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SEP 0 5 2007
STATE AUDITOR'S OFFICE

# TOWN OF VAIDEN, MISSISSIPPI

## COMPILED FINANCIAL STATEMENT
## AND
## REPORT ON APPLYING AGREED-UPON PROCEDURES

SEPTEMBER 30, 2006

MULLEN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
105 WALL STREET
LEXINGTON, MS 39095

TOWN OF VAIDEN, MISSISSIPPI
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September 30, 2006


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SEE ACCOUNTANTS' COMPILATION REPORT

CPA MULLEN & COMPANY
Certified Public Accountants
105 Wall Street, Lexington, MS 39095
(662) 834-2556 • (601) 605-4596

## Independent Accountants' Report on Compiled Financial Statement

Honorable Mayor and Board of Aldermen
Town of Vaiden
P. O. Box 76
Vaiden, Mississippi 39176

We have compiled the accompanying Statement of Cash Receipts and Disbursements—All Funds of the Town of Vaiden for the year ended September 30, 2006 in accordance with Statements on Standards for Accounting and Review Services issued 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. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or any other form of assurance on it.

The accompanying financial statement has been prepared on the cash basis of accounting, which differs from generally accepted accounting principles. Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statement, 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.

The supplementary information on pages 8 through 10 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Vaiden, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Mullen + Company

Mullen & Company
Lexington, MS 39095
August 28, 2007

# TOWN OF VAIDEN, MISSISSIPPI

SEPTEMBER 30, 2006

## FINANCIAL SECTION

TOWN OF VAIDEN, MISSISSIPPI
STATEMENT OF CASH RECIEPTS AND DISBURSEMENTS - ALL FUNDS
Year Ended September 30, 2006

| Revenue Receipts | General | Special Revenue | Debt Service | Capital Project | Proprietary Fund | Fiduciary Fund | Totals (Memorandum Only) |
|---|---|---|---|---|---|---|---|
| General Property Taxes | $ 102,578 | $ 3,611 | $ 17,333 | $ - | $ - | $ - | $ 123,522 |
| License and Permits | 2,611 | | | | | | 2,611 |
| Franchise Taxes on Utilities | 20,257 | | | | | | 20,257 |
| Federal Revenues: | | | | | | | - |
| Homeland Security | 13,577 | | | | | | 13,577 |
| FEMA | 12,939 | | | | | | 12,939 |
| USDA Grant | | | | 27,585 | | | 27,585 |
| CDBG | | | | | 44,884 | | 44,884 |
| State Shared Revenues: | | | | | | | - |
| Sales Tax | 118,035 | | | | | | 118,035 |
| Gasoline Tax | 2,362 | | | | | | 2,362 |
| Liquor Privilege Tax | 1,800 | | | | | | 1,800 |
| State Fire Rebate | | 4,272 | | | | | 4,272 |
| Grand Gulf Tax District | 4,727 | | | | | | 4,727 |
| Inmate Litter Program | 21,908 | | | | | | 21,908 |
| COPS Grant | 12,014 | | | | | | 12,014 |
| Local Grants: | | | | | | | - |
| County Fire Protection | | 6,606 | | | | | 6,606 |
| Charges for Services: | | | | | | | - |
| Garbage | 37,259 | | | | | | 37,259 |
| Water | | | | | 248,462 | | 248,462 |
| Sewer | | | | | 49,192 | | 49,192 |
| Miscellaneous | 9,658 | 250 | | | 9,464 | | 19,372 |
| Fines and Forfeits | 51,063 | | | | | | 51,063 |
| Interest Income | 3,816 | 697 | | | 8,670 | | 13,183 |
| Total Revenue Receipts | 414,604 | 15,436 | 17,334 | 27,585 | 360,672 | - | 835,631 |
| Other Receipts | | | | | | | |
| Loans and Transfers | 13,074 | 10,759 | | 594,858 | | - | 618,691 |
| Tax Collected by Trust and Agency Fund | - | - | - | - | - | 115,596 | 115,596 |
| Total Other Receipts | 13,074 | 10,759 | - | 594,858 | - | 115,596 | 734,287 |
| Total Receipts | 427,678 | 26,195 | 17,334 | 622,443 | 360,672 | 115,596 | 1,569,918 |
| Cash Balance – Beg. of Year | 353,030 | 70,344 | 4,137 | 216,230 | 398,377 | 150 | 1,042,268 |
| TOTAL TO ACCOUNT FOR | $ 780,708 | $ 96,539 | $ 21,471 | $ 838,673 | $ 759,049 | $ 115,746 | $ 2,612,186 |

SEE ACCOUNTANTS' COMPILATION REPORT

TOWN OF VAIDEN, MISSISSIPPI
STATEMENT OF CASH RECIEPTS AND DISBURSEMENTS - ALL FUNDS
Year Ended September 30, 2006

| | General | Special Revenue | Debt Service | Capital Project | Proprietary Fund | Fiduciary Fund | Totals (Memorandum Only) |
|---|---|---|---|---|---|---|---|
| Operating Disbursements | | | | | | | |
| General Government | $ 186,196 | $ - | $ - | $ - | $ - | $ - | $ 186,196 |
| Public Safety-Police | 177,905 | | | | | | 177,905 |
| Public Safety-Fire | - | 41,941 | | | | | 41,941 |
| Public Works | 105,098 | | | | | | 105,098 |
| Water and Sewer | | | | | 260,375 | | 260,375 |
| Bonds and Indebtedness Fees | | | | | - | | - |
| Total Operating Disbursements | 469,199 | 41,941 | - | - | 260,375 | - | 771,515 |
| | | | | | | | - |
| Other Disbursements | | | | | | | - |
| Bonds Retired | | | | | | | - |
| Notes Repaid-Including Interest | | | | 303,342 | 48,089 | | 351,431 |
| Loans and Transfers | 20,263 | | 8,527 | 6,670 | 17,163 | | 52,623 |
| Capital Outlay | | | | 528,561 | 43,405 | | 571,966 |
| Tax Collections Distributed by | | | | | | | - |
| Trust and Agency Fund | | | | | | 113,218 | 113,218 |
| Total Other Disbursements | 20,263 | - | 8,527 | 838,573 | 108,657 | 113,218 | 1,089,238 |
| Total Disbursements | 489,462 | 41,941 | 8,527 | 838,573 | 369,032 | 113,218 | 1,860,753 |
| Cash investment –end of year | 291,246 | 54,598 | 12,944 | 100 | 390,017 | 2,528 | 751,433 |
| TOTAL ACCOUNTED FOR | $ 780,708 | $ 96,539 | $ 21,471 | $ 838,673 | $ 759,049 | $ 115,746 | $ 2,612,186 |

SEE ACCOUNTANTS' COMPILATION REPORT

TOWN OF VAIDEN, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENT
September 30, 2006

Note A: Summary of Significant Accounting Policies

General Information

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

Reporting Entity

The financial statement of 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 B: 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.

SEE ACCOUNTANTS' COMPILATION REPORT

# TOWN OF VAIDEN, MISSISSIPPI

SEPTEMBER 30, 2006

SUPPLEMENTAL INFORMATION

TOWN OF VAIDEN, MISSISSIPPI
STATEMENT OF LONG TERM DEBT
September 30, 2006

| NOTES PAYABLE | Balance Outstanding Oct. 1, 2005 | Transactions During Fiscal Year Issued | Redeemed | Balance Outstanding Sept. 30, 2006 |
|---|---|---|---|---|
| FmHA 5% Note #92-04 due in monthly installments of $912.00 | 82,146 | - | 6,994 | 75,152 |
| General Obligation Bonds due in annual installments of $11,000 - $20,000 | - | 335,000 | - | 335,000 |
| Holmes County Bank interim financing for City Hall project to be repaid with USDA grant and loan | 62,183 | 231,068 | 293,251 | - |
| Holmes County Bank to pay Shongolo FmHA notes due in annual installments of $37,145 | 104,049 | - | 33,502 | 70,547 |
| Total Notes Payable-Vaiden | $ 248,378 | $ 566,068 | $ 333,747 | $ 480,699 |

| | |
|---|---|
| Assessed Valuation | $ 3,358,494 |
| Population-2000 Census | 840 |

SEE ACCOUNTANTS' COMPILATION REPORT

TOWN OF VAIDEN, MISSISSIPPI
SCHEDULE OF BONDS ON TOWN OFFICIALS
September 30, 2006

| Person | Position | Bond Amount |
|---|---|---|
| Edie Cooper | City Clerk | $ 50,000 |
| Charley McBride | Policeman | 25,000 |
| Thomas Doster | Policeman | 25,000 |
| Curtis Bailey | Policeman | 25,000 |
| Jacqueline Williams | Deputy Clerk | 10,000 |
| Frances Welch | Mayor Pro Term | 10,000 |
| George Turbeville | Mayor | 10,000 |
| Jacqueline Williams | Water Clerk | 10,000 |
| Charley McBride | Deputy Court Clerk | 10,000 |
| Curtis Bailey | Deputy Court Clerk | 10,000 |
| Edie Cooper | Court Clerk | 10,000 |
| Curtis Meeks | Alderman | 15,000 |
| Grace Voorhees | Alderman | 15,000 |
| Lemon Cunningham | Alderman | 15,000 |
| Frances Welch | Alderman | 15,000 |
| Frederick Fluker | Alderman | 15,000 |
| Mayor & Clerk | USDA Position Bond | 175,000 |

All bonds are issued by St. Paul Insurance Company.

SEE ACCOUNTANTS' COMPILATION REPORT

CPA MULLEN & COMPANY
Certified Public Accountants
105 Wall Street, Lexington, MS 39095
(662) 834-2556 • (601) 605-4596

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Vaiden
Vaiden, Mississippi 39176

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Vaiden, Mississippi, as of September 30, 2006, 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). It is understood that the report is solely for the use of the governing body of the Town of Vaiden, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

1. We reconciled cash on deposit with Holmes County Bank & Trust to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

| Account Title | Fund | General Ledger Balance |
|---|---|---|
| Fire Fund | Special Revenue | $ 21,060 |
| Fire Rebate | Special Revenue | 7,538 |
| Rural Development 2003 | Debt Fund | 12,944 |
| General Fund | General Fund | 185,612 |
| COPS Fast Grant | General Fund | 22,754 |
| City Hall Project | Capital Project Fund | 100 |
| CDBG | Water Fund | 1,478 |
| Tax Account | Trust & Agency Fund | 2,528 |
| Water Revenue | Water Fund | 53,916 |
| Water-Meter Deposit | Water Fund | 6,299 |

2. We confirmed directly with Holmes County Bank & Trust all investments, including certificates of deposits, owned by the Town of Vaiden. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).

| Investment | Fund | Amount |
|---|---|---|
| CD# 312108 | Special Revenue | $ 6,000 |
| CD# 312561 | Special Revenue | 20,000 |
| CD# 312560 | Water Fund | 38,439 |
| CD# 312118 | Water Fund | 10,800 |
| CD# 312191 | General Fund | 30,000 |
| CD# 314614 | Water Fund | 151,021 |
| CD# 312562 | Water Fund | 1,886 |
| CD# 3094 | General Fund | 52,880 |
| CD# 314693 | Water Fund | 126,178 |

3. We performed the following procedures with respect to ad valorem taxes on real and personal property 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.

   d. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 through 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 taxes were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

4. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. Payments indicated were traced to deposits in banks and recordings in the general ledger without exception. Payments traced were as follows:

| Purpose | Receiving Fund | | Amount |
|---|---|---|---|
| Inmate Litter Program | General Fund | $ | 21,908 |
| General Municipal Aid | General Fund | | 438 |
| Gasoline Tax | General Fund | | 2,362 |
| Homestead Exemption Reimb. | General Fund | | 10,304 |
| Nuclear Plant-In Lieu | General Fund | | 4,727 |
| Fire Protection | Special Revenue | | 4,272 |
| Sales Tax Allocation | General Fund | | 118,035 |
| COPS Fast Grant | General Fund | | 12,014 |
| Homeland Security | General Fund | | 13,577 |
| Police Overtime | General Fund | | 2,306 |
| MEMA | General Fund | | 12,939 |
| CDBG | Water Fund | | 44,884 |
| Liquor Privilege License | General Fund | | 1,800 |

5. We selected a random sample of purchases made by the town during the year. Each sample item was evaluated for compliance with public 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 | 51 |
| Dollar Value of Sample | $ 320,450 |

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

6. We read the Municipal Compliance Questionnaire completed by the town dated January 19, 2006. 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, 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 generally accepted auditing standards, 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 Vaiden, Mississippi, for the year ended September 30, 2006.

Mullen & Company

Mullen & Company
Certified Public Accountants
Lexington, MS
August 28, 2007