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Town of Silver Creek, Mississippi
Compiled Financial Statements
Year Ended September 30, 2009

Charles Robert Prince
Certified Public Accountant

Town of Silver Creek, Mississippi

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FINANCIAL STATEMENTS

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ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Silver Creek
Silver Creek, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements- governmental and business-type activities of the Town of Silver Creek, Mississippi for the year ended September 30, 2009, and the accompanying supplementary information contained in Schedules 1 through 3, 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 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.

**Honorable Mayor and Board of Alderpersons
Town of Silver Creek**

The Mayor and Alderpersons 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 January 4, 2010, on the results of our agreed-upon procedures.

January 4, 2010

Town of Silver Creek, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities
For the Year Ended September 30, 2009

	Governmental Activities		Business-type Activities	
	General Fund	TOTAL	Water Fund	TOTAL
RECEIPTS:				
Taxes				
General Property Taxes	60,107	60,107		\$
Road & Bridge Privilege Tax	14,859	14,859		
License and Permits				
Utility Franchise Charges	5,564	5,564		
Other	90	90		
Intergovernmental Receipts				
Federal Receipts				
CDBG			45,395	45,395
State Grants				
General Municipal Aid	109	109		
State Shared Receipts				
Sales Taxes	37,895	37,895		
Homestead Reimbursement	540	540		
Fire Protection	1,104	1,104		
Gasoline Taxes	588	588		
Grand Gulf	1,704	1,704		
County Grants				
Fire Allocation	16,864	16,864		

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Silver Creek, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities—Continued
For the Year Ended September 30, 2009

	Governmental Activities		Business-type Activities	
	General Fund	TOTAL	Water Fund	TOTAL
RECEIPTS: Continued				
Charges for Services				
Water and Sewer			53,365	53,365
Other Receipts				
Interest	5,648	5,648	4,063	4,063
Other	1,135	1,135	2,906	2,906
Refunds	1,325	1,325		
Rent	4,800	4,800		
	\$	\$	\$	\$
TOTAL RECEIPTS	\$ 152,332	\$ 152,332	\$ 105,729	\$ 105,729

SEE ACCOUNTANTS COMPILATION REPORT

Town of Silver Creek, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities—Continued
For the Year Ended September 30, 2009

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	General Fund	TOTAL	Water Fund	TOTAL
DISBURSEMENTS:				
General Government	\$ 65,650	\$ 65,650	\$	\$
Public Safety				
Police	25,905	25,905		
Fire	6,152	6,152		
Enterprises				
Water and Sewer			38,129	38,129
Other Disbursements				
Interest	1,955	1,955		
CAPS Loan Payment	4,309	4,309		
Bank Loans	3,492	3,492		
Other			2,497	2,497
Capital Outlay	3,104	3,104	12,426	12,426
Capital Outlay-CDBG		-	42,495	42,495
TOTAL DISBURSEMENTS	\$ 110,567	\$ 110,567	\$ 95,547	\$ 95,547
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	\$ 41,765	\$ 41,765	\$ 10,182	\$ 10,182
CASH BASIS FUND BALANCE- BEGINNING	172,563	172,563	142,186	142,186
CASH BASIS FUND BALANCE- ENDING	\$ 214,328	\$ 214,328	\$ 152,368	\$ 152,368

SEE ACCOUNTANT'S COMPILATION REPORT

SUPPLEMENTAL INFORMATION

Town of Silver Creek, Mississippi
Schedule of Investments
September 30, 2009
Schedule 1

General Funds:

General Fund - Certificate of Deposit 1.00% Due 1-07-10	\$ 13,105
Fire Fund - Certificate of Deposit 1.00% Due 1-31-10	5,995
Total General Funds	<u>\$ 19,100</u>

Water Funds:

Water Fund - Certificate of Deposit 1.00% Due 1-31-10	\$ 11,990
Water Fund - Certificate of Deposit 1.55% Due 12-21-09	34,719
Water Fund - Certificate of Deposit 1.55% Due 7-09-10	11,984
Total Water Funds	<u>\$ 58,693</u>

Total Investments	<u>\$ 77,793</u>
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SEE ACCOUNTANT'S COMPILATION REPORT

Town of Silver Creek, Mississippi
Schedule of Long-Term Debt
September 30, 2009
Schedule 2

Date of Issue	Definition & Purpose	Balance Outstanding 10/01/08	Transactions During Fiscal Year Issued	Redeemed	Balance Outstanding 09/30/09
May-07	Police Car	\$ 5,580	\$	3,492	\$ 2,088
Mar-08	Caps Loan	97,995		4,309	\$ 93,686
		\$ 103,575	\$ -	\$ 7,801	\$ 95,774

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Silver Creek, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2009
Schedule 3

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Elizabeth Turnage	Mayor	MS Municipal	25,000
Frances Hartzog	Aldersperson	MS Municipal	10,000
William Hartzog	Aldersperson	MS Municipal	10,000
Lester Jenkins	Aldersperson	MS Municipal	10,000
Camille Myers	Aldersperson	MS Municipal	10,000
Billy Reynolds	Aldersperson	MS Municipal	10,000
Martha Holloway	Town Clerk	St. Paul Travelers	50,000
Megan Martin	Deputy Town Clerk	St. Paul Travelers	50,000

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Silver Creek, Mississippi
Independent Accountant's Report on Applying
Agreed-Upon Procedures
September 30, 2009

Charles Robert Prince
Certified Public Accountant

Charles Robert Prince
Certified Public Accountant
Post Office Box 353
Magee, Mississippi

INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING
AGREED-UPON PROCEDURES

The Mayor and Board of Alderpersons
Town of Silver Creek
Silver Creek, 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 Silver Creek, Mississippi, solely to assist the Office of the State Auditor evaluate the Town of Silver Creek, Mississippi’s compliance with certain laws and regulations as of September 30, 2009, and for the year then ended. This agreed-upon-procedures engagement was performed 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 bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
First Bank	General Fund	\$ 306
First Bank	General Fund	42,130
First Bank	General Fund	215
First Bank	General Fund	14
First Bank	General Fund	35
First Bank	General Fund	150,503
First Bank	General Fund	2,025
First Bank	General Fund	5,995
First Bank	General Fund	13,105
Total General Fund		<u>\$ 214,328</u>

Bank	Fund	Balance Per General Ledger
First Bank	Water Fund	\$ 409
First Bank	Water Fund	2,900
First Bank	Water Fund	89,885
First Bank	Water Fund	481
First Bank	Water Fund	11,990
First Bank	Water Fund	34,719
First Bank	Water Fund	11,984
Total Water Fund		\$ 152,368

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).
3. 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 compliance 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).

There were no ad valorem tax collections for the retirement of General Obligation Debt.

4. 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:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Fire Protection Allocation	General Fund	\$ 1,104
Gasoline Tax	General Fund	588
Homestead Exemption Reimb.	General Fund	540
Sales Tax Allocation	General Fund	37,895
General Municipal Aid	General Fund	109
Grand Gulf	General Fund	1,704
Other Aid to Mun.-CDBG	Proprietary Fund	45,395

5. 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	25
Dollar Value of Sample	\$ 26,783

I found the municipality'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 municipality. The completed survey indicated no instances of noncompliance with state requirements.

I was not engaged to, and did not, perform 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 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.

January 4, 2010