ 50,000
Calvin B. Williams	Alderman	Travelers	\$ 50,000
Lisa Morris	Town Clerk	Travelers	\$ 50,000
Tequila Mcgriggs	Deputy Clerk	Travelers	\$ 50,000
Lisa Morris	Court Clerk	Travelers	\$ 50,000
Timothy Myles	Police Chief	Travelers	\$ 50,000

TOWN OF UTICA, MISSISSIPPI

**Notes to the Other Information
For the Year Ended September 30, 2023
UNAUDITED**

A. Budgetary Information.

Generally, in the month of August, prior to the ensuing fiscal year beginning each October 1, the Board of Aldermen of the Town, using historical and anticipated fiscal data, prepares an original budget for the General Fund for said fiscal year. The completed budget for the fiscal year includes every source of revenue, each general item of expenditure, and the unencumbered cash and investment balances. When during the fiscal year it appears to the Board of Aldermen that budgetary estimates will not be met, it may make revisions to the budget.

The Town's budget is prepared on the cash basis of accounting. All appropriations lapse at year-end, and there are no encumbrances to budget because state law does not require that funds be available when goods or services are ordered, only when payment is made.

B. Basis of Presentation.

The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) presents the original adopted budget, the final adopted budget, actual amounts on a budgetary (Non-GAAP) basis and variances between the final budget and the actual amounts. The schedule is presented for the General Fund.

TOWN OF UTICA, MISSISSIPPI

SPECIAL REPORT

Windham and Lacey, PLLC

Certified Public Accountants

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Mississippi Society of CPAs

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

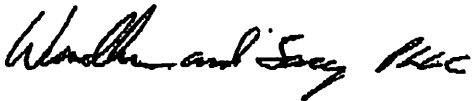
Honorable Mayor and
Members of the Board of Aldermen
Town of Utica, Mississippi

We have audited the financial statements of the governmental activities, the business-type activities, the major fund and the aggregate remaining fund information of the Town of Utica, Mississippi, as of and for the year ended September 30, 2023, and have issued our report thereon dated September 24, 2024, and the procedures prescribed by the Office of the State Auditor, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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. 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.

Due to the reduced scope, these compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. The results of our compliance tests and our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information disclosed no material instance of noncompliance with state laws and regulations.

The purpose of this report is solely to describe the scope of our testing of compliance with certain state laws and regulations and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.



Windham and Lacey, PLLC
September 24, 2024

TOWN OF UTICA, MISSISSIPPI

SCHEDULE OF FINDINGS

TOWN OF UTICA, MISSISSIPPI
Schedule of Findings
For the Year Ended September 30, 2023

Section 1: Summary of Auditors' Results

Financial Statements:

- | | | |
|----|--|---------------|
| 1. | Type of auditors' report issued on the primary government financial statements: | Unmodified |
| 2. | Internal control over financial reporting: | |
| a. | Material weaknesses identified? | No |
| b. | Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 3. | Noncompliance material to the financial statements? | No |

Section 2: Financial Statement Findings

The results of our tests did not disclose any findings related to the financial statements.