

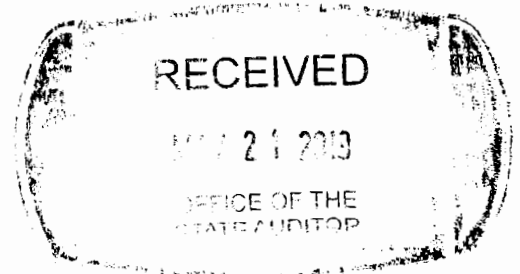


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TOWN OF ARCOLA, MISSISSIPPI
SPECIAL REPORT ON AGREED-UPON PROCEDURES
FOR SMALL MUNICIPALITIES (TOWNS)
AND
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016



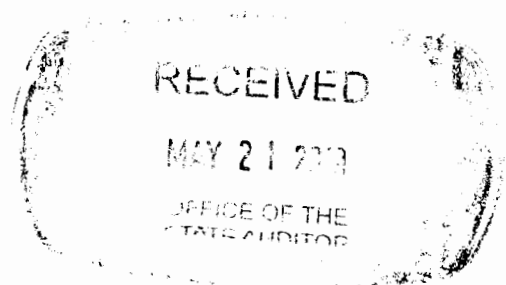
Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi



**TOWN OF ARCOLA, MISSISSIPPI
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

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PRIVATE COMPANIES PRACTICE SECTION

SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL MUNICIPALITIES

(Compliance Letter)

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Arcola, Mississippi, as of September 30, 2016, and for the year 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 that the report is solely for the use of the governing body of the Town of Arcola, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. Our procedures and findings are as follows:

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

<u>Financial Institution</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Guaranty Bank	General Fund	\$ 15,263
Guaranty Bank	General Fund-Fire Protection	190,240
Guaranty Bank	General Fund-Employment Security Fund	16,786
Guaranty Bank	General Fund-Rainy Day Fund	78,258
Guaranty Bank	General Fund-Town of Arcola MMA Account	4,717
Guaranty Bank	Other Governmental-Housing Project	22
Guaranty Bank	Proprietary Fund-Water Fund	28,088
Guaranty Bank	Proprietary Fund-Water Meter	13,360
Guaranty Bank	Proprietary Fund-Water Dept. Savings	18,722
Total		<u>\$ 365,456</u>

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with the respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss Code Ann. (1972).

<u>Financial Institution</u>	<u>Security</u>	<u>Fund</u>	<u>General Ledger</u>
Regions Bank	Certificate of Deposit-7126	General	\$ 9,515
Regions Bank	Certificate of Deposit-7134	General	2,095
Regions Bank	Certificate of Deposit-9742	General	2,093
Regions Bank	Certificate of Deposit-9759	General	2,344
Regions Bank	Certificate of Deposit-0450	General	14,512
Total			<u>\$ 30,559</u>

Special Report on Agreed-Upon Procedures for Small Municipalities
Town of Arcola, Mississippi (continued)

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the year:

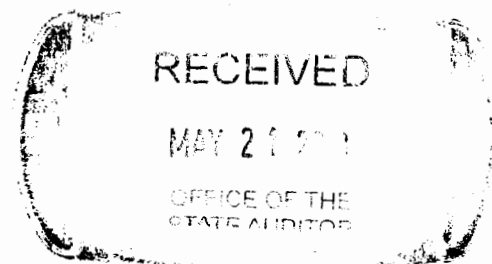
- a. Proved the mathematical accuracy of the tax rolls and traced levies to governing body minutes;
- b. Reconciled the amount of taxes levied per the tax rolls to amounts actually collected;
- c. Examined uncollected taxes for proper handling, including tax sales;
- d. Traced distribution of taxes collected to proper funds; and
- e. Analyzed increase in taxes for most recent period for completion with increase limitations of Section 27-39-320 to 27-39-323, Miss Code Ann. (1972).

Tax assessments were found to be mathematically correct and in agreement with collections as follows:

<u>Tax Assessments</u>	<u>Assessed Value</u>	<u>Tax Millage</u>	<u>Tax Levy</u>
Realty	\$ 638,531		
Personal Property	41,300		
Personal - Automobile & Mobile Home	315,379		
Public Utility	97,911		
	<u>\$ 1,093,121</u>	<u>0.047</u>	<u>\$ 51,377</u>
Add: Actual Homestead Reimbursement			4,667
Prior Year's Unpaid Realty Taxes			-
Deduct : Homestead Credit			(8,167)
Total to be Accounted for			<u>\$ 47,876</u>

	<u>Taxes</u>	<u>Homestead</u>	
	<u>Penalties & Interest</u>	<u>Reimbursement</u>	<u>Total</u>
Credits:			
Collections allocated to General Fund	\$ 44,443	\$ 4,667	\$ 49,110
Balance represented by:			
Unpaid realty taxes,			
Board Adjustments, etc.			(1,234)
Total Accounted for			<u>\$ 47,876</u>

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.



**Special Report on Agreed-Upon Procedures for Small Municipalities
Town of Arcola, Mississippi (continued)**

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972). As follows:

Actual Collections (Excluding debt service)		Actual Collections (Excluding debt service)	
Tax Collected 2014-2015	\$ 45,291	Tax Collected 2015-2016	\$ 44,443
10% Increase	4,529	Homestead Exemption	
		Reimbursement	4,667
		Under (Over) Limitation	710
Total	<u>\$ 49,820</u>	Total	<u>\$ 49,820</u>

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.

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
General Municipal Aid	General	\$ 180
Gasoline Tax	General	1,015
Homestead Reimbursement	General	4,667
Nuclear Plant	General	3,160
Sales Tax Allocation	General	16,856
Other Grants	General	4,206
Fire Protection	General	2,315
Total		<u>\$ 32,399</u>

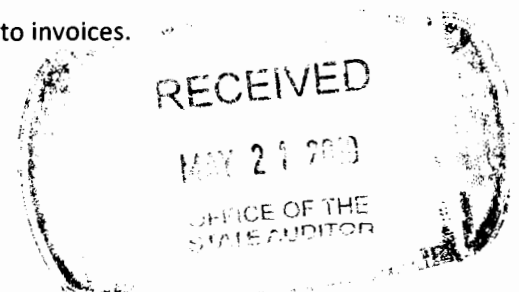
5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Sections 31-7-1, 37-7-49 and 37-7-57 Miss. Code Ann. (1972), as applicable. We also reviewed board minutes for approval of claims.

The sample consisted of the following:

Number of sample items	20
Total dollar value of sample	\$ 5,354

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections, except as follows:

- a. Requisitions were only of a verbal nature not written; and
- b. There was limited evidence of the matching of purchase orders to invoices.



**Special Report on Agreed-Upon Procedures for Small Municipalities
Town of Arcola, Mississippi (continued)**

7. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements:

Part II - Question 11. The Town's financial records have not been maintained in accordance with the chart of accounts prescribed by the State Auditor.

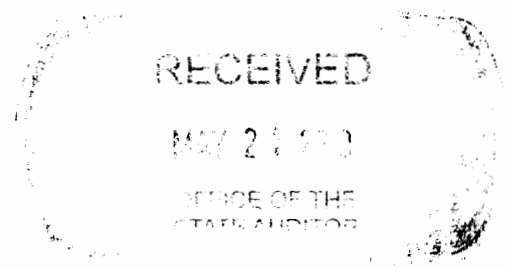
Part II - Question 17. The Town has not properly tagged and accounted for fixed assets.

Part V - Question 15. The Town has not conducted an annual inventory of its fixed assets.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we 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 our attention that caused us to believe the items specified in paragraphs 1, 2, and 3 should be adjusted. Had we performed additional procedures, or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Arcola, Mississippi, for the year ended September 30, 2016.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Vicksburg, Mississippi
March 29, 2019



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**INDEPENDENT ACCOUNTANT'S REPORT ON THE COMBINED STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS (ALL FUNDS)**

To the Mayor and the Board of Alderpersons
Town of Arcola, Mississippi

We have compiled the accompanying combined statement of cash receipts and disbursements (all funds), of the Town of Arcola, Mississippi, for the year ended September 30, 2016. We 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 the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

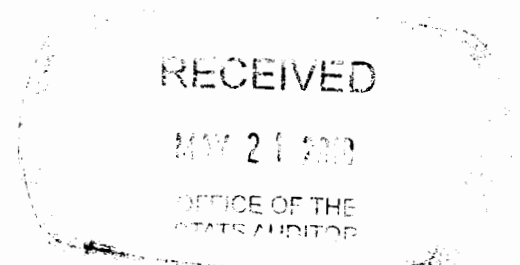
Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

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 statement.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Town's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Vicksburg, Mississippi
March 29, 2019



TOWN OF ARCOLA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2016

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Proprietary Fund</u>	<u>Fiscal Year 2016</u>
RECEIPTS:				
Taxes				
General Property Taxes	\$ 28,669			\$ 28,669
Personal Auto	14,538			14,538
Road and Bridge	786			786
Mobile Home Taxes	450			450
Licenses and Permits				
Privilege License & Permits	23,986			23,986
Franchise and Utility	10,510			10,510
State Shared Revenues				
Sales Tax	16,856			16,856
State Grant	48,206			48,206
Homestead Reimbursement	4,667			4,667
Grand Gulf	3,160			3,160
Fire Protection	19,597			19,597
Gasoline Tax	1,015			1,015
Municipal Aid Surplus	180			180
Donations	325			325
County Shared Revenue				
Gaming Revenue	8,250			8,250
Rental Car Allocation	17,884			17,884
Charges for Services				
Water Utility			132,918	132,918
Fines and Forfeits	3,211			3,211
Other				
Interest	359			359
Rental	1,770			1,770
Transfers	1,221			1,221
Miscellaneous	184,942			184,942
TOTAL RECEIPTS	<u>390,582</u>	<u>-</u>	<u>132,918</u>	<u>523,500</u>
Cash Balance: 10-1-2015	<u>98,917</u>	<u>22</u>	<u>44,155</u>	<u>143,094</u>
TOTAL TO ACCOUNT FOR	<u>\$ 489,499</u>	<u>\$ 22</u>	<u>\$ 177,073</u>	<u>\$ 666,594</u>

See accompanying Independent Accountant's Report.

TOWN OF ARCOLA, MISSISSIPPI
Combined Statement of Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2016

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Proprietary Fund</u>	<u>Fiscal Year 2016</u>
DISBURSEMENTS:				
Operating Disbursements:				
General Government	\$ 183,440			\$ 183,440
Public Safety	37,000			37,000
Health and Sanitation			1,900	1,900
Water Utility			69,390	69,390
Principal Paid	7,884			7,884
Interest Paid	1,524			1,524
Total Operating Disbursements	<u>229,848</u>	<u>-</u>	<u>71,290</u>	<u>301,138</u>
Other Financing Sources (Uses)				
Transfers	(45,612)		45,612	-
Total Other Disbursements	<u>(45,612)</u>	<u>-</u>	<u>45,612</u>	<u>-</u>
TOTAL DISBURSEMENTS	184,236	-	116,902	301,138
Cash Balance: 09-30-2016	<u>305,263</u>	<u>22</u>	<u>60,171</u>	<u>365,456</u>
TOTAL ACCOUNTED FOR	<u>\$ 489,499</u>	<u>\$ 22</u>	<u>\$ 177,073</u>	<u>\$ 666,594</u>

See accompanying Independent Accountant's Report.

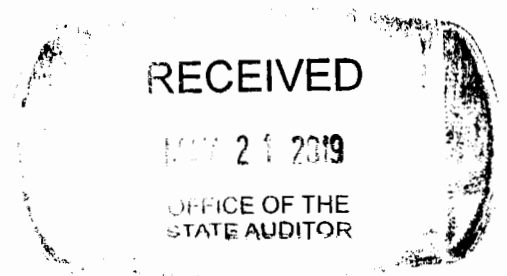
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OFFICE OF THE
STATE AUDITOR

TOWN OF ARCOLA, MISSISSIPPI

NOTES TO THE FINANCIAL STATEMENTS



TOWN OF ARCOLA, MISSISSIPPI
Notes to the Financial Statements
September 30, 2016

NOTE A: Summary of Significant Accounting Policies

The financial statements of the Town of Arcola, Mississippi (Town) have been prepared using the cash receipts and disbursements basis of accounting. As a result, revenues are recognized when received rather than when measurable and available, and expenditures are recognized when paid rather than when the obligations are incurred. Accordingly, the Statement of Cash Receipts and Disbursements (All Funds), is not intended to present results of operations in conformity with generally accepted accounting principles.

General Information:

The Town operates under the Mayor and Alderman form of government and provides services as required by law.

Reporting Entity:

The Town utilizes fund accounting, with each fund being 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. The Town utilizes the following fund types:

GOVERNMENTAL FUND TYPES

General Fund – The General Fund is used to account for the general operations of the Town. It accounts for all financial resources except those required to be accounted for in another fund type.

Special Revenue Funds – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds – These funds are used to account for and report financial resources to be used for the acquisition and construction of major capital facilities.

PROPRIETARY FUND TYPE

Enterprise Funds – These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the county has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

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 ARCOLA, MISSISSIPPI
Notes to the Financial Statements
September 30, 2016

NOTE C: Budget

Budgets are adopted as prescribed by the State of Mississippi. Annual appropriated budgets are adopted for all funds. The Mississippi Code Ann. (1972) prescribes cash basis reporting of revenues for budgeting of expenditures to be disbursed within thirty days after year end (with exception for construction in progress).

NOTE D: Cash and Cash Equivalents

The carrying amount of the Town's deposits with financial institutions reported in the governmental funds was \$396,015, which includes \$30,559 in certificate of deposits with original maturities three to six months. The bank balance was \$365,456.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the Town will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Town does not have a formal deposit policy for custodial credit risk.

Schedule of Certificates of Deposit (all funds)

Certificate Number	Interest Rate	Date Acquired	Date of Maturity	Bank	Investment Cost
370637126	.05%	12/13/1999	03/13/2017	Regions Bank	\$ 9,515
370637134	.05%	12/13/1999	03/13/2017	Regions Bank	2,095
370639742	.05%	06/19/2000	03/22/2017	Regions Bank	2,093
370639759	.05%	06/19/2000	03/22/2017	Regions Bank	2,344
370640450	.05%	08/14/2000	01/17/2017	Regions Bank	14,512
TOTAL					\$ 30,559

Interest Rate Risk. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, Section 19-9-29, Miss. Code Ann. (1972), limits the maturity period of any investment to no more than one year.

Credit Risk. State law limits investments to those authorized by Sections 19-9-29 and 91-13-8, Miss. Code Ann. (1972). The Town does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

Custodial Credit Risk – Investments. Custodial credit risk is the risk that in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a formal policy for custodial credit risk.

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TOWN OF ARCOLA, MISSISSIPPI
Notes to the Financial Statements
September 30, 2016

NOTE E: Schedule of Long-Term Debt

Definition and Purpose	Balance Oct. 1, 2015	Additions	Reductions	Balance Sept. 30, 2016
Other Loans				
Guaranty Bank				
Lawn Mower	\$ 2,818		\$ 2,818	\$ -
USDA-Rural Development				
Street Improvement	11,003		2,619	8,384
Fire Station	22,361		5,265	17,096
Water & Sewer	4,701		4,701	-
Total	<u>\$ 40,883</u>	<u>\$ -</u>	<u>\$ 15,403</u>	<u>\$ 25,480</u>

NOTE F: Property Tax

The Town, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase. All unpaid taxes levied October 1st become delinquent February 1st of the following year. The Town entered an inter-local agreement with the Washington County Tax Collector for the billing and collection of its real and personal property taxes, motor vehicle, and mobile home. Taxes are billed, collected, and remitted to the Town by the Washington County Tax Collector each month. The General Fund millage rate for the Town of Arcola was 47.00 mills.

The distribution of taxes to funds was in accordance with prescribed tax levies and uncollected taxes were handled properly.

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OFFICE OF THE
TOWN CLERK

TOWN OF ARCOLA, MISSISSIPPI
Schedule of Surety Bonds for Municipal Officials
September 30, 2016

Name	Position	Surety Company	Bond Number	Expiration Date	Bond Amount
Cora Burnside	Mayor	Travelers Casualty & Surety	105935796	July 1, 2017	\$25,000
Vanessa McCoy	Alderman	Travelers Casualty & Surety	105935801	July 1, 2017	\$10,000
Jack C. Bonney	Alderman	Travelers Casualty & Surety	105935799	July 1, 2017	\$10,000
Tinnie Richmond	Alderman	Travelers Casualty & Surety	105935800	July 1, 2017	\$10,000
Johnny Sprouse	Alderman	Travelers Casualty & Surety	105935797	July 1, 2017	\$10,000
Johnnie Hansell	Alderman	Travelers Casualty & Surety	105935798	July 1, 2017	\$10,000
Annette Morris	City Clerk	Travelers Casualty & Surety	105313766	July 12, 2017	\$50,000
Brandon Addison	Police Chief	Travelers Casualty & Surety	105313766	July 12, 2017	\$50,000

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 COURT ARCOLA

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

To the Mayor and Board of Alderpersons
Town of Arcola, Mississippi

We have compiled the accompanying Combined Statement of Cash Receipts and Disbursements – All Funds, and Schedule of Surety Bonds for Municipal Officials for the year ended September 30, 2016, 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.

We 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 of Mississippi. 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 an opinion.

With respect to items tested, the results of those procedures and our compilation of the accompanying Combined Statement of Cash Receipts and Disbursements – All Funds, and Schedule of Surety Bonds for Municipal Officials, of the Town of Arcola, Mississippi, for the year ended September 30, 2016, disclosed no material instances of non-compliance with state laws and regulations.

This report is intended solely for the information and use of management, the Board of Alderpersons, and the State Auditor's Office 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.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Vicksburg, Mississippi
March 29, 2019

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MAR 29 2019

OFFICE OF THE
TOWN AUDITOR

Town of Arcola, Mississippi
Municipal Compliance Questionnaire
For the Fiscal Year Ended September 30, 2016

As part of the municipality's audit, the governing authorities of the municipality must make certain assertions with regard to legal compliance. The municipal compliance questionnaire was developed for this purpose.

The following questionnaire and related certification must be completed at the end of the municipality's fiscal year and entered into the official minutes of the governing authorities at their next regular meeting.

The governing authorities should take care to answer these questions accurately. Incorrect answers could reduce the auditor's reliance on the questionnaire responses, resulting in the need to perform additional audit procedures at added cost.

Information *Note: Due to the size of some municipalities, some of the questions may not be applicable. If so, mark N/A in answer blanks. Answers to other questions may require more than "yes" or "no," and, as a result, more information on this questionnaire may be required and/or separate work papers may be needed.*

1. Name and address of municipality:

Town of Arcola
102 Tower Lane
P.O. Box 25
Arcola, MS 38722

2. List the date and population of the latest official U.S. Census or most recent official census:

2010 U.S. Census Population 564

3. Names, addresses and telephone numbers of officials (include elected officials, chief administrative officer, and attorney).

Mayor

Cora Burnside
P.O. Box 416
Arcola, MS 38722
(662) 695-0160

Alderpersons

<u>Vanessa McCoy</u>	<u>Jack C. Bonney</u>	<u>Johnny Sprouse</u>	<u>Tinnie Richmond</u>
P.O. Box 352	P.O. Box 244	P.O. Box 95	P.O. Box 282
Arcola, MS 38722	Arcola, MS 38722	Arcola, MS 38722	Arcola, MS 38722
(662) 347-9606	(662) 820-2555	(662) 827-5772	(662) 347-1033

Johnnie B. Hansell
P.O. Box 394
Arcola, MS 38722
(662) 379-1400

Attorney
Kenner Ellis
P.O. Box 452
Greenville, MS 38702-0452
(662) 907-9563

4. Period of time covered by this questionnaire

From: October 1, 2015 To: September 30, 2016

5. Expiration date of current elected officials' term: June 2017

MUNICIPAL COMPLIANCE QUESTIONNAIRE
Year Ended September 30, 2016

Answer All Questions: Y - YES, N - NO, N/A - NOT APPLICABLE

PART I - General

1. Have all ordinances been entered into the ordinance book and included in the minutes? (Section 21-13-13) Yes
2. Do all municipal vehicles have public license plates and proper markings? (Sections 25-1-87 and 27-19-27) Yes
3. Are municipal records open to the public? (Section 25-61-5) Yes
4. Are meetings of the board open to the public? (Section 25-41-5) Yes
5. Are notices of special or recess meetings posted? (Section 25-41-13) Yes
6. Are all required personnel covered by appropriate surety bonds?
Board or council members (Sec. 21-17-5) Yes
Appointed officers and those handling money, see statutes governing the form of government (i.e., Section 21-3-5 for Code Charter) Yes
Municipal clerk (Section 21-15-38) Yes
Deputy clerk (Section 21-15-23) Yes
Chief of police (Section 21-21-1) Yes
Deputy police (Section 45-5-9) (if hired under this law) No
7. Are minutes of board meetings prepared to properly reflect the actions of the board? (Sections 21-15-17 and 21-15-19) Yes
8. Are minutes of board meetings signed by the mayor or majority of the board within 30 days of the meeting? (Section 21-15-33) Yes
9. Has the municipality complied with the nepotism law in its employment practices? (Section 25-1-53) Yes
10. Did all officers, employees of the municipality, or their relatives avoid any personal interest in any contracts with the municipality during their term or within one year after their terms of office or employment? (Section 25-4-105) Yes
11. Does the municipality contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of each fiscal year? (Section 21-35-31) Yes
12. Has the municipality published a synopsis or notice of the annual audit within 30 days of acceptance? (Section 21-35-31 or 21-17-19) Yes

PART II - Cash and Related Records

1. Where required, is a claims docket maintained? (Section 21-39-7) Yes
2. Are all claims paid in the order of their entry in the claims docket? (Section 21-39-9) Yes
3. Does the claims docket identify the claimant, claim number, amount and fund from which each warrant will be issued? (Section 21-39-7) Yes
4. Are all warrants approved by the board, signed by the mayor or majority of the board, attested to by the clerk, and bearing the municipal seal? (Section 21-39-13) Yes
5. Are warrants for approved claims held until sufficient cash is available in the fund from which it is drawn? (Section 21-39-13) Yes
6. Has the municipality adopted and entered on its minutes a budget in the format prescribed by the Office of the State Auditor? (Sections 21-35-5, 21-35-7 and 21-35-9) Yes
7. Does the municipality operate on a cash basis budget, except for expenditures paid within 30 days of fiscal year end or for construction in progress? (Section 21-35-23) Yes
8. Has the municipality held a public hearing and published its adopted budget? (Sections 21-35-5, 27-39-203, & 27-39-205) Yes
9. Has the municipality complied with legal publication requirements when budgetary changes of 10% or more are made to a department's budget? (Section 21-35-25) Yes
10. If revenues are less than estimated and a deficit is anticipated, did the board revise the budget by its regular July meeting? (Section 21-35-25) Yes
11. Have financial records been maintained in accordance with the chart of accounts prescribed by the State Auditor? (Section 21-35-11) Yes
12. Does the municipal clerk submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item? (Section 21-35-13) Yes
13. Does the board avoid approving claims and the city clerk not issue any warrants which would be in excess of budgeted amounts, except for court-ordered or emergency expenditures? (Section 21-35-17) Yes
14. Has the municipality commissioned municipal depositories? (Sections 27-105-353 and 27-105-363) Yes
15. Have investments of funds been restricted to those instruments authorized by law? (Section 21-33-323) Yes
16. Are donations restricted to those specifically authorized by law? [Section 21-17-5 (Section 66, Miss. Constitution) -- Sections 21-19-45 through 21-19-59, etc.] Yes
17. Are fixed assets properly tagged and accounted for? (Section II - Municipal Audit and Accounting Guide) No

18. Is all travel authorized in advance and reimbursements made in accordance with Section 25-3-41? Yes
19. Are all travel advances made in accordance with the State Auditor's regulations? (Section 25-3-41) Yes

PART III - Purchasing and Receiving

1. Are bids solicited for purchases, when required by law (written bids and advertising)? [Section 31-7-13(b) and (c)] Yes
2. Are all lowest and best bid decisions properly documented? [Section 31-7-13(d)] Yes
3. Are all one-source item and emergency purchases documented on the board's minutes? [Section 31-7-13(m) and (k)] Yes
4. Do all officers and employees understand and refrain from accepting gifts or kickbacks from suppliers? (Section 31-7-23) Yes

PART IV - Bonds and Other Debt

1. Has the municipality complied with the percentage of taxable property limitation on bonds and other debt issued during the year? (Section 21-33-303) N/A – No bonds or Other Debt Issued or Outstanding
2. Has the municipality levied and collected taxes, in a sufficient amount for the retirement of general obligation debt principal and interest? (Section 21-33-87) N/A – No GO Debt Issued or Outstanding
3. Have the required trust funds been established for utility revenue bonds? (Section 21-27-65) N/A – No Utility Bonds Issued or Outstanding
4. Have expenditures of bond proceeds been strictly limited to the purposes for which the bonds were issued? (Section 21-33-317) N/A – No Bond Debt Issued or Outstanding
5. Has the municipality refrained from borrowing, except where it had specific authority? (Section 21-17-5) Yes

PART V - Taxes and Other Receipts

1. Has the municipality adopted the county ad valorem tax rolls? (Section 27-35-167) Yes
2. Are interest and penalties being collected on delinquent ad valorem taxes? (Section 21-33-53) Yes
3. Has the municipality conducted an annual land sale for delinquent ad valorem taxes? (Section 21-33-63) Yes
4. Have the various ad valorem tax collections been deposited into the appropriate funds? (Separate Funds for Each Tax Levy) (Section 21-33-53) Yes
5. Has the increase in ad valorem taxes, if any, been limited to amounts allowed by law? (Sections 27-39-320 and 27-39-321) Yes

6. Are local privilege taxes collected from all businesses located within the municipality, except those exempted? (Section 27-17-5) Yes
7. Are transient vendor taxes collected from all transient vendors within the municipality, except those exempted? (Section 75-85-1) Yes
8. Is money received from the state's "Municipal Fire Protection Fund" spent only to improve municipal fire departments? (Section 83-1-37) Yes
9. Has the municipality levied or appropriated not less than ¼ mill for fire protection and certified to the county it provides its own fire protection or allowed the county to levy such tax? (Sections 83-1-37 and 83-1-39) Yes
10. Are state-imposed court assessments collected and settled monthly? (Section 99-19-73, 83-39-31, etc.) Yes
11. Are all fines and forfeitures collected when due and settled immediately to the municipal treasury? (Section 21-15-21) Yes
12. Are bids solicited by advertisement or, under special circumstances, three appraisals obtained when real property is sold? (Section 21-17-1) Yes
13. Has the municipality determined the full and complete cost for solid waste for the previous fiscal year? (Section 17-17-347) Yes
14. Has the municipality published an itemized report of all revenues, costs and expenses incurred by the municipality during the immediately preceding fiscal year in operating the garbage or rubbish collection or disposal system? (Section 17-17-348) Yes
15. Has the municipality conducted an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor? (MMAAG) No

Town of Arcola, Mississippi
Certification to Municipal Compliance Questionnaire
Year Ended September 30, 2016

We have reviewed all questions and responses as contained in this Municipal Compliance Questionnaire for the Municipality of the Town of Arcola, Mississippi, and, to the best of our knowledge and belief, all responses are accurate.

Quetta Morris
(City Clerk's Signature)

05/17/2019
(Date)

Car Burnside
(Mayor's Signature)

05/17/2019
(Date)

Minute Book References:

Book Number 18

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(Clerk is to enter minute book references when questionnaire is accepted by board.)