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CITY OF PURVIS, MISSISSIPPI
COMPILATION REPORT AND COMPLIANCE LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2008

CITY OF PURVIS, MISSISSIPPI

PUBLIC OFFICIALS

Roger Herrin
Mayor

Sheila Speights
City Clerk

Members of Board of Aldermen

Nancy Pylant

Vernon Hartfield

Allen Stuart

John Jordan

Milton Bourn

CITY OF PURVIS, MISSISSIPPI

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WRIGHT CPA GROUP, PLLC



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ACCOUNTANTS' REPORT

Honorable Mayor and Board of Alderpersons
City of Purvis, Mississippi

We have compiled the accompanying combined statement of cash receipts and disbursements for each fund of the City of Purvis for the year ended September 30, 2008, and the accompanying supplementary information contained in Schedules 1, 2, and 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. We have not audited or review the accompanying statement of cash receipts and disbursements and supplementary information 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 and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the City of Purvis' cash basis of accounting, require the presentation of government-wide financial statements.

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 statement, they might influence the users' conclusions about the City'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 the management discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basis financial statements.

In accordance with the provisions of 25-35-31, Miss. Code Ann. (1972), we have issued a report dated November 12, 2008, on the results of our agreed-upon procedures.

Wright CPA Group, PLLC

Wright CPA Group, PLLC
November, 12 2008

CITY OF PURVIS, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS (ALL FUNDS)
For the Fiscal Year Ended September 30, 2008

	General	Special Revenue	Proprietary Fund	Totals (Memorandum Only)
Revenue Receipts:				
General Property Taxes	\$ 492,504	\$ 24,913	\$ 57,835	\$ 575,252
Penalties and Interest on Delinquent Taxes	4,866	-	-	4,866
Licenses and Permits	202,763	1,262	1,772	205,797
Intergovernmental Revenues:				
County Grant Funds	-	-	57,267	57,267
Federal:				
Grants	19,961	-	14,254	34,215
General Municipal Aid	1,128	-	-	1,128
Road And Bridge Tax	75,044	-	-	75,044
Privilege Tax	-	-	-	-
State Shared Revenues:				
Sales Tax	593,268	-	-	593,268
Gasoline Tax	6,084	-	-	6,084
Fire Ins. Premium Tax	11,260	-	-	11,260
Homestead Exemption	42,234	-	-	42,234
Rail Car Tax	1,976	-	-	1,976
Other Grants	47,120	-	-	47,120
Charges for Services:				
Garbage Collection	129,563	-	-	129,563
Water & Sewer Utility	-	-	496,266	496,266
Fines and Forfeits:				
Court Fines and Fees	61,221	-	-	61,221
Interest Earned	60,107	1,619	8,040	69,766
Miscellaneous Receipts	16,058	7,669	9,800	33,527
Total Revenue Receipts	1,765,157	35,463	645,234	2,445,854
Other Receipts:				
Bank Loans	-	-	-	-
Sale of Cemetery Lots	2,073	-	-	2,073
Total Other Receipts	2,073	-	-	2,073
Total Receipts	1,767,230	35,463	645,234	2,447,927
Cash Balance-Beginning				
Of Year	1,381,378	65,367	217,585	1,664,330
TOTAL AMOUNT TO				
ACCOUNT FOR	\$ 3,148,608	\$ 100,830	\$ 862,819	\$ 4,112,257

See accompanying notes and accountants' compilation report

**CITY OF PURVIS, MISSISSIPPI
 COMBINED STATEMENT OF CASH RECEIPTS
 AND DISBURSEMENTS (ALL FUNDS)
 For the Fiscal Year Ended September 30, 2008**

	General	Special Revenue	Proprietary Fund	Totals (Memorandum Only)
Operating Disbursements:				
General Government	\$ 423,217	\$ -	\$ -	\$423,217
Public Safety:				
Police	638,237	-	-	638,237
Fire	30,923	6,530	-	37,453
Public Works:				
Water & Sewer	441,452	-	-	441,452
Culture and Recreation:				
Parks	-	34,082	-	34,082
Libraries	7,098	-	-	7,098
Enterprises:				
Water & Sewer Utility	-	-	384,316	384,316
Interest on Debt	3,023	-	54,198	57,221
Total Operating Disbursements	1,543,950	40,612	438,514	2,023,076
Other Disbursements:				
Bonds Retired	24,038	-	217,012	241,050
Capital Outlay	119,372	-	23,310	142,682
Total Other Disbursements	143,410	-	240,322	383,732
Total Disbursements	1,687,360	40,612	678,836	2,406,808
Cash Balance – End of Year	1,461,248	60,218	183,983	1,705,449
TOTAL AMOUNT ACCOUNTED FOR	\$ 3,148,608	\$ 100,830	\$ 862,819	\$ 4,112,257

See accompanying notes and accountants' compilation report

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

The City operates under the Mayor/Board of Alderman form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the City of Purvis 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, 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 CLASSIFICATION

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

CITY OF PURVIS
SCHEDULE OF INVESTMENTS – ALL FUNDS
September 30, 2008

(Schedule 1)

Ownership	Type of Investment	Interest Rate	Acquisition Date	Maturity Date	Other Information	Investment Cost/Value
Water & Sewer Fund	Certificate of Deposit	5.75%	08/08/2008	08/08/2009	The First	\$118,716

CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
September 30, 2008

(Schedule 2)

	Balance Outstanding	Transactions during Fiscal Year		Balance Outstanding
<u>DEFINITION AND PURPOSE</u>	<u>October 1, 2007</u>	<u>Issued</u>	<u>Redeemed</u>	<u>September 30, 2008</u>
Revenue Bonds:				
Water and Sewer 6-79	\$ 42,965	\$ -	\$ 6,591	\$ 36,374
Water and Sewer 5-81	110,755	-	10,107	\$ 100,648
Water and Sewer 7-82	343,074	-	47,908	\$ 295,166
Total	<u>496,794</u>	<u>-</u>	<u>64,606</u>	<u>432,188</u>
Revolving Loan Payable & Other Debt				
SRF Loan	47,076	-	15,679	31,397
SRF Loan	432,589	-	28,288	404,301
SRF Loan	454,883	-	22,791	432,092
Promissory Note	31,653	-	8,169	23,484
Total	<u>966,201</u>	<u>-</u>	<u>74,927</u>	<u>891,274</u>
Capital Loans:				
Water and Sewer	151,901	-	19,491	132,410
Water and Sewer	174,703	-	82,026	92,677
Total	<u>326,604</u>	<u>-</u>	<u>101,517</u>	<u>225,087</u>
 TOTAL	 <u>\$ 1,789,599</u>	 <u>\$ -</u>	 <u>\$ 241,050</u>	 <u>\$ 1,548,549</u>

**CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF SURETY BONDS
For the Fiscal Year Ended September 30, 2007**

(Schedule 3)

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Roger Herrin	Mayor	United States Fidelity	\$ 100,000
John Jordan	Mayor-Protem	United States Fidelity	20,000
Milton Bourn	Alderman	MS Municipal Bond Program	25,000
Willie Stuart	Alderman	MS Municipal Bond Program	25,000
John Jordan	Alderman	MS Municipal Bond Program	25,000
Leon Hartfield	Alderman	MS Municipal Bond Program	25,000
Nancy Pylant	Alderman	MS Municipal Bond Program	25,000
Sheila Speights	City Clerk	United States Fidelity	120,000
Pat Phillips	Deputy City Clerk	United States Fidelity	10,000
Carolyn Taylor	Deputy City Clerk	United States Fidelity	10,000
Melissa Spiers	Court Clerk	United States Fidelity	10,000
Steve Reid	Police Chief	United States Fidelity	50,000
Various (8)	Police Officers	United States Fidelity	25,000
Various (2)	Deputy Clerks	United States Fidelity	10,000

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SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES

Honorable Mayor and Board of Alderman
City of Purvis, Mississippi

We have applied certain agreed-upon procedures as described below, to the accounting records of the City of Purvis, Mississippi, as of September 30, 2008, and for the year then ended, as required by the Office of State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the City of Purvis, 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 the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
The First	General	\$1,461,248
The First	Special Revenue	40,400
The First	Special Revenue	19,818
The First	Proprietary	65,266
The First	Restricted (CDs)	<u>118,717</u>
Total		\$1,705,449

2. We confirmed balance of Certificate of Deposit held for investment (see "Restricted" \$118,717 above). All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Verified use of certified county assessment rolls and traced levies to the 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 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 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 made by the Department of Finance and Administration to the City of Purvis. Payments indicated were traced to deposit in 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>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$579,546
Homestead Exemption Reimbursement	General Fund	42,233
Law Enforcement Assistance Grant	General Fund	30,042
Fire Protection Allocation	General Fund	11,208
Gasoline Tax	General Fund	6,804

5. We selected a sample of purchases made by the City of Purvis 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	18
Total Dollar Value of Sample	\$263,727

We found the City of Purvis' purchasing procedures to be in agreement with the requirements of the above mentioned sections without exceptions.

6. We have read the Municipal Compliance Questionnaire completed by the City of Purvis. 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 specific accounts or classes of transactions referred to above. In connection to 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 City of Purvis, Mississippi, for the year ended September 30, 2008.

Wright CPA Group, PLLC

Wright CPA Group, PLLC
November 12, 2008