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TOWN OF GEORGETOWN  
FINANCIAL REPORT  
GEORGETOWN, MISSISSIPPI  
YEAR ENDED SEPTEMBER 30, 2010

Cox & Palmer, P.A.  
Mendenhall, MS 39114

TOWN OF GEORGETOWN

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Mayor and Board of Aldermen  
Town of Georgetown  
Georgetown, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type activities of the Town of Georgetown, Mississippi for the year ended September 30, 2010, and the accompanying supplementary information as listed in the Table of Contents, 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 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.

Management has also 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.

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Town of Georgetown  
Independent Accountant's Compilation Report

Management also has not presented the 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.

*Cox & Palmer*  
Cox and Palmer  
Certified Public Accountants

Mendenhall, Mississippi  
February 7, 2011

**TOWN OF GEORGETOWN, MISSISSIPPI**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2010**

	<u>Governmental Activities</u>			<u>Business-type</u>
	<u>General</u>	<u>Capital</u>	<u>Total</u>	<u>Activities</u>
	<u>Fund</u>	<u>Projects Fund</u>		<u>Water</u>
				<u>Fund</u>
<b>RECEIPTS</b>				
Taxes				
General property taxes	\$ 43,950	\$ -	\$ 43,950	\$ -
Penalties and interest on delinquent taxes	628	-	628	-
Payment in lieu of taxes - Grand Gulf	2,984	-	2,984	-
Licenses and permits				
Franchise charges - utilities	9,879	-	9,879	-
Privilege licenses	198	-	198	-
Intergovernmental revenues				
Federal revenues				
MEMA	35,745	-	35,745	-
State revenues				
General municipal aid	179	-	179	-
Gasoline tax	924	-	924	-
Homestead exemption reimbursement	1,705	-	1,705	-
State shared revenues				
Sales taxes	36,329	-	36,329	-
Alcoholic Beverage Licenses	1,800	-	1,800	-
Fire Insurance Premium Tax	1,874	-	1,874	-
Charges for services				
Water and Sewer	-	-	-	86,897
Interest earned	-	-	-	197
Miscellaneous revenues	1,716	-	1,716	-
Rent	5,210	-	5,210	-
Total Receipts	<u>\$ 143,121</u>	<u>\$ -</u>	<u>\$ 143,121</u>	<u>\$ 87,094</u>

See Accountant's compilation report.

**TOWN OF GEORGETOWN, MISSISSIPPI**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2010**

	<u>Governmental Activities</u>			Business-type
	<u>General</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>	<u>Activities</u> <u>Water</u> <u>Fund</u>
<b>DISBURSEMENTS</b>				
General government				
Executive	\$ 13,187	\$ -	\$ 13,187	\$ -
Financial	18,147	-	18,147	-
Other	62,054	-	62,054	-
Enterprises				
Water and sewer	-	-	-	74,007
Capital Outlay	33,765	-	33,765	-
Debt service interest	-	-	-	10,382
	<u>127,153</u>	<u>-</u>	<u>127,153</u>	<u>84,389</u>
Excess (Deficiency) of Receipts over Disbursements	<u>15,968</u>	<u>-</u>	<u>15,968</u>	<u>2,705</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of equipment	2,536	-	2,536	-
Principal payment	-	-	-	(5,866)
Total other financing sources (uses)	<u>2,536</u>	<u>-</u>	<u>2,536</u>	<u>(5,866)</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>18,504</u>	<u>-</u>	<u>18,504</u>	<u>(3,161)</u>
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	<u>77,033</u>	<u>83</u>	<u>77,116</u>	<u>57,898</u>
CASH BASIS FUND BALANCE - END OF YEAR	<u>\$ 95,537</u>	<u>\$ 83</u>	<u>\$ 95,620</u>	<u>\$ 54,737</u>

See Accountant's compilation report.

SUPPLEMENTAL INFORMATION

TOWN OF GEORGETOWN  
SCHEDULE OF LONG-TERM DEBT  
For the Fiscal Year Ended September 30, 2010

	Balance Outstanding <u>Oct. 1, 2009</u>	Transactions During Fiscal Year		<u>Adjustments</u>	Balance Outstanding <u>Sept. 30, 2010</u>
		<u>Additions</u>	<u>Reductions</u>		
<u>WATER AND SEWER FUND</u>					
Combined Water and Sewer Revenue Bond, Dated June 14, 1998, 5.25% interest rate, Monthly payments of \$1,354, Maturing August 2029	<u>\$ 210,092</u>	<u>\$ -</u>	<u>\$ 5,866</u>	<u>(\$9,673)</u>	<u>\$ 194,553</u>

The adjustment was necessary to reflect the decrease in interest rate from the original agreement of 5.5% to the current rate of 5.25%.

TOWN OF GEORGETOWN  
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS  
SEPTEMBER 30, 2010

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Robert W. Windom	Mayor	Travelers	\$ 25,000
Katherine Ashley	Town Clerk	Travelers	50,000
Alan Faler	Water Supervisor	Travelers	50,000
Faye Berry	Alderman	MS Municipal Bond Program	10,000
Russ Dubose	Alderman	MS Municipal Bond Program	10,000
Shelia Childers	Alderman	MS Municipal Bond Program	10,000
Robert Haynes	Alderman	MS Municipal Bond Program	10,000
Jeff Craft	Alderman	MS Municipal Bond Program	10,000

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INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES

Mayor and Board of Aldermen  
Town of Georgetown  
Georgetown, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Georgetown, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Georgetown's compliance with certain laws and regulations as of September 30, 2010, and for the year then ended. Management is responsible for the accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we 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.

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 bank or otherwise verified these bank balances. No exceptions were noted.

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Copiah Bank	General	<u>\$ 95,537</u>
Trustmark National Bank	Community Development Block Grant	<u>83</u>
Copiah Bank	Water/Sewer	35,018
Copiah Bank	Water/Sewer Cushion Fund	<u>19,719</u>
	Total Water/Sewer Fund	<u>\$ 54,737</u>

2. The Town of Georgetown owned no securities at September 30, 2010.

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Town of Georgetown  
 Independent Accountants' Report on  
 Applying Agreed-Upon Procedures

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Traced levies to governing body minutes;
  - b. Traced distribution of taxes collected to proper funds; and
  - c. 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 were found to be in accordance with prescribed tax levies.

Ad valorem tax collections 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 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 Funds</u>	<u>General Ledger Amount</u>
Sales Tax Allocation	General	\$ 36,329
Gasoline Tax	General	924
Homestead Exemption	General	1,705
General Municipal Aid	General	179
Alcoholic Beverage Licenses	General	1,800
Fire Insurance Premium	General	1,874
Nuclear Plant – Payments in Lieu	General	2,984
MEMA	General	<u>35,745</u>
		<u>\$ 81,540</u>

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), if applicable.

The sample consisted of the following:

Number of Sample Items	20
Total Dollar Value of Sample	\$ 61,721

Town of Georgetown  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections except as follows.

On March 17, 2010 a purchase was made from Alpha General in the amount of \$7,280. No quotes were on file for this purchase. Code Section 31-7-13, Miss. Code Ann. (1972), requires two written quotes for purchases exceeding \$5,000.

In connection with the above purchase totaling \$7,280, a Town employee was contracted with to haul the freight using his own truck. This is contrary to Section 25-4-105(3), Miss. Code Ann. (1972).

6. We have reviewed the Municipal Compliance Questionnaire that was completed, signed and recorded on the board minutes. The following instances of noncompliance were noted:

When the budget is amended, the accounting records are not updated. Budget work papers should support the main categories as shown on the approved budget.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our 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. This report is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Cox & Palmer*

Cox and Palmer  
Certified Public Accountants

Mendenhall, Mississippi  
February 7, 2011