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

January 25, 2019

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

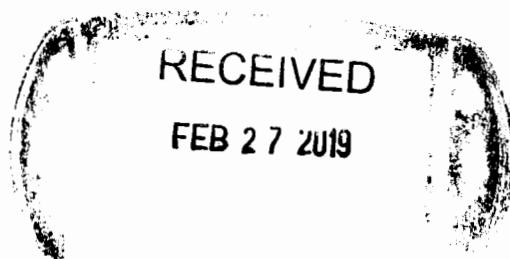
Attached are two copies of the annual financial report and agreed upon procedures on the Town of Courtland, Mississippi, for the fiscal year ended September 30, 2018. A PDF of the same information has also been emailed to you earlier. A separate management letter was not written to the Town in connection 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, 2018 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	\$ 11,891
First Security Bank	General	5,404
First Security Bank	General	13,508
First Security Bank	General	<u>21,321</u>
Total confirmed or proved		52,124
Cash on hand		<u>100</u>
Total General Fund cash		<u>\$ 52,224</u>

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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	\$ 2,327
Fire protection allocation	General	2,917
Gasoline tax	General	1,533
Sales tax allocation	General	17,035
General municipal aid	General	255
Grand Gulf remittance	General	2,718
TVA payments in lieu of taxes	General	22

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	\$ 12,835

We found the municipality's purchasing procedures to be in full agreement with the requirements of the above-mentioned sections except for one invoice for \$1,430 was not located.

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).

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We found that the court clerk failed to remit collected fines and forfeitures for all twelve months to the municipal clerk on a daily basis.

Also, the court clerk submitted only four monthly settlement forms to the Department of Finance and Administration on September 11, 2018. The remaining eight monthly settlement forms are delinquent and amounted to approximately \$398. 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 \$1,094 and the court clerk did not remit fines to the municipal court or settle state court assessments on a timely basis as noted above. 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. Poll & Co.

Batesville, Mississippi
January 16, 2019

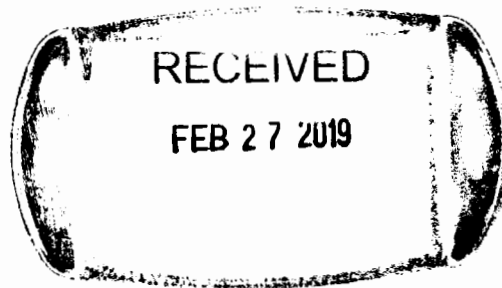
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TOWN OF COURTLAND

FINANCIAL REPORT

SEPTEMBER 30, 2018



William H. Polk & Co.

Certified Public Accountants

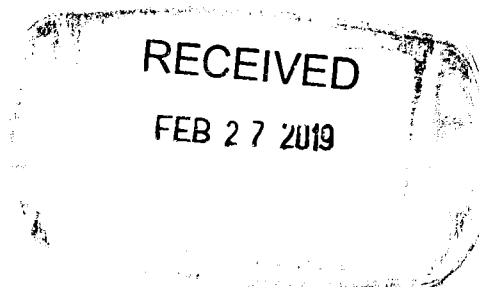
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105 Public Square

Batesville, Mississippi 38606

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WILLIAM H. POLK & CO.
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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 activities of the Town of Courtland for the year ended September 30, 2018, 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 basic 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 January 16, 2019 on the results of our agreed-upon procedures.

William H. Pale & Co.

Batesville, Mississippi
January 16, 2019

Town of Courtland, Mississippi
Combined Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business- type Activities</u>
	<u>General Fund</u>	<u>None</u>
RECEIPTS		
Taxes		
General property taxes	\$ 10,761	
Penalties and interest on delinquent taxes	85	
Licenses and permits	200	
Franchise charges-utilities	10,965	
Intergovernmental revenues:		
General municipal aid	255	
State shared revenues:		
Sales taxes	17,035	
Gasoline tax	1,533	
Grand Gulf distribution	2,718	
Homestead reimbursement	2,327	
Fire insurance premium distribution	2,917	
TVA payments in lieu of taxes	22	
County fire calls	8,731	
County railroad tax	1,397	
County drug task force	322	
Interest income	114	
Fines and forfeits	2,305	
Donations	3,250	\$ -
Total Receipts	<u>64,937</u>	<u>-</u>

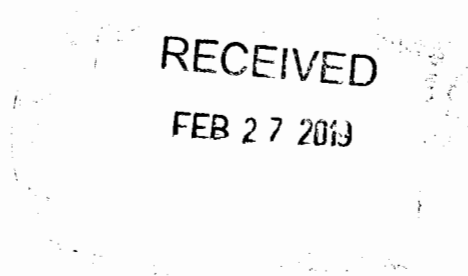
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Town of Courtland, Mississippi
Combined Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities - continued
For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business- type Activities</u>
	<u>General Fund</u>	<u>None</u>
DISBURSEMENTS		
General government		
Civil defense	\$ 420	
Utilities and telephone	1,754	
Insurance	11,625	
Legal and accounting	5,197	
Maintenance and repairs	394	
Office and postage expense	843	
Salaries and payroll taxes	3,805	
Miscellaneous	<u>2,214</u>	
	26,252	
Fire department		
Insurance	2,696	
Maintenance and repairs	3,334	
Fuel	703	
Miscellaneous	304	
Capital outlay	1,869	
Radio and communication	1,562	
Supplies	<u>2,203</u>	
	12,671	
Police department		
Insurance	940	
Supplies	245	
Fuel	580	
Salaries and payroll taxes	14,696	
Police fines paid to state	1,759	
Miscellaneous	2,680	
Capital outlay	2,094	
Utilities	<u>4,409</u>	
	<u>27,403</u>	
 Total Disbursements	 <u>66,326</u>	 \$ <u> </u> -
Excess (Deficiency) of receipts over disbursements	 (1,389)	 -

continued
See accountants' report.



Town of Courtland, Mississippi
Combined Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities -continued
For the year ended September 30, 2018

	<u>Governmental Activities</u>	<u>Business- type Activities</u>
	<u>General Fund</u>	<u>None</u>
OTHER FINANCING SOURCES (USES)		
Debt retirement – principal	\$ -	
Debt interest	-	
Total other financing sources (uses)	-	\$ -
 Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	 - (1,389)	 -
CASH BASIS FUND BALANCE-		
BEGINNING OF YEAR	53,613	-
CASH BASIS FUND BALANCE-		
END OF YEAR	\$ 52,224	\$ -

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TOWN OF COURTLAND, MISSISSIPPI

SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2018

1.35% Certificate of deposit
matures June 10, 2019

\$ 21,321

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.

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TOWN OF COURTLAND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
SEPTEMBER 30, 2018

<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
Chase Baglan	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
John Hubbard	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

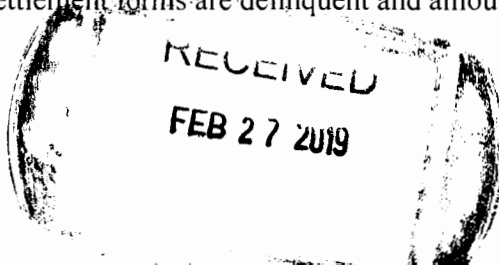
We have compiled the accompanying statement of cash receipts and disbursements—governmental and business-type activities of the Town of Courtland, Mississippi for the year ended September 30, 2018 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, and have issued our report dated January 16, 2019.

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 activities of the Town of Courtland, Mississippi for the year ended September 30, 2018 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 twelve months tested, the court clerk failed to remit collected fines and forfeitures to the Town Clerk on a daily basis. It was also noted that the court clerk submitted only four monthly settlement forms to the Department of Finance and Administration on September 11, 2018. The remaining eight monthly settlement forms are delinquent and amounted to approximately \$398.



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 and issue warrants for unpaid fines.

Municipal Budget

There was one item that exceeded the budgeted amount by a total of \$1,094.

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
January 16, 2019

