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**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**COMPILATION & AGREED UPON PROCEDURES REPORT**  
For the fiscal year ended September 30, 2008

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**RONNIE S. WINDHAM, CPA, LLC**  
**P.O. Box 159**  
**Oxford, MS 38655**

**INDEPENDENT ACCOUNTANT'S REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**

Honorable Mayor and Members  
Of Board of Aldermen  
Town of Coffeeville  
Coffeeville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Coffeeville, 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). It is understood that the report is solely for the use of the governing body of the Town of Coffeeville, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. My procedures and findings are as follows:

- A. 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	GENERAL LEDGER
Renasant Bank	General Fund	639
Renasant Bank	General Fund	9,814
Renasant Bank	General Fund	43,125
Renasant Bank	General Fund	11,695
Renasant Bank	General Fund	22,130
Renasant Bank	General Fund	116
Renasant Bank	General Fund	10,995
Renasant Bank	General Fund	563
	Total General Fund	\$ 99,077
Renasant Bank	Special Revenue	\$ 596
Renasant Bank	Special Revenue	\$ 1
Renasant Bank	Special Revenue	2,248
Renasant Bank	Total Special Revenue	\$ 2,845
Renasant Bank	Water and Sewer Fund	\$ 4,683
	Total Water and Sewer Fund	\$ 4,683

- B. I confirmed directly with respective banks all investments, including certificates of deposits, owned by the Town of Coffeeville. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code, Ann. (1972).

Investment	Fund	Amount
Certificate of Deposit	General Fund	\$ 141,340
Certificate of Deposit	Water and Sewer	\$ 32,845
		\$ 174,185

C. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

1. Verify use of certified county assessment rolls and trace levies to governing body limits.
2. Examined uncollected taxes for proper handling, including tax sales.
3. Traced distribution of taxes collected to proper funds.
4. Analyzed increase in taxes for most recent period for compliance with increase limitations of Section 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).

D. I 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:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Liquor Privilege	General Fund	\$ 1,800
Fire Protection	General Fund	4,817
General Municipal Aid	General Fund	485
Gasoline Tax	General Fund	2,615
Homestead	General Fund	18,671
TVA Payments	General Fund	9,645
Sales Tax	General Fund	115,735
City utilities	General Fund	2,726
HOME Grant	General Fund	21,227

E. 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	60
Dollar Value of Sample	\$57,602.50

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

- F. I have read the Municipal Compliance Questionnaire completed by the municipality. The following response to the questionnaire indicates non-compliance with state requirements:

The Town did not maintain a fixed asset inventory as required by the State Department of Audit Municipal Audit and Accounting Guide.

Because the above procedures do not constitute an audit conducted in accordance with auditing standards generally accepted in the United States of America, 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 our attention that caused us to believe the items specified in paragraphs A, B, and C should be adjusted. Had I performed additional procedures or had I 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 my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Coffeeville, Mississippi, for the year ended September 30, 2008.

Ronnie S. Windham  
Certified Public Accountant  
February 10, 2010

**RONNIE S. WINDHAM, CPA, LLC**  
**P.O. Box 159**  
**Oxford, MS 38655**

**ACCOUNTANT'S COMPILATION REPORT**

Honorable Mayor and  
Board of Aldermen  
Town of Coffeeville  
Coffeeville, MS

I have compiled the accompanying statement of cash receipts and disbursements (all funds)-cash basis of the Town of Coffeeville for the year ended September 30, 2008, 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 information that is the representation of management in the form of financial statements. I have not audited or reviewed the accompanying statement of cash receipts and disbursements (all funds)-cash basis 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 funds)-cash basis is not intended to present results of operations, in conformity with accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. 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, the financial statement is not designed for those who are not informed about such matters.

The supplementary information contained on pages 8, 9, and 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 Coffeeville, Mississippi, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on such supplementary information.

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Ronnie S. Windham CPA

February 10, 2010

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS & DISBURSEMENTS – ALL FUND TYPES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Governmental Fund Types			Proprietary Fund Type Enterprise	Totals (Memorandum Only)
	General	Debt Service	Special Revenue		
<b>Cash Receipts</b>					
<b>Taxes</b>					
General Property Taxes	\$ 137,144	\$ -	\$ -	\$ -	\$ 137,144
Licenses & Permits	3,258	-	-	-	3,258
Road Taxes	1,451	-	-	-	1,451
<b>Intergovernmental Receipts</b>	-	-	-	-	-
Federal Receipts	-	-	-	-	-
Home Grant	-	-	21,227	-	21,227
State Grant	-	-	-	-	-
<b>State Shared Receipts</b>	-	-	-	-	-
General Municipal Aid	485	-	-	-	485
TVA Payments in Lieu	4,953	-	-	-	4,953
Sales Tax	115,735	-	-	-	115,735
Fire Protection Allocation	9,817	-	-	-	9,817
Gasoline Tax	2,615	-	-	-	2,615
City Utilities Tax	12,189	-	-	-	12,189
Alcohol Beverage License	1,800	-	-	-	1,800
<b>Charges for Services</b>	-	-	-	-	-
Water Utility	-	-	-	231,777	231,777
Fines and Forfeits	44,610	-	-	-	44,610
Franchise Charges	24,903	-	-	-	24,903
Cemetery Income	5,500	-	-	-	5,500
Sanitation	-	-	-	55,817	55,817
Rents, Royalties & Interest	15,472	-	9,937	1,146	26,555
Interfund Transfers	-	69,665	-	-	69,665
Principal Rec'd on Note Pay.	-	-	59,728	-	59,728
Miscellaneous	25,512	-	2,028	6,989	34,529
<b>TOTAL CASH RECEIPTS</b>	<b>\$ 405,444</b>	<b>\$ 69,665</b>	<b>\$ 92,920</b>	<b>\$ 295,729</b>	<b>\$ 863,758</b>

See Accompanying Accountant's Compilation Report

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF CASH RECEIPTS & DISBURSEMENTS – ALL FUND TYPES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	<u>Governmental Fund Types</u>			Proprietary Fund Type Enterprise	Totals (Memorandum Only)
	General	Debt Service	Special Revenue		
<b>Cash Disbursements</b>					
General Government	\$ 114,623				\$ 114,623
Public Safety	153,484				153,484
Sanitation	-			55,847	55,847
Water and Sewer Utility				169,650	169,650
Interest Payment on Debt	-	7,090		38,382	45,472
Principal Payments on Debt	-	39,352		32,757	72,109
Highways and Streets	77,710			-	77,710
Culture and Recreation	7,395				7,395
Capital Outlay			21,389		21,389
Other Services and Charges	28,422		-	-	28,422
Interfund Transfers			69,665	-	69,665
<b>Total Cash Disbursements</b>	<u>381,634</u>	<u>46,442</u>	<u>91,054</u>	<u>296,636</u>	<u>815,766</u>
<b>Excess (Def.) of Cash</b>					
Receipts Over Cash					
Disbursements	23,812	23,224	(2,899)	(907)	43,230
<b>Cash and investment balances, beginning of year</b>					
	<u>193,531</u>	<u>-</u>	<u>5,744</u>	<u>38,436</u>	<u>237,711</u>
<b>Cash and investment balances, end of year</b>					
	<u>\$ 217,343</u>	<u>\$ 23,224</u>	<u>\$ 2,845</u>	<u>\$ 37,529</u>	<u>\$ 280,941</u>

**TOWN OF COFFEEVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2008**

**Note A: Summary of Significant Accounting Policies**

General Information

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

Reporting Entity

The financial statement of the City consists of all the funds of the City.

Fund Accounting

The accounts of the City 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, which is a comprehensive basis of accounting other than generally accepted accounting principles. The basis is 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 and does not conform to the form and format as implemented in GASB Statement No. 34, "Basic Financial Statements-and-Management's Discussion and Analysis-for State and Local Governments."

**TOWN OF COFFEEVILLE, MISSISSIPPI  
SCHEDULE OF LONG-TERM DEBT  
SEPTEMBER 30, 2008**

	<b>Balance October 1, 2007</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance September 30, 2008</b>
Note payable – Avery	\$ 168,988	\$ -	\$ 39,352	\$ 129,636
Note payable – Cap Loan	113,315	-	21,495	91,820
Note payable – Farmers Home	710,832	-	11,262	699,569
TOTAL	<u>\$ 993,135</u>	<u>\$ -</u>	<u>\$ 72,109</u>	<u>\$ 921,025</u>

**TOWN OF COFFEEVILLE, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS  
SEPTEMBER 30, 2008**

NAME	POSITION	DATES OF COVERAGE		COMPANY	BOND
		From	To		
Mack Burns	Mayor	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
Rebecca McCullar	Deputy Clerk	1-22-08	12-19-08	Scott Municipal Ins.	\$10,000
Rebecca McCullar	Municipal Court Clerk	1-22-08	12-19-08	Scott Municipal Ins.	\$10,000
Mark Martin	Police Chief	10-3-07	12-19-08	Scott Municipal Ins.	\$50,000
Patricia Moody	Town Clerk	1-22-07	12-19-08	Scott Municipal Ins.	\$50,000
Joe Bourn	Vice Mayor	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
Mack Dudley	Alderman	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
Johnny Roland	Alderman	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
Michael Ayers	Alderman	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
William Shelton, Jr.	Alderman	07-01-07	07-01-09	Scott Municipal Ins.	\$25,000
Milton Hervey	Police Officer	07-01-07	12-19-08	Scott Municipal Ins.	\$25,000
Steven McLarty	Police Officer	07-01-07	12-19-08	Scott Municipal Ins.	\$25,000
Luther G. Folsom, Jr	Police Officer	08-12-08	12-19-08	Scott Municipal Ins.	\$25,000
Paul Thomas	Police Officer	02-14-08	12-19-08	Scott Municipal Ins.	\$25,000

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**SCHEDULE OF INVESTMENTS – ALL FUNDS**  
**SEPTEMBER 30, 2008**

<u>OWNERSHIP</u>	<u>TYPE OF INVESTMENT</u>	<u>INTEREST RATE</u>	<u>ACQUISITION DATE</u>	<u>MATURITY DATE</u>	<u>OTHER INFORMATION</u>	<u>INVESTMENT COST/VALUE</u>
General Fund	Certificate of Deposit	3.60%	12/30/2008	365 Days	Renasant Bank	\$80,000
General Fund	Certificate of Deposit	3.03%	11/29/2008	180 Days	Renasant Bank	24,419
Water and Sewer	Certificate of Deposit	3.60%	1/11/2008	365 Days	Renasant Bank	32,045
General Fund	Certificate of Deposit	3.60%	12/30/2008	365 Days	Renasant Bank	36,920
<b>TOTAL INVESTMENTS</b>						<b>\$173,384</b>