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Town of Polkville
6606 Highway 13
Morton, MS 39117


August 28, 2017

Office of the State Auditor
PO Box 956
Jackson, MS 39205

Re: Annual Municipal Compilation

Accompanying this letter are two copies of the annual compilation of the Town of Polkville, Mississippi, for the fiscal year ending 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 this audit.

Sincerely,



Robert Miles, Mayor

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

Town of Polkville

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Town of Polkville

Financial Section
September 30, 2015

JEFFREY F. TULLOS, EA

**POST OFFICE BOX 505
RALEIGH, MISSISSIPPI 39153**

TELEPHONE 601-782-9411

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

August 28, 2017

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Polkville, 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 Polkville, Mississippi, and the Office of the State Auditor and not be used for any other purposes. However, this report is a matter of public record, and its distribution is not limited. Our procedures and findings are as follows:

- A. I 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</u>
Trustmark National	General Fund	\$ 2,209
Trustmark National	Civic Center	252
Bank of Morton	Enterprise Fund	50,504
Bank of Morton	Grant Account	8,908
Trustmark National	Payroll	6,006
Trustmark National	Solid Waste	2,368
Trustmark National	Fire Millage	6,858
Trustmark National	Fire Rebate	32,801
Bank of Morton-CD	General	51,291

- B. The Town did not possess any securities held for investments during the year.
- C. The Town of Polkville, Mississippi levies no advalorem taxes, therefore, no procedures were performed in this area.

- D. 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 the bank recording in the general ledger. Cash receipts were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax	General	\$ 4,177
Gasoline Tax	General	2,499
Municipal Aid	General	415
Fire Protection	General	4,532
Other Municipal Aid	General	0

- E. Purchasing Law Compliance.

A sample was taken to test compliance with the purchasing laws as set forth in Sections 31-7-, 31-7-13, 31-7-57s Mississippi Code 1972, Annotated. Our procedures indicated boards approval of purchases in the board minutes, bids were obtained for purchases in amounts that required the solicitation of bids.

- F. We have read the Municipal Compliance Questionnaire completed by the town.
The completed survey indicated no instances of noncompliance.

- G. Population according to town officials: 833

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

Jeffrey F Tullos, EA

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JEFFREY F. TULLOS, EA
POST OFFICE BOX 505
RALEIGH, MISSISSIPPI 39153
TELEPHONE 601-782-9411

Independent Accountant's Compilation Report

August 28, 2017

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Polkville for the year ended September 30, 2015, in accordance with standards Mississippi State Department of Audit.

A compilation is limited to presenting in the form of financial statement information that is the representation of management. I have not audited or reviewed the accompanying statement of cash receipt and disbursements – all fund types and, accordingly do not express an opinion or any other form of assurance on it.

The Town of Polkville policy is to prepare its financial statement on the basis of cash receipts and disbursements: consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements-all fund types is not intended to present results of operations, in conformity with the generally accepted accounting principles.

These statements are presented in accordance with the requirements of the Office of State Auditor, which differs from generally accepted accounting principles. Accordingly, these statements are not designed for those who are informed about such differences.

Town officials have elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included, they might influence the user's conclusions about the Town of Polkville cash receipts and disbursements, financial position, results of operations or cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained reported is presented for purposes of additional analysis and has been compiled by us from information that is the presentation of the town officials of the Town of Polkville, without audit of review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Jeffrey F. Tullos, EA

TOWN OF POLKVILLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-ALL FUND TYPES
FISCAL YEAR ENDING SEPTEMBER 30, 2015

	Governmental Funds	Proprietary Funds	
	General Fund	Water and Garbage Collection	Totals
<u>Receipts</u>			
Licenses & Permits			
Utility Franchise	10,071		10,071
Privilege Licenses	194		194
State of Mississippi			
Fire Protection	4,532		
Gasoline Tax	2,499		
Municipal Aid	415		
Other Municipal Aid			
Sales Tax	4,177		
Total State	<hr/> 11,623		11,623
Charges for Services:			
Garbage Collection		26,709	26,709
Water Sales		162,132	162,132
CDBG Revenue	205,291		205,291
County Fire Millage	5,640		5,640
Eco, Development Assistance			
Fire Aid Assistance Millage	6,068		6,068
Fines	27,257		27,257
Insurance Reimbursement			
Misc	11,380		11,380
Rent – Civic Center	2,250		2,250
Interest	202		202
Utility Reimbursement			
Total Receipts	<u>279,976</u>	<u>188,841</u>	<u>468,817</u>

TOWN OF POLKVILLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-ALL FUND TYPES
FISCAL YEAR ENDING SEPTEMBER 30, 2015

	Governmental Funds	Proprietary Funds	
	<u>General Fund</u>	<u>Water and Garbage Collection</u>	<u>Totals</u>
<u>Operating Disbursements</u>			
General Government	164,421		164,421
Public Safety			
Police	28,948		28,948
Fire Protection	20,558		20,558
Water & Garbage Collection		199,062	199,062
Total Disbursements	<u>213,927</u>	<u>199,062</u>	<u>412,989</u>
Excess (Deficiency) of Receipts over Disbursements	\$66,049	(\$10,221)	55,828
Cash Balance – Beginning of Year	<u>42,276</u>	<u>63,093</u>	<u>105,369</u>
Cash Balance – End of Year	108,325 =====	52,872 =====	161,197 =====

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Town of Polkville

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

Fund Accounting:

The accounts of the town are organized on the basis of funds, each of which is considered a separated accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise of 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 the 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 the fund is the General 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.

Enterprise Funds – Enterprise Funds are used to account for operations (1) 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 (2) 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 Enterprise 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. 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 Estimates:

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 Polkville

Notes to Financial Statements

September 30, 2015

Note 2 – Report Classifications

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

Town of Polkville
Supplemental Section
September 30, 2015

**TOWN OF POLKVILLE
SCHEDULE OF CAPITAL ASSETS
YEAR ENDED SEPTEMBER 30, 2015**

	Balance at 10/01/14	Increases	Decreases	Balance at 09/30/15
Governmental Activities:				
Buildings and Infrastructure	861,700			861,700
Machinery and Equipment	<u>257,087</u>	23,996		<u>281,083</u>
 Total Governmental Activities	 1,118,787 =====	 =====	 =====	 1,142,783 =====
Business Type Activities:				
Buildings and Infrastructure	113,134		9,897	103,237
Machinery and Equipment	<u>28,080</u>		<u>9,360</u>	<u>18,720</u>
 Total Business Activities	 141,214 =====	 =====	 19,257 =====	 121,957 =====

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**TOWN OF POLKVILLE
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
FISCAL YEAR ENDING SEPTEMBER 30, 2015**

<u>NAME</u>	<u>POSITION</u>	<u>SURETY</u>	<u>BOND AMOUNT</u>
Robert Miles	Mayor	The Policy Center	50,000
Mike Phillips	Alderman	The Policy Center	10,000
Lloyd Gray	Alderman	The Policy Center	10,000
James Arender	Alderman	The Policy Center	10,000
Lavon Purvis	Alderman	The Policy Center	10,000
Bob Miles	Alderman	The Policy Center	10,000
Jerri Barnes	Town Clerk	The Policy Center	50,000

JEFFREY F. TULLOS, EA

**POST OFFICE BOX 505
RALEIGH, MISSISSIPPI 39153
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**ACCOUNTANTS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and
Board of Alderman
Town of Polkville
Polkville, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Polkville for the year ended September 30, 2015, and issued our report. We conducted our compilation in accordance with standards Mississippi State Department of Audit.

As required 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 my engagement and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed the following material instance of noncompliance with state laws and regulations. Our finding is included in the Accountants Report on Agreed-Upon Procedures.

This 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.

Jeffrey F. Tullos, EA

