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**City of Mendenhall, Mississippi**  
**Compiled Financial Statements**  
**Year Ended September 30, 2009**

**Charles Robert Prince**  
**Certified Public Accountant**

**City of Mendenhall, Mississippi**

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## **FINANCIAL STATEMENTS**

**Charles Robert Prince**  
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**ACCOUNTANT'S COMPILATION REPORT**

Honorable Mayor and Board of Alderpersons  
City of Mendenhall  
Mendenhall, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements- governmental and business-type activities and other funds of the City of Mendenhall, Mississippi for the year ended September 30, 2009, and the accompanying supplementary information contained in Schedules 1 through 4, 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 other funds 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 City'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 City's governmental activities and business-type activities and other funds are not reasonably determinable.

**Honorable Mayor and Board of Alderpersons  
City of Mendenhall**

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 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 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 December 29, 2009, on the results of our agreed-upon procedures.

December 29, 2009

**City of Mendenhall, Mississippi**  
**Statement of Cash Receipts and Disbursements—**  
**Governmental and Business-type Activities and Other Funds**  
**For the Year Ended September 30, 2009**

	Governmental Activities				Business - Type Activities	
	General Fund	Special Revenue Fund	Debt Service Fund	TOTAL	Water Fund	Other Fiduciary Fund
<b>RECEIPTS:</b>						
Taxes						
General Property Taxes	\$ 347,623	\$ 42,408		\$ 390,031		\$
Rail Car Taxes	6,959			6,959		
Penalties and Interest	3,465			3,465		
License and Permits						
Utility Franchise Charges	80,841			80,841		
Other	14,791			14,791		
Intergovernmental Receipts						
Federal Grants						
CDBG	4,341			4,341	275,331	
Homeland Security						
HOME		34,313		34,313		
Katrina Reimbursement Grant	19,474			19,474		
State Grants						
General Municipal Aid	1,332			1,332		
Homestead Exemption	37,061	4,520		41,581		
Mosquito Grant	662			662		
Wireless Grant	6,195			6,195		
Police Reimbursement	671			671		
DUI Enforcement	11,484			11,484		
Generator Grant						
State Shared Receipts						
Sales Taxes	622,323			622,323		
Fire Protection		13,501		13,501		
Gasoline Taxes	7,184			7,184		
Grand Gulf	28,099			28,099		

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Statement of Cash Receipts and Disbursements—**  
**Governmental and Business-type Activities and Other Funds**  
**For the Year Ended September 30, 2009**

	Governmental Activities				Business - Type Activities	
	General Fund	Special Revenue Fund	Debt Service Fund	TOTAL	Water Fund	Fiduciary Fund
RECEIPTS: Continued						
County Grants	\$	\$	\$	\$	\$	\$
Fire Allocation		32,269		32,269		
1/2 Road and Bridge Taxes	30,578			30,578		
Municipal Fire Funds-D'Lo		2,513		2,513		
Charges for Services						
Water and Sewer					473,151	
Garbage		160,994		160,994		
Meter Deposits						
Other Receipts	167,241			167,241		
Fines and Forfeits	14,573	6,982	306	21,861	4,347	1,253
Interest	3,700			3,700		
Sale of Fixed Assets	4,205			4,205		
Rent						
Donations						
Other	7,142	1,278		8,420		
Bond Proceeds						
Loan Proceeds		47,500		47,500		
<b>TOTAL RECEIPTS</b>	<b>\$ 1,419,944</b>	<b>\$ 346,278</b>	<b>\$ 306</b>	<b>\$ 1,766,528</b>	<b>\$ 784,297</b>	<b>\$ 1,253</b>

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Statement of Cash Receipts and Disbursements—**  
**Governmental and Business-type Activities and Other Funds**  
**For the Year Ended September 30, 2009**

	Governmental Activities			Business - Type Activities	
	General Fund	Special Revenue Fund	Debt Service Fund	Water Fund	Other Fiduciary Fund
			TOTAL		
DISBURSEMENTS:	\$ 479,863	\$	\$ 479,863	\$	\$
General Government					
Public Safety					
Police	480,287		480,287		
Fire	22,267	20,924	43,191		
Highways and Streets	240,591		240,591		
Repairs and Maintenance			-		
Sanitation		162,474	162,474	408,963	
Culture and Recreation	41,194		41,194		
Economic Development and Assistance Enterprises	19,200		19,200		
Water and Sewer					
Capital Outlay-CDBG				275,331	
Capital Outlay-HOME		34,313	34,313		
Capital Outlay-Homeland Security	4,341		4,341		

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Statement of Cash Receipts and Disbursements—**  
**Governmental and Business-type Activities and Other Funds**  
**For the Year Ended September 30, 2009**

	Governmental Activities				Business - Type Activities	
	General Fund	Special Revenue Fund	Debt Service Fund	TOTAL	Water Fund	Fiduciary Fund
DISBURSEMENTS: Continued						
Interest on Debt	\$ 3,116	\$ 5,397	\$ 18,785	\$ 27,298	\$ 11,922	\$ -
Payment of Loan- Priority One Bank						
Payment of Loans- Trustmark National Bank	33,334			33,334		
Payment of CAP Loan - MS Dev. Auth.	3,251	13,318		16,569	27,404	
Payment of Loans - Peoples Bank		35,843	15,000	50,843		
Capital Outlay	103,820	70,500		174,320	26,668	
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 1,431,264</b>	<b>\$ 342,769</b>	<b>\$ 33,785</b>	<b>\$ 1,807,818</b>	<b>\$ 750,288</b>	<b>\$ -</b>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	\$ (11,320)	\$ 3,509	\$ (33,479)	\$ (41,290)	\$ 34,009	\$ 1,253
OTHER FINANCING SOURCES (USES)						
Interfund Transfers	\$ (579)	\$ 579	\$ 7,200	\$ 7,200	\$ (7,200)	\$ -
Decrease in Payables						
Total Other Financing Sources (Uses)	\$ (579)	\$ 579	\$ 7,200	\$ 7,200	\$ (7,200)	\$ -
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	\$ (11,899)	\$ 4,088	\$ (26,279)	\$ (34,090)	\$ 26,809	\$ 1,253
CASH BASIS FUND BALANCE- BEGINNING	424,452	240,026	26,288	690,766	123,131	3,282
CASH BASIS FUND BALANCE- ENDING	\$ 412,553	\$ 244,114	\$ 9	\$ 656,676	\$ 149,940	\$ 4,535

SEE ACCOUNTANT'S COMPILATION REPORT

**SUPPLEMENTAL INFORMATION**

**City of Mendenhall, Mississippi**  
**Schedule of Investments**  
**September 30, 2009**  
**Schedule 1**

**Special Revenue Fund**

Municipal Fire Fund:

2.00% Certificate of Deposit, Dated June 13, 2009  
Due June 13, 2010

\$ 150,757

Unemployment Fund:

1.98% Certificate of Deposit, Dated March 28, 2009  
Due March 28, 2010

5,650

**Total Investments**

**\$ 156,407**

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Schedule of Long-Term Debt**  
**September 30, 2009**  
**Schedule 2**

<b>Definition &amp; Purpose</b>	<b>Balance Outstanding 10/1/2008</b>	<b>Transactions During Fiscal Year</b>		<b>Balance Outstanding 9/30/2009</b>
		<b>Issued</b>	<b>Redeemed</b>	
<b>GENERAL DEBT</b>				
MS Dev. Authority, Capital Improvement Revolving Loan @ 3.00% for Civic Center	\$ 52,226	\$	\$ 3,251	\$ 48,975
MS Dev. Authority, Capital Improvement Revolving Loan @ 2.00% for Fire Rescue Unit	110,019		13,318	96,701
MS Dev. Authority, Capital Improvement Revolving Loan @ 2.00% for Water and Sewer System Improvements	336,900		14,408	322,492
MS Dev. Authority, Capital Improvement Revolving Loan @ 2.00% for Water and Sewer System Improvements	115,109		12,996	102,113
Trustmark National Bank Loan @ 4.66% for Street Improvements	33,334		33,334	-
Priority One Bank Lease for Water Dept. Bulldozer	-	47,500		47,500
Peoples Bank Loan @ 4.75% for Solid Waste 2007 Garbage Truck	69,834		35,843	33,991
Peoples Bank G.O. Bonds @ 4.25 General Obligation Bonds	310,000		15,000	295,000
<b>TOTAL</b>	<b>\$ 1,027,422</b>	<b>\$</b>	<b>\$ 47,500</b>	<b>\$</b>
			<b>\$ 128,150</b>	<b>\$</b>
				<b>\$ 946,772</b>

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2009**  
**Schedule 3**

<b>Name</b>	<b>Position</b>	<b>Company</b>	<b>Bond</b>
Randall Neely	Mayor	RLI Insurance Co.	\$ 25,000
Tim Gray	Aldersperson	Travelers Casualty & Surety Co. of Amer.	50,000
Dale Feicke	Aldersperson	Travelers Casualty & Surety Co. of Amer.	50,000
Greg Paes	Aldersperson	Travelers Casualty & Surety Co. of Amer.	50,000
Ardell Washington	Aldersperson	Travelers Casualty & Surety Co. of Amer.	50,000
Thomas Lowery	Aldersperson	Travelers Casualty & Surety Co. of Amer.	50,000
Judi May	City Clerk	Travelers Casualty & Surety Co. of Amer.	50,000
Tiffany Wallace	Deputy Clerk	Western Surety	50,000
Barbara M. Berry	Deputy Clerk	RLI Insurance Co.	50,000
Bruce Barlow	Chief of Police	Travelers Casualty & Surety Co. of Amer.	50,000
Matt Abbott	Dispatcher/Deputy Court Clerk	RLI Insurance Co.	50,000
Rose Wells	Dispatcher/Deputy Court Clerk	RLI Insurance Co.	50,000
Karan Chiemprabha	Dispatcher/Deputy Court Clerk	RLI Insurance Co.	50,000
Latasha Millis	Dispatcher/Deputy Court Clerk	RLI Insurance Co.	50,000
Lorie King	Court Clerk	RLI Insurance Co.	50,000

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, Mississippi**  
**Solid Waste Management Services Schedule**  
**Full Cost Accounting**  
**Summary of Costs Report**  
**Fiscal Year Ending September 30, 2009**  
**Schedule 4**

**Operating Costs (Direct Costs):**

Personnel	\$	90,287
Supplies & Fuel		29,299
Disposal Fee		42,889
Capital Outlay		70,500
Debt Service		39,142
Depreciation		-
		-
<b>Total Of All Costs</b>	<b>\$</b>	<b>272,117</b>
		<b>272,117</b>

**Supplemental Information:**

Cost of Collection	\$	136,059
Cost of Disposal		136,058
		136,058
<b>Total Cost</b>	<b>\$</b>	<b>272,117</b>
		<b>272,117</b>
<b>Total Cost Per User</b>	<b>\$</b>	<b>106.50</b>
		<b>106.50</b>

**SEE ACCOUNTANT'S COMPILATION REPORT**

**City of Mendenhall, 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  
City of Mendenhall  
Mendenhall, Mississippi

I have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the City of Mendenhall, Mississippi, solely to assist the Office of the State Auditor evaluate the City of Mendenhall, 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>
Peoples Bank	General Fund	\$ 412,553
	Total General Fund	<u>\$ 412,553</u>
Peoples Bank	Special Revenue Fund	\$ 35,617
Peoples Bank	Special Revenue Fund	150,757
Peoples Bank	Special Revenue Fund	52,090
Peoples Bank	Special Revenue Fund	5,650
	Total Special Revenue Fund	<u>\$ 244,114</u>
Peoples Bank	Debt Service Fund	\$ 9
Peoples Bank	Debt Service Fund	-
	Total Debt Service Fund	<u>\$ 9</u>

Bank	Fund	Balance Per General Ledger
Peoples Bank	Water Fund	\$ 149,940
	Total Water Fund	<u>\$ 149,940</u>
Peoples Bank	Other Fund - Fiduciary	\$ 3,288
Peoples Bank	Other Fund - Fiduciary	<u>1,247</u>
	Total Other Fund - Fiduciary	<u>\$ 4,535</u>

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).
  - a. Investments consisted of certificates of deposit totaling \$156,407 on behalf of the Municipal Fire Fund and Unemployment Fund, both special revenue funds.
  
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).

Ad valorem tax collections for the retirement of general obligation debt were 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. 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:

Payment Purpose	Receiving Fund	Amount
Gasoline Tax	General Fund	\$ 7,184
Homestead Exemption Reimb.	General Fund	37,061
Sales Tax Allocation	General Fund	622,323
General Municipal Aid	General Fund	1,332
Grand Gulf	General Fund	28,099
Public Safety-Wireless Comm.	General Fund	6,195
Police Reimbursement	General Fund	671
Other Grants - Health	General Fund	662
Katrina Reimb.	General Fund	19,474
Homeland Security	General Fund	4,341
CDBG	Water Fund	275,331
Generator Grant	Water Fund	31,468
Fire Protection	Special Revenue Fund	13,501
HOME Grant	Special Revenue Fund	34,313
Homestead Exemption Reimb.	Special Revenue Fund	4,520

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	\$ 251,137

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 a matter of public record and its distribution is not limited.

December 29, 2009