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TOWN OF ARCOLA, MISSISSIPPI
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2008

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
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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, 2008, 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

June 30, 2009

TOWN OF ARCOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
(UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2008

	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS			TOTAL (MEMORANDUM ONLY)	
	<u>General</u>	<u>Solid Waste</u>	<u>Water And Sewer</u>	<u>Fire Protection</u>	<u>2008</u>	<u>2007</u>
REVENUE RECEIPTS						
General Property Taxes	\$ 51,505	\$ -	\$ -	\$ -	\$ 51,505	\$ 50,098
Licenses and Permits	1,000	-	-	-	1,000	600
Franchise Taxes	19,371	-	-	-	19,371	18,088
Intergovernmental Revenues:						
State/County	30,169	-	-	-	30,169	32,925
Charges for Services	-	25,633	78,088	14,684	118,405	157,199
Fines and Forfeits	25,049	-	-	-	25,049	21,378
Interest	970	-	-	-	970	910
Other	21,483	-	-	-	21,483	66,568
TOTAL REVENUE RECEIPTS	\$ 149,547	\$ 25,633	\$ 78,088	\$ 14,684	\$ 267,952	\$ 347,766
CASH BALANCE - BEGINNING OF YEAR	188,383	-	15,450	6,004	209,837	155,478
TOTAL AMOUNT TO ACCOUNT FOR	\$ 337,930	\$ 25,633	\$ 93,538	\$ 20,688	\$ 477,789	\$ 503,244

See Accompanying Accountant's Compilation Report

TOWN OF ARCOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
(UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2008

	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS			TOTAL (MEMORANDUM ONLY)	
	General	Solid Waste	Water And Sewer	Fire Protection	2008	2007
OPERATING DISBURSEMENTS						
General Government						
Personal Services	\$ 61,540	\$ -	\$ -	\$ -	\$ 61,540	\$ 59,480
Supplies	952	-	-	-	952	1,015
Other Services and Charges	26,800	-	-	-	26,800	22,480
	<u>89,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,292</u>	<u>82,975</u>
Public Safety						
Personal Services	42,650	-	-	-	42,650	41,500
Supplies	1,575	-	-	-	1,575	680
Other Services and Charges	13,480	-	-	-	13,480	2,842
	<u>57,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,705</u>	<u>45,022</u>
Streets						
Personal Services	14,800	-	-	-	14,800	13,200
Supplies	475	-	-	-	475	420
Other Services and Charges	2,540	-	-	-	2,540	2,650
	<u>17,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,815</u>	<u>16,270</u>
Enterprise						
Fire	-	-	-	23,450	23,450	20,150
Water and Sewer	-	-	110,662	-	110,662	104,850
Garbage	-	24,606	-	-	24,606	24,140
	<u>-</u>	<u>24,606</u>	<u>110,662</u>	<u>23,450</u>	<u>158,718</u>	<u>149,140</u>
TOTAL OPERATING DISBURSEMENTS	<u>164,812</u>	<u>24,606</u>	<u>110,662</u>	<u>23,450</u>	<u>323,530</u>	<u>293,407</u>
CASH BALANCE - END OF YEAR	<u>131,420</u>	<u>-</u>	<u>20,486</u>	<u>2,353</u>	<u>154,259</u>	<u>209,837</u>
TOTAL AMOUNT TO ACCOUNT FOR	<u>\$ 296,232</u>	<u>\$ 24,606</u>	<u>\$ 131,148</u>	<u>\$ 25,803</u>	<u>\$ 477,789</u>	<u>\$ 503,244</u>

See Accompanying Accountant's Compilation Report

TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2008

<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, 2008

<u>INSURANCE COMPANY</u>	<u>COVERAGE DATES</u>	<u>COVERAGE</u>	<u>AMOUNT OF COVERAGE</u>
Lexington Insurance	08/23/07 – 08/23/08	Complete System	\$41,500

TOWN OF ARCOLA, MISSISSIPPI
SCHEDULE OF INSURANCE COVERAGE – WATER & SEWER
YEAR ENDED SEPTEMBER 30, 2008

<i>Gallons</i>	<u>RATE</u>	
	<i>Water</i>	<i>Sewer</i>
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, 2008**

Clifton Harris
Shelly Newell
Louise Simpson
Lucille Bonney
Frederick Love
Johnnie B. Hansell
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, 2008 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	\$ 7,272
Regions Bank	Water Fund	11,743
Regions Bank	Water Department	<u>1,471</u>
		<u>\$ 20,486</u>
Regions Bank	Fire Protection	<u>2,353</u>
Regions Bank	FHA	11,624
Regions Bank	Crime Prevention	57,389
Regions Bank	General Funds	8,801
Regions Bank	Cemetery - Savings	38,284
Regions Bank	Unemployment	<u>15,322</u>
		<u>131,420</u>
	BALANCE	<u>\$154,259</u>

- (b) As of September 30, 2008, 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	\$ 760,100		
Personal Property	61,500		
Utilities	256,800		
Automobile	<u>182,580</u>		
	<u>\$1,260,980</u>	45.00	56,744
Less: Homestead Exemption Uncollected			(3,023) (<u>2,216</u>)
Total Taxes to Account For			<u>\$51,505</u>
Taxes collected and deposited to general and fire protection funds			<u>\$51,505</u>
Total Taxes Accounted For			<u>\$51,505</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>2008</u>		<u>2007</u>
\$51,505	Taxes Collected	\$48,035
<u>-</u>	(Over) Under Limit	<u>-</u>
<u>\$51,505</u>		<u>\$48,035</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	\$19,204
General Municipal Aid	General	2,413
Grand Gulf Nuclear Plant	General	3,539
Homestead Exemption	General	3,023

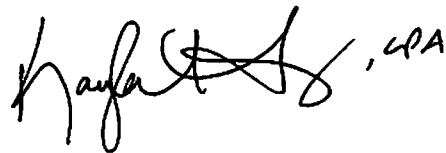
- (e) I selected a sample of purchases made by the municipality during the year as follows:

22 - \$21,850

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 "Hayden", followed by a comma and the letters "CPA". The signature is stylized and cursive.

CERTIFIED PUBLIC ACCOUNTANT

June 30, 2009