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TOWN OF SNOW LAKE SHORES

FINANCIAL REPORT

SNOW LAKE SHORES, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2011

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Snow Lake Shores
Snow Lake Shores, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Snow Lake Shores, Mississippi, as of September 30, 2011, 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 Snow Lake Shores, 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 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>
Merchant & Farmers Bank	General Fund	\$ 109,410
	Garbage Fund	19,165
	Water Fund	164,809
	Police Fund	47

2. We confirmed directly with respective banks all investments, including certificates of deposits, owned by the Town of Snow Lake Shores. All investments transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code 1972, Annotated.

We found the municipality's investments to be in compliance with the requirements of the above mentioned sections.

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 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 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 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	\$ 1,756
Homestead Exemption	General	5,249
General Municipal Aid	General	156
TVA in Lieu of Taxes	General	3,769
Gasoline Tax	General	864

- 5. We 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 Sections 31-7-1, 31-7-13, 31-7-49 and 31-7-57, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of sample items	43
Dollar value of sample	\$ 19,569

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

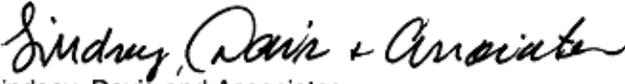
- 6. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality's collection of fines and forfeitures to be in agreement with the requirements of the above mentioned sections.

- 7. We have read the Municipal Compliance Questionnaire completed by the town. The completed survey indicated no instances of noncompliance.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Snow Lake Shores, taken as a whole.

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.


Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
August 14, 2012

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Snow Lake Shores
Snow Lake Shores, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements (all funds) - cash basis of the Town of Snow Lake Shores, Mississippi, for the year ended September 30, 2011. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

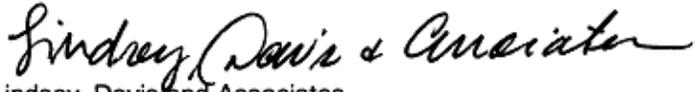
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The Town's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements (all funds) - cash basis is not intended to present results of operations, in conformity with accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

The supplementary information contained on pages 10 and 11 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Snow Lake Shores, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.



Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
August 14, 2012

TOWN OF SNOW LAKE SHORES
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2011

	GOVERNMENTAL FUNDS		PROPRIETARY FUNDS		TOTALS (MEMORANDUM ONLY)	
	GENERAL		ENTERPRISE		2011	2010
REVENUE RECEIPTS						
General Property Taxes	\$	23,317	\$		\$ 23,317	\$ 22,851
Prior Year Taxes		123			123	70
Penalties and Interest on						
Delinquent Taxes		241			241	207
Special Tax - Street Improvements		8,035			8,035	7,952
Building Permits		750			750	1,125
Intergovernmental Revenues:						
State Shared Revenue:						
Sales Tax		1,756			1,756	1,856
Homestead Exemption		5,249			5,249	5,042
TVA in Lieu of Taxes		3,769			3,769	3,636
General Municipal Aid		156			156	156
Gasoline Tax		864			864	844
Fire Aid		1,637			1,637	1,634
County Shared Revenue:						
Road and Auto Taxes		7,058			7,058	7,272
Charges for Services:						
Water Utilities			100,578		100,578	98,773
Garbage Collection Fees			46,337		46,337	44,403
Gross Receipts Tax - Cable		698			698	728
Donations		53,021			53,021	53,017
Miscellaneous		5,004			5,004	8,617
TOTAL REVENUE RECEIPTS		<u>111,678</u>		<u>146,915</u>	<u>258,593</u>	<u>258,183</u>
OTHER RECEIPTS						
Transfers		18,604			18,604	28,748
Late Fees			1,160		1,160	745
Increase (Decrease) in						
Meter Deposits			3,237		3,237	2,786
Interest Income		1,123	1,738		2,861	3,474
TOTAL OTHER RECEIPTS		<u>19,727</u>		<u>6,135</u>	<u>25,862</u>	<u>35,753</u>
TOTAL RECEIPTS		<u>131,405</u>		<u>153,050</u>	<u>284,455</u>	<u>293,936</u>
Cash Balance - Beginning of Year		<u>93,289</u>		<u>193,170</u>	<u>286,459</u>	<u>282,243</u>
TOTAL AMOUNT TO ACCOUNT FOR	\$	<u>224,694</u>	\$	<u>346,220</u>	<u>\$ 570,914</u>	<u>\$ 576,179</u>

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2011

	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS	TOTALS (MEMORANDUM ONLY)	
	GENERAL	ENTERPRISE	2011	2010
OPERATING DISBURSEMENTS				
General Government	\$ 62,128	\$	\$ 62,128	\$ 63,458
Highways and Street	4,581		4,581	5,495
Public Safety:				
Police	16,516		16,516	15,388
Fire	2,237		2,237	
Enterprise:				
Water Utilities		52,552	52,552	47,146
Sanitation		43,026	43,026	45,558
Interest on Notes	7,183	32,090	39,273	41,558
TOTAL OPERATING DISBURSEMENTS	<u>92,645</u>	<u>127,668</u>	<u>220,313</u>	<u>218,603</u>
OTHER DISBURSEMENTS				
Loans Repaid	18,000	15,488	33,488	30,926
Transfers		18,604	18,604	28,748
Investment in Fixed Assets	4,592	486	5,078	11,443
TOTAL OTHER DISBURSEMENTS	<u>22,592</u>	<u>34,578</u>	<u>57,170</u>	<u>71,117</u>
TOTAL DISBURSEMENTS	115,237	162,246	277,483	289,720
Cash Balance - End of Year	<u>109,457</u>	<u>183,974</u>	<u>293,431</u>	<u>286,459</u>
TOTAL AMOUNT ACCOUNTED FOR	<u>\$ 224,694</u>	<u>\$ 346,220</u>	<u>\$ 570,914</u>	<u>\$ 576,179</u>

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
SCHEDULE OF LONG-TERM DEBT
 YEAR ENDED SEPTEMBER 30, 2011

	<u>Definition and Purpose</u>	<u>Balance Outstanding Oct. 1, 2010</u>	<u>Transactions During Fiscal Year</u>		<u>Balance Outstanding Sept. 30, 2011</u>
			<u>Issued</u>	<u>Redeemed</u>	
Rural Development	Water System	\$ 686,869	\$	\$ 15,488	\$ 671,381
Merchant & Farmers Bank	Road Bond	169,000		18,000	151,000
		<u>\$ 855,869</u>	<u>\$</u>	<u>\$ 33,488</u>	<u>\$ 822,381</u>
	Total				
Population per Latest Census					300

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF SNOW LAKE SHORES
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2011

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Sheri Briggs	Town Clerk	USF&G	\$ 50,000
Flake Farmer	Police Chief	USF&G	50,000
Calvin Hightower	Mayor	USF&G	25,000
William Briggs	Maintenance	USF&G	50,000
Kim Thomas	Deputy Clerk	USF&G	50,000
Cindy Gearhart	Deputy Clerk	USF&G	50,000
Larry Hively	Alderman	USF&G	25,000
Mike Fly	Alderman	USF&G	25,000
Jim Campbell	Alderman	USF&G	25,000
Rick Grissom	Alderman	USF&G	25,000
Bobbie Lott	Alderwoman	USF&G	25,000