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**TOWN OF LAMBERT  
LAMBERT, MISSISSIPPI**

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**AUDITED STATEMENT OF CASH RECEIPTS  
AND DISBURSEMENTS**  
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**SEPTEMBER 30, 2015**

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**ATRIS NITER, JR.**  
CERTIFIED PUBLIC ACCOUNTANT

**TOWN OF LAMBERT  
LAMBERT, MISSISSIPPI**

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**AUDITED STATEMENT OF CASH RECEIPTS  
AND DISBURSEMENTS**

---

**SEPTEMBER 30, 2015**

**TOWN OF LAMBERT  
LAMBERT, MISSISSIPPI**

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**ATRIS NITER, JR.**

CERTIFIED PUBLIC ACCOUNTANT

1750 Madison Avenue, Suite 220  
Memphis, Tennessee 38104  
Ph. (901) 726-9700  
Fax (901) 726-9708  
aniter1378@bellsouth.net

**INDEPENDENT AUDITOR'S REPORT  
ON THE FINANCIAL STATEMENT  
AND SUPPLEMENTAL INFORMATION**

Honorable Mayor and Board of Aldermen  
Town of Lambert  
Lambert, Mississippi

**Report on Financial Statement**

We have audited the accompanying combined statement of cash receipts and disbursements (all funds) of the Town of Lambert, Mississippi, for the year ended September 30, 2015. This financial statement is the responsibility of the Town's management. Our responsibility is to express an opinion on this statement based on our audit.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statement.

Honorable Mayor and Board of Aldermen  
Town of Lambert, Mississippi  
Page 2

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As described in Note 1, the combined statement of cash receipts and disbursements (all funds) is a summary of the cash activity of the Town and does not present transactions that would be included in financial statements of the Town prepared in conformity with generally accepted accounting principles.

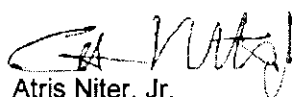
### **Opinion**

In our opinion, the accompanying financial statement presents fairly the cash receipts and disbursements of the Town of Lambert for the year ended September 30, 2015.

### **Other Matters**

Our audit was performed for the purpose of forming an opinion on the financial statement taken as a whole. The schedules and supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement of the Town of Lambert, Mississippi. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly presented in all material respects in relation to the financial statement taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 10, 2016 on our consideration of the Town of Lambert's compliance with state laws and regulations.



Atris Niter, Jr.  
Memphis, Tennessee  
June 10, 2016

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**TOWN OF LAMBERT**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS**  
For the Year Ended September 30, 2015

	FUND				TOTAL
	General	Debt Service	Federal Capital Project	Water & Sewer	
<b>REVENUE RECEIPTS:</b>					
Privilege License	\$ 742				\$ 742
Taxes - Vehicles	39,083				39,083
Taxes - Property	141,524				141,524
Penalty and Interest	1,961				1,961
Homestead Exemptions	18,057				18,057
Franchise Taxes	32,808				32,808
Sales Tax	19,142				19,142
ABC License	900				900
Gas Tax Rebate	4,914				4,914
County Fire Aid	3,300				3,300
Road Maintenance	1,731				1,731
Fines	15,201				15,201
Utility Fees	88,182			323,667	411,849
Federal/State Aid	16,611				16,611
Bond and Interest	24,012				24,012
Late Utility Fees				29,773	29,773
Interest	80			541	621
Miscellaneous	3,348			28,312	31,660
<b>TOTAL</b>	<b>411,596</b>	<b>-0-</b>	<b>-0-</b>	<b>382,293</b>	<b>793,889</b>
<b>Other Financing Sources (Uses):</b>					
Transfers IN	52,684	637			53,321
Transfers OUT			(21,081)	(32,805)	(53,886)
<b>CASH - Beginning</b>	<b>\$ 108,585</b>	<b>13,121</b>	<b>23,887</b>	<b>205,053</b>	<b>\$ 350,646</b>
<b>TOTAL TO ACCOUNT FOR</b>	<b>\$ 572,865</b>	<b>13,758</b>	<b>2,806</b>	<b>554,541</b>	<b>\$ 1,143,970</b>

**TOWN OF LAMBERT**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
For the Year Ended September 30, 2015

	FUND				TOTAL
	General	Debt Service	Federal Capital Project	Water & Sewer	
<b><u>OPERATING DISBURSEMENTS:</u></b>					
Administration	\$ 127,347				\$ 127,347
Public Safety - Police	203,763				203,763
Public Safety - Fire	6,283				6,283
Public Works - Streets	56,317				56,317
Public Works - Sanitation	64,820				64,820
Enterprise - Water & Sewer	-0-			225,784	225,784
Capital Outlay	-0-			29,115	29,115
Debt Principal	807			84,937	85,744
Interest	8			57,357	57,365
<b>TOTAL DISBURSEMENTS</b>	<b>459,345</b>	<b>-0-</b>	<b>-0-</b>	<b>397,193</b>	<b>856,538</b>
<b>CASH - Ending</b>	<b>\$ 113,520</b>	<b>13,758</b>	<b>2,806</b>	<b>157,348</b>	<b>\$ 287,432</b>
<b>TOTAL AMOUNT ACCOUNTED FOR</b>	<b>\$ 572,865</b>	<b>13,758</b>	<b>2,806</b>	<b>554,541</b>	<b>\$ 1,143,970</b>

See notes to the financial statement.



**TOWN OF LAMBERT**  
**Notes to the Financial Statement**  
**September 30, 2015**

**NOTE 1 - SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING  
POLICIES**

**A. Reporting Entity**

The Town of Lambert was incorporated on May 12, 1905. The Town operates under the Mayor and Board of Aldermen form of government and provides the following services: public safety (Police & Fire) streets, sanitation, culture, recreation, public improvements, planning and zoning and general administrative services.

The Town has no component units.

**B. Accounting Method**

The Town uses funds to report its cash receipts and disbursements. Fund accounting is used to demonstrate legal compliance by segregating transactions related to specific government functions.

The Town uses three classifications of funds: general fund, special revenue and proprietary fund. Each fund has a separate balanced set of accounts.

The Town uses the following fund types and account groups:

Governmental funds are used to account for all or most of a government's general activities including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government, which are not required legally, or by sound financial management, to be accounted for in another fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

**C. Basis of Accounting**

The financial statement is prepared using the cash receipts and disbursements method of accounting as prescribed by the Office of the State Auditor. Revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred.

**TOWN OF LAMBERT**  
**Notes to the Financial Statement (continued)**  
**September 30, 2015**

**D. Cash Deposits**

The Town deposits all its funds in financial institutions selected by the board of aldermen that are insured by the Federal Deposit Insurance Corporation up to \$250,000.

**E. Column Totals**

The total column in this financial statement is presented for overview information purposes and is not meant to present fairly the cash receipts and disbursements on a consolidated basis.

**F. Date of Management's Review**

The Town's management has evaluated subsequent events through June 10, 2016, the date on which the financial statement was available to be issued.

**NOTE 2 – AD VALOREM TAX**

The Town uses the county tax rolls for the assessment of its Ad Valorem tax. Property is assessed in January of each year and the millage rate is set in September of each year. The Town Clerk bills property owners for the Ad Valorem tax in December of each year. They are due on January 1<sup>st</sup> and become delinquent after February 1<sup>st</sup>. The taxes levied for the year ended September 30, 2015 was .89 mills.

**NOTE 3 – CASH AND OTHER DEPOSITS**

The collateral for public entities' deposit in financial institutions are now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code (1972). Under this program, the entity's funds are protected through a collateral pool administered by the securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasury to replace the public deposits not covered by the Federal Depository Insurance Corporation.

**TOWN OF LAMBERT**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2015**

<u>POSITION</u>	<u>SURETY</u>	<u>BOND</u>
Mayor	Western Surety	\$100,000
Aldermen (5)	Traveler's Casualty and Surety	\$50,000
Town Clerk	RLI Surety	\$100,000
Court Clerk	RLI Surety	\$50,000
Assistant Clerk	RLI Surety	\$50,000
Police Chief	RLI Surety	\$50,000
Assistant Police Chief	RLI Surety	\$25,000
Captain Police Department	RLI Surety	\$25,000
Policemen	RLI Surety	\$25,000

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**TOWN OF LAMBERT  
SCHEDULE OF INVESTMENTS  
September 30, 2015**

<u>Description</u>	<u>TYPE</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>TOTAL</u>
Water & Sewer Fund	CD's	0.89%	Various	\$ <u>99,282</u>

The certificates of deposit are held at the Southern Bancorp Bank with various maturities and interest rates. The certificate of deposits serve as a reserve account to help pay for the various notes payable to rural development.

**TOWN OF LAMBERT  
SCHEDULE OF CAPITAL ASSETS  
SEPTEMBER 30, 2015**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Land	\$ 21,046			\$ 21,046
Buildings	158,951			158,951
Machinery and Equipment	114,611			114,611
Infrastructure	570,438			570,438
	<u>865,046</u>	<u>-0-</u>	<u>-0-</u>	<u>865,046</u>

**ACCUMULATED DEPRECIATION:**

Buildings	19,457	4,576		24,033
Machinery and Equipment	57,265	11,145		68,410
Infrastructure	87,115	31,823	-0-	118,938
	<u>163,837</u>	<u>47,544</u>	<u>-0-</u>	<u>211,381</u>

<b>CAPITAL ASSETS, NET</b>	<u>\$ 701,209</u>	<u>47,544</u>	<u>-0-</u>	<u>\$ 653,665</u>
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**BUSINESS TYPE ACTIVITIES:**

Machinery and Equipment	\$ 44,277	29,115	-0-	\$ 73,392
Water and Sewer System	2,142,726	-0-	-0-	2,142,726
	<u>2,187,003</u>	<u>29,115</u>	<u>-0-</u>	<u>2,216,118</u>

**ACCUMULATED DEPRECIATION:**

Machinery and Equipment	4,442	4,442	-0-	8,884
Water and Sewer System	943,110	188,622	-0-	1,131,732
	<u>947,552</u>	<u>193,064</u>	<u>-0-</u>	<u>1,140,616</u>

<b>CAPITAL ASSETS, NET</b>	<u>\$ 1,239,451</u>	<u>163,949</u>	<u>-0-</u>	<u>\$ 1,075,502</u>
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**TOWN OF LAMBERT  
SCHEDULE OF LONG-TERM DEBT  
SEPTEMBER 30, 2015**

<u>GENERAL OBLIGATION BONDS:</u>	Balance Outstanding Oct. 1, 2014	<u>Issued</u>	<u>Redeemed</u>	Balance Outstanding Sept. 30, 2015
Street Improvement Bond - Interest rate 4.5% - 15 variable annual payments Beginning January 20, 2005 thru January 20, 2019.	\$ 51,925	-	20,749	\$ 31,176
State of Mississippi Rail Service Revolving Loan - Interest rate 1/4% of 1%. 180 Monthly payments of \$67.93.	3,447	-	807	2,640
Total General Long-term Debt	55,372		21,556	33,816

**REVENUE BONDS:**

Rural Development Water and Sewer System Revenue Bonds (2000 Issue) 4.5% interest rate; original amount of \$295,400 collateralized by revenues and water and sewer plant facilities. Monthly payments of \$1,447 (including interest) starting June 17, 2001 until 2033.	220,773	-	7,671	213,102
Rural Development Water and Sewer System Revenue Bonds (2004 Issue) 4.5% interest rate; original amount of \$998,000 payment in 420 monthly payments of approximately \$4,822.84 beginning February 2005 and ending January 2040.	851,751	-	19,545	832,206

**TOWN OF LAMBERT  
SCHEDULE OF LONG-TERM DEBT  
SEPTEMBER 30, 2015**

	Balance Outstanding Oct. 1, 2014	Issued	Redeemed	Balance Outstanding Sept. 30, 2015
Other Debt:				
Southern Bancorp Bank				
2 - 2014 Dodge Rams				
4.5% Loan Originating 5/7/14				
Payable 48 monthly payments				
of \$689	27,861	-	7,121	20,740
 State Revolving Fund Loan				
4.5% interest rate original amount				
of \$411,627, monthly payments				
of \$2,757 including interest to be				
withheld from monthly sales tax				
reimbursement to 2017.	85,428	-	29,851	55,577
 Total enterprise fund debt	1,185,813		64,188	1,121,625
 Total Long-term Debt	\$ 1,241,185	-	85,744	\$ 1,155,441

The aggregate maturity of the long-term debt is as follows:

2,016	\$	93,775
2,017		75,488
2,018		37,246
2,019		32,628
2,020		215,485
Later years		700,819
	\$	<u>1,155,441</u>

The interest requirement for the next year is approximately \$51,209.

**ATRIS NITER, JR.**

CERTIFIED PUBLIC ACCOUNTANT

1750 Madison Avenue, Suite 220  
Memphis, Tennessee 38104  
Ph. (901) 726-9700  
Fax (901) 726-9708  
aniter1378@bellsouth.net

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

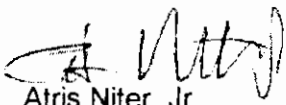
Honorable Mayor and Board of Aldermen  
Town of Lambert  
Lambert, Mississippi

We have audited the general-purpose financial statement of cash receipts and disbursements of the Town of Lambert as of and for the year ended September 30, 2015 and have issued our report dated June 10, 2016. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*.

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 audit of the general-purpose financial statement of cash receipts and disbursements disclosed the following instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows: NONE

This report is intended for the information of the Town of Lambert'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.



Atris Niter, Jr.  
Memphis, Tennessee  
June 10, 2016