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Town of Wesson, Mississippi

**Independent Accountant's Report on Applying
Agreed-Upon Procedures and
Compiled Financial Statements**

Year Ended September 30, 2007

TOWN OF WESSON
For the Year Ended September 30, 2007

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Independent Accountant's Report on Applying Agreed-Upon Procedures

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

I have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Wesson, Mississippi, solely to assist the Office of the State Auditor evaluate the Town of Wesson, Mississippi's compliance with certain laws and regulations as of September 30, 2007, 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, I 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. My procedures and findings are as follows:

1. I 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:

<u>Bank</u>	<u>Fund</u>	<u>Balance</u>
Trustmark Bank	General	158,752
Copiah Bank	General	36,457
Trustmark Bank	Water & Sewer	8,326
Copiah Bank	Water & Sewer	13,252
Copiah Bank	Capital Projects	19,227
Copiah Bank	Meter Deposit	<u>7,481</u>
Total per Bank		<u><u>243,495</u></u>

2. I physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).

Certificates of Deposit:

General Funds:

General Operating Fund:

5.07% dated September 25, 2007, due December 24, 2007 # 165152 - General Fund	48,434
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4.75% dated September 25, 2007, due September 25, 2008 # 165146 - Library	1,863
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5.07% dated September 25, 2007, due December 24, 2007 # 165149 - FEMA Funds	65,741
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Total General CD's	116,038
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Proprietary Funds: (Water & Sewer)

5.07% dated September 25, 2007, due December 24, 2007 # 165153 - Water Meter Deposit Fund	30,193
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4.75% dated September 25, 2007, due September 25, 2008 # 165147 - Water Tank Repair	32,894
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5.07% dated September 25, 2007, due December 24, 2007 # 165148 - Contingent Fund	15,985
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5.07% dated September 25, 2007, due December 24, 2007 # 165150 - Depreciation Fund	15,985
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5.07% dated September 25, 2007, due December 24, 2007 # 165151 - Cushion Fund	53,283
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4.35% dated December 7, 2006, due December 14, 2007 # 75152 - FHA	4,300
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3.01% dated January 4, 2007, due December 14, 2007 # 75265 - FHA	4,300
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3.10% dated February 7, 2007, due December 14, 2007 # 66380 - FHA	4,300
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3.10% dated March 08, 2007, due December 14, 2007 # 66427 - FHA	4,300
3.10% dated April 4, 2007, due December 14, 2007 # 66469 - FHA	4,300
2.95% dated May 4, 2007, due December 14, 2007 # 66564 - FHA	4,300
2.95% dated May 31, 2007, due December 15, 2007 # 66726 - FHA	4,300
2.95% dated July 6, 2007, due December 14, 2007 # 66827 - FHA	4,300
2.95% dated August 14, 2007, due December 14, 2007 # 66986 - FHA	4,300
2.95% dated September 6, 2007, due December 14, 2007 # 165062 - FHA	4,300
Total Proprietary C.D.'s	<u>191,340</u>
Total Certificates of Deposit - All Funds	<u>307,378</u>

3. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
- a. Verified use of certified county assessment rolls and traced levies to governing body minutes;
 - b. Examined uncollected taxes for proper handling, including tax sales;
 - c. Traced distribution of taxes collected to proper funds; and
 - d. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

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

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

Ad valorem tax collections for retirement of general obligation debt was found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303,

Miss. Code Ann. (1972).

4. I obtained a statement of payments made by the Department of Finance and Administration to the Town of Wesson. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Fire Protection	Fire	8,012
General Municipal Aid	General	882
Gasoline Tax	General	4,549
Homestead Exemption Reimbursement	General	11,218
Grand Gulf Nuclear Plant	General	17,992
Sales Tax Allocation	General	161,459
Liquor Privilege Tax	General	1,800
Emergency Management	General	10,128
Other Grants	General	1,759
Homeland Security	General	8,829
Public Safety	General	3,000

5. I selected a sample of purchases made by the Town of Wesson 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	31
Total Dollar Value of Sample	\$18,173

I found the Town of Wesson's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. I have read the Municipal Compliance Questionnaire completed by the Town of Wesson. The completed survey indicated no instances of noncompliance with the state requirements.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of Town of Wesson 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.

Charles R. Hart
Certified Public Accountant

February 22, 2008

Charles R. Hart
Certified Public Accountant
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Accountant's Compilation Report

Town of Wesson
Mayor and Board of Aldermen
Wesson, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements-governmental and business-type activities and other funds of the Town of Wesson, Mississippi for the year ended September 30, 2007, and the accompanying supplementary information contained in Schedules 1 and 2, which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. I have not audited or reviewed the accompanying statement of cash receipts and disbursements-governmental and business-type activities and other funds and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

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 and business-type 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 and business-type activities are not reasonably determinable.

The Mayor and Alderman have also elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. 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, this financial statement is not designed for those who are not informed about such matters.

Management also has not presented management's discussion and analysis and other required supplemental information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the provisions of 21-35-31, Miss, Code Ann. (1972), I have issued a report dated February 22, 2008, on the results of our agreed-upon procedures.

Charles R. Hart
Certified Public Accountant

February 22, 2008

Town of Wesson, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
And Other Funds
For the Year Ended September 30, 2007

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	(Memo Only)
	<u>General</u>	<u>Water & Sewer</u>	<u>Total</u>
RECEIPTS			
Taxes			
General property taxes	191,695		191,695
Licenses & permits			
Privilege licenses	5,284		5,284
Franchise charges - utilities	65,297		65,297
Intergovernmental Revenues:			
Federal receipts			
Federal - Homeland Security	8,829		8,829
Federal - HUD			
Federal - FEMA	10,128		10,128
General municipal aid	5,431		5,431
State Shared Revenues:			
Homestead Expt Reimbursement	11,218		11,218
Sales Tax	161,459		161,459
In Lieu of Tax - Grand Gulf	17,992		17,992
Fire insurance premium tax	8,012		8,012
Public Health	818		818
Public Safety - LEA	3,000		3,000
County			
Fire protection	11,000		11,000
Charges for Services:			
Water, Sewer, & Garbage		369,657	369,657
Fines & Forfeits	39,767		39,767
Miscellaneous receipts	21,686	114,923	136,609
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Total Receipts	561,616	484,580	1,046,196

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Wesson, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
And Other Funds
For the Year Ended September 30, 2007

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	(Memo Only)
	<u>General</u>	<u>Water & Sewer</u>	<u>Total</u>
DISBURSEMENTS			
General Government	135,645		135,645
Public safety			
Police	223,488		223,488
Streets	63,481		63,481
Fire	9,247		9,247
Library	9,311		9,311
Enterprise			
Water & Sewer		345,952	345,952
Garbage Fees		68,431	68,431
Cops Grant Program	-		-
Debt Service-Principal	14,161	69,041	83,202
Debt Service-Interest	5,856	14,028	19,884
Capital Outlay-Old Wesson School	6,449		6,449
Other Non-Operating Disbursements	25,273	25,584	50,857
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Total Disbursements	492,911	523,036	1,015,947

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Wesson, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
And Other Funds
For the Year Ended September 30, 2007

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>(Memo Only)</u>
	<u>General</u>	<u>Water & Sewer</u>	<u>Total</u>
Excess (Deficiency) of receipts over disbursements	<u>68,705</u>	<u>(38,456)</u>	<u>30,249</u>
OTHER FINANCING SOURCES (USES)			
Administrative Fee-Water Dept.	24,000		24,000
Other non-revenue receipts	10,552	1,290	11,842
Tap & Connect Fees		10,458	10,458
Penalties		2,643	2,643
	<u>34,552</u>	<u>14,391</u>	<u>48,943</u>
Total other financing sources (uses)	<u>34,552</u>	<u>14,391</u>	<u>48,943</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>103,257</u>	<u>(24,065)</u>	<u>79,192</u>
Cash Basis Fund Balance - Beginning of Year	<u>227,217</u>	<u>244,464</u>	<u>471,681</u>
Cash Basis Fund Balance - End of Year	<u><u>330,474</u></u>	<u><u>220,399</u></u>	<u><u>550,873</u></u>

SEE ACCOUNTANT'S COMPILATION REPORT

SUPPLEMENTAL INFORMATION

**Town of Wesson
Schedule of Long-Term Debt
For the Year Ended September 30, 2007**

	Balance Outstanding Oct. 1, 2006	Transactions During <u>Fiscal Year</u>		Balance Outstanding Sept. 30, 2007
		Issued	Redeemed	
Revenue Bonds:				
FHA Loan #1, September 5, 1975, Water & Sewer Improvements, \$433,000	82,469		26,156	56,313
FHA Loan #2, February 18, 1976, Water & Sewer Improvements, \$350,000	59,375		19,125	40,250
Total Revenue Bonds	<u>141,844</u>	<u>-</u>	<u>45,281</u>	<u>96,563</u>
Other Long-Term Debt:				
Loan Payable, June 17, 1992, Water & Pollution Control, SRF \$237,465	105,742		13,824	91,918
Capital Improvement Fire Station	29,650		9,161	20,489
Lease Purchase, September 2006, Bancorp South, Backhoe W&S	59,260		9,936	49,324
General Obligation Bond 2006, 4.0%		150,000	5,000	145,000
Total Other Long-Term Debt	<u>194,652</u>	<u>150,000</u>	<u>37,921</u>	<u>306,731</u>

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Wesson
Schedule of Surety Bonds for Municipal Officials
For the Year Ended September 30, 2007

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Alton Shaw	Mayor	St. Paul Travelers	\$25,000
Linda Dykes	City Clerk	St. Paul Travelers	\$50,000
Steve Carlisle	Police Chief	St. Paul Travelers	\$50,000
Shirley Meteer	Deputy Clerk	St. Paul Travelers	\$25,000
Various	Police Officers	St. Paul Travelers	\$25,000
Various	Board of Alderman	St. Paul Travelers	\$ 5,000
Phillip Sterling	Court Clerk	St. Paul Travelers	\$25,000

SEE ACCOUNTANT'S COMPILATION REPORT