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Town of West
Financial Statements
Year Ended September 30, 2010

*Dungan CPA Company
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Town of West
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Town of West
Financial Section
September 30, 2010

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INDEPENDENT ACCOUNTANT’S REPORT ON AGREED-UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)

November 17, 2010

Honorable Mayor and Board of Aldermen
West, Mississippi

I have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of West, Mississippi, as of September 30, 2010, 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 the report is solely for the use of the governing body of the Town of West, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. My procedures and findings are as follows:

- 1. 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	Balance Per General Ledger
Holmes County Bank	General	\$4,485
Holmes County Bank	General	845
Holmes County Bank	General	2,570
Holmes County Bank	General	55
Holmes County Bank	General	18130
Holmes County Bank	General	239,746
Holmes County Bank	General	52,836
Bank Plus	General	71,255
Holmes County Bank	General	10,854
Holmes County Bank	Utility	2,615
Holmes County Bank	Utility	59,309
Holmes County Bank	Utility	14,100
Holmes County Bank	General	2,096
Holmes County Bank	General	37

2. I examined for compliance with investments authorized by Section 21-33-323. Miss Code Ann. (1972)

<u>General Security</u>	<u>Fund</u>	<u>Ledger Cost</u>
Certificate of Deposit	General	\$ 124,091
Certificate of Deposit	Enterprise	59,309
		<u>\$ 183,400</u>

3. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
- Verify use of certified county assessment rolls and trace levies to governing body minutes;
 - Traced distribution of taxes collected to proper funds; and
 - Analyzed increase in taxes for most recent period for completion 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 was found to be sufficient for payment of current principle 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 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>
Fire Protection Allocation	General Fund	\$1,198
General Municipal Aid	General Fund	115
Gasoline Tax	General Fund	605
Homestead Exemption	General Fund	2,890
Payments Nuclear Plant	General Fund	2,116
Sales Tax Allocation	General Fund	25,644
Liquor	General Fund	900
Other Aid to Municipalities	General Fund	0

5. I selected a sample of purchases made by the municipality during the fiscal year. Each in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	143
Total Dollar Value of Sample	\$47,594.76

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

6. I selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. I also selected a sample of state-imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.
7. I have read the Municipal Compliance Questionnaire completed by the municipality. 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, 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 my attention that caused me to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statement in accordance with generally accepted auditing standards, 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 West, Mississippi, for the years ended September 30, 2010.

Dungan CPA Company
November 17, 2010

Dungan CPA Co.

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Honorable Mayor and Board of Alderman
Town of West, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements - all fund types as of September 30, 2010, and for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has not presented the management's discussion and analysis information and budgetary comparison information that the *Government Accounting Standards Board* has determined is required to supplement, although not required to be a part of, the basic financial statements.

Dungan CPA Co
November 17, 2010

Town of West, Mississippi
COMBINED STM OF CASH RECEIPTS AND DISBURSEMENTS
For the Fiscal Year Ended September 30, 2010

Governmental Funds

	General	Special Revenue	Capital Projects	Proprietary Funds	Fiduciary Funds	Totals (Memorandum Only) 2010	Totals (Memorandum Only) 2009
Revenue Receipts:							
General Property Taxes	\$ 10,840					10,840	\$ 13,872
Franchise Tax	3,099					3,099	4,549
Intergovernmental Revenues:							
Police Grant	22,740					22,740	0
Grants	0					0	132,272
County Auto Advlorem	6,949					6,949	5,413
County Fire Protection	3,400					3,400	0
State Shared Revenue:							
Sales Tax	25,644					25,644	27,089
Liquor Tax	900					900	900
Payment in Lieu Taxes	2,116					2,116	2,037
Fire Protection Allocation	1,198					1,198	3,400
Homestead Exemption	2,890					2,890	3,019
General Aid to Municipalities	719					719	719
Charges for Services:				52,454		52,454	51,357
Water & Sewer Utility							
Other Receipts:							
Fines & Forfeits	14,218					14,218	5,013
Permits	60					60	80
Other General Fund Revenue	6,632					6,632	13,729
Miscellaneous - Police	666					666	0
Interest	4,185					4,185	9,536
Total Receipts	<u>106,256</u>	<u>0</u>	<u>0</u>	<u>52,454</u>	<u>0</u>	<u>158,710</u>	<u>272,985</u>
Cash Balance-Beginning of Year	<u>434,675</u>	<u>0</u>	<u>0</u>	<u>73,304</u>	<u>0</u>	<u>507,979</u>	<u>490,186</u>
Total Amount to Account For	<u>\$ 540,931</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 125,759</u>	<u>\$ 0</u>	<u>\$ 666,689</u>	<u>\$ 763,170</u>

Town of West, Mississippi
COMBINED STM OF CASH RECEIPTS AND DISBURSEMENTS
 For the Fiscal Year Ended September 30, 2010

Governmental Funds

	General	Special Revenue	Capital Projects	Proprietary Funds	Fiduciary Funds	Totals (Memorandum Only) 2010	Totals (Memorandum Only) 2009
Operating Disbursements							
General Government (Exec and Financial)	\$ 83,269					83,269	\$ 65,316
Public Safety							
Police	35,008					35,008	7,518
Fire	3,357					3,357	1,188
Enterprises							
Water & Sewer Utility	9,916			56,207		56,207	53,246
Loan Repayments	0			0		9,916	0
Transfer to Other Funds	0	0		0		0	(3,000)
Capitalization	0			0		0	142,796
Total Disbursements	<u>131,550</u>	<u>0</u>	<u>0</u>	<u>56,207</u>	<u>0</u>	<u>187,757</u>	<u>267,064</u>
Cash Balance-End of Year	409,381	0	0	69,551	0	478,932	507,979
Total Amount Accounted For	<u>\$ 540,931</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 125,759</u>	<u>\$ 0</u>	<u>\$ 666,689</u>	<u>\$ 775,042</u>

TOWN OF WEST
Notes to Financial Statements
September 30, 2010

Note 1 - Summary of significant accounting policies

Reporting Entity:

The financial statement for the town consists of all the funds of the town.

The Citizens of West have elected to operate under a Code Charter as permitted by Mississippi Statutes 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

Fund Accounting:

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement for this report, into four generic fund types and two broad fund categories as follows:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. Included in this fund is the General Fund and the Cemetery Fund.

Special Revenue Fund – The Special Revenue Fund accounts for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds that are legally restricted to expenditures for specified purposes. The Special Revenue Fund is the Capital Projects Fund.

Fiduciary Funds – Fiduciary funds are used to account for assets held in a trustee or agency capacity for others. The Fiduciary Fund is the Unemployment Compensation Fund.

Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or (b) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Proprietary Funds are the Water and Sewer Fund.

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.

Use of Estimated

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF WEST
Notes to Financial Statements
September 30, 2010

Note 2 – 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.

Town of West

**Supplemental Section
September 30, 2010**

Town of West, Mississippi
Schedule of Investments-All Funds
For the Fiscal Year ended September 30, 2010

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Investment Value</u>
Water Fund	Certificate of Deposit	1.00%	Jun 29, 2009	Sep 29, 2010	\$59,309
General Fund	Certificate of Deposit	1.65%	Apr 13, 2009	Oct 13, 2010	\$52,836
General Fund	Certificate of Deposit	.75%	Apr 10, 2009	Oct 10, 2010	\$71,255

**Town of West, Mississippi
 Schedule of Long-Term Debt
 For the Fiscal Year ended September 30, 2010**

<u><i>Definition & Purpose</i></u>	<u><i>Balance Outstanding October 1, 2009</i></u>	<u><i>Issued</i></u>	<u><i>Redeemed</i></u>	<u><i>Balance Outstanding September 30, 2010</i></u>
Loan	0	\$10,000		\$10,000

Town of West, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2010

<u><i>Name</i></u>	<u><i>Position</i></u>	<u><i>Surety</i></u>	<u><i>Bond Amount</i></u>
Kaylynn Huntsberry	Town Clerk	Insurance Company	\$50,000
Sara McLellan	Mayor	Insurance Company	5,000
Jean Aldridge	Alderman	Insurance Company	5,000
Sammy Aldridge	Alderman	Insurance Company	5,000
Emma Herron	Alderman	Insurance Company	5,000
William Bowie	Alderman	Insurance Company	5,000
Jason White	Alderman	Insurance Company	5,000