

CLAIBORNE COUNTY, MISSISSIPPI

**Audited Financial Statements and Special Reports
For the Year Ended September 30, 2009**

CLAIBORNE COUNTY

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CLAIBORNE COUNTY

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Claiborne County, Mississippi

We have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of Claiborne County, Mississippi, as of and for the year ended September 30, 2009, which collectively comprise the county's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the county's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Management did not maintain adequate subsidiary records documenting the accounts receivable of solid waste user fees or the aging of these accounts receivable. Due to the nature of the county's records, we were unable to satisfy ourselves as to the fair presentation of accounts receivable, net, reported on the Statement of Net Assets and in the Other Governmental Funds at \$181,553 as of September 30, 2009. Also, because of the nature of the accounts receivable records we could not satisfy ourselves as to the fair presentation of the related transactions of the Other Governmental Funds.

In our opinion, except for the effects of such adjustments if any, as might have been determined to be necessary had we been able to examine evidence to determine the net realizable value of the solid waste accounts receivable for the Other Governmental Funds as described in the preceding paragraph, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the aggregate remaining fund information of Claiborne County, Mississippi, as of September 30, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities and the major fund for Claiborne County, Mississippi, as of September 30, 2009, and the respective changes in financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2010, on our consideration of Claiborne County, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government*

Auditing Standards and should be considered in assessing the results of our audit.

Claiborne County, Mississippi, has not presented Management's Discussion and Analysis that is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board.

The Budgetary Comparison Schedule and corresponding notes are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Claiborne County, Mississippi's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Lyles and Sinclair, PLLC
December 10, 2010

CLAIBORNE COUNTY

FINANCIAL STATEMENTS

CLAIBORNE COUNTY
Statement of Net Assets
September 30, 2009

Exhibit 1

	<u>Primary Government</u>	<u>Governmental Activities</u>
ASSETS		
Cash	\$	2,656,910
Accrued interest receivable		144
Property tax receivable		2,518,747
Accounts receivable (net of allowance for uncollectibles of \$487,447)		181,553
Fines receivable (net of allowance for uncollectibles of \$88,952)		119,514
Loans receivable		486,666
Intergovernmental receivables		209,749
Other receivables		322,912
Capital assets:		
Land		1,033,871
Other capital assets, net		11,389,833
Total Assets		<u>18,919,899</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Claims payable		500,584
Accrued interest payable		101,426
Intergovernmental payables		60,679
Deferred revenue		2,700,300
Other payables		2,527,326
Long-term liabilities:		
Due within one year		
Capital debt		617,282
Non-capital debt		128,125
Due in more than one year		
Capital debt		8,529,865
Non-capital debt		2,278,291
		<u>17,443,878</u>
NET ASSETS		
Invested in capital assets, net of related debt		3,276,557
Restricted:		
Expendable:		
General government		
Debt service		(145,660)
Public safety		208,498
Public works		(460,395)
Economic development		410,002
Unrestricted		(1,812,981)
Total Net Assets	\$	<u><u>1,476,021</u></u>

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

CLAYBORNE COUNTY
Statement of Activities
For the Year Ended September 30, 2009

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 3,922,488	94,257		90,797	(3,737,434)
Public safety	2,556,923	121,674	100,771	279,392	(2,055,086)
Public works	2,575,581	111,100	498,885	386,365	(1,579,231)
Health and welfare	1,100,630		819,377		(281,253)
Culture and recreation	331,182	9,965			(321,217)
Education	491,058				(491,058)
Conservation of natural resources	66,602				(66,602)
Economic development and assistance	303,280		217,554	58,573	(27,153)
Interest on long-term debt	263,073				(263,073)
Total Governmental Activities	11,610,817	336,996	1,636,587	815,127	(8,822,107)
General revenues:					
Property taxes					\$ 2,810,189
Road & bridge privilege taxes					102,560
Grants and contributions not restricted to specific programs					4,849,407
Unrestricted interest income					14,085
Miscellaneous					1,089,364
Total General Revenues					8,865,665
Changes in Net Assets					43,558
Net Assets - Beginning					1,321,632
Prior period adjustment					110,831
Net Assets - Beginning, as restated					1,432,463
Net Assets - Ending					\$ 1,476,021

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

	Major Funds		Total Governmental Funds
	General Fund	Other Governmental Funds	
ASSETS			
Cash	\$ 1,891,445	765,465	2,656,910
Accrued interest receivable	94	50	144
Property tax receivable	1,054,570	1,464,177	2,518,747
Accounts receivable (net of allowance for uncollectibles of \$487,447)		181,553	181,553
Fines receivable (net of allowance for uncollectibles of \$88,952)	119,514		119,514
Loans receivable	76,666	410,000	486,666
Intergovernmental receivables	144,297	65,452	209,749
Other receivables	262,429	60,483	322,912
Due from other funds	2,623	40,309	42,932
Advances to other funds	200,592	25,932	226,524
Total Assets	\$ 3,752,230	3,013,421	6,765,651
LIABILITIES AND FUND BALANCES			
Liabilities:			
Claims payable	\$ 258,857	241,727	500,584
Intergovernmental payables	57,424		57,424
Due to other funds	43,564	2,623	46,187
Advances from other funds	25,932	200,592	226,524
Deferred revenue	1,174,084	1,645,730	2,819,814
Other payables	1,427,326	1,100,000	2,527,326
Total Liabilities	2,987,187	3,190,672	6,177,859
Fund balances:			
Reserved for:			
Debt service		(44,580)	(44,580)
Loans receivable	76,666	410,000	486,666
Advances	200,592	25,932	226,524
Unreserved - undesignated, reported in:			
General Fund	487,785		487,785
Special Revenue Funds		(568,603)	(568,603)
Total Fund Balances	765,043	(177,251)	587,792
Total Liabilities and Fund Balances	\$ 3,752,230	3,013,421	6,765,651

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