



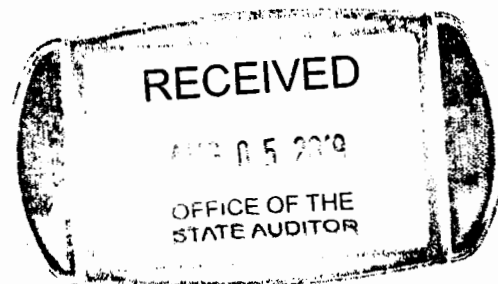
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TOWN OF POTTS CAMP

FINANCIAL REPORT

POTTS CAMP, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2016



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# LINDSEY, DAVIS AND ASSOCIATES

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen  
Town of Potts Camp  
Potts Camp, Mississippi 38659

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Potts Camp, Mississippi, as of September 30, 2016, and for the year then ended, as required by the Office of the State Auditor, under provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Potts Camp, Mississippi and the Office of the State Auditor and should not be used for any other purposes.

Our procedures and findings are as follows:

- A. 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>
Bank of Holly Springs	General Fund	\$ 13,518
Bank of Holly Springs	Water & Sewer Fund	44,049
Bank of Holly Springs	Garbage Fund	6,387

- B. 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).

The Town of Potts Camp owned no securities held for investment at September 30, 2016.

- C. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
1. Verified use of certified county assessment rolls and traced levies to governing body minutes;
  2. Examined uncollected taxes for proper handling, including tax sales;
  3. Traced distribution of taxes collected to proper funds; and
  4. Analyzed increase in taxes for the 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).

- D. 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 Funds</u>	<u>General Ledger Amount</u>
Sales Tax Allocation	General	\$ 87,262
Fire Protection Allocation	General	3,354
Gasoline Tax	General	1,602
Homestead Exemption	General	7,008
Municipal Aid	General	261

- E. 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	42
Dollar value of sample	\$ 38,423

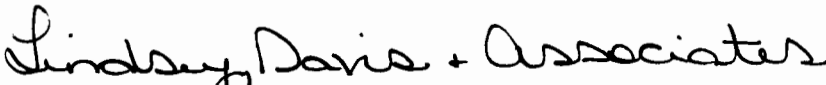
We found the municipality to be in compliance with the requirements of the above-mentioned except as follows: we found two instances in the sample selected that the municipality made purchases not authorized by the purchasing laws and we found fourteen instances in the sample selected that the municipality was unable to provide invoices to substantiate the purchase.

- F. We were unable to select a sample of collection of fines and forfeitures due to the seizure of these records by the Mississippi State Auditor's Office.
- G. A Municipal Compliance Questionnaire was not completed by the municipality.



Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we 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 our attention that caused us to believe that the specified accounts or items 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 relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Potts Camp, for the year ended September 30, 2016.

This report is intended solely for the use of 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 a matter of public record and its distribution is not limited.

  
Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 6, 2019

# LINDSEY, DAVIS AND ASSOCIATES

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SHONDA DAVIS

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen  
Town of Potts Camp  
Potts Camp, MS 38659

Management is responsible for the accompanying statement of cash receipts and disbursements (all funds)- cash basis of the Town of Potts Camp, Mississippi, as of and for the year ended September 30, 2016 in accordance with accounting principles generally accepted in the United States of America. 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 financial statements 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 these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily required by accounting principles generally accepted in the United States of America. 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, the financial statements are not designed for those who are not informed about such matters.

### **Required Supplementary Information**

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 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 on pages 9, 10 and 11 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Potts Camp, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

*Lindsey, Davis & Associates*  
Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 6, 2019

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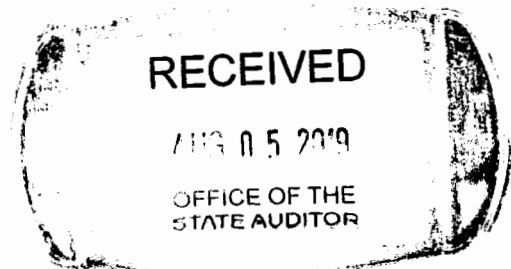
MAY 05 2019

OFFICE OF THE  
STATE AUDITOR

**TOWN OF POTTS CAMP**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS**  
**YEAR ENDED SEPTEMBER 30, 2016**

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES		TOTALS
	General Fund	Water & Sewer Fund	Garbage Fund	2016
<b>REVENUE RECEIPTS</b>				
General Property Taxes	\$ 79,179	\$	\$	\$ 79,179
Prior Year Taxes	1,376			1,376
Penalties and Interest on Delinquent Taxes	1,204			1,204
Privilege Taxes	214			214
Rail Car Tax	3,577			3,577
Franchise Fees	2,145			2,145
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	87,262			87,262
Alcoholic Beverage Licenses	900			900
Gasoline Tax	1,602			1,602
Fire Protection	3,354			3,354
Homestead Exemption	7,008			7,008
TVA in Lieu of Taxes	3,378			3,378
General Municipal Aid	260			260
County Shared Revenue:				
Road Taxes	26,669			26,669
Charges for Services:				
Water Utilities		159,893		159,893
Garbage Fees			34,980	34,980
Miscellaneous	1,212			1,212
<b>TOTAL REVENUE RECEIPTS</b>	<u>219,340</u>	<u>159,893</u>	<u>34,980</u>	<u>414,213</u>
<b>OTHER RECEIPTS</b>				
Interest		171		171
Transfers		4,764		4,764
<b>TOTAL OTHER RECEIPTS</b>		<u>4,935</u>		<u>4,935</u>
<b>TOTAL RECEIPTS</b>	219,340	164,828	34,980	419,148
Cash Balance - Beginning of Year	36,381	31,088	539	68,008
<b>TOTAL AMOUNT TO ACCOUNT FOR</b>	<u>\$ 255,721</u>	<u>\$ 195,916</u>	<u>\$ 35,519</u>	<u>\$ 487,156</u>

See Accountant's Compilation Report

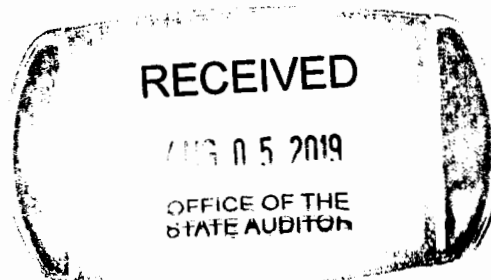




TOWN OF POTTS CAMP  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS  
YEAR ENDED SEPTEMBER 30, 2016

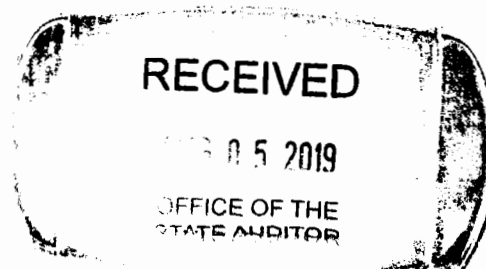
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES		TOTALS
	General Fund	Water & Sewer Fund	Garbage Fund	2016
OPERATING DISBURSEMENTS				
General Government	\$ 89,618	\$	\$	\$ 89,618
Public Safety:				
Police	16,095			16,095
Fire	2,649			2,649
Court	4,807			4,807
Highways and Streets:				
Repairs & Maintenance	114,511			114,511
Enterprise:				
Water Utilities		86,666		86,666
Garbage			26,051	26,051
Interest on Bonds and Loans	840	40,287		41,127
TOTAL OPERATING DISBURSEMENTS	228,520	126,953	26,051	381,524
OTHER DISBURSEMENTS				
Principal Payments	12,000	23,714		35,714
Transfers	1,683		3,081	4,764
(Increase)/Decrease in Meter Deposits		1,200		1,200
TOTAL OTHER DISBURSEMENTS	13,683	24,914	3,081	41,678
TOTAL DISBURSEMENTS	242,203	151,867	29,132	423,202
Cash Balance - End of Year	13,518	44,049	6,387	63,954
TOTAL AMOUNT TO ACCOUNT FOR	\$ 255,721	\$ 195,916	\$ 35,519	\$ 487,156

See Accountant's Compilation Report



TOWN OF POTTS CAMP  
SCHEDULE OF LONG-TERM DEBT  
 SEPTEMBER 30, 2016

	Balance Outstanding Oct. 1, 2015	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2016
		Additions	Reductions	
Revenue Bonds - Water System				
Berkadia	\$ 48,032	\$	\$ 3,369	\$ 44,663
Berkadia	1,344		1,344	
USDA - Rural Development	5,061		2,225	2,836
USDA - Rural Development	71,633		1,650	69,983
USDA - Rural Development	164,154		4,958	159,196
USDA - Rural Development	540,362		10,168	530,194
General Obligation Bonds - General - Street Bonds				
Bank of Holly Springs	25,000		12,000	13,000
Total	<u>\$ 855,586</u>	<u>\$</u>	<u>\$ 35,714</u>	<u>\$ 819,872</u>



TOWN OF POTTS CAMP  
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS  
SEPTEMBER 30, 2016

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Mary Houston	Mayor	Travelers	\$ 50,000
Katherine Brock	Town Clerk	Travelers	50,000
Sheila Williams	Deputy Clerk	Travelers	50,000
Jimmie Collins	Alderman	MS Municipal Bond Program	25,000
Herbert Luther	Alderman	MS Municipal Bond Program	25,000
Wanda Love	Alderwoman	MS Municipal Bond Program	25,000
Dollean Porter	Alderwoman	MS Municipal Bond Program	25,000
Angela Williams	Alderwoman	MS Municipal Bond Program	25,000
Bill Rowland	Police Chief	Travelers	50,000



TOWN OF POTTS CAMP  
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS  
SEPTEMBER 30, 2016

The Town of Potts Camp owned no securities held for investment at September 30, 2016.

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### ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and Board of Aldermen  
Town of Potts Camp  
Potts Camp, MS 38659

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis of the Town of Potts Camp for the year ended September 30, 2016 and have issued our report dated May 6, 2019. We have conducted our compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

As required by 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 our audit and, accordingly, we do not express such an opinion.

With respect to items tested, the results of those procedures and our compilation of the accompanying Statement of Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Potts Camp, Mississippi, for the year ended September 30, 2016 disclosed three instances of noncompliance with state laws and regulations, which are noted in Items E, F and G in the Independent Accountant's Report on Applying Agreed-Upon Procedures.

This report 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.

*Lindsey, Davis & Associates*

Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 6, 2019

