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**Town of Seminary, Mississippi**  
**Compiled Financial Statements**  
**Year Ended September 30, 2010**

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

**Town of Seminary, Mississippi**

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## **FINANCIAL STATEMENTS**

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

Honorable Mayor and Board of Alderpersons  
Town of Seminary  
Seminary, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements-governmental and business-type activities of the Town of Seminary, Mississippi for the year ended September 30, 2010, 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 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.

**Honorable Mayor and Board of Alderpersons  
Town of Seminary**

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 Town'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 28, 2010, on the results of my agreed-upon procedures.



December 28, 2010

**Town of Seminary, Mississippi**  
**Statement of Cash Receipts and Disbursements–**  
**Governmental and Business-type Activities**  
**For the Year Ended September 30, 2010**

	Governmental Activities			Business - Type Activities	
	General Fund	Special Revenue Fund	TOTAL	Water Fund	TOTAL
RECEIPTS:					
Taxes					
General Property Taxes	\$ 30,123	\$	\$ 30,123	\$	\$
Road & Bridge Taxes			-		
License and Permits					
Utility Franchise Charges	21,135		21,135		
Other	1,231		1,231		
Intergovernmental Receipts					
Federal Receipts					
CDBG			-		
State Grants					
General Municipal Aid	174		174		
Homestead Exemption	2,738		2,738		
Mosquito Grant			-	5,283	5,283
State Shared Receipts					
Sales Taxes	131,375		131,375		
Fire Protection		1,825	1,825		
Gasoline Taxes	942		942		
Rent-State of MS	6,500		6,500		
County Support					
Board of Supervisors	12,589		12,589		
Local Support					
SW Covington Utility	3571		3,571		

**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi**  
**Statement of Cash Receipts and Disbursements–**  
**Governmental and Business-type Activities**  
**For the Year Ended September 30, 2010**

	Governmental Activities			Business - Type Activities	
	General Fund	Special Revenue Fund	TOTAL	Water Fund	TOTAL
RECEIPTS: Continued					
Charges for Services					
Water and Sewer	\$	\$	\$	\$ 82,818	\$ 82,818
Garbage				13,080	13,080
Other Receipts					
Sale of Fixed Assets	2,984		2,984		
Interest	5,016		5,016	151	151
Rent	3,500		3,500		
Other	100		100		
<b>TOTAL RECEIPTS</b>	<b>\$ 221,978</b>	<b>\$ 1,825</b>	<b>\$ 223,803</b>	<b>\$ 101,332</b>	<b>\$ 101,332</b>

**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi**  
**Statement of Cash Receipts and Disbursements—**  
**Governmental and Business-type Activities**  
**For the Year Ended September 30, 2010**

	Governmental Activities			Business - Type Activities	
	General Fund	Special Revenue Fund	TOTAL	Water Fund	TOTAL
DISBURSEMENTS:					
General Government	\$ 119,530	\$	\$ 119,530	\$	\$
Public Safety					
Police	24,458		24,458		
Fire	12,171	950	13,121		
Enterprises					
Water and Sewer				70,920	70,920
Garbage				12,513	12,513
Grants					
Capital Outlay-Mosquito Grant				1,595	1,595

**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi**  
**Statement of Cash Receipts and Disbursements–**  
**Governmental and Business-type Activities**  
**For the Year Ended September 30, 2010**

	Governmental Activities			Business - Type Activities	
	General Fund	Special Revenue Fund	TOTAL	Water Fund	TOTAL
DISBURSEMENTS: Continued					
Capital Outlay	\$ 31,416		\$ 31,416		\$ -
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 187,575</b>	<b>\$ 950</b>	<b>\$ 188,525</b>	<b>\$ 85,028</b>	<b>\$ 85,028</b>
 EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	 \$ 34,403	 \$ 875	 \$ 35,278	 \$ 16,304	 \$ 16,304
 OTHER FINANCING SOURCES (USES)					
Interfund Loans			-		-
 Total Other Financing Sources (Uses)	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -
 Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	 \$ 34,403	 \$ 875	 \$ 35,278	 \$ 16,304	 \$ 16,304
 CASH BASIS FUND BALANCE- BEGINNING	 245,216	 5,074	 250,290	 93,476	 93,476
 CASH BASIS FUND BALANCE- ENDING	 \$ 279,619	 \$ 5,949	 \$ 285,568	 \$ 109,780	 \$ 109,780

**SEE ACCOUNTANT'S COMPILATION REPORT**

**SUPPLEMENTAL INFORMATION**

**Town of Seminary, Mississippi**  
**Schedule of Investments**  
**September 30, 2010**  
**Schedule 1**

**General Funds:**

General Fund - Certificate of Deposit 2.25% Due 10-23-10	\$ 118,471
<b>Total General Funds</b>	<b><u>\$ 118,471</u></b>

<b>Total Investments</b>	<b><u><u>\$ 118,471</u></u></b>
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**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi  
Schedule of Long-Term Debt  
September 30, 2010  
Schedule 2**

**None**

**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2010**  
**Schedule 3**

Name	Position	Company	Bond
Billy Karolyi	Mayor	MS Municipal	50,000
Charlotte Dunn	Town Clerk	Travelers	50,000
Freddy Bullock	Aldersperson	MS Municipal	25,000
David Daniel	Aldersperson	MS Municipal	25,000
Richard Hux	Aldersperson	MS Municipal	25,000
Michael Wilcosky	Aldersperson	MS Municipal	25,000
David Aultman	Aldersperson	MS Municipal	25,000
Dimple Mooney	Deputy Marshall	Travelers	50,000

**SEE ACCOUNTANT'S COMPILATION REPORT**

**Town of Seminary, Mississippi**  
**Solid Waste Management Services Schedule**  
**Full Cost Accounting**  
**Summary of Costs Report**  
**Fiscal Year Ending September 30, 2010**  
**Schedule 4**

**Operating Costs (Direct Costs) :**

Contracted Pickup & Disposal	\$ 12,513
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<b>Total of All Costs</b>	<b>\$ 12,513</b>
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**Supplemental Information :**

Cost of Collection	\$ 7,150
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Cost of Disposal	5,363
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<b>Total Cost</b>	<b>\$ 12,513</b>
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<b>Total Cost Per User</b>	<b>\$ 78.21</b>
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**SEE ACCOUNTANT'S COMPILATION REPORT**

## **STATE AUDITOR COMPLIANCE**

**Charles Robert Prince**  
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**REPORT ON COMPLIANCE WITH STATE  
LAWS AND REGULATIONS**

To the Mayor and the Board of Alderpersons  
Town of Seminary, Mississippi

I have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Investments, Schedule of Long-term Debt, Schedule of Surety Bonds for Town Officials, and Solid Waste Management Services Schedule of the Town of Seminary, Mississippi, for the year ended September 30, 2010, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

I have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the office of the State Auditor. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the town's compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements -Governmental and Business-type Activities, Schedule of Investments, Schedule of Long-term Debt, Schedule of Surety Bonds for Town Officials, and Solid Waste Management Services Schedule of the Town of Seminary, Mississippi, for the year ended September 30, 2010 disclosed one instance of noncompliance with state laws and regulations which is noted in Item 7 in the Independent Accountant's Report on Applying Agreed-Upon Procedures.

This report is intended solely for the information and use of management and 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.



December 28, 2010

**Town of Seminary, Mississippi**  
**Independent Accountant's Report on Applying**  
**Agreed-Upon Procedures**  
**Year Ended September 30, 2010**

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

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

The Mayor and Board of Alderpersons  
Town of Seminary  
Seminary, Mississippi

I have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Seminary, Mississippi, solely to assist the Office of the State Auditor evaluate the Town of Seminary, Mississippi's compliance with certain laws and regulations as of September 30, 2010, and for the year then ended. 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 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</u> <u>General Ledger</u>
Priority One Bank	General Fund	\$ 126,755
Priority One Bank	General Fund	34,393
Priority One Bank	General Fund	118,471
	Total General Fund	<u>\$ 279,619</u>

Bank	Fund	Balance Per General Ledger
Priority One Bank	Water Fund	\$ 60,049
Priority One Bank	Water Fund	<u>49,731</u>
	Total Water Fund	<u>\$ 109,780</u>
Priority One Bank	Special Revenue Fund	<u>\$ 5,949</u>
	Total Special Revenue Fund	<u>\$ 5,949</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).
3. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Examined uncollected taxes for proper handling, including tax sales;
  - 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 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).

There were no ad valorem tax collections for the retirement of General Obligation Debt.

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
Fire Protection Allocation	Special Revenue Fund	\$ 1,825
Gasoline Tax	General Fund	942
Homestead Exemption Reimb.	General Fund	2,738
Sales Tax Allocation	General Fund	131,375
General Municipal Aid	General Fund	174
Rental of Building	General Fund	6,500

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	\$ 31,917

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

6. The Town of Seminary, Mississippi does not currently have a court system in place, therefore the collection of fines and timely settlement to the State of Mississippi does not apply to the Town of Seminary, Mississippi.
7. I have read the Municipal Compliance Questionnaire completed by the Municipality. The completed survey indicated one instance of noncompliance with state requirements.
- The Town has not completed an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor. The Town is in the process of getting an updated inventory of its assets.

I was not engaged to, and did not, conduct 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 Town of Seminary and 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 not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in cursive script, appearing to read "Charles Robert King".

December 28, 2010