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TOWN OF MAYERSVILLE, MISSISSIPPI

FINANCIAL STATEMENTS

SEPTEMBER 30, 2010

HODNETT COMPANY CPA, PLLC

RECEIVED

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**TOWN OF MAYERSVILLE, MISSISSIPPI
FINANCIAL STATEMENT AND SUPPLEMENTAL INFORMATION
YEAR ENDED SEPTEMBER 30, 2010**

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ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Mayersville, Mississippi

We have compiled the accompanying combined statement of cash receipts and disbursements for each fund of the Town of Mayersville for the year ended September 30, 2010, and the accompanying supplementary information contained in Schedules 1 and 2, 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 and supplementary information 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 Mayor and Alderpersons have 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 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 Section 21-35-31, Mississippi Code Annotated (1972), we have issued a report dated October 25, 2011, on the results of our agreed-upon procedures.

Hodnett Company CPA, PLLC
October 25, 2011



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**TOWN OF MAYERSVILLE, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS (ALL FUNDS)
YEAR ENDED SEPTEMBER 30, 2010**

| | <u>GENERAL</u> | <u>PROPRIETARY FUNDS</u> | <u>TOTALS 2010 (memo only)</u> |
|---|-----------------------|------------------------------|--|
| Revenue receipts: | | | |
| General property taxes | \$ 41,643 | \$ -0- | \$ 41,643 |
| State shared revenues: | | | |
| Municipal aid | 413 | -0- | 413 |
| Sales tax | 7,034 | -0- | 7,034 |
| Gasoline tax | 2,235 | | 2,235 |
| Other: | | | |
| Franchise tax | 3,687 | -0- | 3,687 |
| Privilege licenses | 225 | -0- | 225 |
| State Grants | 79,503 | -0- | 79,503 |
| Charges for government services -- other | | 81,470 | 81,470 |
| Rents and royalties | <u>2,000</u> | <u>-0-</u> | <u>2,000</u> |
| Total revenue receipts | <u>136,740</u> | <u>81,470</u> | <u>218,210</u> |
| Total receipts | 136,740 | 81,470 | 218,210 |
| Cash balance -- beginning of year | <u>12,255</u> | <u>50,454</u> | <u>62,709</u> |
| TOTAL AMOUNT TO ACCOUNT FOR | <u>\$ 148,995</u> | <u>\$ 131,924</u> | <u>\$ 280,919</u> |

(Continued)

**TOWN OF MAYERSVILLE, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS (ALL FUNDS)
YEAR ENDED SEPTEMBER 30, 2010**

| | <u>GENERAL</u> | <u>PROPRIETARY FUNDS</u> | <u>TOTALS 2010 (memo only)</u> |
|---|-------------------|------------------------------|--|
| Operating disbursements: | | | |
| General government (executive and financial) | \$ 62,237 | -0- | \$ 62,237 |
| Repairs and maintenance | 785 | -0- | 785 |
| Capital outlay | 67,725 | -0- | 67,725 |
| Enterprise | | | |
| Water & sewer | <u>-0-</u> | <u>76,021</u> | <u>76,021</u> |
| Total operating disbursements | <u>130,747</u> | <u>76,021</u> | <u>206,768</u> |
| Other disbursements: | | | |
| Capital loan repayments | -0- | 2,147 | 2,147 |
| Interest on capital notes | <u>-0-</u> | <u>822</u> | <u>822</u> |
| Total other disbursements | <u>-0-</u> | <u>2,969</u> | <u>2,969</u> |
| Total disbursements | 130,747 | 78,990 | 209,737 |
| Cash balance – end of year | <u>18,248</u> | <u>52,934</u> | <u>71,182</u> |
| TOTAL ACCOUNTED FOR | <u>\$ 148,995</u> | <u>\$ 131,924</u> | <u>\$ 280,919</u> |

See accountant's report.



SUPPLEMENTAL INFORMATION

TOWN OF MAYERSVILLE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2010

SCHEDULE 1

| <u>NAME & POSITION</u> | <u>INSURANCE COMPANY</u> | <u>AMOUNT</u> |
|-----------------------------|--------------------------|---------------|
| Sherida Ray – Town Clerk | Tri-Delta Insurance | \$ 50,000 |
| Linda W. Short - Mayor | Tri-Delta Insurance | 50,000 |
| Annie Cartlidge - Alderman | Clyde C. Scott Insurance | 5,000 |
| Willie Peterson - Alderman | Clyde C. Scott Insurance | 5,000 |
| Fannie White -- Alderman | Clyde C. Scott Insurance | 5,000 |
| Loretta Robinson - Alderman | Clyde C. Scott Insurance | 5,000 |
| William Howard - Alderman | Clyde C. Scott Insurance | 5,000 |

See accountant's report.

TOWN OF MAYERSVILLE
SCHEDULE OF LONG-TERM DEBT
YEAR ENDED SEPTEMBER 30, 2010

SCHEDULE 2

| <u>Definition and Purpose</u> | <u>September 30, 2009</u> | <u>Issued</u> | <u>Redeemed</u> | <u>September 30, 2010</u> |
|-------------------------------|-------------------------------|---------------|-----------------|-------------------------------|
| General obligation bonds: | | | | |
| None | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Revenue bonds: | | | | |
| None | -0- | -0- | -0- | -0- |
| Other long-term debt: | | | | |
| GMAC | <u>16,356</u> | <u>-0-</u> | <u>2,147</u> | <u>14,209</u> |
| Total | <u>\$ 16,356</u> | <u>\$ -0-</u> | <u>\$ 2,147</u> | <u>\$ 14,209</u> |

See accountant's report.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mayor and Alderpersons
Town of Mayersville and
Office of the State Auditor
Mayersville, 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 Mayersville, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Mayersville, Mississippi's compliance with certain laws and regulations as of September 30, 2010, and for the year then ended. Management is responsible for the Town of Mayersville, Mississippi's compliance with those requirements. 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 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 banks:

| <u>Bank</u> | <u>Fund</u> | <u>Balance per General Ledger</u> |
|--------------------------|--------------------|---------------------------------------|
| Bank of Anguilla | General Operating | \$ 17,389 |
| Bank of Anguilla | Payroll | 579 |
| Bank of Anguilla | MDA Grant | <u>280</u> |
| Total General Fund | | <u>\$ 18,248</u> |
| Bank of Anguilla | Water & Sewer Fund | <u>\$ 52,934</u> |
| Total Water & Sewer Fund | | <u>\$ 52,934</u> |



Mayor and Alderpersons
Town of Mayersville and
Office of the State Auditor
Mayersville, Mississippi

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2. There were no investments owned at September 30, 2010.
3. We 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 completion with increase 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 principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss. Code Ann. (1972).

A tax sale was not held in 2010.

4. We 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>Ledger Amount</u> |
|--------------------------|-----------------------|----------------------|
| General Municipal Aid | General | \$ 413 |
| Gasoline Tax | General | 2,235 |
| Homestead Exemp. Reimb. | General | 1,455 |
| Sales Tax Allocation | General | 7,034 |
| Fire Protection | General | 4,330 |
| MS Development Authority | General | 79,503 |

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 Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

| | |
|------------------------------|------------|
| Number of Sample Items | 25 |
| Total Dollar Value of Sample | \$ 101,390 |

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

Mayor and Alderpersons
Town of Mayersville and
Office of the State Auditor
Mayersville, Mississippi

Page Three

6. There was no evidence of the Municipal Compliance Questionnaire being completed and recorded.

Because the above procedures do not constitute an audit in accordance with auditing standards generally accepted in the United States of America, we do not express an opinion or any of the specific accounts or classes of transactions referred to above. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Mayersville, Mississippi, for the year ended September 30, 2010.

This report is intended solely for the use of the Town of Mayersville and Office of the State Auditor, State of Mississippi and is not intended to be and should not be used by anyone other than those specified parties.

Hodnett Company CPA, PLLC

Hodnett Company CPA, PLLC
October 25, 2011