



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 Meadville**  
POST OFFICE BOX 309  
MEADVILLE, MISSISSIPPI 39653  
601-384-5208

**OFFICES**  
**LANE B. REED, MAYOR**  
**SARE E. JONES, ATTORNEY**  
**LESLIE A. THOMPSON, TOWN CLERK**

**ALDERMEN**  
**CHARLES CALCOTE**  
**BART JONES**  
**BOBBY KELLY**  
**DAVID SCARBROUGH**  
**KAY SCOTT**

November 11, 2015

Office of the State Auditor  
Post Office Box 956  
Jackson, Mississippi 39205

RE: Annual Municipal Audit-Town of Meadville

Accompanying this letter two copies of the annual compilation of the Town of Meadville, 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,

Lane B. Reed  
Mayor

RECEIVED  
NOV 13 2015

**TOWN OF MEADVILLE, MISSISSIPPI**

**FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2015**

**RECEIVED**

**NOV 13 2015**

## TABLE OF CONTENTS

	<u>PAGE</u>
Accountant's Compilation Report	2
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds	4
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	5
Notes to Financial Statements	6
Schedule of Capital Assets	7
Schedule of Long Term Debt	8
Schedule of Surety Bonds	9
Special Report on Agreed Upon Audit Procedures for Small Municipalities	10-12

**RECEIVED**

**NOV 13 2015**

**BERNELL McGEHEE, CPA  
P. O. BOX 410  
LIBERTY, MISSISSIPPI 39645**

Honorable Mayor and Board of Aldermen  
Town of Meadville, Mississippi

The accompanying financial statements of the Town of Meadville, Mississippi, for the year ended September 30, 2015, as listed in the Table of Contents, was compiled by me in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and the Statement of Cash Flows for proprietary funds. If the omitted disclosures were included, they might influence the user's conclusions about the town's financial condition and operation. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on pages 10 through 12 is presented for purposes of additional analysis and has been compiled by me from information that is the representation of management of the Town of Meadville, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on such supplementary information.

*Bernell McGehee*  
CERTIFIED PUBLIC ACCOUNTANT

October 30, 2015

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

<u>Assets</u>	<u>Governmental Fund Types</u>	<u>Proprietary Fund Types</u>	<u>Total Memorandum Only</u>	
			<u>2015</u>	<u>2014</u>
Cash	\$ 308,000	\$ 203,677	\$ 511,677	\$ 575,433
Accounts Receivable	-	25,179	25,179	11,601
Due from Water & Sewer	18,978		18,978	23,501
Fixed assets (net of accumulated depreciation)	<u>-</u>	<u>190,779</u>	<u>190,779</u>	<u>219,159</u>
Total Assets	<u>\$ 326,978</u>	<u>\$ 419,635</u>	<u>\$ 746,613</u>	<u>\$ 829,694</u>
 <b><u>Liabilities and Fund Equity</u></b>				
Accounts Payable	\$ 14,397	\$ 6,106	\$ 20,503	\$ 22,828
Due to Water Fund		18,978	18,978	23,501
Notes Payable	-	206,793	206,793	235,029
Customer deposits	<u>-</u>	<u>9,082</u>	<u>9,082</u>	<u>11,542</u>
Total Liabilities	<u>14,397</u>	<u>240,959</u>	<u>\$ 255,356</u>	<u>292,900</u>
Retained Earnings:				
Unreserved		178,676	\$ 178,676	200,760
Fund balance:				
Unreserved	307,842	-	307,842	331,318
Reserved - unemployment benefits	<u>4,739</u>	<u>-</u>	<u>4,739</u>	<u>4,716</u>
Total Fund Equity	<u>312,581</u>	<u>178,676</u>	<u>491,257</u>	<u>536,794</u>
Total Liabilities and Fund Equity	<u>\$ 326,978</u>	<u>\$ 419,635</u>	<u>\$ 746,613</u>	<u>\$ 829,694</u>

The accompanying compilation report is an integral part of this balance sheet.

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

	<u>2015</u>	<u>2014</u>
Revenue:		
Ad valorem	\$ 132,254	\$ 137,964
Licenses and Permits	34,339	29,999
Intergovernmental	164,465	147,329
Fines and Forfeits	7,652	9,052
Interest	314	442
Other	<u>20,229</u>	<u>7,871</u>
Total Revenue	<u>\$ 359,253</u>	<u>\$ 332,657</u>
Expenditures:		
General government	\$ 181,601	\$ 168,361
Public safety	97,754	75,212
Streets	<u>103,351</u>	<u>114,803</u>
Total Expenditures	<u>\$ 382,706</u>	<u>358,376</u>
Excess (deficiency) of revenues over expenditures	\$ (23,453)	\$ (25,719)
Fund balance at beginning of year	<u>\$ 336,034</u>	<u>361,753</u>
Fund balance at end of year	<u>\$ 312,581</u>	<u>\$ 336,034</u>

The accompanying compilation report is an integral part of this financial statement

**RECEIVED**  
**NOV 13 2015**

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**RETAINED EARNINGS -- ALL PROPRIETARY FUND TYPES**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

	<u>WATER</u>	<u>SEWER</u>	<u>TOTALS</u>	
			<u>2015</u>	<u>2014</u>
Operating revenues:				
Charges for services	\$ 117,598	\$ 88,722	\$ 206,320	\$ 181,968
Operating expenses:				
Personal services	17,837	15,214	33,051	32,733
Supplies	9,511	15,494	25,005	37,571
Other services and charges	115,883	17,186	133,069	109,344
Depreciation	<u>10,980</u>	<u>17,400</u>	<u>28,380</u>	<u>28,380</u>
Total operating expenses	<u>154,211</u>	<u>65,294</u>	<u>219,505</u>	<u>208,028</u>
Operating income	<u>(36,613)</u>	<u>23,428</u>	<u>(13,185)</u>	<u>10,243</u>
Non-operating revenues (expenses):				
Interest - net	(3,050)	(5,849)	(8,899)	(11,730)
Transfers in (out)	<u>17,579</u>	<u>(17,579)</u>	<u>-</u>	<u>-</u>
Total non-operating revenue (expense)	14,529	(23,428)	(8,899)	(11,730)
Net income (loss)	<u>(22,084)</u>	<u>-</u>	<u>(22,084)</u>	<u>(37,790)</u>
Retained earnings, beginning of year	<u>200,758</u>	<u>-</u>	<u>200,758</u>	<u>238,548</u>
Retained earnings, end of year	<u>\$ 178,674</u>	<u>\$ -</u>	<u>\$ 178,674</u>	<u>\$ 200,758</u>

The accompanying compilation report is an integral part of this financial statement



**TOWN OF MEADVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**Note A: Summary of Significant Accounting Policies**

**General Information**

The town operates under the Mayor/Alderman form of government and provides services as authorized by law.

**Reporting Entity**

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

**Fund Accounting**

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity.

**Basis of Accounting**

The financial statement is prepared on an accrual basis.

**Note B: 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 MEADVILLE, MISSISSIPPI**  
**SCHEDULE OF CAPITAL ASSETS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<i>Note: Governmental asset details are currently unavailable.</i>				
<b>Business Type Activities:</b>				
Capital Assets				
Land	-	-	-	-
Buildings	-	-	-	-
Machinery and Equipment	<u>452,989</u>	<u>283,380</u>	<u>-</u>	<u>481,369</u>
<b>Total Business-type activities capital assets</b>	<b>\$ <u>452,989</u></b>	<b>\$ <u>283,380</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>481,369</u></b>

**TOWN OF MEADVILLE, MISSISSIPPI  
STATEMENT OF LONG-TERM DEBT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 09/30/2014</u>	<u>TRANSACTIONS DURING FISCAL YEAR</u>		<u>BALANCE OUTSTANDING</u>
		<u>ISSUED</u>	<u>REDEEMED</u>	
Water and Sewer System				
General Obligation Notes:				
State of Mississippi - Capital Improvement Loans:				
Water Tank Refurbishing				
Water Well & Transmission System	\$ 20,441	\$ -	\$ 3,572	\$ 16,869
	61,417	-	9,399	52,018
State of Mississippi - Dept. of Environmental Quality				
Water Pollution Control Emergency Loan Fund				
2013 Sewer Lift Station	153,171	-	15,264	137,907
Total Long Term Debt	\$ 235,029	\$ -	\$ 28,235	\$ 206,794

Population - 2010 Census

449

**TOWN OF MEADVILLE, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS  
YEAR ENDED SEPTEMBER 30, 2015**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Lane B Reed	Mayor	FCCI Insurance Group	\$50,000
Kay Scott	Alderman	FCCI Insurance Group	\$6,000
William D. Scarbrough	Alderman	FCCI Insurance Group	\$6,000
Bobby Kelly	Alderman	FCCI Insurance Group	\$6,000
Arthur B. Jones	Alderman	FCCI Insurance Group	\$6,000
Charles Calcote	Alderman	FCCI Insurance Group	\$6,000
Leslie Thompson	Clerk	FCCI Insurance Group	\$50,000
Margaret Causey	Asst Clerk	FCCI Insurance Group	\$10,000
Stacy Baize	Former Clerk (until 6/2015)	Western Security	\$50,000
Taylor McMinn	Police Chief	FCCI Insurance Group	\$50,000
James Cooley	Deputy	FCCI Insurance Group	\$50,000

**RECEIVED**

**NOV 13 2015**

**BERNELL McGEHEE, CPA  
P. O. BOX 410  
LIBERTY, MISSISSIPPI 39645**

Mayor and Board of Aldermen  
Meadville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Meadville, Mississippi as of September 30, 2015 and for the year then ended, as required by the office of the State Auditor. This is solely for the use of the governing body of the Town of Meadville, Mississippi, and the office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. My procedures and findings are as follows:

1. I reconciled cash on deposit with the following banks to balances in the respective fund accounts and obtained confirmation of the related balances from the banks.

<u>BANK</u>	<u>ACCOUNT NAME</u>	<u>BALANCE PER GENERAL LEDGER</u>	
Bank of Franklin	General	\$ 90,923	
Bank of Franklin	Fire Fund Special	148,957	
Bank of Franklin	Clearing Accounts	9,525	
Bank of Franklin	Employment Insurance Reserve	4,739	
United MS Bank	Certificates of Deposit	53,856	308,000
Bank of Franklin	Water and Sewer Fund	203,677	203,677
	Total	\$ 511,677	

2. As of September 30, 2015 the town held no investment securities.
3. I performed the following procedures with respect to taxes on real and personal property levied during the fiscal year.
  - a. Traced levies to governing body minutes.
  - b. Traced distribution of taxes collected to proper funds.
  - 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. Ad Valorem tax collections were found to be within the limitations of sections 27-39-320 to 27-39-323, Miss Code Ann (1972).

Please note that the Town of Meadville contracts with Franklin County, Mississippi to collect property taxes on its behalf.

4. I obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposit in banks and recording in the general fund,

Payments to the Town of Meadville were, as follows.

<u>PAYMENT PURPOSE</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$ 126,863
Fire Protection Allocation	General	2,443
Gasoline Tax	General	1,375
Grand Gulf Nuclear Plant	General	8,490
Homestead Exemption Reimbursement	General	9,706
Other Aid (Loans, included)	General	12,703

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 Mississippi Code Ann. (1972) if applicable.

The sample consisted of the following:

Number of sample items	5
Dollar value of sample	\$99,572

I found the town's purchasing procedures to be in compliance with the requirements of the above mentioned sections, except as follows:

The second quote used in the purchase of a 4.5 hp jetter for \$7,995 was for a 35 hp jetter at a price of \$19,995. There was not a second quote for a comparable item to the purchased product.

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.
7. I have read the Municipal Compliance questionnaire completed by the Town. The completed survey indicated no instances of noncompliance with state requirements. However, it should be noted that no signed minutes for December 2014 were found to be in the minutes book.

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 accounts or items referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe that the specified accounts or items should be adjusted. Had I performed additional procedures or had I conducted an audit on the financial statements in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Meadville, taken as a whole.

*Bernell M. Ghee*

CERTIFIED PUBLIC ACCOUNTANT

October 30, 2015

**RECEIVED**

**NOV 13 2015**