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**Town of State Line**

**Compiled Financial Statements**

**For the Year Ended September 30, 2016**



**Britton and Company, PLLC**

*Certified Public Accountants*



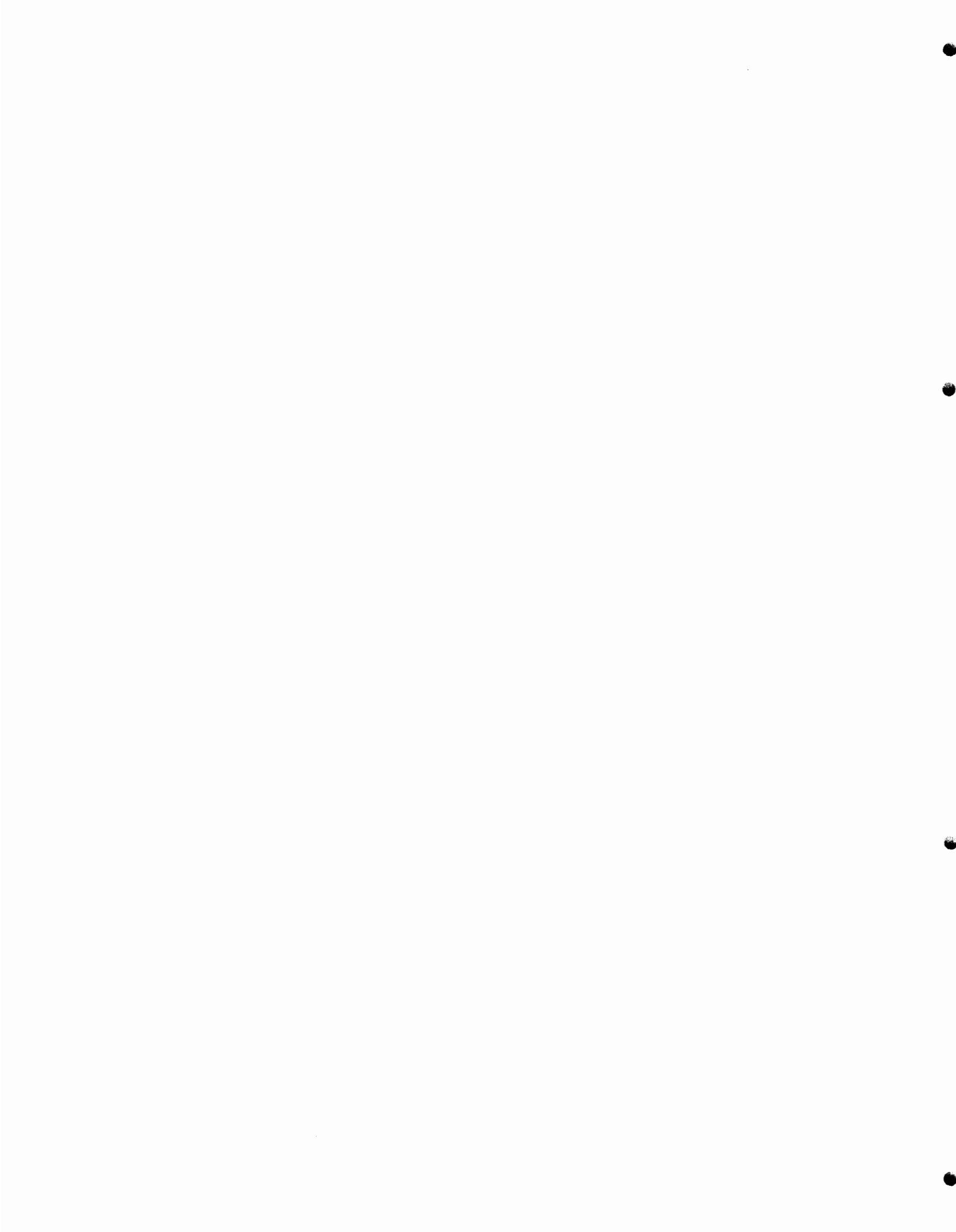


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**FINANCIAL STATEMENTS**





## Britton and Company, PLLC

*Certified Public Accountants*

1429 Mississippi Drive • P.O. Box 917 • Waynesboro, MS 39367  
(601) 735-3505 • Fax: (601) 735-3587 • www.brittoncpas.com

### INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Alderpersons  
Town of State Line  
State Line, Mississippi

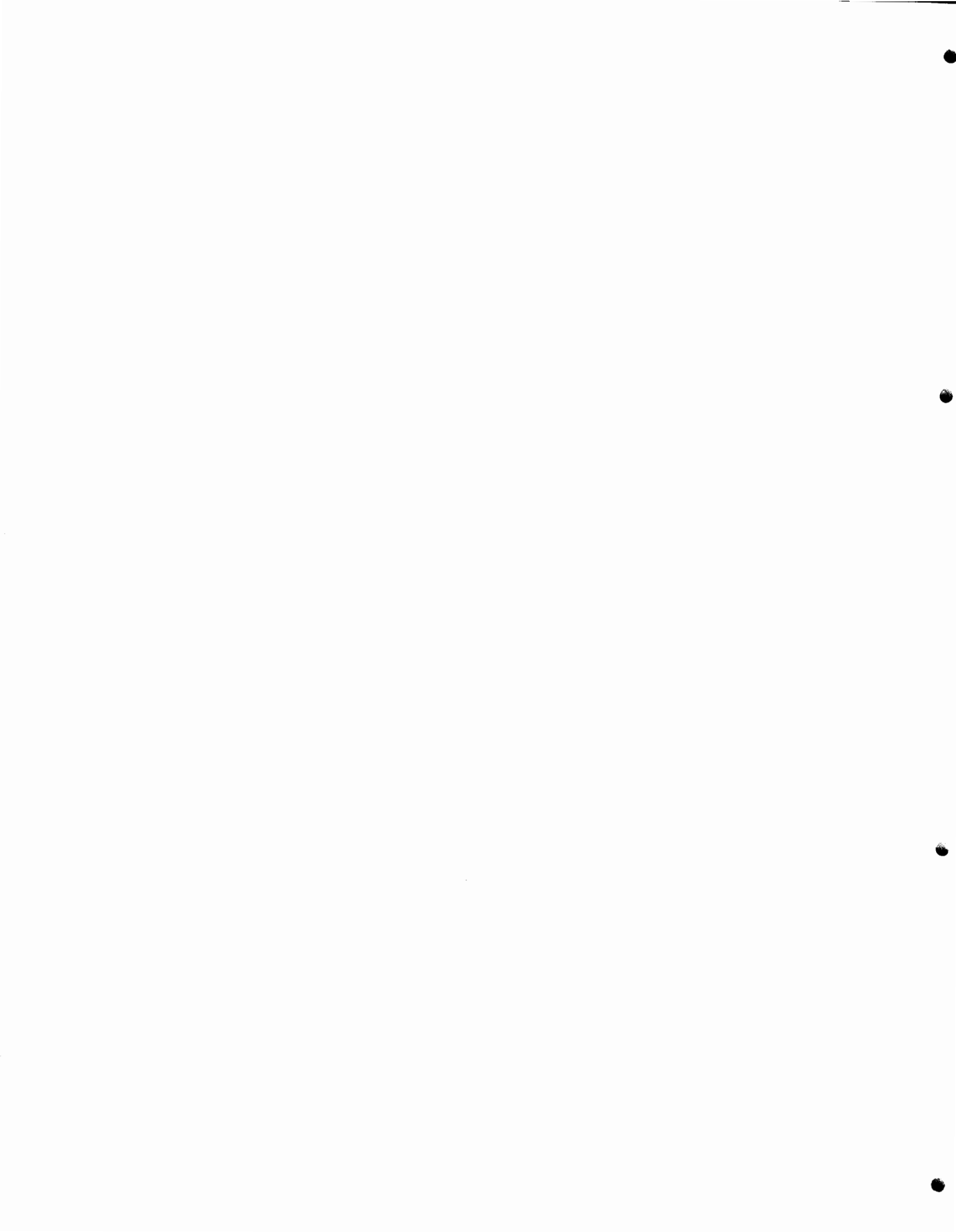
We have compiled the accompanying statement of cash receipts and cash disbursements – governmental and business-type activities for the Town of State Line, Mississippi for the year ended September 30, 2016. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required in accordance with the cash basis of accounting. If the omitted disclosures were included in the accompanying statement of cash receipts and cash disbursements – governmental and business-type activities, they might influence the user's conclusions about the Town's cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accordingly, the accompanying statement is not designed for those who are not informed about such matters.

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 omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information contained in Schedules 1 through 4 has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.





In accordance with the provisions of §21-35-31, Miss. Code Ann. (1972), we have issued a report dated February 7, 2017, on the results of our agreed-upon procedures.

*Michael E. Britton*

Michael E. Britton, CPA, CGMA  
Britton and Company, PLLC

February 7, 2017

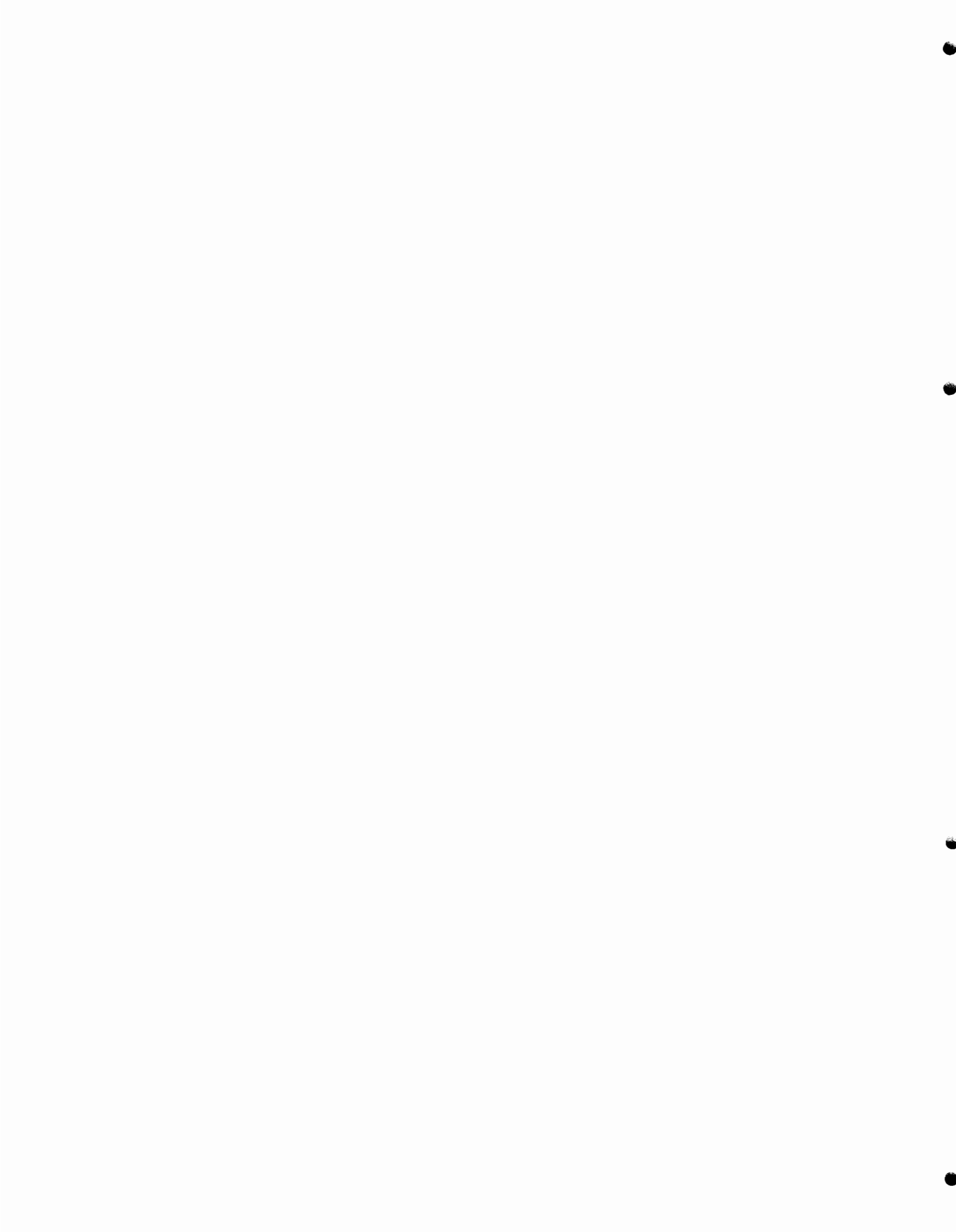


**Town of State Line, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business – Type Activities**  
**For the Year Ended September 30, 2016**

**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the year ended September 30, 2016**

	Governmental Activities			Business-Type Activities	
	Major Funds			Major Fund	
	General Fund	Special Revenue Fund	Total	Water & Sewer Fund	Total
<b>RECEIPTS</b>					
Taxes					
General property taxes	76,868		76,868		
Licenses and Permits					
Privilege licenses	721		721		
Franchise charges	9,708		9,708		
Intergovernmental Receipts					
Federal receipts					
CDBG			0		
State Grants					
Grant-Tobacco Control	0		0		
Homestead Exemption	5,524		5,524		
State Shared Revenues					
Sales Tax	131,047		131,047		
Fire Protection		3,624	3,624		
Gasoline Taxes	1,730		1,730		
Others					
Charges for services:					
Water				271,076	271,076
Sewer				8,874	8,874
Garbage				38,168	38,168
Fines and forfeits	69,644		69,644		
Miscellaneous receipts					
Gym Revenue	2,275		2,275		
Interest	7		7	58	58
Beautification	756		756		
Other	8,714	9,253	17,967		
<b>Total Receipts</b>	<b>\$306,994</b>	<b>\$12,877</b>	<b>\$319,871</b>	<b>\$318,176</b>	<b>\$318,176</b>

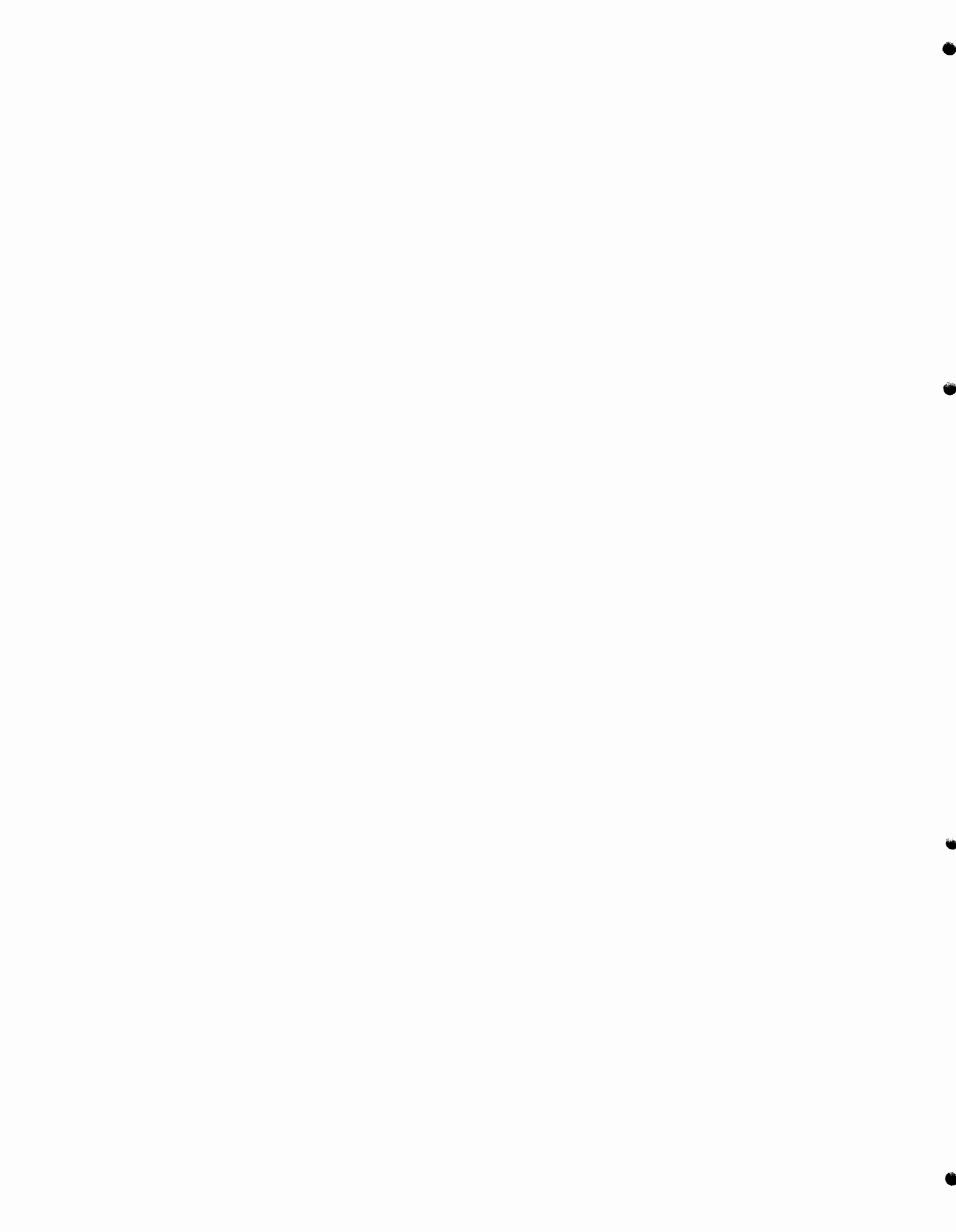
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**Town of State Line, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business – Type Activities**  
**For the Year Ended September 30, 2016**

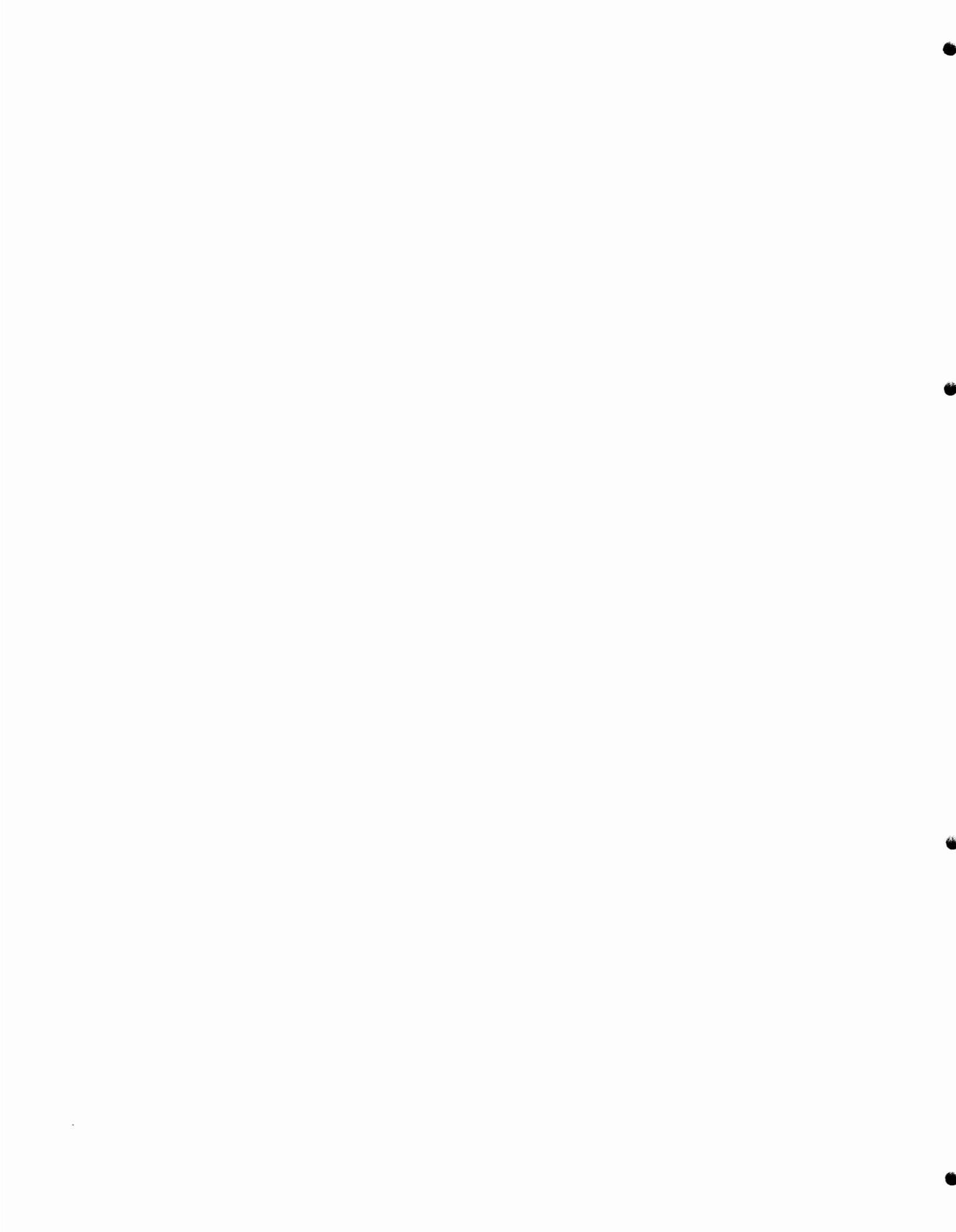
**Town of State Line, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the year ended September 30, 2016**

	Governmental Activities			Business-Type Activities	
	Major Funds			Major Fund	
	General Fund	Special Revenue Fund	Total	Water & Sewer Fund	Total
<b>DISBURSEMENTS</b>					
General Government	215,822		215,822		
Public Safety					
Police	105,054		105,054		
Fire					
Enterprise					
Water and Sewer				236,771	236,771
Garbage				36,096	36,096
Capital Outlay				44,000	44,000
Redemption of principal		31,274	31,274	9,825	9,825
Debt service interest		5,527	5,527	5,729	5,729
Total Disbursements	<u>320,876</u>	<u>36,801</u>	<u>357,677</u>	<u>332,421</u>	<u>332,421</u>
Excess of Cash Receipts Over Cash Disbursements	<u>(13,882)</u>	<u>(23,924)</u>	<u>(37,806)</u>	<u>(14,245)</u>	<u>(14,245)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Interfund Transfers/Loans					
Temporary transfer to payroll clearing	(41,453)		(41,453)		
Total other financing resources (Uses)	<u>(41,453)</u>	<u>0</u>	<u>(41,453)</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	(55,335)	(23,924)	(79,259)	(14,245)	(14,245)
<b>CASH BASIS FUND BALANCE-BEGINNING</b>	<u>88,854</u>	<u>54,286</u>	<u>143,140</u>	<u>445,862</u>	<u>445,862</u>
<b>CASH BASIS FUND BALANCE-ENDING</b>	<u>\$33,519</u>	<u>\$30,362</u>	<u>\$63,881</u>	<u>\$431,617</u>	<u>\$431,617</u>



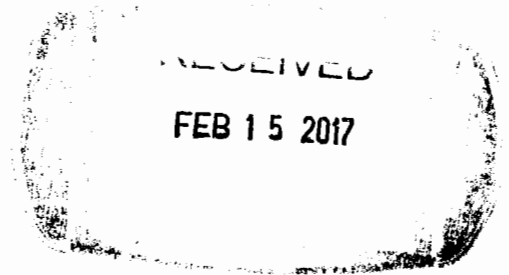
**SUPPLEMENTAL INFORMATION**

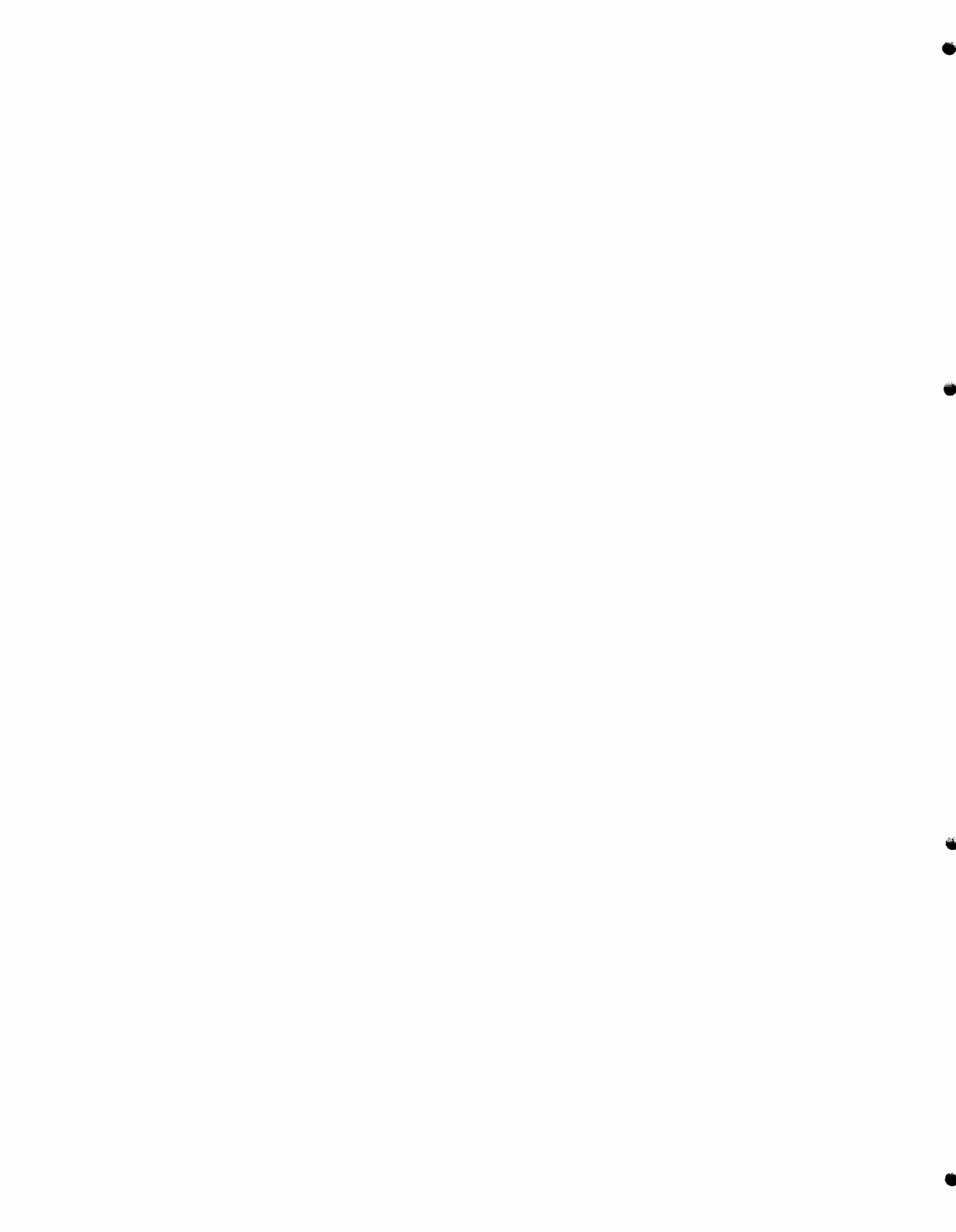




Town of State Line, Mississippi  
Schedule of Investments  
For the Year Ended September 30, 2016  
Schedule 1

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Cost/Value</u>
NONE						\$0
TOTAL INVESTMENTS						<u>\$0</u>





Town of State Line, Mississippi  
Schedule of Long-Term Debt  
For the Year Ended September 30, 2016  
Schedule 2

**TOWN OF STATE LINE, MISSISSIPPI  
SCHEDULE OF LONG-TERM DEBT  
Year Ended September 30, 2016  
Schedule 2**

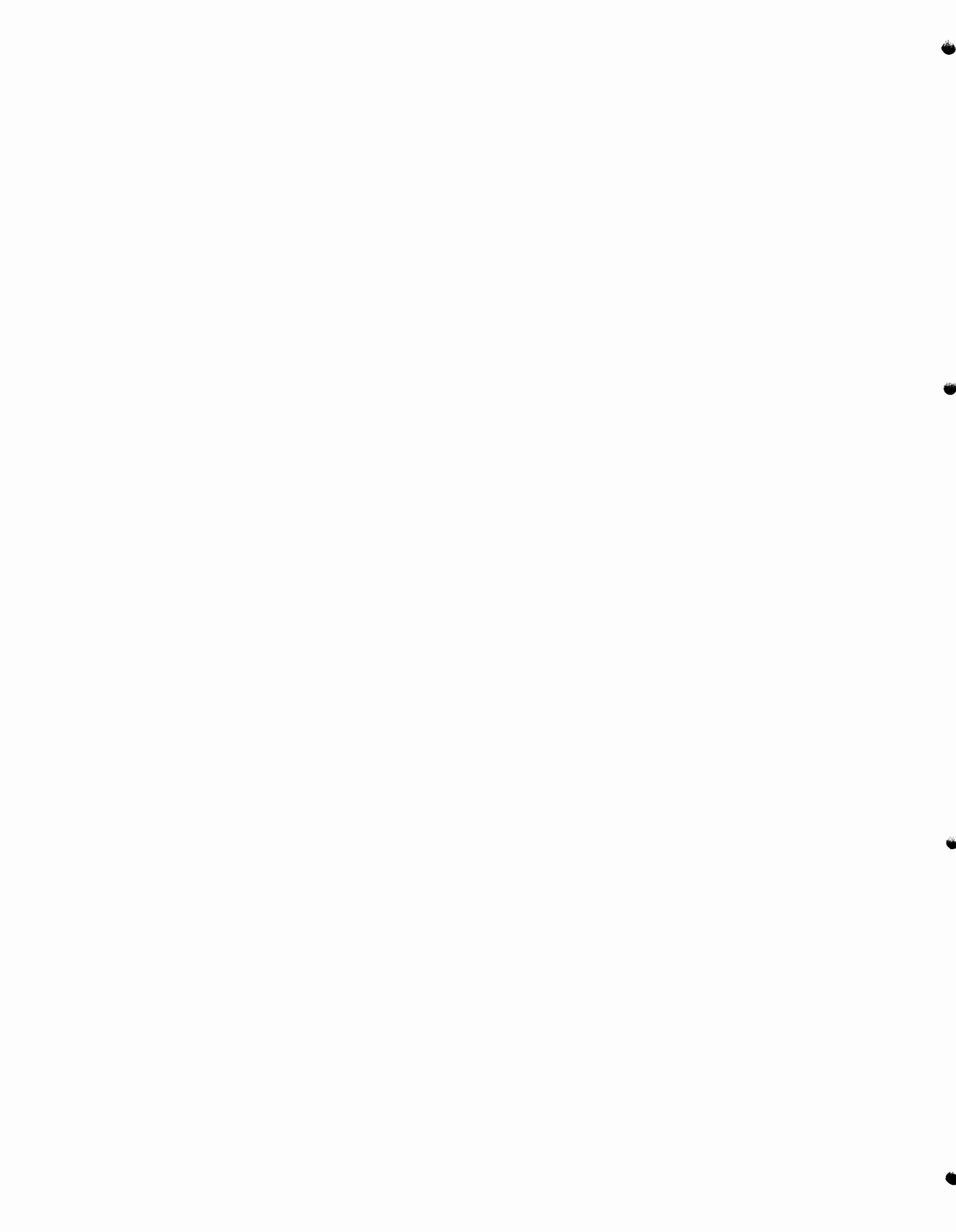
	Balance Outstanding September 30, 2015	Transactions During Year		Adjustments	Balance Outstanding September 30, 2016
		Issued	Redeemed		
Other Long-Term Debt:					
FmHA Loan 91-02 for Sewer System	\$ 11,576	\$ -	\$ 7,930	\$ 825	\$ 4,471
FmHA Loan 91-04 for Water System	\$ 39,883	\$ -	\$ 1,895	\$ 2,207	\$ 40,195
First State Bank Fire Truck	\$ 164,091	\$ -	\$ 31,274	\$ (3,363)	\$ 129,454
<b>Total</b>	<b>\$ 215,550</b>	<b>\$ -</b>	<b>\$ 41,099</b>	<b>\$ (331)</b>	<b>\$ 174,120</b>



Town of State Line, Mississippi  
Schedule of Surety Bonds of Municipal Officials  
For the Year Ended September 30, 2016  
Schedule 3

**TOWN OF STATE LINE, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS OF MUNICIPAL OFFICIALS**  
**September 30, 2016**  
**Schedule 3**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Amount</u>
Terry Simpson	Mayor	Travelers Casualty & Surety Co of America	\$ 25,000
Tanya Taylor	Town Clerk	Travelers Casualty & Surety Co of America	\$ 50,000
Glenn Young	Chief of Police	Travelers Casualty & Surety Co of America	\$ 50,000
Melinda Gardner	Court Clerk	Travelers Casualty & Surety Co of America	\$ 50,000
George Miller, Jr.	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Timmy Hill	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
David Chatham	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Don Hinton	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Willie Miller	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000



Town of State Line, Mississippi  
Solid Waste Management Services Schedule  
Full Cost Accounting  
Summary of Costs Report  
For the Year Ended September 30, 2016  
Schedule 4

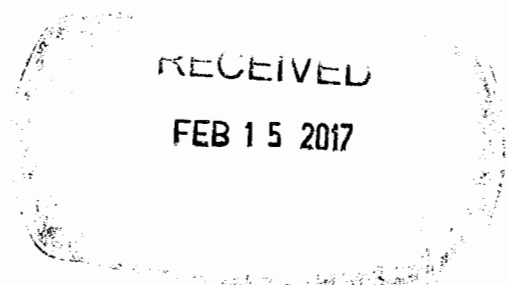
**Town of State Line, Mississippi**  
**Solid Waste Management Services Schedule**  
**Full Cost Accounting**  
**Summary of Costs Report**  
**Fiscal Year Ending September 30, 2016**  
**Schedule 4**

**Operating Costs (Direct Costs):**

Contractual Services	<u>\$ 38,168</u>
<b>Total of all Costs</b>	<b><u>\$ 38,168</u></b>

**Supplemental Information:**

Cost of Collection	<u>\$ 36,096</u>
<b>Total Cost</b>	<b><u>\$ 36,096</u></b>
<b>Total Cost Per User</b>	<b><u>\$ 176</u></b>









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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE  
WITH STATE LAWS AND REGULATIONS**

The Mayor and Board of Aldermen  
Town of State Line  
State Line, Mississippi

We have applied certain agreed upon procedures to the basic financial statements of the Town of State Line, Mississippi, as of and for the year ended September 30, 2016, and have issued our report thereon dated February 7, 2017. We have conducted our agreed upon procedures in accordance with attestation standards set by the American Institute of CPAs.

As required by the state legal compliance attestation program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our agreed upon procedures and, accordingly, we do not express such an opinion.

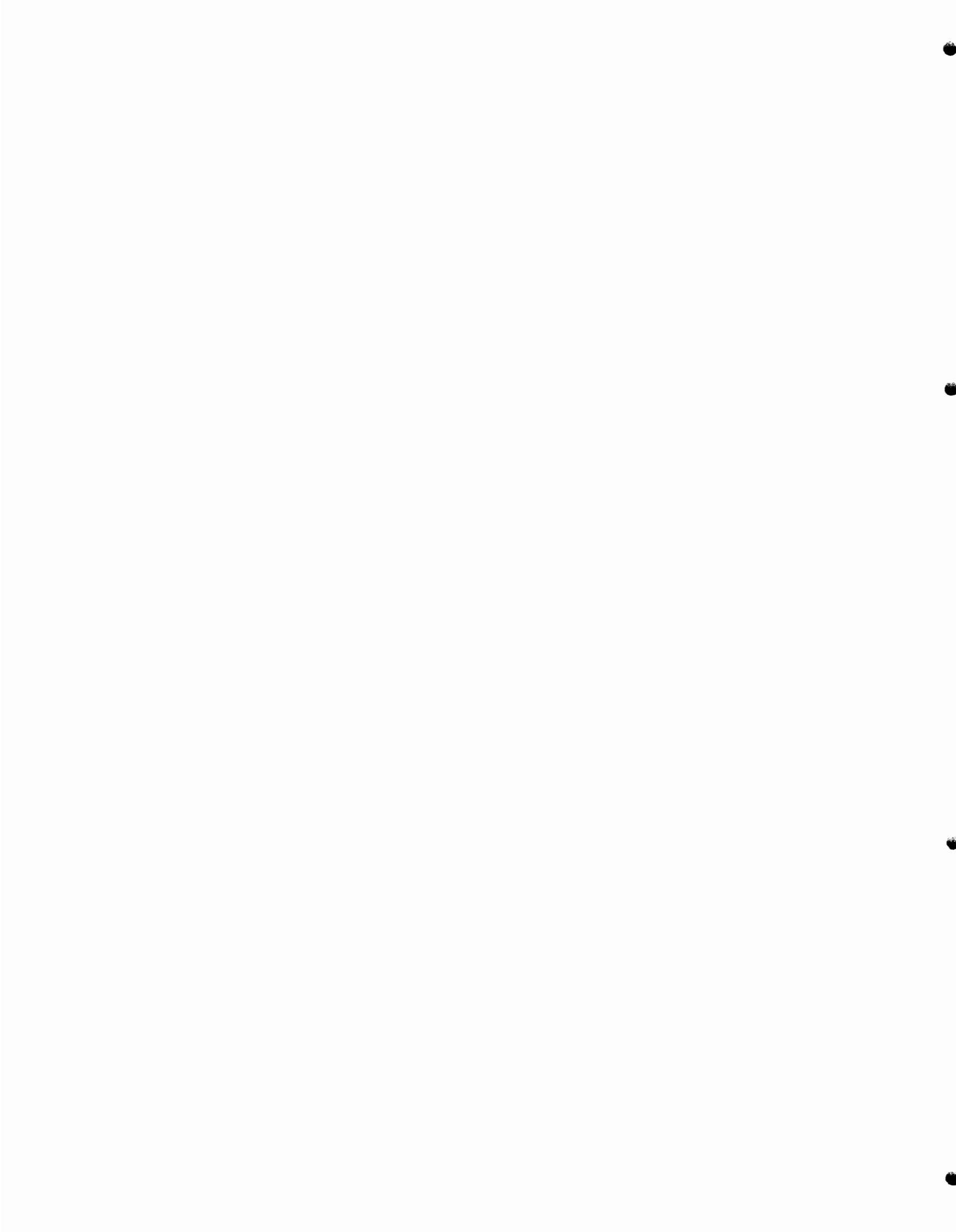
The results of these procedures and our agreed upon procedures disclosed no material instances of noncompliance with state laws and regulations. The prior year findings have been corrected, if any.

This report is intended for the information of the Town's management and the Office of the State Auditor 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.

*Michael E. Britton*

Michael E. Britton, CPA, CGMA  
Britton and Company, PLLC

February 7, 2017



**Town of State Line, Mississippi**  
**Independent Accountant's Report on Applying**  
**Agreed-Upon Procedures**  
**Year Ended September 30, 2016**



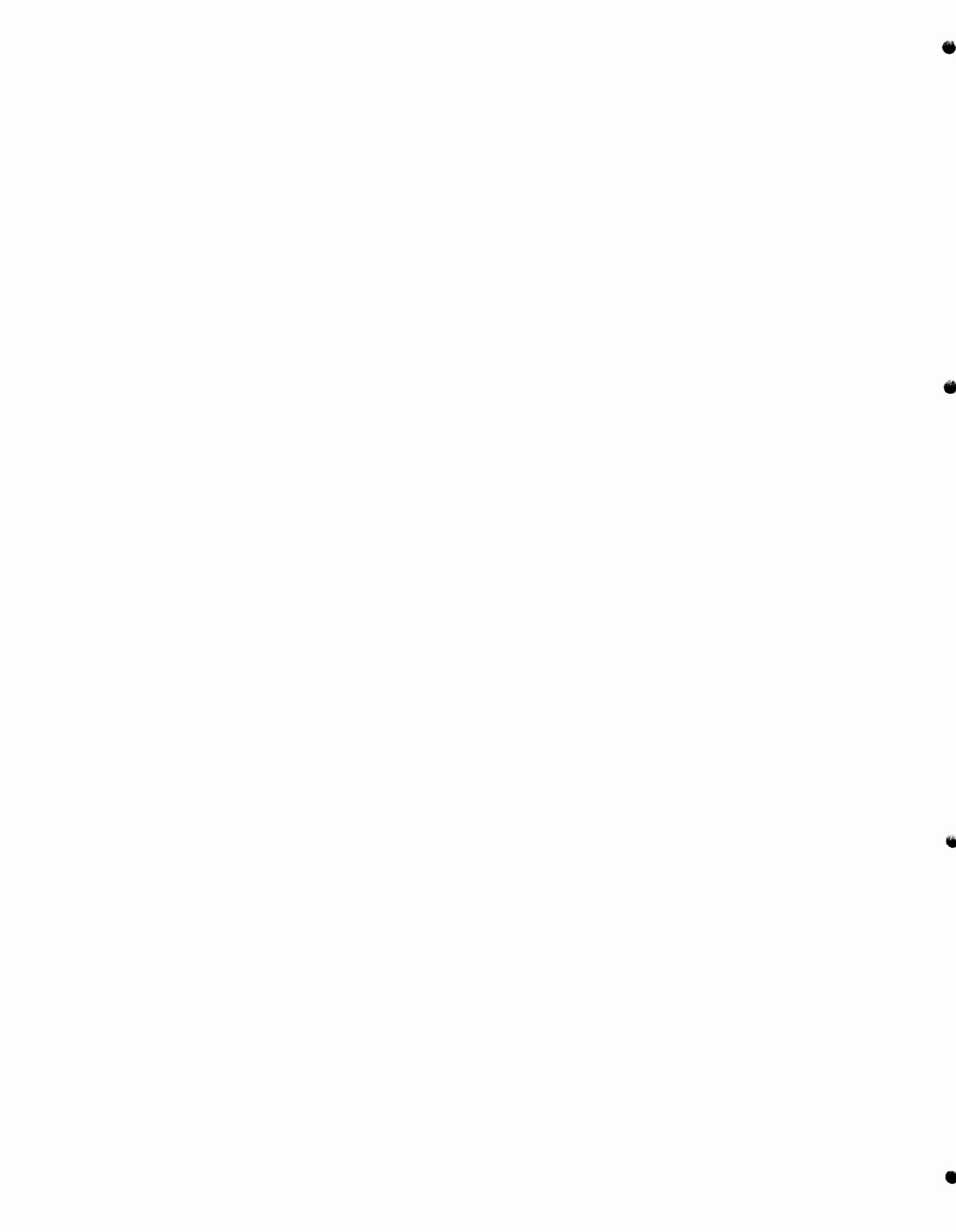
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**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING  
AGREED-UPON PROCEDURES**

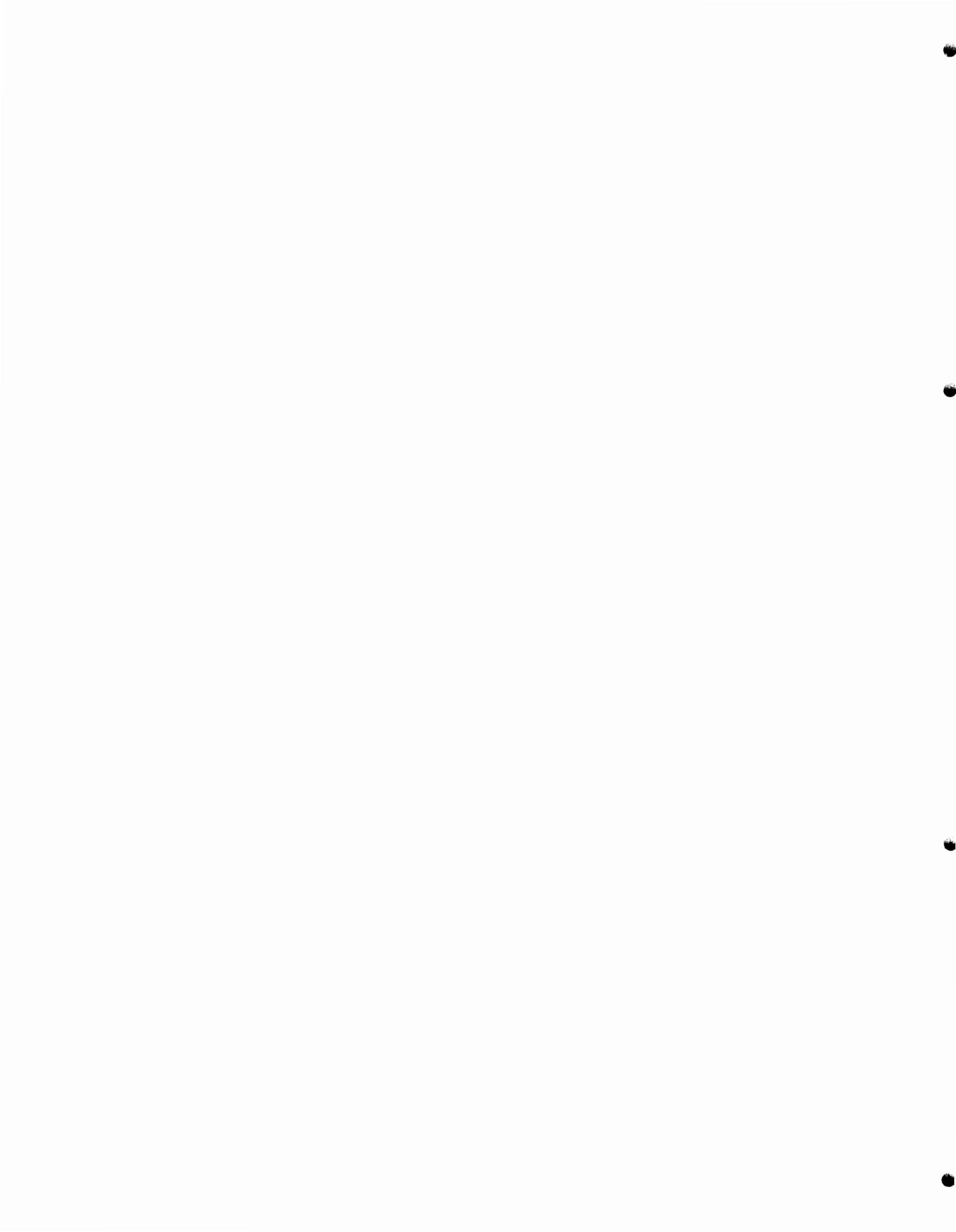
The Mayor and Board of Aldermen  
Town of State Line  
State Line, Mississippi

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 State Line, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of State Line, Mississippi’s compliance with certain laws and regulations as of September 30, 2016, 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, 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 the balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

<u>Balance Per</u> <u>Bank</u>	<u>Fund</u>	<u>General Ledger</u>
First State Bank	General Fund –Main	\$ 25,448
First State Bank	General Fund - Police	165
First State Bank	General Fund - Gym	868
First State Bank	General Fund - Beauty	296
First State Bank	General Fund - Park	100
First State Bank	General Fund - CDBG	100
First State Bank	General Fund – Other	6,365
	Total General Fund	<u>\$ 33,342</u>
First State Bank	Special Revenue Fund	\$ 30,362
	Total Special Revenue Fund	<u>\$ 30,362</u>
First State Bank	Water & Sewer Fund	\$ 362,246
First State Bank	Water & Sewer Fund	16,999
First State Bank	Water & Sewer Fund	21,371
First State Bank	Water & Sewer Fund	31,000
	Total Water & Sewer Fund	<u>\$ 431,616</u>



2. We 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).

<u>Security</u>	<u>Fund</u>	<u>Ledger Cost</u>
None		

3. We 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).

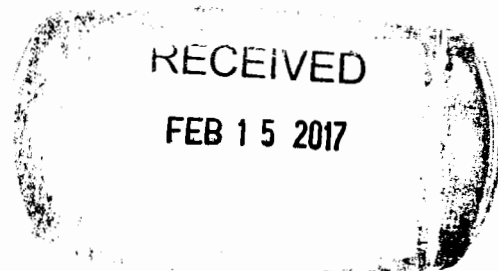
The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

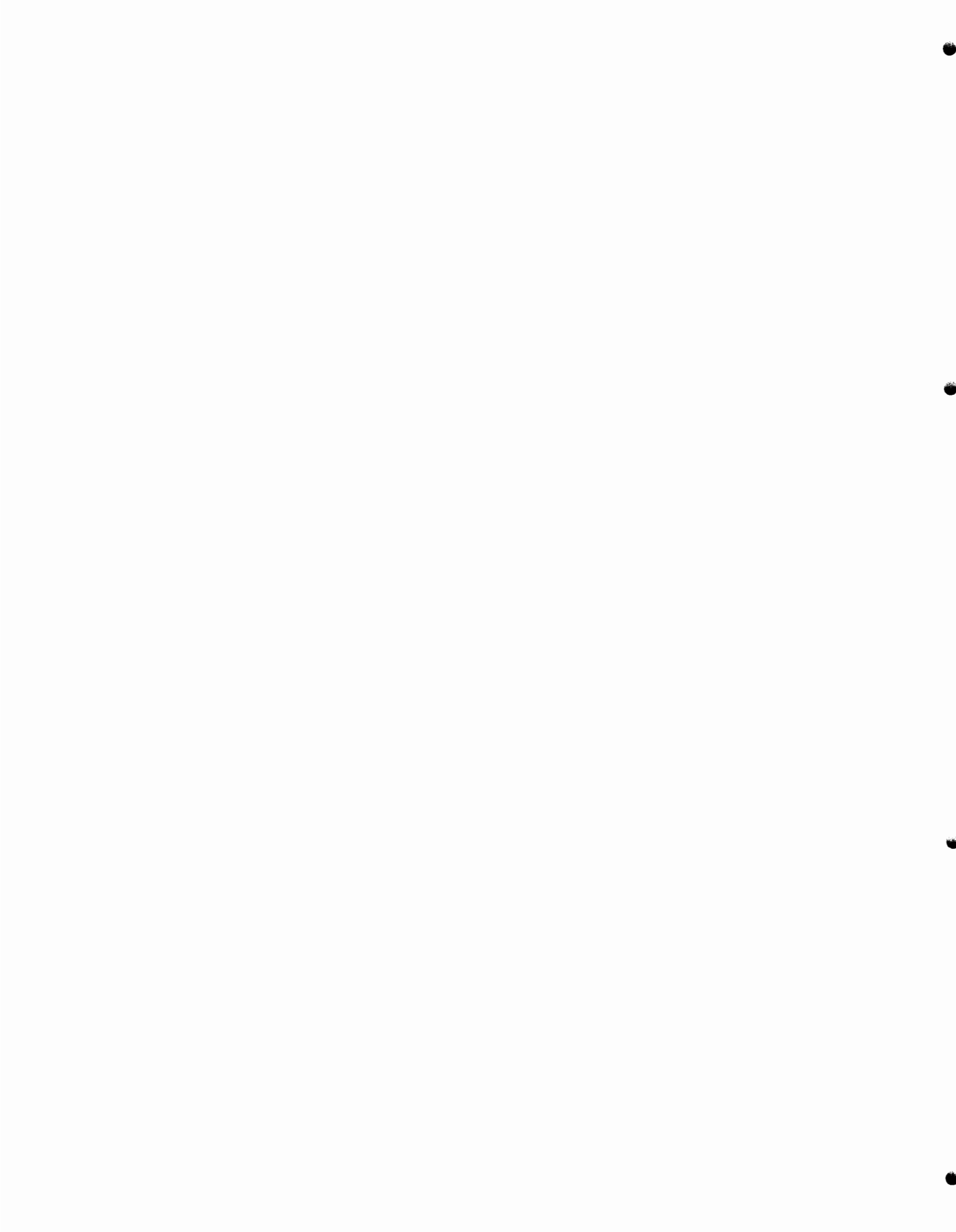
There were no ad valorem tax collections for the retirement of General Obligation Debt.

4. 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>
Fire protection	Special Revenue	\$3,624
General Municipal Aid	General	282
Gasoline Tax	General	1,730
Homestead Exemption	General	5,524
Sales Tax	General	<u>131,047</u>
Total Payments		<u>\$142,207</u>







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

The sample consisted of the following:

Number of sample items	5
Dollar value of sample	\$ 4,280

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. I also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality to be in agreement with the requirements mentioned in the section above, making both the required daily and monthly settlements.

7. We have read the Municipal Compliance Questionnaire completed by the municipality. The following survey indicated one instance of noncompliance with state requirements as follows:

Fixed assets are not properly tagged and accounted for per Section 7-7-211 of the Municipal Audit and Accounting Guide.

We were 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, 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 Town of State Line 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. This report is not intended to be and should not be used by anyone other than those specified parties.



Michael E. Britton, CPA, CGMA  
Britton and Company, PLLC

February 7, 2017

