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**Town of Seminary, Mississippi
Mayor and Board of Alderpersons
Seminary, Mississippi**

June 21, 2017

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

Re: Annual Compilation Report and Special Report on Applying Agreed-Upon
Procedures for the year 2015.

Department of Technical Assistance:

Accompanying this letter are two copies of the annual Compilation Report and Special Report on Applying Agreed-Upon Procedures of the Town of Seminary, Mississippi, for the fiscal year ended September 30, 2015. A separate management letter was not written to the town in connection with these reports.

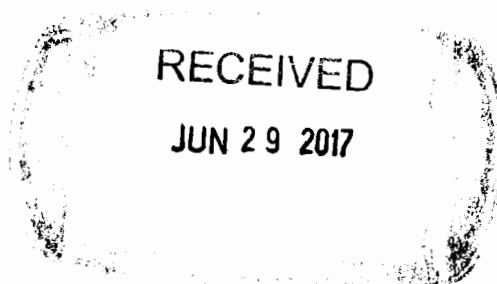
Sincerely,

Dawn Kelly

Dawn Kelly
Mayor



Town of Seminary, Mississippi
Compiled Financial Statements
Year Ended September 30, 2015

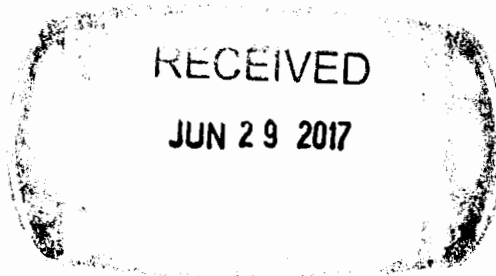


Prince CPA Firm, PLLC
Certified Public Accountants

Town of Seminary, Mississippi

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FINANCIAL STATEMENTS



PRINCE CPA FIRM, PLLC

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CONSULTANTS AND ADVISORS**

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ACCOUNTANT'S COMPILATION REPORT

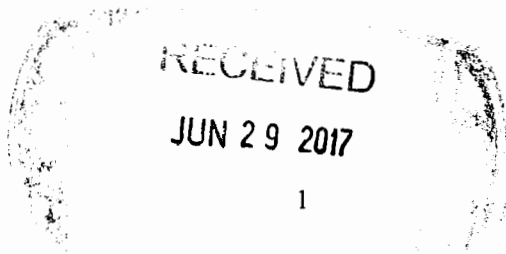
Honorable Mayor and Board of Alderpersons
Town of Seminary
Seminary, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements-governmental and business-type activities of the Town of Seminary, Mississippi for the year ended September 30, 2015. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

The management of the Town of Seminary, Mississippi, is responsible for the preparation and fair presentation of the financial statements 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 statements.

Management has not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from the cash basis transactions for the Town's governmental activities and business-type activities are not reasonably determinable.

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



**Honorable Mayor and Board of Alderpersons
Town of Seminary**

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, 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.

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 a 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 in Schedules 1 through 4 has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the provisions of §21-35-31, Miss. Code Ann. (1972), we have issued a report dated June 2, 2017, on the results of our agreed-upon procedures.

Price CPA Firm, PLLC

June 2, 2017

Town of Seminary, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities
For the Year Ended September 30, 2015

	Governmental Activities			Business - Type Activities	
	Major Funds		TOTAL	Major Fund	TOTAL
	General Fund	Fire Fund		Water Fund	
RECEIPTS:					
Taxes					
General Property Taxes	\$ 43,895	\$	\$ 43,895	\$	\$
Road & Bridge Taxes	7,961		7,961		
License and Permits					
Utility Franchise Charges	23,678		23,678		
Other	2,592		2,592		
Intergovernmental Receipts					
State Grants					
General Municipal Aid	157		157		
Homestead Exemption	3,241		3,241		
State Shared Receipts					
Sales Taxes	155,921		155,921		
Fire Protection		1,709	1,709		
Gasoline Taxes	962		962		
Rent-State of MS	5,500		5,500		
County Support					
Board of Supervisors	19,204		19,204		
Local Support					
SW Covington Utility	3,875				

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Seminary, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities
For the Year Ended September 30, 2015

	Governmental Activities			Business - Type Activities	
	Major Funds		TOTAL	Major Fund	TOTAL
	General Fund	Fire Fund		Water Fund	
RECEIPTS: Continued					
Charges for Services					
Water and Sewer	\$	\$	\$	\$ 76,176	\$ 76,176
Garbage				13,782	13,782
Other Receipts					
Interest	136	4	140	77	77
Fines	78,400		78,400		
Rent	4,500		4,500		
Cemetery Donations	11,397		11,397		
Other Donations	19,332		19,332		
Grant	137,425		137,425		
Insurance Refund	3,625		3,625	1,000	1,000
State of MS	25,852		25,852		
TOTAL RECEIPTS	\$ 547,653	\$ 1,713	\$ 545,491	\$ 91,035	\$ 91,035

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SEE ACCOUNTANT'S COMPILATION REPORT



Town of Seminary, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities
For the Year Ended September 30, 2015

	Governmental Activities			Business - Type Activities	
	Major Funds		TOTAL	Major Fund	TOTAL
	General Fund	Fire Fund		Water Fund	
DISBURSEMENTS:					
General Government	\$ 270,849	\$	\$ 270,849	\$	\$
Public Safety					
Police	79,465		79,465		
Fire	26,423	5,000	31,423		
Enterprises					
Water and Sewer				85,912	85,912
Garbage				5,396	5,396
Other				2,925	2,925

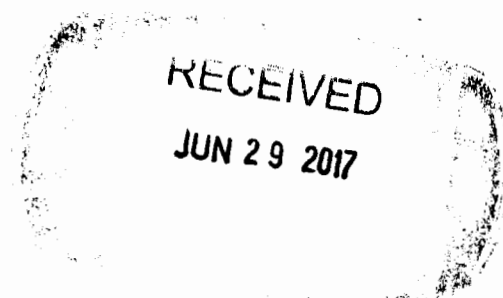
SEE ACCOUNTANT'S COMPILATION REPORT

Town of Seminary, Mississippi
Statement of Cash Receipts and Disbursements—
Governmental and Business-type Activities
For the Year Ended September 30, 2015

	Governmental Activities			Business - Type Activities	
	Major Funds		TOTAL	Major Fund	TOTAL
	General Fund	Fire Fund		Water Fund	
DISBURSEMENTS: Continued					
Capital Outlay	\$	\$	\$ -	\$	\$
TOTAL DISBURSEMENTS	\$ 376,737	\$ 5,000	\$ 381,737	\$ 94,233	\$ 94,233
 EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	 \$ 170,916	 \$ (3,287)	 \$ 167,629	 \$ (3,198)	 \$ (3,198)
 OTHER FINANCING SOURCES (USES) Transfers					
 Total Other Financing Sources (Uses)	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -
 Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	 \$ 170,916	 \$ (3,287)	 \$ 167,629	 \$ (3,198)	 \$ (3,198)
 CASH BASIS FUND BALANCE- BEGINNING	 254,984	 12,589	 267,573	 152,118	 152,118
 CASH BASIS FUND BALANCE- ENDING	 \$ 425,900	 \$ 9,302	 \$ 435,202	 \$ 148,920	 \$ 148,920

SEE ACCOUNTANT'S COMPILATION REPORT

SUPPLEMENTAL INFORMATION

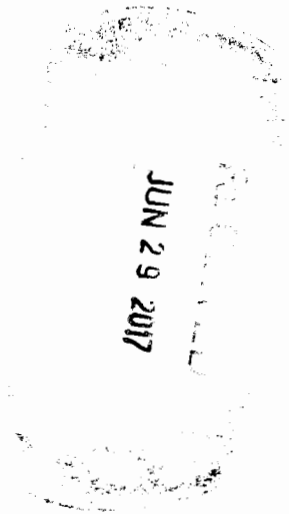


**Town of Seminary, Mississippi
Schedule of Investments
September 30, 2015
Schedule 1**

None

SEE ACCOUNTANT'S COMPILATION REPORT

Town of Seminary, Mississippi
Schedule of Long-Term Debt
September 30, 2015
Schedule 2

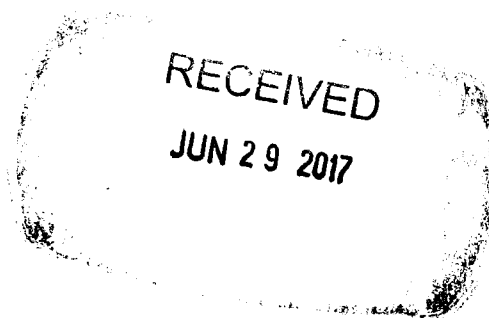


None

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**Town of Seminary, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2015
Schedule 3**

Name	Position	Company	Bond
Billy Karolyi	Mayor	MS Municipal	50,000
Charlotte Dunn	Town Clerk	Travelers	50,000
Freddy Bullock	Aldersperson	MS Municipal	25,000
David Daniel	Aldersperson	MS Municipal	25,000
Bobbie Harrell	Aldersperson	MS Municipal	25,000
Michael Wilcosky	Aldersperson	MS Municipal	25,000
David Aultman	Aldersperson	MS Municipal	25,000
Michael Kelly	Police Chief	Travelers	50,000
Robert Aultman	Assistant Police Chief	Travelers	50,000



SEE ACCOUNTANT'S COMPILATION REPORT



**Town of Seminary, Mississippi
Solid Waste Management Services Schedule
Full Cost Accounting
Summary of Costs Report
September 30, 2015
Schedule 4**

Operating Costs (Direct Costs) :

Contracted Pickup & Disposal	\$ 13,782
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Total of All Costs	\$ 13,782
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Supplemental Information :

Cost of Collection	\$ 7,426
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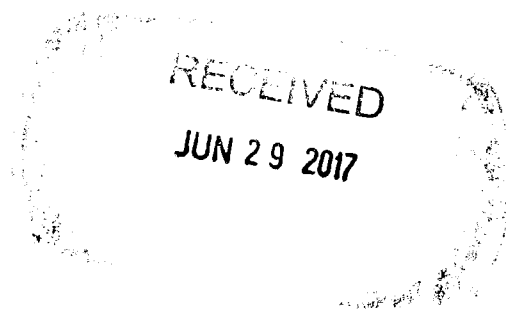
Cost of Disposal	6,356
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Total Cost	\$ 13,782
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Total Cost Per User	\$ 86.14
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STATE COMPLIANCE







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REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and the Board of Alderpersons
Town of Seminary Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Investments, Schedule of Long-term Debt, Schedule of Surety Bonds for Town Officials, and Solid Waste Management Services of the Town of Seminary, 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 generally accepted accounting principles.

We have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the office of the State Auditor. Our 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. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements -Governmental and Business-type Activities, Schedule of Investments, Schedule of Long-term Debt, Schedule of Surety Bonds, and Solid Waste Management Services for Town Officials of the Town of Seminary, Mississippi, for the year ended September 30, 2015 disclosed nine instances of noncompliance with state laws and regulations.

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

Prince CPA Firm, PLLC

June 2, 2017



Town of Seminary, Mississippi
Independent Accountant's Report on Applying
Agreed-Upon Procedures
Year Ended September 30, 2015

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Prince CPA Firm, PLLC
Certified Public Accountants



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Mayor and Board of Alderpersons
Town of Seminary
Seminary, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of Town of Seminary, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Seminary, Mississippi's compliance with certain laws and regulations as of September 30, 2015, and for the year then ended. This agreed-upon-procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. 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>
PriorityOne Bank	General Fund	\$ 364,482
PriorityOne Bank	General Fund	23,342
PriorityOne Bank	General Fund	38,076
	Total General Fund	<u>\$ 425,900</u>
PriorityOne Bank	Water Fund	\$ 89,970
PriorityOne Bank	Water Fund	58,950
	Total Water Fund	<u>\$ 148,920</u>
PriorityOne Bank	Special Revenue Fund	\$ 9,302
	Total Special Revenue Fund	<u>\$ 9,302</u>

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Examined uncollected taxes for proper handling, including tax sales;
 - b. Traced distribution of taxes collected to proper funds; and
 - c. Analyzed increase in taxes for most recent period for compliance 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).

There were no ad valorem tax collections for the retirement of General Obligation Debt.

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
General Municipal Aid	General Fund	\$ 157
Sales Tax Allocation	General Fund	155,921
Homestead Exemption Reimb.	General Fund	3,241
Gasoline Tax	General Fund	962
Fire Protection Allocation	Special Revenue Fund	1,709

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

The sample consisted of the following:

Number of Sample Items	25
Dollar Value of Sample	\$ 31,081

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

6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We 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.

We found the municipality to be in agreement with the requirements of the abovementioned sections.

7. We have read the Municipal Compliance Questionnaire completed by the Municipality. The completed survey indicated nine instances of noncompliance with state requirements which are listed as follows:

- A. Minutes of board meetings are not prepared to properly reflect the actions of the board.
- B. Town of Seminary, Mississippi has not complied with the nepotism law in its employment practices.
- C. All officers, employees of the municipality, or their relatives did not avoid any personal interest in any contracts with the municipality during their term or within one year after their terms of office or employment.
- D. The claims docket did not identify the claimant, claim number, amount and fund from which each warrant will be issued.
- E. All warrants are not approved by the board, signed by the mayor of majority of the board, attested to by the clerk, and bearing the municipal seal.
- F. All fixed assets are not properly tagged and accounted for.
- G. All travel is not authorized in advance and reimbursements made are not in accordance with Sections 25-3-41.
- H. All travel advances are not made in accordance with the State Auditor's regulations.
- I. All lowest and best bid decisions are not properly documented.



We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we preformed additional procedures, other matters might have come to my attention that would have been reported to us.

This report is intended solely for the use of Town of Seminary and 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 not intended to be and should not be used by anyone other than those specified parties.

Prin CPA Firm, PLLC

June 2, 2017

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