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Town of Cruger  
Financial Statements  
Year Ended September 30, 2008

*Dungan CPA Company  
120 South Natchez Street  
Kosciusko, Mississippi 39090*

**Town of Cruger**  
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**Town of Cruger**

**Financial Section  
September 30, 2008**

# Dungan CPA Co.

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## INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)

November 22, 2008

Honorable Mayor and Board of Aldermen  
Cruger, Mississippi

I have performed certain agreed-upon procedures enumerated below to the accounting records of the Town of Cruger, 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, Miss. Code Ann. (1972). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountant. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. 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.

The procedures and the associated 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:

Bank	Fund	Balance Per General Ledger
Bank Plus	General	6,283
Bank Plus	General	7,158
Bank Plus	Utility	6,777
Bank Plus	Utility	5,575
Bank Plus	Special Revenue	39

2. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - A. Verify use of certified county assessment rolls and trace 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 the 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 ).

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

Payment Purpose	Receiving Fund	General Ledger Amount
General Municipal Aid	General Fund	\$234
Gasoline Tax	General Fund	1,235
Homestead Exemption	General Fund	1,192
Payments Nuclear Plant	General Fund	1,786
Sales Tax Allocation	General Fund	6,428
Other Aid	General Fund	3,500
Fire Protection	General Fund	2,325

4. I selected a sample of purchases made by the municipality 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:

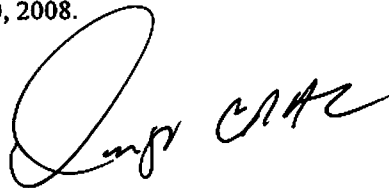
Number of Sample Items	48
Total Dollar Value of Sample	\$16,694

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

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

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, I do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statement in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Cruger, Mississippi, for the year ended September 30, 2008.

Dungan CPA Company  
November 22, 2008



## Dungan CPA Co.

Kenny Dungan, CPA  
120 S Natchez Street  
Kosciusko, MS 39090

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Telephone 662-289-9007  
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Honorable Mayor and Board of Alderman  
Town of Cruger, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements - all fund types as of September 30, 2008, and for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* 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 financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Dungan CPA Co  
November 22, 2008

**Town of Cruger, Mississippi**  
**COMBINED STM OF CASH RECEIPTS AND DISBURSEMENTS**  
**For the Fiscal Year Ended September 30, 2008**

<u>Governmental Funds</u>							
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>	<u>Totals (Memorandum Only) 2008</u>	<u>Totals (Memorandum Only) 2007</u>
<b>Revenue Receipts:</b>							
<b>Intergovernmental Revenues:</b>							
County Roads	5,182					5,182	5,204
<b>State Shared Revenue:</b>							
Sales Tax	6,427					6,427	6,431
Gasoline Tax	1,234					1,234	1,235
Franchise	1,351					1,351	0
Nuclear Plant Income	1,786					1,786	2,012
Fire Protection Allocation	2,325					2,325	4,000
Homestead Exemption	1,192					1,192	1,124
Other Aid to Municipalities	3,500					3,500	(1,124)
General Aid to Municipalities	234					234	234
<b>Charges for Services:</b>							
Water & Sewer Utility				58,943		58,943	58,536
<b>Other Receipts:</b>							
Other General Fund Revenue	45,277				0	45,277	49,878
<b>Total Receipts</b>	<u>68,509</u>	<u>0</u>	<u>0</u>	<u>58,943</u>	<u>0</u>	<u>127,452</u>	<u>127,531</u>
<b>Cash Balance-Beginning of Year</b>	<u>270,108</u>	<u>39</u>	<u>0</u>	<u>11,119</u>	<u>0</u>	<u>281,266</u>	<u>129,855</u>
<b>Total Amount to Account For</b>	<u>\$ 338,617</u>	<u>\$ 39</u>	<u>\$ 0</u>	<u>\$ 70,062</u>	<u>\$ 0</u>	<u>\$ 408,718</u>	<u>\$ 257,386</u>

**Town of Cruger, Mississippi**  
**COMBINED STM OF CASH RECEIPTS AND DISBURSEMENTS**  
**For the Fiscal Year Ended September 30, 2008**

<u>Governmental Funds</u>							
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>	<u>Totals (Memorandum Only) 2008</u>	<u>Totals (Memorandum Only) 2007</u>
<b>Operating Disbursements</b>							
General Government ( Exec and Financial)	\$ 86,773					86,773	\$ 65,096
Public Safety							
Fire	1,601				0	1,601	0
Enterprises							
Water & Sewer Utility				33,760		33,760	54,538
Loan Repayments	1,358			0		1,358	0
Transfer to Other Funds	(23,950)			23,950	0	0	0
Capitalization	259,365	0		0		259,365	49,967
<b>Total Disbursements</b>	<u>325,147</u>	<u>0</u>	<u>0</u>	<u>57,710</u>	<u>0</u>	<u>382,856</u>	<u>169,601</u>
Cash Balance-End of Year	<u>13,471</u>	<u>39</u>		<u>12,352</u>	<u>0</u>	<u>25,862</u>	<u>281,197</u>
<b>Total Amount Account For</b>	<u>\$ 338,617</u>	<u>\$ 39</u>	<u>\$ 0</u>	<u>\$ 70,062</u>	<u>\$ 0</u>	<u>\$ 408,718</u>	<u>\$ 450,798</u>

**TOWN OF CRUGER**  
**Notes to Financial Statements**  
**September 30, 2008**

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**Note 1 - Summary of significant accounting policies**

The town operates under the mayor/board of alderman form of government and provides services as authorized by law.

*Reporting Entity:*

The financial statement for the town consists of all the funds of the town.

*Fund Accounting:*

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity.

*Basis of Accounting*

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

**Note 2 – Report Classifications**

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

**Town of Cruger**  
**Supplemental Section**  
**September 30, 2008**

**Town of Cruger, Mississippi**  
**Schedule of Investments-All Funds**  
**For the Fiscal Year ended September 30, 2007**

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Investment Value</u>
None					

**Town of Cruger, Mississippi  
Schedule of Long-Term Debt  
For the Fiscal Year ended September 30, 2008**

<u><i>Definition &amp; Purpose</i></u>	<u><i>Balance Outstanding October 1, 2008</i></u>	<u><i>Issued</i></u>	<u><i>Redeemed</i></u>	<u><i>Balance Outstanding September 30, 2009</i></u>
Polic	\$2,449		\$1,252	\$1,197

**Town of Cruger, Mississippi**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2008**

<u><i>Name</i></u>	<u><i>Position</i></u>	<u><i>Surety</i></u>	<u><i>Bond Amount</i></u>
Mary Ajoku	Mayor	Brierfield	\$100,000
Alice Randle	Town Clerk	Brierfield	50,000
Robert Farmer	Alderman	Travelers	2,500
Steve Fleming	Alderman	Travelers	2,500
Carolyn Harris	Alderman	Travelers	2,500
Mary Pitchford	Alderman	Travelers	2,500
Katherine Granderson	Alderman	Travelers	2,500
Clinton Cobbins	Chief of Police	Travelers	50,000
Bobbie Epes	Deputy Clerk	Brierfield	50,000