



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

Town of Falkner

P. O. Box 117
Falkner, Mississippi 38629
Phone (662) 837-4940

Office of the State Auditor
P.O. Box 956
Jackson, Mississippi 39205

Re: Annual Audit

Accompanying this letter is a copy of the financial report of The Town of Falkner, Mississippi, for the fiscal year ended September 30, 2015. A separate management letter was not written to the town in connection with this audit.

Sincerely,



Mayor

RECEIVED

JUN 30 2016

FINANCIAL REPORT

TOWN OF FALKNER

FALKNER, MISSISSIPPI

SEPTEMBER 30, 2015

RECEIVED

JUN 30 2016

-ooOoo-

CONTENTS

	<u>PAGE</u>
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	3,4
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	5
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)-CASH BASIS	6,7
SCHEDULE OF LONG-TERM DEBT	8
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS	9
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS	10
ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS	11

-ooOoo-

RECEIVED

JUN 30 2016

LINDSEY, DAVIS AND ASSOCIATES

CHARLES L. DAVIS, JR.
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

DEAN CAVINESS
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 146
1122 CITY AVE. NORTH
RIPLEY, MS 38663

TELEPHONE 662-837-3295
FAX # 662-837-0174

STEPHANIE CLIFTON
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

B.J. HORTON
CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Falkner
Falkner, Mississippi 38629

We have applied certain agreed-upon procedures as discussed below, to the accounting records of the Town of Falkner, Mississippi, as of September 30, 2015, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated. This report is solely for the use of the governing body of the Town of Falkner, Mississippi, and the Office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. Our procedures and findings are as follows:

- A. 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>
CB&S Bank	General	\$ 77,387
	Sewer System	5,808
	Water System	15,514
The Peoples Bank	General	85,768
	Fire Department	17,425
	Park	1,655
	Sewer System	26,219
	Water System	48,789

- B. The Town of Falkner owned no securities held for investment at September 30, 2015.
- C. The Town of Falkner collected no taxes on real or personal property (including motor vehicles) during the year ended September 30, 2015.
- D. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposits in the bank and recorded in the general ledger without exception. Payments traced were as follows:

Purpose	Receiving Fund	Amount
Sales Tax Allocation	General	\$ 63,036
Gasoline Tax	General	1,574
TVA in Lieu of Taxes	General	2,707
General Municipal Aid	General	256
Fire Protection Allocation	Fire Protection	2,797

- E. We selected a sample of purchases made by the municipality during the year. Each sample item was evaluated for compliance with public purchasing requirements set forth in Sections 31-7-1, 31-7-13, 31-7-49, and 33-7-57, Mississippi Code, 1972, Annotated, as applicable.

The sample consisted of the following:

Number of sample items	66
Dollar value of sample	\$ 136,004

We found the Town's purchasing procedures to be in compliance with the above sections.

- F. The Town of Falkner collected no fines and forfeitures during the year ended September 30, 2015.
- G. 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 in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report is related only to the accounts and items specified above and does not extend to any financial statements of the Town of Falkner, for the year ended September 30, 2015.

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 & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
April 4, 2016

LINDSEY, DAVIS AND ASSOCIATES

CHARLES L. DAVIS, JR.
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

DEAN CAVINESS
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 146
1122 CITY AVE. NORTH
RIPLEY, MS 38663

TELEPHONE 662-837-3295
FAX * 662-837-0174

STEPHANIE CLIFTON
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

B.J. HORTON
CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Falkner
Falkner, Mississippi 38629

Management is responsible for the accompanying statement of cash receipts and disbursements (all funds)- cash basis of the Town of Falkner, Mississippi, as of and for the year ended September 30, 2015 in accordance with accounting principles generally accepted in the United States of America. 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 of the disclosures ordinarily required by accounting principles generally accepted in the United States of America. 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, the financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not part of the basic financial statements, is required by the 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 on pages 8, 9 and 10 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 Falkner, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
April 4, 2016

RECEIVED

JUN 30 2016

TOWN OF FALKNER
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - (ALL FUNDS) CASH BASIS
YEAR ENDED SEPTEMBER 30, 2015

	GOVERNMENTAL FUND TYPE	PROPRIETARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
	GENERAL	ENTERPRISE	2015	2014
CASH OPERATING RECEIPTS				
Privilege License	\$ 328	\$	\$ 328	\$ 30
Intergovernmental Receipts				
State Shared Receipts:				
Sales Tax	63,036		63,036	69,275
Gasoline Tax	1,574		1,574	1,438
Fire Protection	2,797		2,797	2,801
TVA in Lieu of Taxes	2,707		2,707	2,905
General Municipal Aid	256		256	256
County Shared Receipts:				
Road Tax	11,660		11,660	9,087
Fire Protection	11,500		11,500	11,500
Charges for Services:				
Water and Sewer		318,769	318,769	319,029
Gross Receipts Tax	2,617		2,617	4,647
Donations	1,470		1,470	250
Park Revenue	21,340		21,340	21,148
Miscellaneous	10,210		10,210	1,662
TOTAL OPERATING RECEIPTS	129,495	318,769	448,264	444,028
OTHER CASH RECEIPTS				
Interest	624	452	1,076	898
Meter Deposit Collections		(69)	(69)	(475)
Grant Revenue	40,358		40,358	
Loan Proceeds		21,108	21,108	
Transfers	1,700		1,700	500
TOTAL OTHER RECEIPTS	42,682	21,491	64,173	923
TOTAL CASH RECEIPTS	172,177	340,260	512,437	444,951

SEE ACCOUNTANT'S COMPILATION REPORT

TOWN OF FALKNER
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - (ALL FUNDS) CASH BASIS
YEAR ENDED SEPTEMBER 30, 2015

	GOVERNMENTAL FUND TYPE	PROPRIETARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
	GENERAL	ENTERPRISE	2015	2014
CASH OPERATING DISBURSEMENTS				
General Government	114,433		114,433	99,404
Public Safety:				
Fire	6,693		6,693	7,839
Enterprise:				
Water & Sewer Utilities		277,921	277,921	246,778
TOTAL OPERATING DISBURSEMENTS	121,126	277,921	399,047	354,021
OTHER CASH DISBURSEMENTS				
Interest on Notes		33,654	33,654	37,283
Investment in Fixed Assets	60,249	62,450	122,699	41,699
Principal Payments		43,863	43,863	36,487
Transfers	1,700		1,700	500
TOTAL OTHER DISBURSEMENTS	61,949	139,967	201,916	115,969
TOTAL CASH DISBURSEMENTS	183,075	417,888	600,963	469,990
EXCESS OF CASH RECEIPTS OVER (UNDER) CASH DISBURSEMENTS	(10,898)	(77,628)	(88,526)	(25,039)
Cash Balances - Beginning of Year	193,133	173,958	367,091	392,130
Cash Balances - End of Year	\$ 182,235	\$ 96,330	\$ 278,565	\$ 367,091

SEE ACCOUNTANT'S COMPILATION REPORT

TOWN OF FALKNER
SCHEDULE OF LONG-TERM DEBT
YEAR ENDED SEPTEMBER 30, 2015

	<u>Definition and Purpose</u>	<u>Balance Outstanding Oct. 1, 2013</u>	<u>Transactions During Fiscal Year</u>		<u>Balance Outstanding Sept. 30, 2015</u>
			<u>Issued</u>	<u>Redeemed</u>	
Rural Development	Water System	\$ 21,280	\$	\$ 13,559	\$ 7,721
Rural Development	Water System	152,119		6,311	145,808
Rural Development	Water System	85,414		4,807	80,607
Rural Development	Water System	221,286		5,788	215,498
Rural Development	Water System	175,405		4,011	171,394
The Peoples Bank	Truck		21,108	3,338	17,770
MS Department of Environmental Quality	Sewer System	114,688		6,049	108,639
Total		<u>\$ 770,192</u>	<u>\$ 21,108</u>	<u>\$ 43,863</u>	<u>\$ 747,437</u>

SEE ACCOUNTANT'S COMPILATION REPORT

RECEIVED

JUN 30 2016

TOWN OF FALKNER
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
September 30, 2015

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Amount</u>
Doyle Griffin	Mayor	Travelers Casualty & Surety Co. of America	\$ 50,000
Colleen Weeks	Town Clerk	Travelers Casualty & Surety Co. of America	50,000
Gary Bullock	Alderman	MS Municipal Association	5,000
L. D. Hudson	Alderman	MS Municipal Association	5,000
James Shelton	Alderman	MS Municipal Association	5,000
Tommy LaBarreare	Alderman	MS Municipal Association	5,000
Susan Rutherford	Alderwoman	MS Municipal Association	5,000
Position Bond	Collector	Travelers Casualty & Surety Co. of America	50,000

SEE ACCOUNTANT'S COMPILATION REPORT

JUN 30 2016

TOWN OF FALKNER
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS
September 30, 2015

The Town of Falkner owned no securities held for investment at September 30, 2015.

LINDSEY, DAVIS AND ASSOCIATES

CHARLES L. DAVIS, JR.
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

DEAN CAVINESS
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 146
1122 CITY AVE. NORTH
RIPLEY, MS 38663

TELEPHONE 662-837-3295
FAX # 662-837-0174

STEPHANIE CLIFTON
CERTIFIED PUBLIC ACCOUNTANT
STOCKHOLDER

B.J. HORTON
CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Aldermen
Town of Falkner
Falkner, MS 38629

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis of the Town of Falkner for the year ended September 30, 2015 and have issued our report dated April 4, 2016. We have conducted our compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

As required by the state legal compliance audit 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 audit and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed no material instances of noncompliance with state laws and regulations.

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.

Lindsey, Davis & Associates
Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
April 4, 2016

JUN 30 2016