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**TOWN OF MYRTLE, MISSISSIPPI
FINANCIAL STATEMENTS
September 30, 2009**

JACKSON and CREIGHTON, P.A.

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ACCOUNTANTS' COMPILATION REPORT

**To the Mayor and Board of Aldermen
Town of Myrtle
Myrtle, Mississippi**

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Myrtle, Mississippi, for the year ended September 30, 2009, 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.

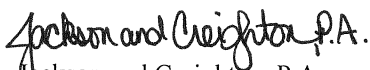
A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of the town officials. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Town officials have 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 the 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 town officials 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.

Town officials also have 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 Section 21-35-31, Mississippi Code Annotated (1972), we have issued a report dated November 12, 2009, on the results of our agreed-upon procedures.



Jackson and Creighton, P.A.
November 12, 2009

TOWN OF MYRTLE, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Year Ended September 30, 2009

	Governmental Activities General	Business- Type Activities Water & Sewer
REVENUE RECEIPTS:		
Taxes		
General property taxes	\$ 80,701	\$ -
Licenses and permits	436	
Intergovernmental revenues:		
General municipal aid	212	
State shared revenues:		
Sales tax	37,123	
Gasoline tax	1,119	
Fire protection	2,151	
Homestead exemption	4,109	
TVA in lieu of taxes	2,846	
Public safety grant	3,636	
Capital Improvements Loan		137,754
County shared revenues:		
Road taxes	7,758	
Charges for services:		
Water utility		210,168
Fines and bonds	3,897	
Interest income	250	225
Miscellaneous	212	
Total Receipts	144,450	348,147
DISBURSEMENTS		
General government		
Executive and financial	78,537	
Judicial	2,671	
Public safety		
Police	38,166	
Fire	5,443	
Culture and recreation		
Library	1,912	
Public works	24,091	
Enterprise		
Water utility		197,842
Redemption of principal		108,836
Debt service interest		11,913
Total Disbursements	150,820	318,591
Excess (Deficiency) of receipts over disbursements	(6,370)	29,556
OTHER FINANCING SOURCES (USES)		
Transfers	5,000	(5,000)
Sale of capital assets	4,504	
Total Other Financing Sources (Uses)	9,504	(5,000)
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	3,134	24,556
CASH BASIS FUND BALANCE-BEGINNING OF YEAR	26,217	115,532
CASH BASIS FUND BALANCE-END OF YEAR	\$ 29,351	\$ 140,088

See accountants' report.

**TOWN OF MYRTLE, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Fiscal Year Ended September 30, 2009**

Definition and purpose	Balance Outstanding Oct. 1, 2008	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2009
		Issued	Redeemed	
Revenue bonds:				
RECD bonds, water system	\$ 58,659	\$ -	\$ 5,820	\$ 52,839
RECD bonds, water system	128,727		3,376	125,351
Bank note:				
BNA Bank, water tower	11,816		3,972	7,844
Other note:				
CAP Loan, tower renovation		137,754		137,754
Utility Service Co, Inc., tower renovation	95,668		95,668	-
TOTAL	\$ 294,870	\$ 137,754	\$ 108,836	\$ 323,788

See accountants' report.

TOWN OF MYRTLE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
September 30, 2009

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Marie Tate	City Clerk	Fidelity & Deposit	\$ 98,000
Jim White	Police Chief	RLI Surety	50,000
David Peeler	Deputy Clerk	Travelers	50,000
Fleurette Ausburn	Alderman	MS Municipal Bond Program	10,000
David Brown	Alderman	MS Municipal Bond Program	10,000
Joseph Graham	Alderman	MS Municipal Bond Program	10,000
Carolyn McCuiston	Alderman	MS Municipal Bond Program	10,000
Jeanette Thomas	Alderman	MS Municipal Bond Program	10,000
Rob Anderson	Policeman	RLI Surety	25,000
Jeffrey Chism	Policeman	RLI Surety	25,000

See accountants' report.

**TOWN OF MYRTLE, MISSISSIPPI
AGREED-UPON PROCEDURES
September 30, 2009**

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November 12, 2009

**Board of Aldermen
Town of Myrtle
P O Box 127
Myrtle, MS 38650**

Independent Accountant's Report On Applying Agreed-Upon Procedures

We have applied certain agreed-upon procedures, as discussed below, which were agreed to by and the responsibility of the Myrtle, Mississippi to the accounting records of the Town of Myrtle, Mississippi, as of September 30, 2009, 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 performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of specified users of the report. It is understood the report is solely for the use of governing body of the Town of Myrtle, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. Consequently, we make no representation regarding the sufficiency of the procedures described below either for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

1. We 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
BNA Bank	General	\$ 8,420
BNA Bank	General	337
BNA Bank	General	8,537
BNA Bank	General	1,032
BNA Bank	General	2,284
BNA Bank	General - CD	<u>8,741</u>
		<u>\$ 29,351</u>
BNA Bank	Utility	\$ 88,228
BNA Bank	Utility	25,470
BNA Bank	Utility	14,149
BNA Bank	Utility	<u>12,241</u>
		<u>\$ 140,088</u>

2. We 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). The general fund held a certificate of deposit from BNA Bank with a general ledger cost of \$8,741.
3. We 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).

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

Payment Purpose	Receiving Fund	Ledger Amount
Fire Protection	Fire Fund	\$ 2,151
Municipal aid	General Fund	212
Gas tax	General Fund	1,119
Homestead exemption	General Fund	4,109
TVA in lieu	General Fund	2,846
Sales Tax Allocation	General Fund	37,123
Public Safety Grant	General Fund	3,636
Capital Improvements Loan	Water Fund	137,754

5. We 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	60
Total Dollar Value of Sample	\$ 122,851

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

6. We 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 auditing standards generally accepted in the United States of America, we 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 our attention that caused us to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Myrtle, Mississippi, for the year ended September 30, 2009.

Jackson and Creighton, P.A.

Jackson and Creighton, P.A.
Certified Public Accountants