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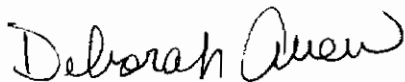
TOWN OF COURTLAND
P. O. Box 51
Courtland, Mississippi 38620

December 2, 2015

Office of the State Auditor
501 North West Street
Suite 801, Woolfolk Building
Jackson, MS 39201

Attached are two copies of the annual financial report and agreed upon procedures on the Town of Courtland, Mississippi, for the fiscal year ended September 30, 2015. A PDF of the same information has also been emailed to you earlier. A separate management letter was not written to the Town in connection with these reports.

Yours very truly,



Deborah Aven
Mayor

Attachments

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JAN 28 2016

WILLIAM H. POLK & CO.
CERTIFIED PUBLIC ACCOUNTANTS

A Professional Association

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DIVISION FOR CPA FIRMS PRIVATE COMPANIES PRACTICE SECTION

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INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

Governing Authority
Town of Courtland, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Courtland, Mississippi solely to assist the Office of the State Auditor evaluate the Town of Courtland, Mississippi's compliance with certain laws and regulations as of September 30, 2015 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 verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and 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 or otherwise proved those bank balances. No exceptions were noted.

<u>Bank</u>	<u>Fund</u>	<u>General Ledger</u>
First Security Bank	General	\$ 5,513
First Security Bank	General	5,390
First Security Bank	General	12,106
First Security Bank	General	<u>25,579</u>
Total confirmed or proved		48,588
Cash on hand		<u>100</u>
Total General Fund cash		<u>\$ 48,688</u>

TOWN OF COURTLAND

FINANCIAL REPORT

SEPTEMBER 30, 2015

William H. Polk & Co.

Certified Public Accountants
A Professional Association
105 Public Square
Batesville, Mississippi 38606

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Courtland, Mississippi for the year ended September 30, 2015. We have not audited or reviewed the accompanying financial statement and accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting 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.

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 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 statement, 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.

The supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Management also has not presented management's discussion and analysis and other required supplemental information 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, Miss. Code Ann. (1972), we have issued a report dated November 19, 2015, on the results of our agreed-upon procedures.

Lm. H. Polk & Co.

November 19, 2015
Batesville, Mississippi

Town of Courtland, Mississippi
Combined Statement of Cash Receipts and Disbursements
Governmental and Business-type Funds
For the year ended September 30, 2015

	Governmental Funds	Business Type Funds
	General Fund	None
RECEIPTS		
Taxes		
General property taxes	\$ 10,244	
Penalties and interest on delinquent taxes	114	
Licenses and permits		
Franchise charges - utilities	11,780	
Intergovernmental revenues:		
Federal Receipts		
Grants	-	
General municipal aid	255	
State shared revenues:		
Sales taxes	19,376	
Gasoline tax	1,533	
Grand Gulf distribution	2,804	
Homestead reimbursement	2,078	
Fire insurance premium distribution	2,780	
County fire calls	8,073	
County railroad tax	921	
Fines and forfeits	3,570	
Donations	450	
Miscellaneous receipts	630	\$ -
Total Receipts	64,608	-

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continued
See accountants' report.

Town of Courtland, Mississippi
Combined Statement of Cash Receipts and Disbursements
Governmental and Business-type Funds - continued
For the year ended September 30, 2015

	Governmental Funds	Business Type Funds
	General Fund	None
DISBURSEMENTS		
General government:		
Civil defense	\$ 420	
Utilities and telephone	2,764	
Insurance	13,795	
Legal and accounting	3,705	
Maintenance and repairs	1,462	
Office and postage expense	420	
Salaries and payroll taxes	4,628	
Miscellaneous	1,008	
	<u>28,202</u>	
Fire department:		
Insurance	2,885	
Maintenance and repairs	885	
Supplies	-	
Fuel	788	
Miscellaneous	233	
Radio and communication	-	
Capital outlay	2,076	
	<u>6,867</u>	
Police department:		
Utilities	5,227	
Insurance	1,410	
Maintenance and repairs	44	
Supplies	-	
Fuel	442	
Salaries and payroll taxes	15,341	
Police fines paid to state	1,405	
Miscellaneous	1,702	
Capital outlay	-	
	<u>25,571</u>	
Total Disbursements	<u>60,640</u>	\$ -
Excess (Deficiency) of receipts over disbursements	<u>3,968</u>	-

continued

See accountants' report.

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Town of Courtland, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Funds - continued
 For the year ended September 30, 2015

	<u>Government Funds</u>	<u>Business Type Funds</u>
	<u>General Fund</u>	<u>None</u>
OTHER FINANCING SOURCES (USES)		
Debt retirement - principal	\$ 0	
Debt interest	<u>0</u>	
Total other financing (uses)	<u>0</u>	\$ <u>0</u>
 Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.	 3,968	 -
CASH BASIS FUND BALANCES		
BEGINNING OF YEAR	<u>44,720</u>	<u>-</u>
CASH BASIS FUND BALANCE		
END OF YEAR	<u>\$ 48,688</u>	<u>\$ -</u>

See accountants' report.

TOWN OF COURTLAND, MISSISSIPPI

SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2015

0.20%	Certificate of deposit, matures March 27, 2016	\$ <u>25,579</u>
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All certificates of deposit are included in the cash balance - end of year. The fair value of the certificate of deposit is approximately the same as the carrying value.

TOWN OF COURTLAND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2015

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Deborah R. Aven	Mayor	Old Republic Surety Company	\$50,000
Gerald M. Aven, Jr.	Alderman	Old Republic Surety Company	\$50,000
Carolyn Kilgore	Alderwoman	Old Republic Surety Company	\$50,000
Mary K. Baglan	Alderwoman	Old Republic Surety Company	\$50,000
Keith Payne	Alderman	Old Republic Surety Company	\$50,000
Clifford Olson	Alderman	Old Republic Surety Company	\$50,000
Carolyn Roberts	Town Clerk	Old Republic Surety Company	\$50,000
Jeremy Hailey	Chief of Police	Old Republic Surety Company	\$50,000

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See accountants' report.

WILLIAM H. POLK & CO.
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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS**

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

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Courtland, Mississippi for the year ended September 30, 2015 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, and have issued our report dated November 19, 2015.

We 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. Our 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, we do not express such an opinion.

The results of those procedures and our compilation of the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Courtland, Mississippi for the year ended September 30, 2015 disclosed the following instances of noncompliance with state laws and regulations which are also addressed as items 4, 5 and 6 in the Independent Accountants' Report on Applying Agreed-Upon Procedures.

TOWN PURCHASES

During the test of Town purchases, we noted two instances where the Town paid sales tax totaling \$19.

We recommend a closer review of the components of invoices, and the removal of sales taxes prior to approval of payment.

Municipal Court Fines Receipts

We noted that in all four of the tested months the court clerk failed to remit collected fines and forfeitures to the Town Clerk on a daily basis, and one instance of the court clerk's monthly report to the Town Clerk failing to report all of that month's collections. This shortage was included in the subsequent month's report to the Town Clerk.

We recommend that the court clerk be more diligent in remitting and reporting such collections on the required daily basis.

Municipal Budget

While it was apparent that the Town's budget was amended, there was one item that exceeded the budgeted amount by a total of \$154.

We recommend that greater care be taken in both amending the budget and in containing expenditures to the budgeted amounts.

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

Wm. H. Idk + Co

November 19, 2015
Batesville, Mississippi

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Governing Authority
Town of Courtland, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Courtland, Mississippi solely to assist the Office of the State Auditor evaluate the Town of Courtland, Mississippi's compliance with certain laws and regulations as of September 30, 2015 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 verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and 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 or otherwise proved those bank balances. No exceptions were noted.

<u>Bank</u>	<u>Fund</u>	<u>General Ledger</u>
First Security Bank	General	\$ 5,513
First Security Bank	General	5,390
First Security Bank	General	12,106
First Security Bank	General	<u>25,579</u>
Total confirmed or proved		48,588
Cash on hand		<u>100</u>
Total General Fund cash		<u>\$ 48,688</u>

2. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Traced levies to governing body minutes. No exceptions were noted.
 - b. Traced distribution of taxes collected to proper funds. No exceptions were noted.
 - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 through 27-39-323, Miss. Code Ann. (1972). No exceptions were noted.
3. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. The 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>
Homestead reimbursement	General	\$ 2,078
Fire protection allocation	General	2,780
Gasoline tax	General	1,533
Sales tax allocation	General	19,376
General municipal aid	General	255
Grand Gulf remittance	General	2,804

4. Even though the town had a very limited amount of expenditures subject to the state purchase law, 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	8
------------------------	---

Total Dollar Value of Sample	\$ 4,365
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We found the municipality's purchasing procedures to be in full agreement with the requirements of the above-mentioned sections. However, we did note that two of the tested items contained sales tax totaling \$19; which is an exception to Section 27-65-105.

5. We selected a sample of collection of fines and forfeitures to verify that the municipal court clerk had settled daily with the municipal clerk in accordance with Section 21-15-21, Miss Code Ann. (1972). We 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 in accordance with Sections 99-19-73 & 83-39-31 Miss Code Ann. (1972).

We found that the court clerk failed to remit four of the four months tested collected fines and forfeitures to the municipal clerk on a daily basis. One instance was noted that a \$511 collection receipted July 21, 2015 was remitted to the Town Clerk and deposited August 4, 2015, but reported to the Town Clerk as \$306 in the July report; and the remaining \$205 reported as collected August 18, 2015 in the August report to the Town Clerk. The explanation by the court clerk was a keying error made in July was not detected and corrected until August. All amounts due to the state for the four months tested were remitted within the month following collection by the Town Clerk.

6. We have read the Municipal Compliance Questionnaire that was completed, signed, and recorded in the Town board's minutes. The completed survey indicated no instances of noncompliance with state requirements. However, while it was apparent that the Town's budget was amended, there was one item that exceeded the budgeted amount by a total of \$154. The Town has advised that greater care will be taken in the future when amending the budget.

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 information and use of the Office of the State Auditor, State of Mississippi and is not intended to be 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.

Wm. H. Volk & Co.

November 19, 2015
Batesville, Mississippi