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TOWN OF COURTLAND
P. O. Box 51
Courtland, Mississippi 38620

December 22, 2016

Office of the State Auditor
501 North West Street
Suite 801, Woolfolk Building
Jackson, MS 39201

Attached are two copies of the annual financial report and agreed upon procedures on the Town of Courtland, Mississippi, for the fiscal year ended September 30, 2016. 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 these reports.

Yours very truly,



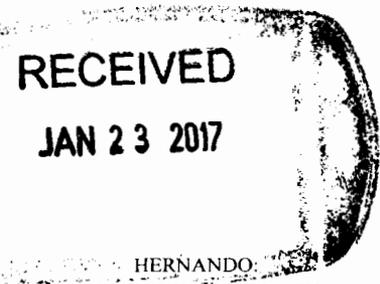
Deborah Aven
Mayor

Attachments





WILLIAM H. POLK & CO.
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Association



MEMBERS:
 AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
 MISSISSIPPI SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

Governing Authority
 Town of Courtland, 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 Courtland, Mississippi solely to assist the Office of the State Auditor evaluate the Town of Courtland, Mississippi's compliance with certain laws and regulations as of September 30, 2016 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 verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and 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 or otherwise proved those bank balances. No exceptions were noted.

<u>Bank</u>	<u>Fund</u>	<u>General Ledger</u>
First Security Bank	General	\$ 17,530
First Security Bank	General	5,392
First Security Bank	General	12,370
First Security Bank	General	<u>21,194</u>
Total confirmed or proved		56,486
Cash on hand		<u>100</u>
Total General Fund cash		<u>\$ 56,586</u>



2. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Traced levies to governing body minutes. No exceptions were noted.
 - b. Traced distribution of taxes collected to proper funds. No exceptions were noted.
 - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 through 27-39-323, Miss. Code Ann. (1972). No exceptions were noted.

3. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. The payments indicated were traced to deposit 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>Ledger Amount</u>
Homestead reimbursement	General	\$ 2,160
Fire protection allocation	General	3,277
Gasoline tax	General	1,533
Sales tax allocation	General	20,454
General municipal aid	General	255
Grand Gulf remittance	General	2,939

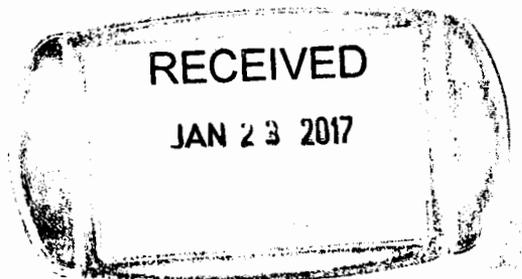
4. Even though the town had a very limited amount of expenditures subject to the state purchase law, we selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

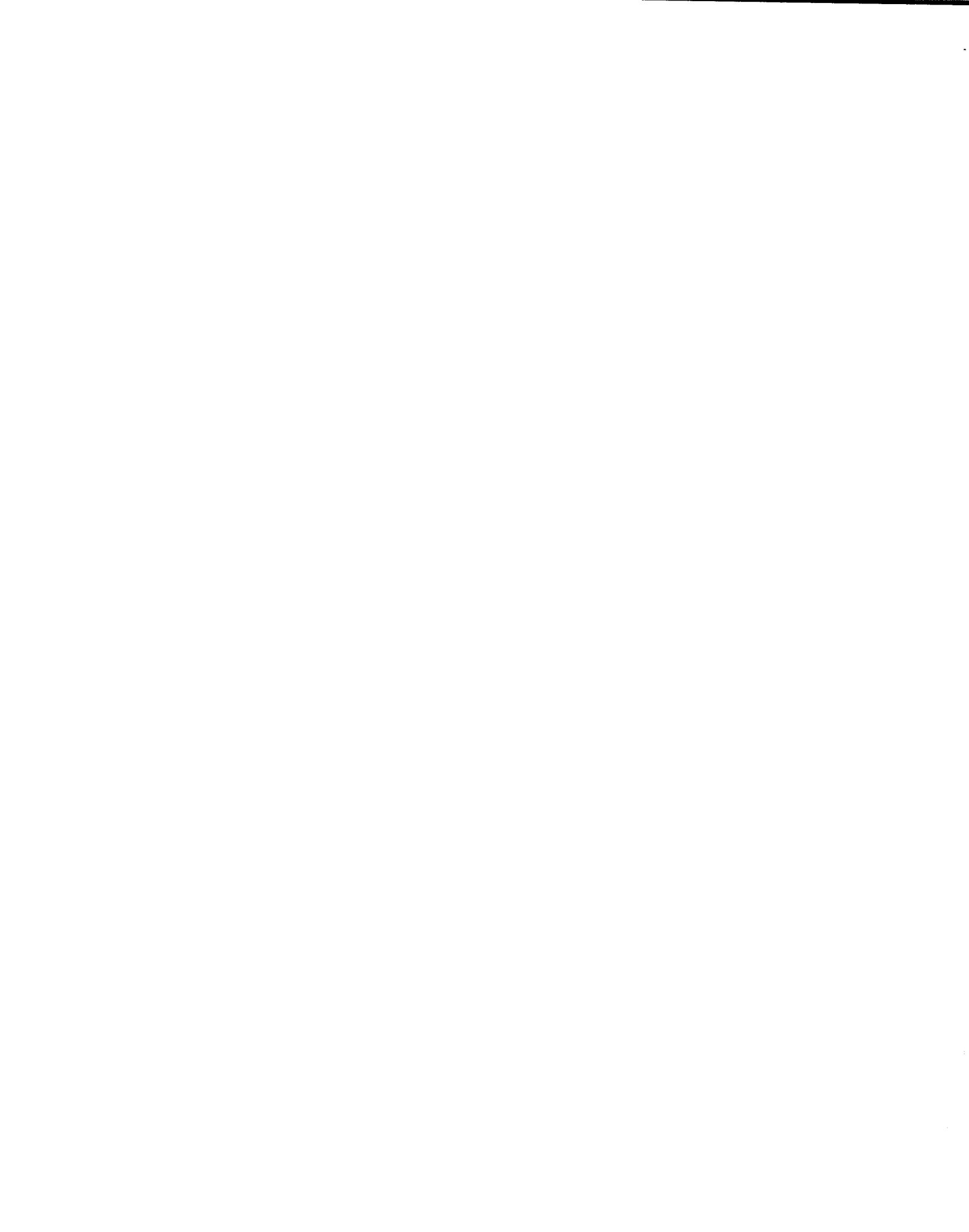
The sample consisted of the following:

Number of Sample Items	8
Total Dollar Value of Sample	\$ 9,860

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

5. We selected a sample of collection of fines and forfeitures to verify that the municipal court clerk had settled daily with the municipal clerk in accordance with Section 21-15-21, Miss Code Ann. (1972). We also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration in accordance with Sections 99-19-73 & 83-39-31 Miss Code Ann. (1972).





We found that the court clerk failed to remit four of the four months tested collected fines and forfeitures to the municipal clerk on a daily basis. It was noted that a \$153 receipt dated June 21, 2016 was reported as \$381 in error. Also, a \$100 collection on June 27, 2016 and \$443 collection on June 22, 2016 were not listed in the June report. The court clerk advised that she experienced difficulties with the software and was unable to obtain technical support.

Only one month of the four months tested for amounts settled with the state was remitted. Upon further review of the general ledger this month was the only month remitted for the entire year. Subsequent to year end, the court clerk obtained the necessary reports and submitted to the Town for submission. The delinquent assessments collected amounted to approximately \$850. The Town has advised that appropriate action will be taken to determine that assessments collected are settled with the state on a timely basis.

6. We have read the Municipal Compliance Questionnaire that was completed, signed, and recorded in the Town board's minutes. The completed survey indicated no instances of noncompliance with state requirements. However, there was one item that exceeded the budgeted amount by a total of \$114. The Town has advised that greater care will be taken in the future when reviewing for accounts in excess of budgeted amounts.

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 performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for information and use of the Office of the State Auditor, State of Mississippi and is not intended to be 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 a matter of public record and its distribution is not limited.

William H. Polk & Co.

Batesville, Mississippi
December 15, 2016



TOWN OF COURTLAND

FINANCIAL REPORT

SEPTEMBER 30, 2016



William H. Polk & Co.

Certified Public Accountants
A Professional Association
105 Public Square
Batesville, Mississippi 38606

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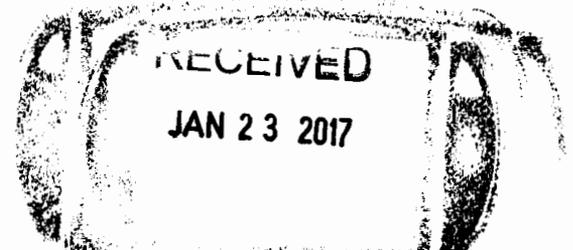
Honorable Mayor and Board of Alderpersons
Town of Courtland
Courtland, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements-governmental and business-type funds of the Town of Courtland for the year ended September 30, 2016 in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the statement of cash receipts and disbursements-cash basis nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion nor provide any form of assurance on the statement or cash receipts and disbursements-cash basis.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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.

Management has also elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, this financial statement is not designed for those who are not informed about such matters.



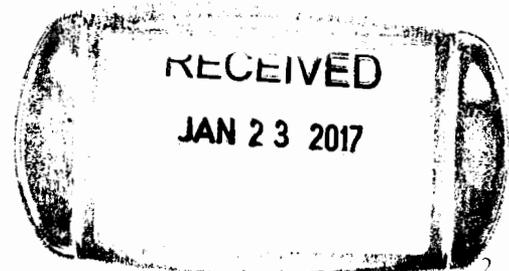
The supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basis financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion nor provide any form of assurance on such supplementary information.

Management also has not presented management's discussion and analysis and other required supplemental information the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated December 15, 2016, on the results of our agreed-upon procedures.

William H. Polk & Co.

Batesville, Mississippi
December 15, 2016



Town of Courtland, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Funds
 For the year ended September 30, 2016

	Governmental Funds	Business Type Funds
	General Fund	None
RECEIPTS		
Taxes		
General property taxes	\$ 10,491	
Penalties and interest on delinquent taxes	86	
Licenses and permits		
Franchise charges - utilities	9,530	
Intergovernmental revenues:		
Federal Receipts		
Grants	-	
General municipal aid	255	
State shared revenues:		
Sales taxes	20,454	
Gasoline tax	1,533	
Grand Gulf distribution	2,939	
Homestead reimbursement	2,160	
Fire insurance premium distribution	3,277	
County fire calls	9,590	
County railroad tax	1,075	
County police department	1,304	
Fines and forfeits	5,835	
Donations	250	
Miscellaneous receipts	239	\$ -
Total Receipts	69,018	-

continued
 See accountants' report.

Town of Courtland, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Funds - continued
 For the year ended September 30, 2016

	Governmental Funds	Business Type Funds
	General Fund	None
DISBURSEMENTS		
General government:		
Civil defense	\$ 420	
Utilities and telephone	1,120	
Insurance	11,142	
Legal and accounting	3,482	
Maintenance and repairs	6,049	
Office and postage expense	296	
Salaries and payroll taxes	3,590	
Miscellaneous	481	
	26,580	
Fire department:		
Insurance	2,972	
Maintenance and repairs	2,397	
Fuel	576	
Miscellaneous	1,968	
Capital outlay	5,115	
	13,028	
Police department:		
Utilities	4,677	
Insurance	1,057	
Maintenance and repairs	601	
Supplies	-	
Fuel	455	
Salaries and payroll taxes	12,774	
Police fines paid to state	203	
Miscellaneous	1,745	
Capital outlay	-	
	21,512	
	61,120	
Total Disbursements		\$ -
over disbursements	7,898	
Excess (Deficiency) of receipts		-

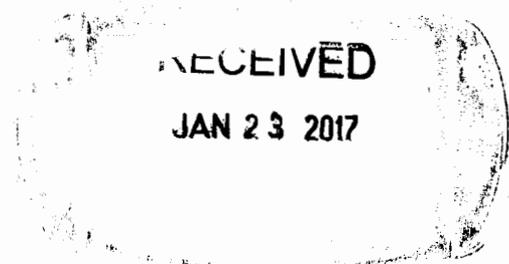
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See accountants' report.

Town of Courtland, Mississippi
 Combined Statement of Cash Receipts and Disbursements
 Governmental and Business-type Funds - continued
 For the year ended September 30, 2016

	<u>Government Funds</u>	<u>Business Type Funds</u>
	<u>General Fund</u>	<u>None</u>
OTHER FINANCING SOURCES (USES)		
Debt retirement - principal	\$ 0	
Debt interest	<u>0</u>	
Total other financing (uses)	<u>0</u>	\$ <u>0</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.	7,898	-
CASH BASIS FUND BALANCES		
BEGINNING OF YEAR	<u>48,688</u>	<u>-</u>
CASH BASIS FUND BALANCE		
END OF YEAR	<u>\$ 56,586</u>	<u>\$ -</u>

See accountants' report.



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TOWN OF COURTLAND, MISSISSIPPI

SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2016

0.25%	Certificate of deposit, matures November 10, 2016	<u>\$ 21,194</u>
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All certificates of deposit are included in the cash balance - end of year. The fair value of the certificate of deposit is approximately the same as the carrying value.

TOWN OF COURTLAND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2016

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Deborah R. Aven	Mayor	Old Republic Surety Company	\$50,000
Gerald M. Aven, Jr.	Alderman	Old Republic Surety Company	\$50,000
Carolyn Kilgore	Alderwoman	Old Republic Surety Company	\$50,000
Mary K. Baglan	Alderwoman	Old Republic Surety Company	\$50,000
Keith Payne	Alderman	Old Republic Surety Company	\$50,000
Clifford Olson	Alderman	Old Republic Surety Company	\$50,000
Carolyn Roberts	Town Clerk	Liberty Mutual Company	\$50,000
Jeremy Hailey	Chief of Police	Old Republic Surety Company	\$50,000
Cole Hailey	Fire Chief	Old Republic Surety Company	\$10,000

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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS**

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

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Courtland, Mississippi 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, and have issued our report dated December 15, 2016.

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.

The results of those procedures and our compilation of the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Courtland, Mississippi for the year ended September 30, 2016 disclosed the following instances of noncompliance with state laws and regulations which are also addressed as items 5 and 6 in the Independent Accountants' Report on Applying Agreed-Upon Procedures.

Municipal Court Fines Receipts

We noted that in all four of the tested months the court clerk failed to remit collected fines and forfeitures to the Town Clerk on a daily basis, and one instance of the court clerk's monthly report to the Town Clerk was not reported correctly. It was also noted that the court clerk only remitted one month to the state for the entire year. Delinquent assessments amounted to approximately \$850.

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We recommend that the court clerk be more diligent in remitting and reporting such collections on the required daily basis. Also, the court clerk should settle assessments collected monthly with the state.

Municipal Budget

There was one item that exceeded the budgeted amount by a total of \$115.

We recommend that greater care be taken in containing expenditures to the budgeted amounts and amending the budget if necessary.

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

William H. Polk & Co.

Batesville, Mississippi
December 15, 2016

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