



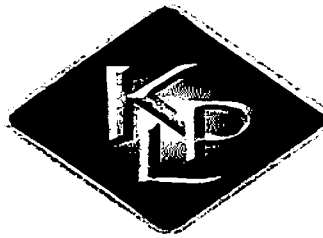
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TOWN OF ARCOLA, MISSISSIPPI
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2006

RECEIVED
JUL 30 2009
STATE AUDITOR'S OFFICE

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Kayla Paul-Lindsey CPA Firm
A Professional Corporation

CERTIFIED PUBLIC ACCOUNTANT

Member of American Institute of Certified Public Accountants
Member of Mississippi Society of Certified Public Accountants

Honorable Mayor and Board of Aldermen
Town of Arcola, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements - all fund types of the Town of Arcola, Mississippi, for the year ended September 30, 2006, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying statement of cash receipts and disbursements - all fund types and, accordingly, do not express an opinion or any other form of assurance on it.

The town's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements - all fund types - is not intended to present results of operations in conformity with generally accepted accounting principles.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included, they might influence the user's conclusions about the town's financial condition and operation. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on pages 5 through 11 is presented for purposes of additional analysis and has been compiled by me from information that is the representation of management of the Town of Arcola, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on such supplementary information.

CERTIFIED PUBLIC ACCOUNTANT

April 21, 2009

TOWN OF ARCOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
(UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2006

	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS			TOTAL (MEMORANDUM ONLY)	
	<u>General</u>	<u>Solid Waste</u>	<u>Water And Sewer</u>	<u>Fire Protection</u>	<u>2006</u>	<u>2005</u>
REVENUE RECEIPTS						
General Property Taxes	\$ 51,049	\$ -	\$ -	\$ -	\$ 51,049	\$ 27,948
Licenses and Permits	400	-	-	-	400	3,577
Franchise Taxes	17,683	-	-	-	17,683	8,839
Intergovernmental Revenues:						
State/County	84,088	-	-	-	84,088	95,893
Charges for Services	-	16,009	122,959	26,164	165,132	127,775
Fines and Forfeits	6,382	-	-	-	6,382	5,276
Interest	1,352	-	-	-	1,352	1,958
Other	35,930	-	-	-	35,930	55,107
TOTAL REVENUE RECEIPTS	<u>\$ 196,884</u>	<u>\$ 16,009</u>	<u>\$ 122,959</u>	<u>\$ 26,164</u>	<u>\$ 362,016</u>	<u>\$ 326,373</u>
CASH BALANCE - BEGINNING OF YEAR	<u>107,812</u>	<u>-</u>	<u>8,883</u>	<u>8,785</u>	<u>125,480</u>	<u>159,091</u>
TOTAL AMOUNT TO ACCOUNT FOR	<u>\$ 304,696</u>	<u>\$ 16,009</u>	<u>\$ 131,842</u>	<u>\$ 34,949</u>	<u>\$ 487,496</u>	<u>\$ 485,463</u>

See Accompanying Accountant's Compilation Report

TOWN OF ARCOLA, MISSISSIPPI
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
 (UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2006

	<u>GOVERNMENTAL FUNDS</u>	<u>PROPRIETARY FUNDS</u>			<u>TOTAL (MEMORANDUM ONLY)</u>	
	<u>General</u>	<u>Solid Waste</u>	<u>Water And Sewer</u>	<u>Fire Protection</u>	<u>2006</u>	<u>2005</u>
OPERATING DISBURSEMENTS						
General Government						
Personal Services	\$ 61,000	\$ -	\$ -	\$ -	\$ 61,000	\$ 42,300
Supplies	925	-	-	-	925	2,887
Other Services and Charges	35,594	-	-	-	35,594	71,915
	<u>97,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,519</u>	<u>117,102</u>
Public Safety						
Personal Services	44,600	-	-	-	44,600	23,643
Supplies	575	-	-	-	575	866
Other Services and Charges	3,840	-	-	-	3,840	14,434
	<u>49,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,015</u>	<u>38,943</u>
Streets						
Personal Services	14,700	-	-	-	14,700	18,000
Supplies	530	-	-	-	530	2,021
Other Services and Charges	3,840	-	-	-	3,840	10,970
	<u>19,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,070</u>	<u>30,991</u>
Enterprise						
Fire	-	-	-	23,200	23,200	18,499
Water and Sewer	-	-	106,150	-	106,150	117,984
Garbage	-	37,064	-	-	37,064	36,465
	<u>-</u>	<u>37,064</u>	<u>106,150</u>	<u>23,200</u>	<u>166,414</u>	<u>172,949</u>
TOTAL OPERATING DISBURSEMENTS	<u>165,604</u>	<u>37,064</u>	<u>106,150</u>	<u>23,200</u>	<u>332,018</u>	<u>359,983</u>
CASH BALANCE - END OF YEAR	<u>132,496</u>	<u>-</u>	<u>22,347</u>	<u>635</u>	<u>155,478</u>	<u>125,480</u>
TOTAL AMOUNT TO ACCOUNT FOR	\$ <u>298,100</u>	\$ <u>37,064</u>	\$ <u>128,497</u>	\$ <u>23,835</u>	\$ <u>487,496</u>	\$ <u>485,463</u>

See Accompanying Accountant's Compilation Report

TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2006

<u>NAME</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>BOND</u>
Clifton Harris	Mayor	Scott Municipal	\$25,000
Shelly Newell	Alderman	Scott Municipal	\$ 5,000
Louise Simpson	Alderman	Scott Municipal	\$ 5,000
Lucille Bonney	Alderman	Scott Municipal	\$ 5,000
Frederick Love	Alderman	Scott Municipal	\$ 5,000
Johnnie Hansell	Alderman	Scott Municipal	\$ 5,000
Amanda A. Scott	Town Clerk	St. Paul/Travelers	\$50,000

TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF INSURANCE COVERAGE – WATER & SEWER
YEAR ENDED SEPTEMBER 30, 2006

<u>INSURANCE COMPANY</u>	<u>COVERAGE DATES</u>	<u>COVERAGE</u>	<u>AMOUNT OF COVERAGE</u>
Lexington Insurance	08/23/05 – 08/23/06	Complete System	\$41,500

TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF INSURANCE COVERAGE – WATER & SEWER
YEAR ENDED SEPTEMBER 30, 2006

Gallons	RATE	
	Water	Sewer
0 – 1000	\$14.25	\$9.50
1000 – 2000	\$14.75	\$10.00
2000 – 3000	\$15.25	\$10.50
3000 – 4000	\$15.75	\$11.00
4000 – 5000	\$16.25	\$11.50
5000 – 6000	\$16.75	\$12.00
6000 – 7000	\$17.25	\$12.50
7000 – 8000	\$17.75	\$13.00
8000 – 9000	\$18.25	\$13.50
9000 – 10000	\$18.75	\$14.00
10000 – 11000	\$19.25	\$14.50
11000 – 12000	\$19.75	\$15.00
12000 – 13000	\$20.25	\$15.50
13000 – 14000	\$20.75	\$16.00
14000 – 15000	\$21.25	\$16.50
15000 – 16000	\$21.75	\$17.00
16000 – 17000	\$22.25	\$17.50
17000 – 18000	\$22.75	\$18.00
18000 – 19000	\$23.25	\$18.50
19000 – 20000	\$23.75	\$19.00
20000 – 21000	\$24.25	\$19.50
21000 – 22000	\$24.75	\$20.00
22000 – 23000	\$25.25	\$20.50
23000 – 24000	\$25.75	\$21.00
24000 – 25000	\$26.25	\$21.50
25000 – 26000	\$26.75	\$22.00
26000 – 27000	\$27.25	\$22.50
27000 – 28000	\$27.75	\$23.00
28000 – 29000	\$28.25	\$23.50
29000 – 30000	\$28.75	\$24.00
30000 – 31000	\$29.25	\$24.50
31000 – 32000	\$29.75	\$25.00
32000 – 33000	\$30.25	\$25.50
33000 – 34000	\$30.75	\$26.00
34000 – 35000	\$31.25	\$26.50
35000 – 36000	\$31.75	\$27.00
36000 – 37000	\$32.25	\$27.50
37000 – 38000	\$32.75	\$28.00
38000 – 39000	\$33.25	\$28.50
39000 – 40000	\$33.75	\$29.50
40000 – 41000	\$34.25	\$30.00

**TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF MUNICIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2006**

Clifton Harris
Shelly Newell
Louise Simpson
Lucille Bonney
Frederick Love
Johnnie B. Hanse
Allan Woodard
Amanda A. Scottt

Mayor
Alderman
Alderman
Alderman
Alderman
Alderman
Attorney
Town Clerk



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Honorable Mayor and Board of Aldermen
Town of Arcola, Mississippi

I have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Arcola, Mississippi as of September 30, 2006 and for the year then ended, as required by the Office of the State Auditor under the provisions of Section 21-35-31, Mississippi Code, 1972 Annotated. This is solely for the use of the governing body of the Town of Arcola, Mississippi, and the Office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. My procedures and findings are as follows:

- (a) I reconciled cash on deposit with the following banks to balances in the respective fund accounts and obtained confirmation from the banks:

<u>BANK</u>	<u>FUND</u>	<u>BALANCE PER FINANCIAL STATEMENTS</u>
Regions Bank	Water Meter	\$ 5,567
Regions Bank	Water Fund	15,321
Regions Bank	Water Department	1,459
		<u>\$ 22,347</u>
Regions Bank	Fire Protection	635
Regions Bank	FHA	11,663
Regions Bank	Crime Prevention	65,774
Regions Bank	General Funds	3,795
Regions Bank	Cemetery - Savings	29,314
Regions Bank	Unemployment	13,702
Guaranty Bank	Broadband Account	8,248
		<u>132,496</u>
	BALANCE	<u>\$155,478</u>

- (b) As of September 30, 2006, the town held no investment securities.

- (c) I performed the following procedures with respect to taxes on real and personal property levied during the fiscal year:
1. Proved the mathematical accuracy of the tax rolls and traced levies to governing body minutes.
 2. Reconciled the amount of taxes levied per the tax rolls to amounts actually collected.
 3. Examined uncollected tax for proper handling, including tax sales.
 4. Traced distribution of taxes collected to proper funds.
 5. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Mississippi Code, 1972, Annotated.

Tax assessments were mathematically correct and agreed with collections as follows:

	<u>ASSESSED VALUE</u>	<u>MILLAGE</u>	<u>TAX LEVY</u>
Real Property	\$ 752,920		
Personal Property	62,743		
Utilities	262,445		
Automobile	<u>176,759</u>		
	<u>\$1,254,867</u>	45.00	56,469
Less: Homestead Exemption			(2,690)
Uncollected			<u>(2,730)</u>
Total Taxes to Account For			<u>\$51,049</u>
Taxes collected and deposited to general and fire protection funds			<u>\$51,049</u>
Total Taxes Accounted For			<u>\$51,049</u>

The distribution of taxes to funds was in accordance with prescribed tax levies, and uncollected taxes were properly handled.

Ad valorem tax assessments were found to be within the limitations of Sections 27-39-320 to 27-39-323, Mississippi Code, 1972, Annotated, as follows:

<u>2006</u>		<u>2005</u>
\$51,049	Taxes Collected	\$23,052
<u>-</u>	(Over) Under Limit	<u>-</u>
<u>\$51,049</u>		<u>\$23,052</u>

- (d) I obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposit in banks and recorded in the general ledger without exception. Cash receipts were as follows:

<u>PAYMENT PURPOSES</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$21,743
General Municipal Aid	General	3,799
Grand Gulf Nuclear Plant	General	739
Homestead Exemption	General	2,690

- (e) I selected a sample of purchases made by the municipality during the year as follows:

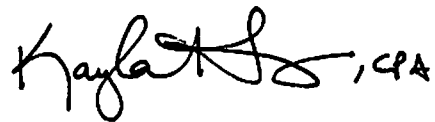
25 - \$29,450

I found the town's purchasing procedures to be in compliance with applicable laws.

- (f) I have read the Municipal Compliance questionnaire completed by the town. The following responses indicate noncompliance.

- (i) All ordinances have not been entered into the ordinance book and included in the minutes.
- (ii) The financial records have not been maintained in accordance with the chart of accounts prescribed by the State Auditor.
- (iii) The municipality has not conducted an annual land sale for delinquent ad valorem taxes.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, I do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe that the specified accounts or items should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Arcola, taken as a whole.

A handwritten signature in black ink, appearing to read "Kayla S. CPA". The signature is fluid and cursive, with the letters "K" and "S" being particularly prominent.

CERTIFIED PUBLIC ACCOUNTANT

April 21, 2009