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**Town of Mathiston  
Financial Statements  
Year Ended September 30, 2015**

Dungan CPA Company  
120 South Natchez Street  
Kosciusko, Mississippi 39090

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**Town of Mathiston**  
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**Town of Mathiston**  
**Financial Section**  
**September 30, 2015**

# DUNGAN CPA COMPANY

Dungan CPA. Co.  
120 South Natchez Street  
Kosciusko, MS 39090

Phone 662-289-9007  
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## **INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

November 3, 2015  
Honorable Mayor and Board of Aldermen  
Mathiston, Mississippi

I have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Mathiston, 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, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Mathiston, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. My procedures and findings are as follows:

1. I 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:

Bank	Fund	Balance Per General Ledger
Bank of Kilmichael	General	\$ 46,877
Bank of Kilmichael	General	42,230
Bank of Kilmichael	General	295
Bank of Kilmichael	General	2,843
Bank of Kilmichael	General	18,305
Bank of Kilmichael	General	157,277
Bank of Kilmichael	Utility	35,167
Bank of Kilmichael	Utility	8,462
Bank of Kilmichael	Utility	1,042
Bank of Kilmichael	Utility	56,203
Bank of Kilmichael	Utility	39,528

2. I examined for compliance with investments authorized by Section 21-33-323. Miss Code Ann. (1972)

General Security	Fund	Ledger Cost
<b>Total</b>		<b>\$ 156,572</b>

3. I 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. Traced distribution of taxes collected to proper funds; and
- C. 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).

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).

Ad valorem tax collections for the retirement of general obligation debt was found to be sufficient for payment of current principle and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss. Code Ann. (1972).

4. I 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:

Payment Purpose	Receiving Fund	Ledger Amount
General Municipal Aid	General	348
Sales Tax Allocation	General	195,310
Fire Protection	General	3,798

5. I selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), if applicable.

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The sample consisted of the following:

Number of Sample Items	95
Total Dollar Value of Sample	\$ 85,433.84

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

6. I 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 and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

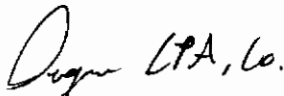
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I found the municipality's to be in agreement with the requirements of the above mentioned sections.

7. I have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, I do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statement in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Mathiston, Mississippi, for the year ended September 30, 2015.



Dungan CPA Company  
November 3, 2015



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**Independent Accountant's Compilation Report**

Honorable Mayor and Board of Alderman  
Town of Mathiston, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements - all fund types as of September 30, 2015, and for the year then ended. I 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 accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement 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 statement.

My 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 statement without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

The supplementary information contained on pages 13 through 15 is presented for purposes of additional analysis and is not a required part of the financial statement. The supplementary information has been compiled by me from information that is the representation of management. I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

A handwritten signature in cursive script, appearing to read "Dungan CPA, Co.", is written over the printed name.

Dungan CPA Co  
November 3, 2015



Town of Mathlston, Mississippi  
Combined Statement of Cash Receipts and Disbursements  
Governmental and Business-type Activities  
For the Year End September 30, 2015

	<u>All Funds</u>
<b>Receipts</b>	
<b>Taxes</b>	
General Property Taxes	123,290
<b>Licenses and Permits</b>	
Privilege Licenses	1,000
Franchise Charges	34,017
<b>Intergovernmental Revenues:</b>	
Federal Receipts	
General Municipal Aid	
General Aid to Municipalities	
Other	
State Shared Revenues:	
Sales Tax	179,336
Gasoline Tax	
Homestead Exemption	4,122
State Fire Rebate and Fire Protection	5,651
Other State Shared Revenue	
<b>Charges for Services:</b>	
Water Utility	178,035
Other Charges for Services	42,420
<b>Fines and Forfeits</b>	26,373
<b>Miscellaneous Income</b>	45,808
<b>Interest Earned</b>	931
<b>Total Receipts</b>	<u><b>640,983</b></u>
<b>Disbursements</b>	
General Government	164,140
Public Safety-Police	180,343
Public Safety-Fire	43,925
Public Works-Street	18,318
Culture and Recreation	20,529
Enterprise	
Water Utility	171,734
Redemption of Principal	109,696
<b>Total Disbursements</b>	<u><b>708,685</b></u>
<b>Other Sources (Disbursements)</b>	
Capital Outlay	16,161
<b>Total Other</b>	<u><b>16,161</b></u>
<b>Excess (Deficiency) of Receipts over Disbursements</b>	<u><b>(83,863)</b></u>
<b>Cash Basis Fund Balance - Beginning</b>	<u><b>422,220</b></u>
Changes not affecting cash	69,873
<b>Cash Basis Fund Balance - Ending</b>	<u><u><b>\$ 408,230</b></u></u>

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## Notes to the Financial Statement

**TOWN OF MATHISTON**  
Notes to Financial Statements  
September 30, 2015

**Note 1 - Summary of significant accounting policies**

*Reporting Entity*

The financial statement for the town consists of all the funds of the town.

The Citizens of Mathiston have elected to operate under a Code Charter as permitted by Mississippi Statutes 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

*Fund Accounting*

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement for this report, into four generic fund types and two broad fund categories as follows:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. Included in this fund is the General Fund and the Cemetery Fund.

Special Revenue Fund – The Special Revenue Fund accounts for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds that are legally restricted to expenditures for specified purposes. The Special Revenue Fund is the Capital Projects Fund.

Fiduciary Funds – Fiduciary funds are used to account for assets held in a trustee or agency capacity for others. The Fiduciary Fund is the Unemployment Compensation Fund.

Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or (b) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Proprietary Funds are the Water and Sewer Fund.

*Basis of Accounting*

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

*Use of Estimated*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**TOWN OF MATHISTON**  
Notes to Financial Statements  
September 30, 2015

**Note 2 – Report Classifications**

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

**Town of Mathiston**  
**Supplemental Section**  
**September 30, 2015**

**Town of Mathiston, Mississippi**  
**Schedule of Investments-All Funds**  
**For the Fiscal Year ended September 30, 2015**

<b>Type of Investment</b>	<b>Interest Rate</b>	<b>Acquisition Date</b>	<b>Maturity Date</b>	<b>Other Information</b>	<b>Investment Value</b>
Certificate of Deposit	.85%	May 20, 2015	May 20, 2015	Bank of Kilmichael	\$ 156,572

**Town of Mathiston, Mississippi  
Schedule of Long-Term Debt  
For the Fiscal Year ended September 30, 2015**

<b>Definition &amp; Purpose</b>	<b>Balance Outstanding October 1, 2014</b>	<b>Issued</b>	<b>Redeemed</b>	<b>Balance Outstanding September 30, 2015</b>
USDA Rural Development	58,701		4,737	53,964
USDA Rural Development	60,843		6,429	54,414
Bank of Kilmichael		45,825		45,825
MDA	364,166		22,801	341,365

**Town of Mathiston, Mississippi  
Schedule of Surety Bonds for Town Officials  
September 30, 2015**

<b>Name</b>	<b>Position</b>	<b>Surety</b>	<b>Bond Amount</b>
Rachel Robinson	Town Clerk	Insurance Company	\$50,000
Bonnie Peacock	Deputy Clerk	Insurance Company	50,000
Roger Miller	Police Chief	Insurance Company	50,000
Ken Wicha	Police	Insurance Company	25,000
Shane Box	Police	Insurance Company	25,000
Jimmy Carden	Mayor	Insurance Company	25,000
Donald Yates	Police	Insurance Company	25,000
Robert J Haney	Alderman	Insurance Company	25,000
James E Frost	Alderman	Insurance Company	25,000
Brian M Carden	Alderman	Insurance Company	25,000
James L McAlpin	Alderman	Insurance Company	25,000
Harvey Pinnix	Alderman	Insurance Company	25,000
H S Sisk	Police	Insurance Company	25,000
Brian Lindner	Police	Insurance Company	25,000

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**REPORT ON COMPLIANCE**  
**WITH STATE LAWS AND REGULATIONS**

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

I have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business- Type Activities, Schedule of Investments – All Funds, Schedule of Long-Term Debt and Schedule of Surety Bonds for Town Officials, of the Town of Mathiston, 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. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

I have performed procedures to test compliance with certain state laws and regulations as described by the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. My 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. According, I do not express such an opinion.

With respect to items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business- Type Activities, Schedule of Investments – All Funds, Schedule of Long-Term Debt and Schedule of Surety Bonds for Town Officials, of the Town of Mathiston, Mississippi, for the year ended September 30, 2015, disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of 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.

A handwritten signature in cursive script that reads 'Dungan CPA, Company'.

Dungan CPA, Company  
November 3, 2015