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COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF BYRAM, MISSISSIPPI
For the Fiscal Year Ended September 30, 2015

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Prepared by the Department of Finance and Administrative
Angela Richburg, City Clerk

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CITY OF BYRAM, MISSISSIPPI
Comprehensive Annual Financial Report
For the Year Ended September 30, 2015

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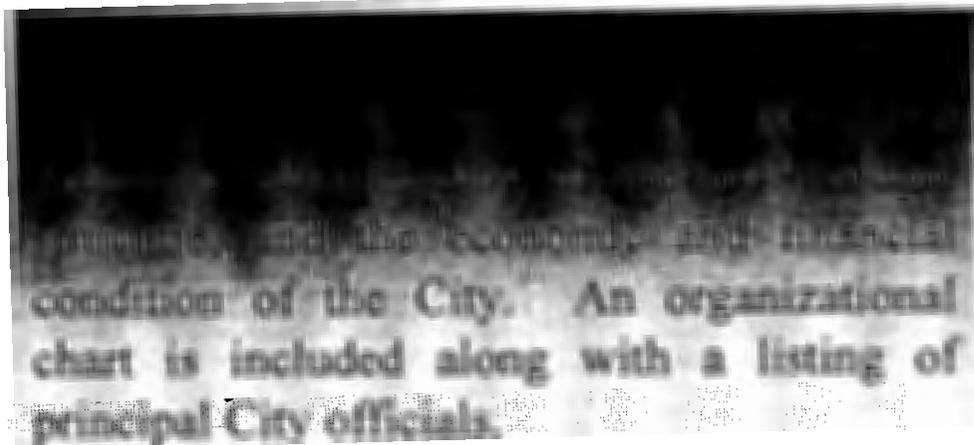
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I

INTRODUCTORY SECTION



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May 27, 2016

To the Citizens of the City of Byram, Mississippi:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Byram, Mississippi, for the fiscal year ended September 30, 2015. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentations in the financial statements, including all disclosures, rests with the management of the City of Byram. This report was prepared in conformity with generally accepted accounting principles in the United States of America (GAAP).

The City is responsible for establishing and maintaining internal controls to ensure that adequate accounting data is compiled to allow preparation of financial statements in conformity with GAAP. Because the cost of a control should not exceed the benefits likely to be derived, internal controls have been implemented to provide reasonable, rather than absolute assurance that the financial statements are free of material misstatements. We believe the information as presented is complete and accurate.

Fortenberry & Ballard, P.C., Certified Public Accountants, performed an examination, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, of the basic financial statements for the City of Byram. Their unmodified opinion is presented as the first page of the financial section of this report. Also, as required by federal law, a single audit was conducted and the report includes a report on compliance and internal control over compliance on major federal program funds expended by the City of Byram.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the City of Byram can be found immediately following the auditor's report.

Profile of the Government

The City of Byram, Mississippi is the newest city of Hinds County and the second newest city of the State of Mississippi. It was incorporated in 2009 after a lengthy legal battle with the City of

Jackson over annexation and incorporation. Byram has approximately 11,500 residents and is situated south of Jackson, Mississippi on I-55 South and has been referred to as a smaller suburb nestled to the west of the Pearl River, which ultimately feeds into the Mississippi River.

Between 2000 and 2010 the population of the City of Byram grew by nearly 5,000 residents as citizens of Jackson, other surrounding communities, and Hurricane Katrina affected areas made their way to a newly thriving area. Byram residents send their children to schools operated by the Hinds County School District of which three of their largest schools are located within Byram city limits. It is also home to Willow Creek Nursing Home Facility for the elderly.

Numerous local and national businesses make their home in Byram. Siwell Road and Terry Road are home to shopping centers, restaurants, small businesses and neighborhoods. In April of 2011, the City of Byram approved its first TIF (Tax Increment Financing) Development to assist in encouraging retail growth. The City also continues growth with new business expansions along Interstate 55.

Byram is a code-charter municipality, operating under a Mayor/Board of Aldermen/Alderwomen form of government. The Mayor is part-time and elected at-large. Of the seven Aldermen/Alderwomen, six are elected by ward, and one is elected at-large. The Mayor and Board serve concurrent four-year terms with the next city-wide general election being held in June 2017.

The City provides a full range of services to enhance and protect the lives of its citizens. The services include, but are not limited to, police and fire protection, recreational and cultural services, sewer services, construction and maintenance of streets and infrastructure, planning and zoning, and general administrative services.

The City of Byram maintains specific budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Mayor and Board of Aldermen/Alderwomen. Activities of the general funds, special revenue funds, debt service funds, capital projects funds, and enterprise funds are included in the annual appropriated budget. The legal level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount is established by major expenditure classifications within departments. These major classifications are personnel services, supplies, services, and capital outlay/debt services. Changes in the appropriated amount of any major classification requires approval of the governing body; however, equal transfers between line items within a specific classification may be approved by the City Clerk, whom is the Director of Finance and Administration.

Factors Affecting Financial Condition

The City of Byram currently enjoys a stable economic environment and local indicators point to its continued stability. The City's primary sources of revenue are property taxes and sales taxes. At September 30, 2015 approximately 45 percent were represented in property taxes while 31 percent of the City's general revenues were comprised of sales taxes. City property owners pay property taxes for city, county and schools totaling \$143.28 per \$1,000 of assessed value. The

assessment rate is 10 percent for residential property, 15 percent for other real property and 30 percent for personal property. There is no local income tax.

Although Byram is a new municipality, it prides itself in maintaining a reserve balance that will maintain a minimum of three months of service in time of emergency. The majority of funds were accumulated during the first three years and increased as needed in following year. During the first two years, the city was able to establish its initial Police Department consisting of 40 employees, a renovated building and 26 patrol units without issuing debt. Byram has maintained a minimal debt ratio while establishing its initial City Hall, Fire Station, and Public Works Department.

Long-Term Financial Planning

The various departments have prepared strategic plans regarding buildings, equipment, infrastructure projects and miscellaneous capital improvements. These plans are referred to during the annual budget preparation for determination of financing and timing of budget integration.

During the annual budget process in August, every department head is required to present his/her annual personnel, buildings and equipment, and any other items deemed necessary for the upcoming year to the Mayor and Board of Aldermen/Alderwomen. At this time, recommendations for financing such as lease purchases and issuance of general obligation bonds are made and taken into account when preparing the yearly budget.

Relevant Financial Policies

The City of Byram is required by Section 21-35-25 of Mississippi Code to make revisions to the annual budget no later than the July board meeting if it appears at that time collections of anticipated revenues will be less than expected and create a deficit balance. During the current year General Fund revenues remained level while expenditures were increased in the amount of \$476 thousand. The reduction of expenditures was primarily due to the unfulfilled positions or delays in filling positions and the decision not to purchase an additional vehicle for the Planning and Zoning Department. These personal services reductions were made in the primarily in the Fire Department, Police Department, and Street Department. The City has not adopted a minimum fund balance policy.

Major Initiatives

During fiscal year 2015, Byram paved approximately three and one half miles of street for \$680,000 while also increasing the regular maintenance of streets with pothole repair. A \$700,000 Utility General Obligation Bond was issued to purchase a portion of Forest Woods Utility Sewer for the services of areas South of Siwell Road. This purchase encourages expansion of the City's Sewer Services for commercial as well as residential areas. Renovations of the exterior of City Hall begun and will be completed in 2016. The City also entered into a lease agreement with the Hinds County School District for the Davis Roads Parks. This will allow the City to begin establishing Parks and Recreation services for the citizens.

Awards and Acknowledgments

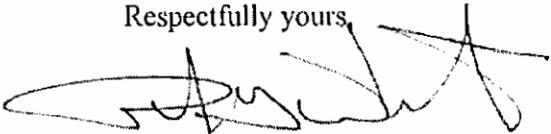
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Byram for its comprehensive annual financial report for the fiscal year ended September 30, 2014. This was the first year of that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the cooperation of the entire staff of the Department of Finance and Administration. We also wish to express our appreciation for the cooperation of the other City Departments in providing information for this report. In addition, we acknowledge the unfailing support of our Mayor and Board of Aldermen for maintaining the highest standards of professionalism in the management of the city's financial resources.

Finally, we acknowledge the thorough and professional manner in which the audit was conducted by our independent auditors, Fortenberry & Ballard, P.C., and their contribution toward the preparation of this CAFR.

Respectfully yours,



Richard White
Mayor
City of Byram



Angela Richburg
City Clerk
City of Byram



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Byram
Mississippi**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

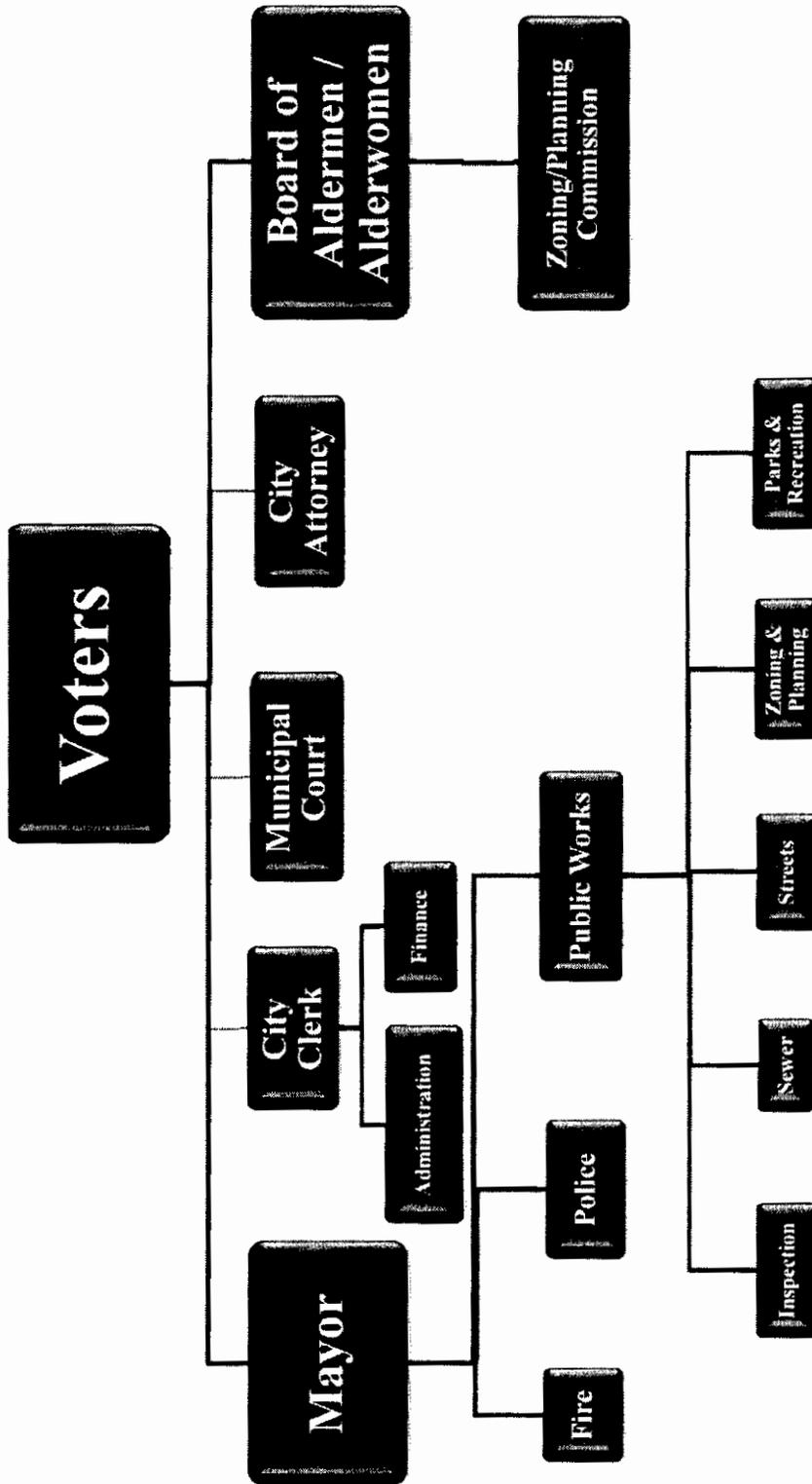
September 30, 2014

Executive Director/CEO

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City of Byram, Mississippi
Organization Chart
For the Year Ended September 30, 2015



CITY OF BYRAM, MISSISSIPPI

Listing of City Officials
As of September 30, 2015

Elected Officials

Mayor
Alderman - Ward 1
Alderwoman - Ward 2
Alderwoman - Ward 3
Alderwoman - Ward 4
Alderwoman - Ward 5
Alderman - Ward 6
Alderman - Mayor Pro Tempore

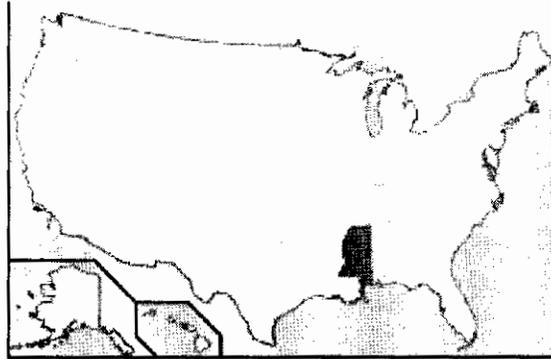
Richard White
Jim Moser
Diandra Hosey
Theresa Marble
Teresa Mack
Wanda Smith
D. L. (Danny) Ford
Richard Cook

Appointed Officials

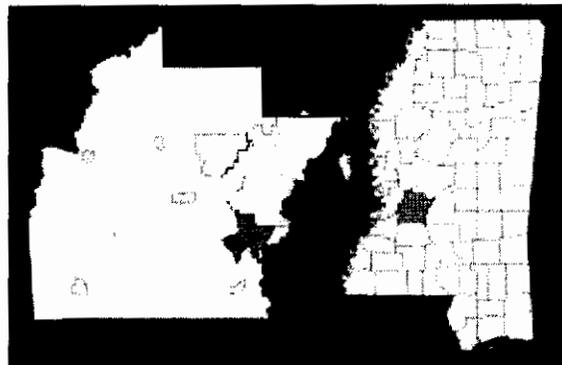
City Clerk
Public Works Director
Chief of Police
Fire Chief
City Attorney
City Judge
City Prosecutor

Angela Richburg
Cohn Livingston
Luke Thompson
Marshall C. Robinson, Jr.
Jerry Mills
Jimmy Morton
John Scanlon

CITY OF BYRAM, MISSISSIPPI
Comprehensive Annual Financial Report
For the Year Ended September 30, 2015



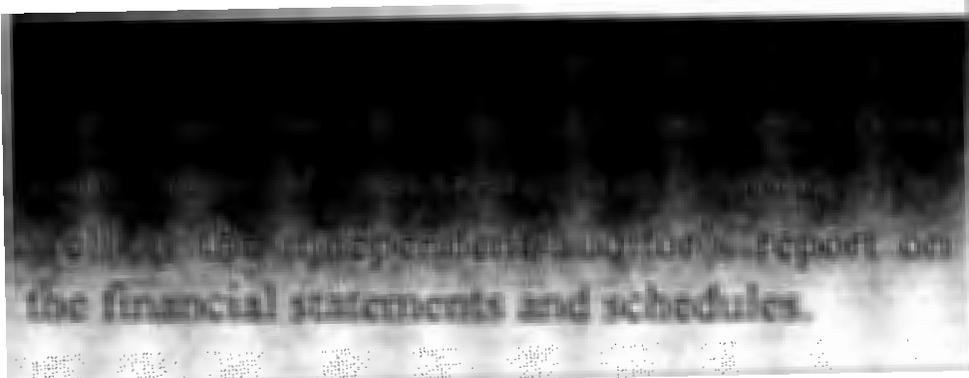
State of Mississippi



City of Byram in Hinds County, Mississippi

II

FINANCIAL SECTION



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FINANCIAL AUDIT REPORT

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL
STATEMENTS AND SUPPLEMENTARY INFORMATION

Mayor and Board of Aldermen
City of Byram, Mississippi

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Byram, Mississippi's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

1929 SPILLWAY ROAD
BRANDON, MISSISSIPPI 39047
TELEPHONE 601-992-5292 FAX 601-992-2033

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi, as of September 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the city adopted Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. As a result, net position as of October 1, 2014, has been restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the Schedules of the City's Proportionate Share of the Net Pension Liability and of the City's Contributions on pages 25-42 and 86-89 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Byram, Mississippi's basic financial statements. The introductory section, combining and individual fund statements, and budgetary schedules, the other information (Schedules D-1 and D-2), and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund statements and budgetary schedules, the other information (Schedules D-1 to D-2), and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2016, on our consideration of the City of Byram, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Byram, Mississippi's internal control over financial reporting and compliance.

Fortenberry & Ballard, PC

Fortenberry & Ballard, PC
April 22, 2016

Certified Public Accountants

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MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

The following discussion and analysis of the City of Byram's financial performance provides an overview of the City's financial activities for the year ended September 30, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position for 2015 decreased \$5,827,306, including a prior period adjustment of (\$4,586,103), which represents a 41% decrease from fiscal year 2014. This prior period adjustment was mainly to recognize the net pension liability for fiscal year 2014 as a result of GASB Statement 68 and 71 implementation. Total net position for 2014 increased \$2,196,538, including a prior period adjustment of \$424,290, which represents an 18% increase from fiscal year 2013.
- General revenues account for \$5,092,055, or 70% of all revenues in 2015. General revenues account for \$4,987,769, or 69% of all revenues in 2014. Program specific revenues in the form of charges for services and grants and contributions accounted for \$2,185,449 or 30% of total revenues in 2015, compared with \$2,286,774 or 31% in 2014.
- The City had \$8,518,707 in expenses, an amount that increased when compared with the \$4,912,859 in expenses for the prior year; \$2,185,449 of these expenses were offset by program specific charges for services, grants and contributions. General revenues of \$5,092,055 for 2015 were not adequate to provide for these programs. However, \$4,987,769 for 2014 were adequate to provide for these programs.
- Among the major funds, the General Fund had \$5,948,972 in revenues and \$6,470,801 in expenditures. In 2014, the General Fund had \$5,927,776 in revenues and \$5,994,622 in expenditures. The General Fund's fund balance decreased by \$464,118 from 2014 to 2015 and increased by \$226,808 from 2013 to 2014.
- The Enterprise Fund - Sewer Fund had \$848,884 in revenues and \$657,216 in expenses. Its net income, after non-operating revenues and transfers were included, was \$102,472, excluding a prior period adjustment of (\$227,984) to recognize the net pension liability for the prior fiscal year. Last year it showed \$573,696 in revenues and \$535,987 in expenses. Its net loss was \$347,851 after non-operating revenues and transfers were included.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

- Capital assets, net of accumulated depreciation, decreased by \$374,039 in the governmental activities, including the effect of a prior period adjustment of \$19,144, for 2015. The decrease for 2015 was primarily due to the recording of depreciation expense. Capital assets, net of accumulated depreciation, increased by \$4,157,872 in the governmental activities, including the effect of a prior period adjustment of \$426,663, for 2014.
- Capital assets in the business-type activities, net of accumulated depreciation, increased \$455,823 mainly due primarily to additions to infrastructure, mobile equipment and furniture and equipment. Capital assets decreased \$70,650 in the business-type activities from 2013 to 2014.
- Long-term debt decreased by \$266,952 in the governmental activities from 2014 to 2015. This decrease is due to principal payments on long-term debt. Long-term debt decreased by \$66,185 in the governmental activities from 2013 to 2014.
- Long-term debt increased by \$550,121 in the business-type activities from 2014 to 2015. The increase in the business-type activities was mainly due to the issuance of a general obligation bond in the amount of \$700,000. Long-term debt increased \$264,933 in the business-type activities from 2013 to 2014.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Byram as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City of Byram as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities answers this question.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the change in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

In the Statement of Net Position and the Statement of Activities, all of the City's activities are reported in Governmental Activities and Business-type Activities, which include all of the City's services including police, fire, administration, and sewer and all other departments.

The City of Byram has no Component units as defined by the Governmental Accounting Standard Board (GASB).

Reporting the City of Byram's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds, which account for the multitude of services provided to the City's residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Byram, the City's major funds is the General Fund.

Governmental Funds

All of the City's non-proprietary activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to the City's residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

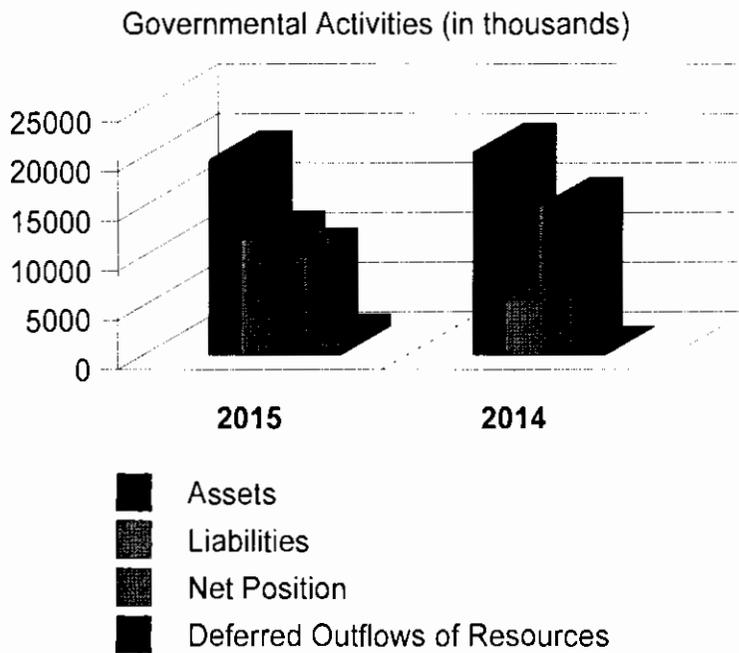
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

The City of Byram as a Whole

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time the trend as well as the amount of net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities by \$8,333,079 at September 30, 2015.

The following chart depicts the total amount of assets, deferred outflows of resources, liabilities, and net position as of September 30, 2015 and September 30, 2014 in the governmental activities column.



The largest portion of the City's net position for governmental activities (\$10,014,719 or 107%) reflects its net investment in capital assets (capital assets less any capital related outstanding debt used to acquire those capital assets). Although the City's net investment in capital assets is reported net of the related debt, it should be noted that the resources needed to repay this debt must be provided from other sources and not the capital assets themselves.

The following are significant current year transactions that have had an impact on the Government-Wide Statement of Net Position - Governmental Activities.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

- The \$438,703 retirement of principal of long-term debt.
- Decrease in net capital assets in the amount of \$374,039.
- Implementation of GASB Statement No. 68 and 71 which required the recording of a net pension liability for the proportionate share of the City as well as the recording of deferred outflows of resources.

The table on the next page shows a comparative analysis of assets, deferred outflows of resources, liabilities, and net position for the Government-Wide Statement of Net Position.

GASB Statement 68 and 71 were implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68 and 71.

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City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Government-Wide Condensed Statement of Net Position
Governmental Activities

	<u>September 30, 2015</u>	<u>September 30, 2014</u>	<u>Percentage Change</u>
Assets:			
Current assets	\$ 5,109,338	5,512,401	(7)%
Capital assets, net	14,637,108	15,011,147	(2)%
Total assets	<u>19,746,446</u>	<u>20,523,548</u>	(4)%
Deferred Outflows of Resources	<u>1,236,401</u>		N/A
Liabilities:			
Current liabilities	637,102	659,403	(3)%
Long-term debt outstanding	4,992,554	4,817,800	4%
Net pension liability	6,316,423		N/A
Total liabilities	<u>11,946,079</u>	<u>5,477,203</u>	118%
Net position:			
Net investment in capital assets	10,014,719	9,897,426	1%
Restricted	306,258	356,825	(14)%
Unrestricted	(976,426)	4,792,094	(120)%
Total net position (deficit)	<u>\$ 9,344,551</u>	<u>15,046,345</u>	(38)%

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Additional information on unrestricted net position:

In connection with the implementation of new standards on accounting and financial reporting for pensions, management presents the following additional information:

Total unrestricted net position (deficit)	\$ (976,426)
Less unrestricted deficit in net position resulting from implementation of GASB Statements No. 68 and 71	<u>5,080,022</u>
Unrestricted net position, exclusive of the net pension liability effect	<u><u>\$ 4,103,596</u></u>

The table on the next page depicts the revenues by major sources extracted from the government-wide statement of activities - governmental activities column.

GASB Statement No. 68 and 71 were implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68 and 71.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

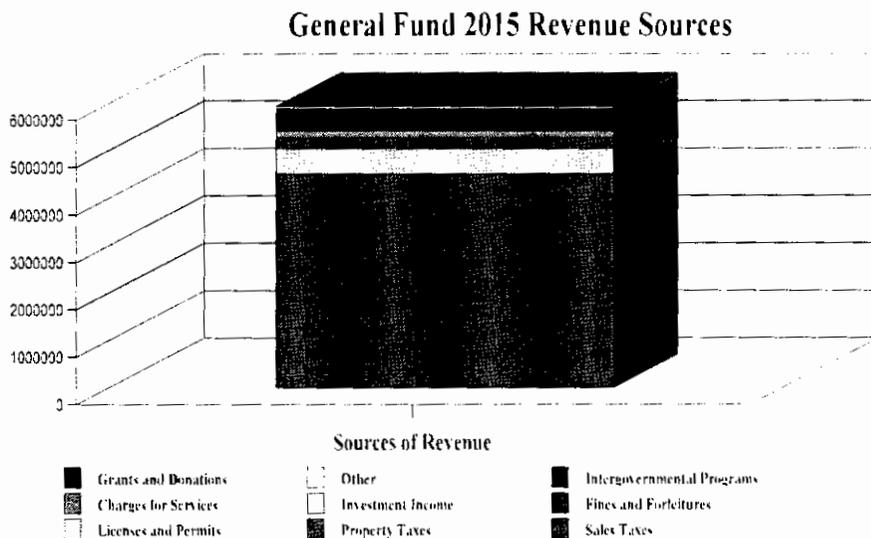
Government-Wide Condensed Statement of Activities
Governmental Activities

	<u>Year Ended</u> <u>September 30, 2015</u>	<u>Year Ended</u> <u>September 30, 2014</u>	<u>Percentage</u> <u>Change</u>
Revenues:			
Program revenues:			
Charges for services	\$ 1,059,074	1,053,488	1%
Operating grants and contributions	277,491	659,590	(58)%
General revenues:			
Intergovernmental / Unrestricted	1,820,194	1,857,650	(2)%
Property taxes	3,069,187	3,026,559	1%
Road and bridge privilege taxes	117,550	23,297	405%
Other taxes	6,385	8,134	(22)%
Unrestricted investment income	6,624	10,101	(34)%
Miscellaneous	72,070	61,966	16%
Total revenues	<u>6,428,575</u>	<u>6,700,785</u>	(4)%
Expenses:			
General government	1,157,724	1,614,727	(28)%
Public safety	3,906,432	1,313,027	198%
Public works	1,910,226	1,897,671	1%
Culture and recreation	28,667	4,062	606%
Pension expense	799,967		N/A
Interest on long-term debt	636	83,372	(99)%
Total expenses	<u>7,803,652</u>	<u>4,912,859</u>	59%
Excess (deficiency) before transfers	<u>(1,375,077)</u>	<u>1,787,926</u>	(177)%
Transfers	<u>31,402</u>	<u>332,173</u>	(91)%
Increase (decrease) in net position	<u>(1,343,675)</u>	<u>2,120,099</u>	(163)%
Net Position, Beginning, as previously reported	15,046,345	12,499,051	20%
Prior Period Adjustment	<u>(4,358,119)</u>	<u>427,195</u>	(1120)%
Net Position, (Deficit), Beginning, as restated	<u>10,688,226</u>	<u>12,926,246</u>	(17)%
Net Position (Deficit) , Ending	<u>\$ 9,344,551</u>	<u>15,046,345</u>	(38)%

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

GENERAL GOVERNMENT FUNCTIONS

The City's General Fund is used to account for expenditures of traditional services as well as all financial resources other than those required to be accounted for in other funds. General Fund revenues include property tax, intergovernmental revenues, various permit fees, franchise taxes, fines, and other sources as indicated on the accompanying graphs and schedules.



Revenues

The primary source of General Fund revenues is property taxes. The State of Mississippi levies a general sales tax of 7% on most retail sales. Of the amount collected by the state, each municipality receives 18.5% of the amount collected within its corporate boundaries. Sales tax accounted for 31% of General Fund revenues in fiscal year 2015, and 2014. Sales tax collections in fiscal year 2015 were \$1,820,194, a 2% decrease over the \$1,857,650 collected in 2014. Total General Fund operating revenues were \$5,948,972, an increase of \$21,196 over the prior year.

Assessed valuation within the City was \$88,192,189 for fiscal year 2015 and \$87,714,353 for fiscal year 2014. It is expected that the City will continue to attract residents and business alike. Assessed valuation within the city has increased by \$477,836, or 1% from fiscal year 2014.

Expenditures

General Fund operating expenditures were \$6,470,801, an increase of \$476,179 when compared to the prior year. The following schedule presents the General Fund revenues and expenditures for the year ended September 30, 2015, and the amount and percentage of change from 2014.

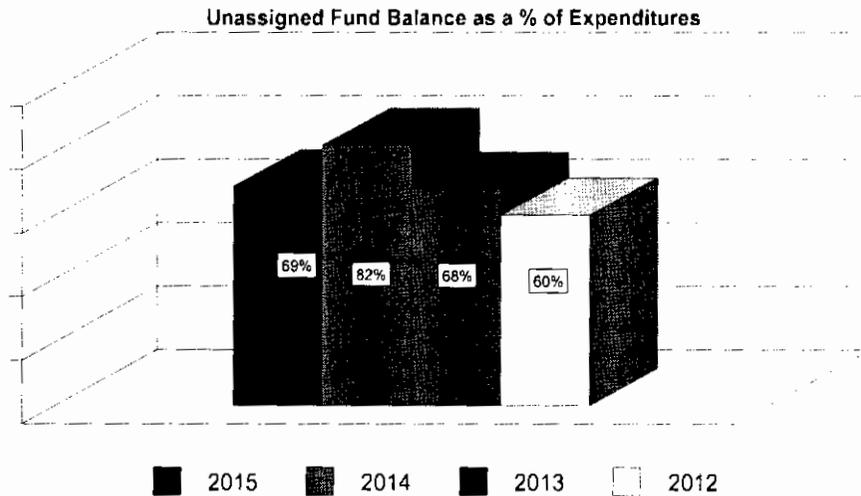
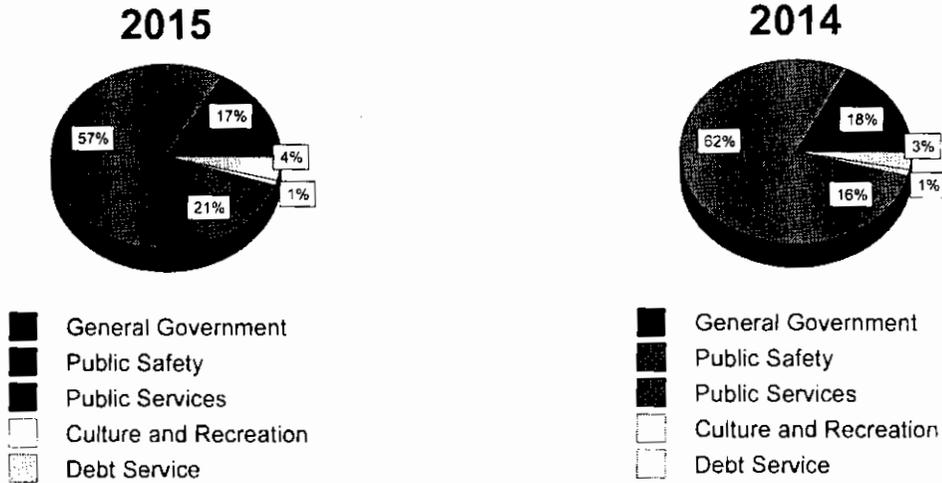
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

GENERAL FUND (GAAP BASIS)
(in thousands)

	2015 Amount	2014 Amount	Dollar Increase (Decrease) from 2014	Percent Increase (Decrease) from 2014
Revenues:				
Sales tax	\$ 1,820	\$ 1,858	\$ (38)	(2.0)%
Property tax	2,699	2,669	30	1.1%
Licenses and permits	525	444	81	18.2%
Fines and forfeitures	234	401	(167)	(41.6)%
Investment income	5	8	(3)	(37.5)%
Grants and donations	10	2	8	400.0%
Charges for services	125	17	108	635.3%
Intergovernmental revenues	484	495	(11)	(2.2)%
Other	47	33	14	42.4%
Total revenues	\$ 5,949	\$ 5,927	\$ 22	0.4%
Expenditures:				
General government	\$ 1,102	\$ 1,105	\$ (3)	(0.3)%
Public safety	3,671	3,723	(52)	(1.4)%
Public services	1,406	964	442	45.9%
Culture and recreation	29	4	25	625.0%
Debt service:				
Principal	243	182	61	33.5%
Interest	19	16	3	18.8%
Total expenditures	\$ 6,470	\$ 5,994	\$ 476	7.9%

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

The following charts display the expenditures by department in the General Fund:



Status of Fund Balance

On the General Fund balance sheet, fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent and the remaining portion is available for appropriation. The fiscal year ended September 30, 2015 ending unassigned fund balance is \$4,473,761 which is 69% of the general fund operating expenditures.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Other Governmental Funds

The financial performance of the City as a whole is reflected in its governmental funds. As the City completed the year, its governmental funds reported a combined fund balance of \$4,808,329, a decrease of \$514,049. \$4,473,761 or 93% of the fund balance is unassigned fund balance, which represents the residual classification fund balance that has not been assigned to other funds and that has not been restricted to specific purposes. The remaining fund balance of \$334,568 or 7% is restricted to indicate that is not available for spending except only for the purposes to which it is restricted.

The fund balance of Other Governmental Funds showed a decrease of \$49,931 overall. The \$49,931 decrease in Other Governmental Funds is largely due to \$13,685 in CDBG grant funds and \$34,450 in SRF funds for the reimbursement of engineering expenditures in fiscal year 2015 in preparation of CDBG Lake Ridgelea Phase II and \$104,404 decrease in the 2012 GO Bond Fund for completion of the initial Fire Station. The decrease in Other Governmental Funds was only 13% because other balances increased due to \$19,176 in Law Enforcement Drug Seizure funds, \$54,218 in property taxes to be applied to a future GO Bond & Interest payment, and \$25,971 in Unemployment contributions.

PROPRIETARY FUNDS

Byram's proprietary operations consist of the Sewer Fund. The Sewer Fund accounts for sewer revenues and expenditures to construct and maintain a sewer system.

The following is a comparative analysis of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for the business type activities statements:

GASB 68 and 71 were implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68 and 71.

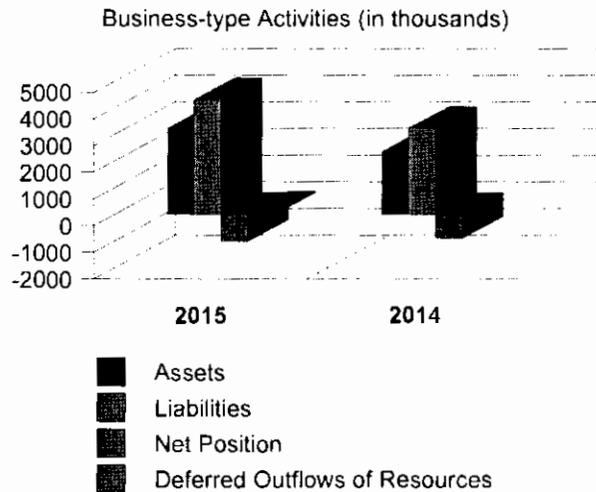
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Condensed Government-Wide Statement of Net Position
Business-Type Activities

	<u>September 30, 2015</u>	<u>September 30, 2014</u>	<u>Percentage Change</u>
Assets:			
Current assets	\$ 85,203	(106,007)	(349)%
Capital assets, net	2,925,002	2,469,179	(3)%
Total assets	<u>3,010,205</u>	<u>2,363,172</u>	<u>(3)%</u>
Deferred outflows of resources	<u>64,397</u>		N/A
Liabilities:			
Current liabilities	78,184	269,792	(71)%
Long-term liabilities	3,678,907	2,979,340	23%
Net pension liability	328,983		N/A
Total liabilities	<u>4,086,074</u>	<u>3,249,132</u>	<u>26%</u>
Net position:			
Net investment in capital assets	(641,027)	(656,122)	(2)%
Unrestricted	(370,445)	(229,838)	61%
Total net position (deficit)	<u>\$ (1,011,472)</u>	<u>(885,960)</u>	<u>14%</u>

The following chart shows the assets, deferred outflows of resources, liabilities, and net position for the government -wide statements, business-type activities.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015



The following are significant current year transactions that have had an impact on the Government-Wide Statement of Net Position - Business-Type Activities.

- Issuance of a general obligation bond in the amount of \$700,000.
- Implementation of GASB Statement No. 68 and 71 which required the recording of a liability for the proportionate share of the City as well as the recording of deferred outflows of resources.

Below is a comparative analysis of the revenues and expenses of the governmental wide statements - Business-Type activities column.

GASB Statement 68 and 71 were implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68 and 71.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Government-Wide Condensed Statement of Activities
Business-Type Activities

	<u>Year Ended September 30, 2015</u>	<u>Year Ended September 30, 2014</u>	<u>Percentage Change</u>
Revenues:			
Program revenues:			
Charges for services	\$ 848,884	573,696	48%
Total program revenues	848,884	573,696	48%
General revenues:			
Unrestricted investment income	45	62	(27)%
Total general revenues	45	62	(27)%
Total revenues	848,929	573,758	48%
Expenses:			
Sewer	715,055	589,436	21%
Total expenses	715,055	589,436	21%
Excess (deficiency) before transfers	133,874	(15,678)	(954)%
Transfers	(31,402)	(332,173)	(91)%
Increase (decrease) in net position	102,472	(347,851)	(129)%
Net Position - Beginning, as previously reported	(885,960)	(535,204)	66%
Prior Period Adjustment	(227,984)	(2,905)	7748%
Net Position (Deficit) - Beginning, as restated	(1,113,944)	(538,109)	107%
Net Position (Deficit), Ending	\$ (1,011,472)	(885,960)	14%

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Sewer Fund

Financial data for the Sewer Fund for the current year is presented as follows:

		September 30, 2015		September 30, 2014
Operating Revenues	\$	848,884		573,696
Operating Expenses		657,216		535,987
Operating Income	\$	191,668		37,709

General Fund Budgeting Highlights

The City's budget is prepared according to Mississippi's law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

An analysis of the final budget to actual budget variances reveal consistent cost saving at each department level as detailed at Exhibit B-1.

The City of Byram's ending cash balance in the general fund was \$4,381,601.

CAPITAL ASSETS AND LONG-TERM DEBT OBLIGATIONS

Governmental Activities:

Capital Assets, Net of Accumulated Depreciation

		September 30, 2015	September 30, 2014	Percentage Change
Land	\$	1,029,718	1,029,718	0%
Infrastructure		8,215,152	8,589,718	(4)%
Buildings		3,969,780	3,871,735	3%
Improvements other than buildings		99,761	51,665	93%
Mobile equipment		617,423	834,052	(26)%
Furniture and equipment		705,274	634,259	11%
Total	\$	14,637,108	15,011,147	(2)%

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Governmental Activities:

At September 30, 2015, the City of Byram had \$4,430,000 in outstanding General Obligation Bonds, and \$559,085 in other Long-Term Debt. Compensated absences increased \$128,069 during the year.

Other Long-Term Obligations Debt at Year End

	<u>September 30, 2015</u>	<u>September 30, 2014</u>	<u>Percentage Change</u>
General obligation bonds	\$ 4,430,000	4,625,000	(4)%
Other long-term debt	288,700	488,721	(41)%
Compensated absences	273,854	145,785	88%
Total	\$ 4,992,554	5,259,506	(5)%

Business-Type Activities:

Capital Assets, Net of Accumulated Depreciation

	<u>September 30, 2015</u>	<u>September 30, 2014</u>	<u>Percentage Change</u>
Infrastructure	\$ 2,651,236	2,191,084	21%
Improvements other than buildings	89,224	96,622	(8)%
Mobile equipment	21,973	12,224	80%
Furniture and equipment	162,569	169,249	(4)%
Total	\$ 2,925,002	2,469,179	18%

For more detailed information concerning capital assets see Note 5 in the Notes to the Financial Statements of this report.

Business-Type Activities:

At September 30, 2015, the City of Byram had \$700,000 in outstanding General Obligation Bonds, and \$2,976,029 in Other Long-Term Debt and \$2,878 in Compensated absences.

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City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2015

Other Long-Term Obligations Debt at Year End

	<u>September 30, 2015</u>	<u>September 30, 2014</u>	<u>Percentage Change</u>
General obligation bonds	\$ 700,000		N/A
Other long-term debt	2,976,029	3,125,301	(5)%
Compensated absences	2,878	3,485	(17)%
Total	\$ <u>3,678,907</u>	<u>3,128,786</u>	18%

For more detailed information concerning long-term debt see Note 8 in the Notes to the Financial Statements of this report.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Angela Richburg, City Clerk, at (601) 372-7746 or visit our web site at www.byram-ms.us. Our mailing address is City of Byram, P.O. Box 720222, Byram, MS 39272.

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FINANCIAL STATEMENTS

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

	Governmental Activities	Business-type Activities	Total
Assets			
<i>Current Assets:</i>			
<i>Pooled cash and cash equivalents</i>	\$ 4,764,304	\$ 110,405	\$ 4,874,709
<i>Accounts receivable, net</i>	117,251	202,581	319,832
<i>Interfund receivables</i>	227,783	(227,783)	--
<i>Total Current Assets</i>	<u>5,109,338</u>	<u>85,203</u>	<u>5,194,541</u>
<i>Non-Current Assets:</i>			
<i>Capital assets:</i>			
<i>Land and construction in progress</i>	1,029,718	--	1,029,718
<i>Other capital assets, net</i>	13,607,390	2,925,002	16,532,392
<i>Total Non-Current Assets</i>	<u>14,637,108</u>	<u>2,925,002</u>	<u>17,562,110</u>
Total Assets	<u>19,746,446</u>	<u>3,010,205</u>	<u>22,756,651</u>
Deferred Outflows of Resources:			
<i>Deferred outflows of resources - pension related</i>	1,236,401	64,397	1,300,798
<i>Total Deferred Outflows of Resources</i>	<u>1,236,401</u>	<u>64,397</u>	<u>1,300,798</u>
Liabilities:			
<i>Current Liabilities:</i>			
<i>Accounts payable</i>	219,708	73,844	293,552
<i>Wages and benefits payables</i>	77,347	--	77,347
<i>Other payables</i>	3,954	--	3,954
<i>Accrued interest payable</i>	28,310	4,340	32,650
<i>Long-term liabilities (due within one year):</i>			
<i>Bonds, notes, loans, and lease obligations, current</i>	294,090	211,905	505,995
<i>Compensated absences, current</i>	13,693	144	13,837
<i>Total Current Liabilities</i>	<u>637,102</u>	<u>290,233</u>	<u>927,335</u>
<i>Non-Current Liabilities:</i>			
<i>Long term liabilities (due in more than one year):</i>			
<i>Bonds, notes, loans, and lease obligations, noncurrent</i>	4,424,610	3,464,124	7,888,734
<i>Compensated absences, noncurrent</i>	260,161	2,734	262,895
<i>Net pension liability</i>	6,316,423	328,983	6,645,406
<i>Total Non-Current Liabilities</i>	<u>11,001,194</u>	<u>3,795,841</u>	<u>14,797,035</u>
Total Liabilities	<u>11,638,296</u>	<u>4,086,074</u>	<u>15,724,370</u>
Net Position:			
<i>Net Investment in Capital Assets</i>	10,014,719	(641,027)	9,373,692
<i>Restricted For:</i>			
<i>Debt service</i>	103,492	--	103,492
<i>Capital projects</i>	48,176	--	48,176
<i>Public safety</i>	54,415	--	54,415
<i>Unemployment benefits</i>	100,175	--	100,175
<i>Unrestricted</i>	(976,426)	(370,445)	(1,346,871)
<i>Total Net Position (Deficit)</i>	<u>\$ 9,344,551</u>	<u>\$ (1,011,472)</u>	<u>\$ 8,333,079</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Business-type Activities	Net (Expense)
		Charges for Services	Operating Grants and Contributions			Revenue and Changes in Net Position
						Total
Primary government:						
Governmental activities:						
General government	\$ 1,157,724	\$ 970,357	\$ 277,491	\$ 90,124		\$ 90,124
Public safety	3,906,432	88,717	--	(3,817,715)		(3,817,715)
Public works	1,910,226	--	--	(1,910,226)		(1,910,226)
Culture and recreation	28,667	--	--	(28,667)		(28,667)
Pension expense	799,967	--	--	(799,967)		(799,967)
Interest on long-term debt	636	--	--	(636)		(636)
Total Governmental Activities	7,803,652	1,059,074	277,491	(6,467,087)		(6,467,087)
Business-type Activities:						
Sewer	715,055	848,884	--	--	\$ 133,829	133,829
Total Business-type Activities	715,055	848,884	--	--	133,829	133,829
Total Primary Government	\$ 8,518,707	\$ 1,907,958	\$ 277,491	(6,467,087)	133,829	(6,333,258)
General Revenues:						
Intergovernmental / Unrestricted				1,820,194	--	1,820,194
Property taxes				3,069,187	--	3,069,187
Road and bridge privilege taxes				117,550	--	117,550
Other taxes				6,385	--	6,385
Unrestricted investment income				6,624	45	6,669
Miscellaneous				72,070	--	72,070
Transfers				31,402	(31,402)	--
Total General Revenues and Transfers				5,123,412	(31,357)	5,092,055
Change in Net Position				(1,343,675)	102,472	(1,241,203)
Net Position - Beginning, as previously reported				15,046,345	(885,960)	14,160,385
Prior Period Adjustment				(4,358,119)	(227,984)	(4,586,103)
Net Position (Deficit) - Beginning, as restated				10,688,226	(1,113,944)	9,574,282
Net Position (Deficit) - Ending				\$ 9,344,551	\$ (1,011,472)	\$ 8,333,079

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Pooled cash and cash equivalents	\$ 4,381,601	\$ 382,703	\$ 4,764,304
Receivables	117,251	--	117,251
Interfund receivables	262,233	--	262,233
Total Assets	<u>\$ 4,761,085</u>	<u>\$ 382,703</u>	<u>\$ 5,143,788</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 206,023	\$ 13,685	\$ 219,708
Wages and benefits payable	77,347	--	77,347
Interfund payable	--	34,450	34,450
Other payables	3,954	--	3,954
Total Liabilities	<u>287,324</u>	<u>48,135</u>	<u>335,459</u>
Fund Balances:			
Restricted:			
Unemployment benefits	--	100,175	100,175
Public safety	--	54,415	54,415
Capital projects	--	48,176	48,176
Debt services	--	131,802	131,802
Unassigned	4,473,761	--	4,473,761
Total Fund Balances	<u>4,473,761</u>	<u>334,568</u>	<u>4,808,329</u>
Total Liabilities and Fund Balances	<u>\$ 4,761,085</u>	<u>\$ 382,703</u>	<u>\$ 5,143,788</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI

*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2015*

Total fund balances - governmental funds balance sheet	\$ 4,808,329
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	14,637,108
Liabilities due in one year are not recognized in the funds.	(307,783)
Payables for bond principal which are not due in the current period are not reported in the funds.	(4,225,000)
Payables for bond interest which are not due in the current period are not reported in the funds.	(28,310)
Payables for leases which are not due in the current period are not reported in the funds.	(199,610)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(260,161)
Recognition of the City's proportionate share of the net pension liability is not reported in the funds.	(6,316,423)
Deferred Outflows of Resources related to the pension plan are not reported in the funds.	<u>1,236,401</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 9,344,551</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Sales taxes	\$ 1,820,194	\$ --	\$ 1,820,194
Property taxes	2,698,831	370,356	3,069,187
Licenses and permits	525,063	--	525,063
Fines and forfeitures	234,269	--	234,269
Investment income	4,904	1,720	6,624
Grants and donations	9,600	24,514	34,114
Charges for services	125,240	--	125,240
Intergovernmental programs	483,649	67,658	551,307
Other	47,222	1,326	48,548
Total Revenues	<u>5,948,972</u>	<u>465,574</u>	<u>6,414,546</u>
Expenditures:			
Current:			
General government	1,101,676	6,609	1,108,285
Public safety	3,671,300	104,404	3,775,704
Public services	1,406,391	110,844	1,517,235
Culture and recreation	28,667	--	28,667
Debt service:			
Principal	243,703	195,000	438,703
Interest	19,064	129,550	148,614
Other	--	500	500
Total Expenditures	<u>6,470,801</u>	<u>546,907</u>	<u>7,017,708</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(521,829)</u>	<u>(81,333)</u>	<u>(603,162)</u>
Other Financing Sources (Uses):			
Inception of capital leases	43,682	--	43,682
Insurance proceeds	14,300	--	14,300
Transfers in	--	31,402	31,402
Other	(271)	--	(271)
Total Other Financing Sources (Uses)	<u>57,711</u>	<u>31,402</u>	<u>89,113</u>
Net Change in Fund Balances	(464,118)	(49,931)	(514,049)
Fund Balances - Beginning	4,937,879	384,499	5,322,378
Fund Balances - Ending	\$ 4,473,761	\$ 334,568	\$ 4,808,329

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Net change in fund balances - total governmental funds	\$ (514,049)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	447,626
The depreciation of capital assets used in governmental activities is not reported in the funds.	(827,318)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.	(13,491)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	195,000
Repayment of leases principal is an expenditure in the funds but is not an expense in the SOA.	243,703
(Increase) decrease in accrued interest from beginning of period to end of period.	(636)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(128,069)
Inception of capital leases are reported as Other Financing Sources in funds but not in SOA..	(43,682)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	(799,967)
Contributions made after the measurement date but in current FY were de-expended and reduced NPL.	<u>97,208</u>
Change in net position of governmental activities	<u>\$ (1,343,675)</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF NET POSITION
ENTERPRISE FUND
SEPTEMBER 30, 2015

	Enterprise Fund
	Sewer Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 110,405
Receivables (net of allowances for uncollectibles)	202,581
Total Current Assets	<u>312,986</u>
Non-current Assets:	
Capital assets (net of accumulated depreciation)	2,925,002
Total Non-current Assets	<u>2,925,002</u>
Total Assets	<u>3,237,988</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	64,397
Total Deferred Outflows of Resources	<u>64,397</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	73,844
Interfund payables	227,783
Interest Payable	4,340
Bonds and loans obligations - current	211,905
Compensated absences - current	144
Total Current Liabilities	<u>518,016</u>
Non-current Liabilities:	
Bonds and loans obligations - non-current	3,464,124
Compensated absences - non-current	2,734
Net pension liability	328,983
Total Non-current Liabilities	<u>3,795,841</u>
Total Liabilities	<u>4,313,857</u>
NET POSITION	
Net investment in capital assets	(641,027)
Unrestricted	(370,445)
Total Net Position (Deficit)	<u>\$ (1,011,472)</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Enterprise Fund
	Sewer Fund
Operating Revenues:	
Charges for services	\$ 848,884
Total Operating Revenues	<u>848,884</u>
Operating Expenses:	
Personal services - salaries and wages	135,961
Personal services - employee benefits	99,443
Purchased professional and technical services	192,486
Supplies	44,864
Depreciation	133,438
Miscellaneous	51,024
Total Operating Expenses	<u>657,216</u>
Operating Income (Loss)	<u>191,668</u>
Non-Operating Revenues (Expenses):	
Interest revenue	45
Debt service interest	(57,839)
Total Non-operating Revenues (Expenses)	<u>(57,794)</u>
Net Income (Loss) before Operating Transfers	<u>133,874</u>
Transfers out	(31,402)
Net income	<u>102,472</u>
Net Position - Beginning, as previously reported	(885,960)
Prior Period Adjustment	(227,984)
Net Position (Deficit) - Beginning, as restated	<u>(1,113,944)</u>
Net Position (Deficit) - Ending	<u>\$ (1,011,472)</u>

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Enterprise Funds</u>
	<u>Sewer</u>
	<u>Fund</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 848,884
Cash Payments to Employees for Services	(236,295)
Cash Payments to Other Suppliers for Goods and Services	(237,350)
Other Operating Cash Receipts (Payments)	(195,884)
Net Cash Provided (Used) by Operating Activities	<u>179,355</u>
Cash Flows from Non-capital Financing Activities:	
Transfers From (To) Primary Government	(31,402)
Due From (To) Other Funds	227,783
Net Cash Provided (Used) by Non-capital Financing Activities	<u>196,381</u>
Cash Flows from Capital and Related Financing Activities:	
Proceeds from Issuance of Long-term Debt	700,000
Principal and Interest Paid	(91,736)
Acquisition or Construction of Capital Assets	(589,261)
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>19,003</u>
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	45
Net Cash Provided (Used) for Investing Activities	<u>45</u>
Net Increase (Decrease) in Cash and Cash Equivalents	394,784
Cash and Cash Equivalents at Beginning of Year	8,001
Effect of recording NPL and current year deferred items	(292,380)
Cash and Cash Equivalents at End of Year	<u>\$ 110,405</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities:	
Operating Income (Loss)	\$ 191,668
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Depreciation	133,438
Other Cash Receipts (Payments)	25,000
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	(169,860)
Increase (Decrease) in Accrued Wages Payable	(891)
Total Adjustments	<u>(12,313)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 179,355</u>

The accompanying notes are an integral part of this statement.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

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City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Byram are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2015.

The accompanying financial statements of the City have been prepared in accordance with accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

In December 2010, the GASB issued GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 brings the authoritative accounting and financial reporting literature for state and local governments together in a single source, with the FASB and AICPA guidance modified as necessary to appropriately recognize the governmental environment and the needs of governmental financial statement users. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

In June 2011 and March 2012, the GASB issued Statement No. 63, *Financial Reporting for Deferred Outflows of Resources, Deferred Inflows and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*, respectively. Statement No. 63 will improve financial reporting by standardizing the presentation of deferred outflows/inflows of resources and their effects in the government's net position. It provides guidance in reporting these elements where none previously existed. Statement No. 65 will improve financial reporting by clarifying the appropriate use of financial statement elements to ensure consistency in financial reporting. These related Statements reflect substantial improvements to the financial reporting. Statement No. 63 is effective for periods beginning after December 15, 2011 and Statement No. 65 is effective for periods beginning after December 15, 2012.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans* and Statement No. 68, *Accounting and Financial Reporting for Pensions*. Statement No. 67 addresses financial reporting for state and local government pension plans and Statement No. 68 establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. These related Statements reflect substantial improvements to the accounting and financial reporting of pension plans. Statement No. 67 will take effect for pension plans in the fiscal year ending September 30, 2014 and Statement No. 68 will take effect for employers and governmental non-employer contributing entities in the fiscal year ending September 30, 2015.

In November 2013, the GASB issued GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, an amendment to GASB Statement No. 68. At

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

the beginning of the period in which the provisions of Statement 68 are adopted, there may be circumstances in which it is not practical for a government to determine the amounts of all applicable deferred inflows of resources and deferred outflows of resources related to pensions. In such circumstances, the government should recognize a beginning deferred outflow of resources only for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability but before the start of the government's fiscal year. Additionally, in those circumstances, no beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions should be recognized.

The guidance contained in these Statements will change how governments calculate and report the costs and obligations associated with pension in important ways. It is designed to improve the decision-usefulness of reported pension information and to increase the transparency, consistency, and comparability of pension information across governments.

The new standards will better align the recognition of pension expense with the period in which the related benefits are earned. Considered in total, the changes set forth by the GASB will have the overall effect of expense recognition being accelerated. The implementation of these Statements is expected to have a significant impact upon the financial statements of the City.

Management's Discussion and Analysis - GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of management's discussion and analysis (MD&A). This analysis is similar to analysis the private sector provides in their annual reports.

Government-wide Financial Statements - The reporting model includes financial statements prepared using full accrual for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also deferred outflows/inflows of resources, capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon after.

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the primary government. Governments will report all capital assets, including infrastructure, in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expenses of individual functions are compared to the revenues generated by the function (for instance, through user charges or intergovernment grants).

Budgetary Comparison Schedules - Many governments revise their original budgets over the course of the year for a variety of reasons. Budgetary comparison information is required,

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

therefore the government's original budget is compared to the final budget and actual results.

A. FINANCIAL REPORTING ENTITY

COMPONENT UNITS

GASB has set forth criteria to be considered in determining financial accountability. These criteria include the following considerations: 1) appointment of a voting majority of an organization's governing authority and the ability of the primary government to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or 2) an organization is fiscally dependent on the primary government and there is potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board. Based upon the application of these criteria, no potential component unit will be included as a part of the City.

RELATED ORGANIZATIONS

Due to the recent formation of the City of Byram, the City did not have any related organizations for the year ended September 30, 2015.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental type. In the Government-wide Statement of Net Position, the governmental activities column is presented on a full accrual, economic resource basis, which incorporates long-term assets, deferred outflows of resources and receivables as well as long-term debt, deferred inflows of resources and obligations.

The government-wide Statement of Activities reflects both the gross and net costs per functional category (Public Safety, Public Works, etc.), which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function (Public Safety, Public Works, etc.). These include charges for some of the services the city provides like permits, licenses, inspection fees and that are associated with the particular function. The City does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net cost (by function) is normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

financial statements emphasize the major funds. Non-major funds (by category) are summarized into a single column.

The governmental funds major fund statements in the fund financial statements are presented on current financial resources measurement focus and modified accrual basis of accounting. This is the manner in which the funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the budget fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The focus of the Statement No. 34 model is on the City as a whole. The focus of the fund financial statements is on the major individual funds of the governmental activities and the proprietary funds. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

C. BASIS OF PRESENTATION

Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Funds that meet these criteria are labeled as such. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section of this report.

1. Major Governmental Funds

The measurement focus of the governmental funds (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the major governmental fund of the City:

General Fund - The General Fund is the general operating fund of the City. General Tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenses, fixed charges, and capital improvement costs not paid through other funds are paid from this fund.

2. Proprietary Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs

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City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

(expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The following is a description of the major proprietary fund of the City:

Sewer Fund - This enterprise fund is financed with public improvement funds that accounts for resources and expenditures with the construction of eligible pollution control projects.

3. Non-Current Governmental Assets and Liabilities

GASB Statement No. 34 provides for the capital assets and long-term debt records to be maintained and incorporates the information into the governmental column in the government-wide Statement of Net Position.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net position, statements of activities, and proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources and all liabilities associated with the operation of these activities are included on the Statement of Net Position.

The fund financial statements are maintained on the modified accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within sixty days of the fiscal year end. Levies that are made prior to the fiscal year end, but are not available, are deferred. Interest income is recorded as earned.

Federal and State reimbursement type grants are recorded as revenue when related eligible expenditures are met. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred. All other revenue items reported in the fund financial statements are considered "available" when the cash is received by the City one year after its fiscal year.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Franchise and utility taxes, state revenue sharing, charges for services, and fines and forfeitures associated with the current period are considered to be susceptible to accrual and therefore have been recognized as revenues of the current fiscal period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

E. ENCUMBRANCES

An encumbrance system is maintained to account for commitments resulting from approved purchase orders, work orders and contracts. All encumbrances lapse at year-end; accordingly, no encumbrances were outstanding at September 30, 2015.

F. BUDGETS AND BUDGETARY INFORMATION

The budget is adopted annually by the Mayor and the Board of Aldermen/Alderwomen, and subsequent amendments are made during the year on the approval of the Mayor and Board or, when allowed, upon authority of City management, as described in the following paragraphs.

All funds of the City of Byram, Mississippi, governmental and enterprise, are budgeted, and are presented in either the required supplementary information or in schedules in the other supplementary information section. For comparison purposes, the final, amended budget is utilized, and it is presented on a modified cash basis of accounting as required by the State of Mississippi, which is not consistent with generally accepted accounting principles. All budgetary appropriations lapse at year-end.

The legal level of control, that is the level on which actual expenditures may not legally exceed appropriations, is the major expenditure classifications within departments. Such classifications are Personnel Services, Supplies, Other Services and Capital Outlay/Debt Services.

All amendments to the budget to the legal level of control must be approved by the City of Byram's Mayor and Board of Aldermen/Alderwomen. Management is allowed to reclassify, without governing body approval, any budget "line items"; that is, amounts below the legal level of control.

The expenditure budget adopted and approved by the duly elected members of the governing authority of the City of Byram is the appropriation ordinance of said municipality.

As allowed by statute, the expenditure budget was amended and approved by the duly elected members of the governing authority of the City of Byram. Such amendments are included in the reported budgetary data.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

G. UNEARNED REVENUE

In the government-wide and proprietary fund financial statements, unearned revenues are recognized when assets are received prior to being earned. Unearned revenues are also recognized in the governmental funds financial statements, which are recognized when revenues are unavailable.

H. FUND BALANCES

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the city:

Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact. Currently there is no nonspendable fund balance for this city.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Board of Alderman, the City's highest level of decision-making authority. Currently there is no committed fund balance for this city.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Director of Finance pursuant to authorization established by the policy adopted by the city. Currently there is no assigned fund balance for this city.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Fund Balance Flow Assumption:

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the city's general policy to use restricted resources first. When expenditures are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the city's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

I. CASH AND OTHER DEPOSITS AND CASH EQUIVALENTS

The City deposits excess funds in the financial institutions selected by the Mayor and Board of Aldermen/Alderwomen in accordance with state statutes.

Cash consists of amounts on deposit with a financial institution in non-interest bearing accounts. Other deposits consist of interest-bearing demand accounts, saving accounts and certificates of deposit. Cash and other deposits are valued at cost.

Various restrictions on deposits are imposed by state statutes. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer.

For purposes of the combined statement of cash flows, the municipality considers to be cash equivalents all highly liquid investments and certificates of deposit if they have a maturity of three months or less when acquired.

J. INVESTMENTS

The City is allowed, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the State of Mississippi, or of any county or municipality of this state, when such county or municipal bonds have been properly approved; or in interest-bearing time deposits with any financial institution approved for the deposit of state funds. The interest earned is reported in the fund reporting the investment. Investments are reported at fair value.

K. ACCOUNTS RECEIVABLE

Accounts Receivable are reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet net of allowances for uncollectible receivables.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

L. INTERFUND TRANSACTIONS AND BALANCES

In general, eliminations have been made to minimize the double-counting of internal activity. However, interfund services, provided and used between different functional categories, have not been eliminated in order to avoid distorting the direct costs and program revenues of the applicable functions. Transfers between governmental and business-type activities are reported at the net amount on the government-wide financial statements.

In the fund financial statements, transactions for services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund. Reimbursements of the expenditures/expenses made by one fund for another are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Transfers represent flows of assets between funds of the primary government without equivalent flows of assets in return and without a requirement for payment.

Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position, except for the residual amounts due between governmental and business-type activities.

The following is a summary of interfund transactions and balances:

Due From/To Other Funds:

		<u>Due From</u>	<u>Due To</u>
General Fund	\$	262,233	34,450
Enterprise Fund:			
Sewer Fund			227,783
Total	\$	<u>262,233</u>	<u>262,233</u>

Due From/To Other Funds are the result of timing differences between the date expenses / expenditures are settled. All balances are expected to be repaid within one year from the date of the financial statements.

Transfers In and Transfers Out

		<u>Transfers In</u>	<u>Transfers Out</u>
Non-Major Fund:			
CDBG - Lake Ridgelea Sewer Fund	\$	31,402	
Sub-Total Non-Major Fund		<u>31,402</u>	
Enterprise Fund:			
Sewer Fund			31,402
Total	\$	<u>31,402</u>	<u>31,402</u>

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Transfers were used primarily to move revenues from funds required to collect them to funds required to expend them. The transfers also provided funds for general operating activities. All transfers were routine and consistent with the fund making the transfer.

M. NET POSITION

Equity is classified as Net Position and displayed in three components:

1. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction or improvements of those assets.
2. Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net position not meeting the definition of "restricted" or "net investment in capital assets."

Net Position Flow Assumption:

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City's general policy to use restricted resources first. When expenses are incurred purposes for which unrestricted resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend restricted resources first, followed by unrestricted amounts.

Certain proceeds from bonds, notes, and loans, as well as resources for debt service payments, court services, and public improvements monies are classified as restricted net position reported on the government-wide Statement of Net Position because their use is limited by applicable bond covenants and restrictions.

The following is a summary of restricted net position in governmental activities:

Restricted For:

Unemployment benefits	\$	100,175
Public Safety		54,415
Capital Projects		48,176
Debt Services		103,492
Total	\$	<u>306,258</u>

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

N. CAPITAL ASSETS

In the governmental funds, the cost incurred for the purchase or construction of capital assets are recorded as capital outlay expenditures.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Donated contributed assets are reported at estimated fair value at the time received.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the statement of activities.

All proprietary funds are accounted for on an economic measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their Statement of Net Position. Their fund equity is reported in the total net position of the Statement of Revenues, Expenses and Changes in Net Position. The capital assets threshold for the proprietary funds is the same as it is for governmental funds which is described in detail below.

The revenues and expenses of proprietary funds are classified as operating and nonoperating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's primary operations. All other revenues and expenses are reported as nonoperating.

In accordance with GASB Statement No. 34, governmental infrastructure has been capitalized. Capitalization thresholds (dollar value above which assets acquisitions are added to the capital asset account) and estimated useful lives of capital assets are reported in the government-wide statements and proprietary funds. Depreciation is calculated on the straight-line basis for all assets, except land. The following schedule details those thresholds.

Capital asset thresholds are as follows:

Land	N/A
Infrastructure	N/A
Furniture, Vehicles, and Equipment	\$ 5,000
Improvements other than Buildings	\$25,000
Buildings	\$50,000
Building Improvements	\$50,000

Estimated useful lives, in years, for depreciable assets are as follows:

Computer Equipment and Peripherals	3 years
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City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Vehicles and Equipment	5 years
Heavy Equipment (backhoes, dozers, front-end loaders, tractors, etc)	10 years
Furniture and Fixtures	7 years
Improvements other than Buildings	20 years
Buildings	40 years
Infrastructure:	
Roads	20 years
Concrete bridges	50 years
Timber bridges	30 years

Salvage Values:

Computer Equipment and Peripherals	1%
Furniture	10%
Vehicles and Heavy Equipment	10%
Improvements other than Buildings	20%
Buildings	20%
Roads	30%
Bridges	0%

O. COMPENSATED ABSENCES

Upon termination of employment, the City of Byram provides payment of accrued personal leave over 30 days to the departing employee. While such leave is accumulated from 5 to 20 days each year, depending on length of service, no payment for medical leave is allowed absent the required evidence of such need.

Unpaid personal leave expected to be paid from the Governmental Funds is reported under Long-term Debt as "Accrued Compensated Absences". Similar amounts related to the Proprietary Fund are accrued in the Enterprise Funds. Typically the related Accrued Compensated Absences Expense has been paid from the General Fund and the Sewer Fund.

The respective liabilities are computed utilizing the specific identification method (i.e., each employee's actual accumulated personal leave days are multiplied by the applicable actual per day salary). The City's liability for compensated absences is not recorded in the governmental funds, for such liability may be paid from financial resources not currently available. Compensated absences are reported in governmental funds only if they have matured.

P. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

be recognized as an outflow of resources (expense/expenditure) until then. The City has a deferred outflow which is presented as a deferred outflow for pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. Currently the City has no deferred inflows of resources.

See Note 14 for further details.

Q. NEW PRONUCEMENTS

In June 2012, the GASB issued GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, note disclosure and required supplementary information requirements about pensions also are addressed. This Statement is effective for fiscal years beginning after June 15, 2014.

2. CASH

The collateral for public entities' deposits in financial institutions is now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation. The City's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the City at fiscal year-end.

The carrying amount of the city's deposits with financial institutions was \$4,874,709 and the bank balance was \$4,929,570.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of a financial institutions failure, the city's deposits may not be returned to it. The city does not have a deposit policy for custodial credit risk. As of September 30, 2015, none of the city's bank balance of \$4,929,570 was exposed to custodial credit risk.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

3. RECEIVABLES

Accounts receivable at September 30, 2015, consisted of the following:

	General Fund	Enterprise Fund	Total
Utility Customers	\$	202,581	202,581
Other	117,251		117,251
Total	\$ 117,251	202,581	319,832

4. PROPERTY TAXES

Property held on January 1 of any given year (or brought into the State by March 1 of the same year) is assessed for taxation in the ensuing fiscal year. Such levy, which establishes a lien against the underlying property, is maintained by Hinds County. The assessed value of property on January 1, 2015, upon which the levy was based, was \$88,192,189. The taxes thus assessed are due and payable as follows:

1 st installment	(50% of liability)	on or before Feb. 1
2 nd installment		on or before May 1
Final installment		on or before Aug. 1

If taxes remain unpaid, the property subject to a tax lien is sold for taxes on the fourth Monday of August. Property taxes receivable reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet represent amounts due for unpaid delinquent property taxes at September 30, 2015. Property taxes that are not considered "available" have been reported as deferred revenues in the governmental funds Balance Sheet.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

5. CAPITAL ASSETS

	Balance 10-1-2014	Additions	Deletions	Adjustments	Balance 9-30-2015
<u>Non-depreciable capital assets:</u>					
Land	\$ 1,029,718				1,029,718
Total non-depreciable capital assets	<u>1,029,718</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,029,718</u>
<u>Depreciable capital assets:</u>					
Infrastructure	14,636,129	4,154			14,640,283
Buildings	3,946,776	180,127			4,126,903
Improvements other than buildings	54,384	52,130			106,514
Mobile equipment	1,451,447	61,603	25,737		1,487,313
Furniture and equipment	1,188,803	149,612	26,368		1,312,047
Total depreciable capital assets	<u>21,277,539</u>	<u>447,626</u>	<u>52,105</u>	<u>0</u>	<u>21,673,060</u>
<u>Less accumulated depreciation for:</u>					
Infrastructure	6,046,411	329,522		49,198	6,425,131
Buildings	75,041	82,082			157,123
Improvements other than buildings	2,719	4,034			6,753
Mobile equipment	617,395	266,255	13,760		869,890
Furniture and equipment	554,544	145,425	24,854	(68,342)	606,773
Total accumulated depreciation	<u>7,296,110</u>	<u>827,318</u>	<u>38,614</u>	<u>(19,144)</u>	<u>8,065,670</u>
Total depreciable capital assets, net	<u>13,981,429</u>	<u>(379,692)</u>	<u>13,491</u>	<u>19,144</u>	<u>13,607,390</u>
Governmental activities capital assets,	<u>\$ 15,011,147</u>	<u>(379,692)</u>	<u>13,491</u>	<u>19,144</u>	<u>14,637,108</u>

Adjustments were made to properly present accumulated depreciation at year end.

The amount of depreciation expense charged to the respective governmental activities' function in the government-wide Statement of Activities for the period is as follows:

	Amount
General Government	\$ 25,765
Public Safety	404,935
Public Works	396,618
Total depreciation expense	<u>\$ 827,318</u>

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City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

6. LONG - TERM OBLIGATIONS

A. Changes in Long-Term Obligations

The following is a summary of changes in long-term debt:

	Balance 10-1-2014	Additions	Reductions	Balance 9-30-2015	Amounts due within one year
<u>General Obligation Bonds</u>					
Public Improvement	\$ 4,625,000		195,000	4,430,000	205,000
Total General Obligation Bonds	<u>4,625,000</u>	<u>0</u>	<u>195,000</u>	<u>4,430,000</u>	<u>205,000</u>
<u>Other Long - Term Debt</u>					
Motorola Lease Purchases	81,848		81,848	0	0
Motorola Lease Purchases	53,529		53,529	0	0
Motorola Lease Purchases	266,633		49,663	216,970	51,430
Sirens Commercial Lease	22,266		22,266	0	0
Quick Attack Vehicle Lease	64,445		31,645	32,800	32,800
Caterpillar CB24B Asphalt Compactor		43,682	4,752	38,930	4,860
Compensated Absences	145,785	128,785	716	273,854	13,693
	<u>634,506</u>	<u>172,467</u>	<u>190,004</u>	<u>562,554</u>	<u>102,783</u>
Total Other Long-Term Debt	<u>634,506</u>	<u>172,467</u>	<u>190,004</u>	<u>562,554</u>	<u>102,783</u>
Total Long-Term Debt	\$ 5,259,506	172,467	385,004	4,992,554	307,783

B. Currently Outstanding Long-Term Obligations

Other Long-term debt currently outstanding are as follows:

	Date of Obligation	Date of Maturity	Interest Rate	Original Amount	Balance 9-30-2015
<u>General Obligation Bonds</u>					
Public Improvement	8/1/12	8/1/32	2.4 - 3.4%	\$ 5,000,000	4,430,000
Total General Obligation Bonds				<u>5,000,000</u>	<u>4,430,000</u>
<u>Other Long - Term Debt</u>					
Motorola leases	6/1/11	10/1/14	3.82%	152,799	0
Motorola leases	5/1/11	10/1/14	3.82%	232,890	0
Motorola leases	10/1/13	10/1/18	3.56%	266,633	216,970
Sirens Commercial Lease	11/10/11	11/1/14	6.36%	63,696	0
Quick Attack Vehicle Lease	2/15/12	10/31/15	3.65%	125,671	32,800
Caterpillar CB24B Asphalt Compactor	10/13/14	10/13/19	2.70%	43,682	38,930
Total Other Long-Term Debt				<u>\$ 618,738</u>	<u>288,700</u>
Total Long-Term Debt				\$ 5,618,738	4,718,700

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

C. Summary of Annual Debt Service Requirements To Maturity - Annual Principal & Interest

General Obligation Bonds

The City issues general obligation bonds to provide funds for City improvements. These are direct obligations and pledge the full faith and credit of the City. Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2016	\$ 205,000	122,920	327,920
2017	210,000	115,950	325,950
2018	215,000	108,810	323,810
2019	220,000	101,500	321,500
2020	230,000	94,020	324,020
2021 - 2025	1,255,000	353,810	1,608,810
2026 - 2030	1,455,000	183,720	1,638,720
2031 - 2032	640,000	23,160	663,160
Total	\$ 4,430,000	1,103,890	5,533,890

The amount of general obligation bonded debt that can be incurred by the City is limited by state statute. Total outstanding bonded debt during a year can be no greater than 15% of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation, unless certain conditions, such as set forth in state statutes under Mississippi Code Ann., Section 21-33-303, have been met which increases the bonded debt to no greater than 20% of the assessed value. As of September 30, 2015, the amount of outstanding bonded debt was equal to 5.02% property assessments of \$88,192,189, computed as follows:

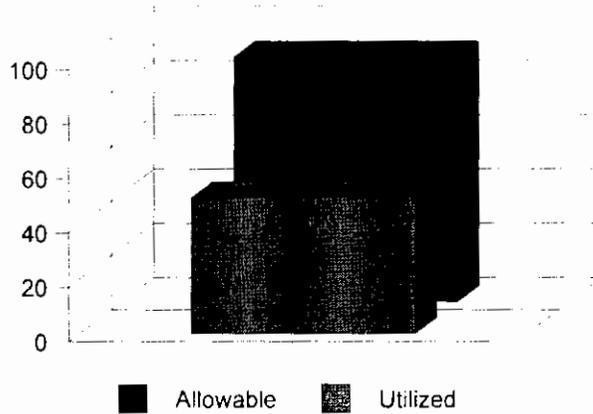
Bonded Debt:	
General Obligation Bonds	\$ 4,430,000
Enterprise Funds	700,000
Less Excludable Debt:	
Enterprise Funds	<u>(700,000)</u>
Total Debt Subject to Limitation	<u>\$ 4,430,000</u>
Assessed Valuation	\$ 88,192,189
Percentage	5.02%

The following is a graphic representation of the bond debt capacity.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Bond Debt Capacity



Other Long-term Debt

Motorola Lease Purchases

This debt was paid off and retired from the General Fund.

Motorola Lease Purchases

This debt was paid off and retired from the General Fund.

Motorola Lease Purchases

Annual debt service requirements to maturity are as follows:

<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>		
\$266,633	10/1/13	10/1/18		
<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
<u>September 30</u>				
2016	\$ 51,430	7,724	59,154	
2017	53,261	5,893	59,154	
2018	55,158	3,997	59,155	
2019	57,121	2,034	59,155	
Total	\$ 216,970	19,648	236,618	

This debt is to be retired from the General Fund.

Sirens Commercial Lease

This debt was paid off and retired from the General Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Quick Attack Vehicle Lease

Annual debt service requirements to maturity are as follows:

<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	
\$125,671	2/15/12	10/31/15	
Year Ending September 30	Principal	Interest	Total
2016	\$ 32,800	1,198	33,998

This debt is to be retired from the General Fund.

Caterpillar CB24B Asphalt Compactor

Annual debt service requirements to maturity are as follows:

<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	
\$43,682	10/13/14	10/13/19	
Year Ending September 30	Principal	Interest	Total
2016	\$ 4,860	828	5,688
2017	6,005	820	6,825
2018	6,183	642	6,825
2019	6,352	473	6,825
2020	15,530	184	15,714
Total	\$ 38,930	2,947	41,877

This debt is to be retired from the General Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

7. BUSINESS-TYPE ACTIVITIES - CAPITAL ASSETS

The following is a summary of the capital assets of the Enterprise Fund at September 30, 2015:

	<u>Balance</u> 10-1-2014	<u>Additions</u>	<u>Balance</u> 9-30-2015
<u>Depreciable capital assets:</u>			
Infrastructure	\$ 2,379,324	550,000	2,929,324
Improvements other than buildings	104,290		104,290
Mobile equipment	20,124	15,759	35,883
Furniture and equipment	225,217	23,502	248,719
Total depreciable capital assets	<u>2,728,955</u>	<u>589,261</u>	<u>3,318,216</u>
<u>Less accumulated depreciation for:</u>			
Infrastructure	188,240	89,848	278,088
Improvements other than buildings	7,668	7,398	15,066
Mobile equipment	7,900	6,010	13,910
Furniture and equipment	55,968	30,182	86,150
Total accumulated depreciation	<u>259,776</u>	<u>133,438</u>	<u>393,214</u>
Total depreciable capital assets, net	<u>2,469,179</u>	<u>455,823</u>	<u>2,925,002</u>
Business-type activities capital assets, net	<u>\$ 2,469,179</u>	<u>455,823</u>	<u>2,925,002</u>

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

8. BUSINESS-TYPE ACTIVITIES - LONG-TERM DEBT

The following is a detail of changes in the enterprise funds long-term debt.

	Balance 10-1-2014	Additions	Reductions	Balance 9-30-2015	Amounts due within one year
<u>General Obligation Bonds</u>					
General Obligation Bond, Series 2015	\$	700,000		700,000	60,000
Total General Obligation Bonds	<u>0</u>	<u>700,000</u>	<u>0</u>	<u>700,000</u>	<u>60,000</u>
<u>Other Long - Term Debt</u>					
State Revolving Fund (SRF) Sewer Improvements Loan	2,529,899		123,293	2,406,606	125,468
State Revolving Fund (SRF) Water Pollution Loan	595,402		25,979	569,423	26,437
Compensated Absences	3,485	127	734	2,878	144
Total Other Long-Term Debt	<u>3,128,786</u>	<u>127</u>	<u>150,006</u>	<u>2,978,907</u>	<u>152,049</u>
	<u>\$ 3,128,786</u>	<u>700,127</u>	<u>150,006</u>	<u>3,678,907</u>	<u>212,049</u>

	Date of Obligation	Date of Maturity	Interest Rate	Original Amount	Balance 9-30-2015
<u>General Obligation Bonds</u>					
General Obligation Bond, Series 2015	9/1/15	9/1/25	2.1-3.0%	\$ 700,000	700,000
Total General Obligation Bonds				<u>700,000</u>	<u>700,000</u>
<u>Other Long - Term Debt</u>					
State Revolving Fund (SRF) Sewer Improvements Loan	9/1/12	5/1/32	1.75%	2,750,000	2,406,606
State Revolving Fund (SRF) Water Pollution Loan	5/1/14	2/1/34	1.75%	677,082	569,423
Total Other Long-Term Debt				<u>\$ 3,427,082</u>	<u>2,976,029</u>
Total Long-Term Debt				<u>\$ 4,127,082</u>	<u>3,676,029</u>

General Obligation Bond

General obligation enterprise bonds are, as their name implies, general obligations of the City of Byram, Mississippi. The Sewer bond bear interest at a variable rate of 11%. Accordingly, such annual debt service requirements to maturity for the City's proprietary fund bond is as follows:

Year Ending June 30	Principal	Interest	Total
2016	\$ 60,000	17,475	77,475
2017	65,000	16,215	81,215
2018	65,000	14,850	79,850
2019	65,000	13,485	78,485
2020	70,000	12,055	82,055
2021 - 2025	<u>375,000</u>	<u>32,650</u>	<u>407,650</u>
Total	<u>\$ 700,000</u>	<u>106,730</u>	<u>806,730</u>

This debt will be paid from the Sewer Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Other Long-Term Debt

State Revolving Fund (SRF) Sewer Improvements loan:

<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$2,750,000	9/1/12	5/1/32	1.75%
Year Ending			
June 30		Principal	Interest
2016	\$	125,468	41,112
2017		127,682	38,899
2018		129,934	36,647
2019		132,226	34,354
2020		134,559	32,022
2021 - 2025		709,251	123,654
2026 - 2030		774,057	58,848
2031 - 2032		273,429	4,206
Total	\$	2,406,606	369,742
			2,776,348

This debt will be paid from the Sewer Fund.

State Revolving Fund (SRF) Water Pollution Loan:

<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$677,082	5/1/14	2/1/34	1.75%
Year Ending			
June 30		Principal	Interest
2016	\$	26,437	9,753
2017		26,904	9,287
2018		27,378	8,813
2019		27,861	8,330
2020		28,353	7,838
2021 - 2025		149,445	31,509
2026 - 2030		163,100	17,854
2031 - 2034		119,945	3,707
Total	\$	569,423	97,091
			666,514

Full line of credit (\$677,082) has yet to be drawn. Loan will capitalize upon completion of draws made from line of credit.

This debt will be retired from the Sewer Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

9. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The City contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan as defined in GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Membership in PERS is a condition of employment and is granted upon hiring for qualifying employees and officials of the City. Code Section 25-11-15, Mississippi Code Ann. (1972) grants the authority for general administration and proper operation of PERS to the PERS Board Trustees (PERS Board). PERS issues a publicly available financial report that includes financial statements and required supplementary information. PERS issues a publicly available Comprehensive Annual Financial Report that can be obtained at www.pers.ms.gov.

Benefits provided. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary. Benefit provisions are established by Section 25-11-1 et. Seq., Mississippi Code Ann. (1972) and may be amended only by the State of Mississippi Legislature.

A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter.

Contributions. Per Chapter 11 of Title 25, Mississippi Code Ann. (1972), contribution requirements of plan members and their employers are established and may be amended only by the PERS Board. The adequacy of these rates is assessed annually by actuarial valuation. For the year ended September 30, 2015, member employees were required to contribute 9.00% of their annual pay, while the City's required contribution rate was 15.75% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The City's employer contributions to PERS for the fiscal years ending September 30, 2015, 2014 and 2013 were \$434,495, \$381,423, and \$321,730, respectively. The contributions for each year met the required contributions.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the city reported a liability of \$6,645,406 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's employer contributions to the pension plan relative to the total contributions of all participating employers. At June 30, 2015, the City's proportion was 0.042990 percent, which was an increase from its proportion measured as of June 30, 2014.

For the year ended June 30, 2015, the City recognized pension expense of \$841,632. At June 30, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 102,269
Net difference between projected and actual earnings on pension plan investments	388,827
Changes of assumptions	572,479
Changes in proportion and differences between City contributions and proportionate share of contributions	134,951
City contributions subsequent to the measurement date	<u>102,271</u>
Total	<u>\$ 1,300,798</u>

\$102,271 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:		
2016	\$	394,890
2017		394,890
2018		311,540
2019		<u>97,206</u>
Total	\$	<u>1,198,526</u>

Actuarial assumptions. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

Inflation	3.0 percent
Salary increases	3.75 – 19.00 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2025, set forward two years for males.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 and June 30, 2014. The experience report is dated May 4, 2015.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Broad	34%	5.20%
International Equity	19%	5.00%
Emerging Markets Equity	8%	5.45%
Fixed Income	20%	0.25%
Real Assets	10%	4.00%
Private Equity	8%	6.15%
Cash	1%	(0.50)%
Total	<u>100%</u>	

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current employer contribution rate (15.75%). Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
City's proportionate share of the net pension liability	\$ 8,759,254	\$ 6,645,406	\$ 4,891,308

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS Comprehensive Annual Report, publicly available at www.pers.ms.gov.

10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The city finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The city pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$500,000 for employees for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures. A report can be obtained by accessing the following website: <http://www.mwcc.state.ms.us/> or by writing to the Mississippi Workers' Compensation Commission at PO Box 5300, Jackson, Mississippi 39296-5300.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

11. PRIOR PERIOD ADJUSTMENTS

A summary of significant fund equity adjustments are as follows:

Exhibit A-2 - Statement of Activities

<u>Explanation:</u>	<u>Amount</u>
<u>Governmental Activities:</u>	
1. Implementation of GASB 68 and 71:	
Net pension liability (09-30-14)	\$ (4,465,037)
Deferred outflows - contributions made during fiscal year 2014	<u>87,774</u>
Total prior period adjustment related to GASB 68 and 71	(4,377,263)
2. Adjustments were made to properly present accumulated depreciation at year end.	<u>19,144</u>
Total	<u>(4,358,119)</u>

Business-Type Activities:

1. Implementation of GASB 68 and 71:	
Net pension liability (09-30-14)	(232,556)
Deferred outflows - contributions made during fiscal year 2014	<u>4,572</u>
Total prior period adjustment related to GASB 68 and 71	<u>(227,984)</u>

Exhibit A-8 - Statement of Revenues, Expenditures and Changes in Net Position

<u>Fund</u>	<u>Explanation</u>	<u>Amount</u>
Sewer Fund	See explanation above.	\$ <u>(227,984)</u>

12. CONTINGENCIES

Litigation - The city is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the city in respect to the various proceedings.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2015

13. DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS

A generic fund type listing of the individual funds that have a deficit fund balance, including amounts of the deficits, is as follows:

	<u>Amount</u>
<u>Enterprise Fund</u>	
Sewer Fund	\$ 1,011,472
<u>Capital Project Funds</u>	
CDBG - Lake Ridgela Sewer Fund	13,348
2015 General Obligation Fund	33,334

This deficit is not in violation of state law and will be remedied by either transfers from the General Fund or anticipated future revenues of the Sewer Fund.

14. EFFECT OF DEFERRED AMOUNTS IN NET POSITION

The unrestricted net position amount of (\$370,445) in the business-type activities includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. The \$64,397 balance of deferred outflow of resources, at September 30, 2015 will be recognized as an expense and will decrease the unrestricted net position over the next 3 years.

The unrestricted net position amount of (\$976,426) in the governmental activities includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. The \$1,236,401 balance of deferred outflow of resources, at September 30, 2015 will be recognized as an expense and will decrease the unrestricted net position over the next 3 years.

15. INSURANCE PROCEEDS

The City of Byram received \$14,300 in insurance proceeds related to vehicle damage during the 2014-2015 fiscal year.

16. SUBSEQUENT EVENTS

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the City of Byram evaluated the activity of the city through the date the financial statements were available to be issued, and determined that a subsequent event has occurred requiring disclosure in the notes to the financial statements:

The City signed a capital lease for a Caterpillar 420F2 Backhoe Loader in the amount of \$106,125. It bears an interest rate of 2.05% and matures on January 15, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required to be accounted for in another fund.

The City maintains one general fund.

City of Byram, Mississippi
 General Fund
 Budgetary Comparison Schedule
 For the Year Ended September 30, 2015

Exhibit B-1

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Sales taxes	\$ 1,929,000	1,929,000	1,820,194	(108,806)
Property taxes	2,639,529	2,643,474	2,698,831	55,357
Licenses and permits	430,500	523,500	525,063	1,563
Fines and forfeitures	290,500	255,500	234,269	(21,231)
Investment income	-	-	4,904	4,904
Grants and donations	-	-	9,600	9,600
Charges for services	-	-	125,240	125,240
Intergovernmental programs	255,100	255,100	483,649	228,549
Other	366,700	352,700	47,222	(305,478)
Total Revenues	5,911,329	5,959,274	5,948,972	(10,302)
Expenditures:				
Current:				
General government:				
Personnel services	638,519	604,584	584,272	20,312
Supplies	44,385	34,885	19,732	15,153
Services	560,022	538,672	450,515	88,157
Capital outlay/debt service	253,219	318,380	47,157	271,223
	1,496,145	1,496,521	1,101,676	394,845
Public safety				
Personnel services	3,033,676	2,860,271	2,775,031	85,240
Supplies	325,875	294,775	237,214	57,561
Services	487,887	477,087	434,031	43,056
Capital outlay/debt service	514,192	530,839	225,024	305,815
	4,361,630	4,162,972	3,671,300	491,672
Public services				
Personnel services	476,658	424,000	326,642	97,358
Supplies	114,300	144,450	113,786	30,664
Services	224,016	229,416	192,858	36,558
Capital outlay/debt service	760,400	760,400	773,105	(12,705)
	1,575,374	1,558,266	1,406,391	151,875
Culture and recreation				
Supplies	7,000	7,000	5,717	1,283
Services	11,000	27,500	22,950	4,550
Capital outlay/debt service	20,000	3,500	-	3,500
	38,000	38,000	28,667	9,333
Debt service:				
Principal	216,797	237,838	243,703	(5,865)
Interest	23,637	19,245	19,064	181
	240,434	257,083	262,767	(5,684)
Total Expenditures	7,711,583	7,512,842	6,470,801	(1,042,041)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,800,254)	(1,553,568)	(521,829)	(1,031,739)
Other Financing Sources (Uses):				
Inception of capital leases	-	-	43,682	43,682
Transfers in	2,869,370	4,711,071	-	(4,711,071)
Transfers out	(1,301,415)	(3,414,586)	-	3,414,586
Insurance proceeds	-	-	14,300	14,300
Other	-	-	(271)	(271)
Total Other Financing Sources (Uses)	1,567,955	1,296,485	57,711	(1,238,774)
Net Change in Fund Balance	(232,299)	(257,083)	(464,118)	(207,035)
Fund Balances - Beginning	-	-	4,937,879	4,937,879
Fund Balances - September 30	\$ (232,299)	(257,083)	4,473,761	4,730,844

City of Byram, Mississippi

Schedule of the City's Proportionate Share of the Net Pension Liability

PERS

Last 10 Fiscal Years*

	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset) \$	6,645,406	4,697,593
City's proportionate share of the net pension liability (asset)	0.042990%	0.038701%
City's covered - employee payroll	2,421,733	2,042,730
City's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	274.41%	229.97%
Plan fiduciary net position as a percentage of the total pension liability	61.70%	67.21%

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However GASB 68 was implemented in FYE 15, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

City of Byram, Mississippi
 Schedule of the City's Contributions
 PERS
 Last 10 Fiscal Years*

	2015	2014
Contractually required contribution	\$ <u>102,271</u>	<u>92,345</u>
Contributions in relation to the contractually required contribution	102,271	92,345
Contribution deficiency (excess)	\$ <u><u>-</u></u>	<u><u>-</u></u>
City's covered - employee payroll	649,340	586,317
Contributions as a percentage of covered - employee payroll	15.75%	15.75%

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 15, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

City of Byram, Mississippi

Notes to the Required Supplementary Information
For the Year Ended September 30, 2015

Budgetary Comparison Schedule

(1) Basis of Presentation

All funds of the City of Byram, Mississippi, governmental and business-type, are budgeted. The funds budgeted are presented in either this section or in the following schedules presented in the other supplementary information of this report. For comparison purposes, the final, amended budget is utilized, and it is presented on a modified cash basis of accounting as required by the State of Mississippi, which is not consistent with generally accepted accounting principles. All budgetary appropriations lapse at year-end.

(2) Budget amendments and revisions

The budget is adopted and may be amended by the Board of Aldermen/Alderwomen. A budgetary comparison is presented for the general fund and each major fund and is presented on a modified cash basis of accounting.

(3) This year there were no adjustments to reconcile the modified cash basis of accounting to GAAP.

Pension Schedules

(1) Change of Benefit Terms

None

(2) Change of Assumptions

In 2015 and later, the expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015. In 2015, the expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual expenditures. In 2015, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. Finally, the price inflation and investment rate of return assumptions were changed from 3.5% to 3% and 8% to 7.75%, respectively.

OTHER SUPPLEMENTARY INFORMATION

Supplementary information is presented to provide greater detailed information than reported in the preceding financial statements. This information, in many cases, has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation, in order to be in conformity with Generally Accepted Accounting Principles.

CITY OF BYRAM, MISSISSIPPI
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2015

	Special Revenue Funds	Debt Service Fund 2010 GO Bond & Interest Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS:				
Pooled cash and cash equivalents	\$ 154,590	\$ 131,802	\$ 96,311	\$ 382,703
Total Assets	<u>\$ 154,590</u>	<u>\$ 131,802</u>	<u>\$ 96,311</u>	<u>\$ 382,703</u>
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Accounts payable	\$ --	\$ --	\$ 13,685	\$ 13,685
Interfund payable	--	--	34,450	34,450
Total Liabilities	<u>--</u>	<u>--</u>	<u>48,135</u>	<u>48,135</u>
FUND BALANCES:				
RESTRICTED:				
Unemployment benefits	100,175	--	--	100,175
Public safety	54,415	--	--	54,415
Capital projects	--	--	48,176	48,176
Debt services	--	131,802	--	131,802
Total Fund Balances	<u>154,590</u>	<u>131,802</u>	<u>48,176</u>	<u>334,568</u>
Total Liabilities and Fund Balances	<u>\$ 154,590</u>	<u>\$ 131,802</u>	<u>\$ 96,311</u>	<u>\$ 382,703</u>

CITY OF BYRAM, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Funds	Debt Service Fund 2010 GO Bond & Interest Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
Property taxes	\$ --	\$ 370,356	\$ --	\$ 370,356
Investment income	197	253	1,270	1,720
Grants and donations	24,514	--	--	24,514
Intergovernmental programs	20,731	15,620	31,307	67,658
Other	1,326	--	--	1,326
Total Revenues	<u>46,768</u>	<u>386,229</u>	<u>32,577</u>	<u>465,574</u>
Expenditures:				
Current:				
General government	--	6,609	--	6,609
Public safety	--	--	104,404	104,404
Public services	--	--	110,844	110,844
Debt service:				
Principal	--	195,000	--	195,000
Interest	--	129,550	--	129,550
Other	--	500	--	500
Total Expenditures	<u>--</u>	<u>331,659</u>	<u>215,248</u>	<u>546,907</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,768	54,570	(182,671)	(81,333)
Other Financing Sources (Uses):				
Transfers in	--	--	31,402	31,402
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>31,402</u>	<u>31,402</u>
Net Change in Fund Balances	46,768	54,570	(151,269)	(49,931)
Fund Balances - Beginning	107,822	77,232	199,445	384,499
Fund Balances - Ending	<u>\$ 154,590</u>	<u>\$ 131,802</u>	<u>\$ 48,176</u>	<u>\$ 334,568</u>

SPECIAL REVENUE FUNDS

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific expenditure purposes.

The City maintains the following two (2) special revenue funds to accomplish the afore stated purposes:

1. Law Enforcement Fund
2. Unemployment Fund

**CITY OF BYRAM, MISSISSIPPI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2015**

	<u>Law Enforcement</u>	<u>Unemployment Fund</u>	<u>Total Nonmajor Special Revenue Funds (See Exhibit C-1)</u>
ASSETS:			
Pooled cash and cash equivalents	\$ 54,415	\$ 100,175	\$ 154,590
Total Assets	<u>\$ 54,415</u>	<u>\$ 100,175</u>	<u>\$ 154,590</u>
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES:			
RESTRICTED:			
Unemployment benefits	--	100,175	100,175
Public safety	54,415	--	54,415
Total Fund Balances	<u>54,415</u>	<u>100,175</u>	<u>154,590</u>
Total Liabilities and Fund Balances	<u>\$ 54,415</u>	<u>\$ 100,175</u>	<u>\$ 154,590</u>

CITY OF BYRAM, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Law Enforcement	Unemployment Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenues:			
Investment income	\$ 66	\$ 131	\$ 197
Grants and donations	--	24,514	24,514
Intergovernmental programs	20,731	--	20,731
Other	--	1,326	1,326
Total Revenues	<u>20,797</u>	<u>25,971</u>	<u>46,768</u>
Expenditures:			
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,797	25,971	46,768
Other Financing Sources (Uses):			
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	20,797	25,971	46,768
Fund Balances - Beginning	33,618	74,204	107,822
Fund Balances - Ending	<u>\$ 54,415</u>	<u>\$ 100,175</u>	<u>\$ 154,590</u>

CITY OF BYRAM, MISSISSIPPI
 Law Enforcement Fund
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended September 30, 2015

Exhibit C-5

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Investment income	\$ 5	45	66	21
Intergovernmental programs	5,000	19,000	20,731	1,731
Total Revenues	5,005	19,045	20,797	1,752
Expenditures:				
General government:				
Supplies	600	600	-	600
Total Expenditures	600	600	-	600
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,405	18,445	20,797	2,352
Net Change in Fund Balances	4,405	18,445	20,797	2,352
Fund Balances - Beginning	-	-	33,618	33,618
Fund Balances - Ending	\$ 4,405	18,445	54,415	35,970

CITY OF BYRAM, MISSISSIPPI
 Unemployment Fund
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended September 30, 2015

Exhibit C-6

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Investment income	\$ -	-	131	131
Grants and donations	25,480	25,230	24,514	(716)
Other	-	-	1,326	1,326
Total Revenues	25,480	25,230	25,971	741
Expenditures:				
General government:				
Services	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,480	25,230	25,971	741
Net Change in Fund Balances	25,480	25,230	25,971	741
Fund Balances - Beginning	-	-	74,204	74,204
Fund Balances - Ending	\$ 25,480	25,230	100,175	74,945

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DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal which are obligated in some manner for payment.

The City maintains only one debt service fund to accomplish the afore stated purpose:

1. 2012 GO Bond & Interest Fund

CITY OF BYRAM, MISSISSIPPI
 2012 GO Bond & Interest Fund
 Debt Service Fund
 Budgetary Comparison Schedule
 For the Year Ended September 30, 2015

Exhibit C-7

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Property taxes	\$ 342,861	347,161	370,356	23,195
Licences and permits	-	-	253	253
Investment income	100	200	-	(200)
Intergovernmental programs	-	7,500	15,620	8,120
Total Revenues	342,961	354,861	386,229	31,368
Expenditures:				
General government:				
Services	7,750	7,250	6,609	641
	7,750	7,250	6,609	641
Debt Service:				
Principal	195,000	195,000	195,000	-
Interest	129,550	129,550	129,550	-
Other	1,000	1,000	500	500
	325,550	325,550	325,050	500
Total Expenditures	333,300	332,800	331,659	1,141
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,661	22,061	54,570	32,509
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	9,661	22,061	54,570	32,509
Fund Balances - Beginning	-	-	77,232	77,232
Fund Balances - Ending	\$ 9,661	22,061	131,802	109,741

CAPITAL PROJECT FUNDS

The Capital Project Fund Type is used to account for financial resources used for the acquisition and construction of major capital facilities other than those financed by proprietary funds. Individual capital project funds are utilized by the municipality to account for its construction projects.

The City maintains only two capital project funds as follows:

1. CDBG - Lake Ridgelea Sewer Fund
2. 2015 GO Bond Fund
3. 2012 GO Bond Fund

**CITY OF BYRAM, MISSISSIPPI
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2015**

	CDBG - Lake Ridgelea Sewer Fund	2015 GO Bond Fund	2012 GO Bond Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
Assets:				
Pooled cash and cash equivalents	\$ 337	\$ 1,116	\$ 94,858	\$ 96,311
Total Assets	<u>\$ 337</u>	<u>\$ 1,116</u>	<u>\$ 94,858</u>	<u>\$ 96,311</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 13,685	\$ --	\$ --	\$ 13,685
Interfund payable	--	34,450	--	34,450
Total Liabilities	<u>13,685</u>	<u>34,450</u>	<u>--</u>	<u>48,135</u>
Fund Balances:				
Restricted:				
Capital projects	--	--	94,858	94,858
Unassigned	(13,348)	(33,334)	--	(46,682)
Total Fund Balances	<u>(13,348)</u>	<u>(33,334)</u>	<u>94,858</u>	<u>48,176</u>
Total Liabilities and Fund Balances	<u>\$ 337</u>	<u>\$ 1,116</u>	<u>\$ 94,858</u>	<u>\$ 96,311</u>

CITY OF BYRAM, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	CDBG - Lake Ridgelea Sewer Fund	2015 GO Bond Fund	2012 GO Bond Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenues:				
Investment income	\$ --	\$ 1,116	\$ 154	\$ 1,270
Intergovernmental programs	31,307	--	--	31,307
Total Revenues	<u>31,307</u>	<u>1,116</u>	<u>154</u>	<u>32,577</u>
Expenditures:				
Current:				
Public safety	--	--	104,404	104,404
Public services	76,394	34,450	--	110,844
Total Expenditures	<u>76,394</u>	<u>34,450</u>	<u>104,404</u>	<u>215,248</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,087)	(33,334)	(104,250)	(182,671)
Other Financing Sources (Uses):				
Transfers in	31,402	--	--	31,402
Total Other Financing Sources (Uses)	<u>31,402</u>	<u>--</u>	<u>--</u>	<u>31,402</u>
Net Change in Fund Balances	(13,685)	(33,334)	(104,250)	(151,269)
Fund Balances - Beginning	337	--	199,108	199,445
Fund Balances - Ending	<u>\$ (13,348)</u>	<u>\$ (33,334)</u>	<u>\$ 94,858</u>	<u>\$ 48,176</u>

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the services to the general public on a continuing basis are financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

The City of Byram, Mississippi operates the following Enterprise Fund:

Sewer Fund - This enterprise fund is financed with public improvement funds that accounts for resources and expenditures with the construction of eligible pollution control projects.

CITY OF BYRAM, MISSISSIPPI

Exhibit C-10

Sewer Fund

Enterprise Fund

Budgetary Comparison Schedule

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Charges for services	\$ 657,479	617,479	848,884	231,405
Total Revenues	657,479	617,479	848,884	231,405
Expenditures:				
Personal services	188,345	199,417	235,404	(35,987)
Supplies	38,600	45,100	44,864	236
Contract services	163,650	209,200	192,486	16,714
Depreciation	-	-	133,438	(133,438)
Capital outlay/debt service	211,272	797,272	-	797,272
Miscellaneous	-	-	51,024	(51,024)
Total Expenditures	601,867	1,250,989	657,216	593,773
Operating Income (Loss)	55,612	(633,510)	191,668	825,178
Non-Operating Revenues (Expenses):				
Bond proceeds	-	675,000	-	(675,000)
Loan proceeds	600,000	-	-	-
Interest revenue	100	100	45	(55)
Other revenues	20,425	45,425	-	(45,425)
Debt service interest	53,500	54,000	(57,839)	(111,839)
Total Non-Operating Revenues (Expenses)	674,025	774,525	(57,794)	(832,319)
Net Income (Loss) before Operating Transfers	729,637	141,015	133,874	(7,141)
Transfers out	(600,000)	(32,000)	(31,402)	598
Net Income (Loss)	129,637	109,015	102,472	(6,543)
Net Position- Beginning, as previously reported	-	-	(885,960)	(885,960)
Prior Period Adjustment	-	-	(227,984)	(227,984)
Net Position (Deficit) - Beginning, as restated	-	-	(1,113,944)	(1,113,944)
Net Position (Deficit) - Ending	\$ 129,637	109,015	(1,011,472)	(1,120,487)

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OTHER INFORMATION

City of Byram, Mississippi
 Schedule of Surety Bonds for Municipal Officials
 September 30, 2015

Name	Position	Company	Bond Amount
Richard White	Mayor	Travelers Casualty & Surety	\$ 100,000
Richard Cook	Alderman At Large	Travelers Casualty & Surety	\$ 100,000
Jim Moser	Alderman	Travelers Casualty & Surety	\$ 100,000
Diandra A. Hosey	Alderman	Travelers Casualty & Surety	\$ 100,000
Theresa Marble	Alderman	Travelers Casualty & Surety	\$ 100,000
Teresa Mack	Alderman	Travelers Casualty & Surety	\$ 100,000
Wanda Smith	Alderman	Travelers Casualty & Surety	\$ 100,000
D.L. Ford	Alderman	Travelers Casualty & Surety	\$ 100,000
Angela Richburg	City Clerk	Travelers Casualty & Surety	\$ 50,000
Linda White	Deputy City Clerk	Travelers Casualty & Surety	\$ 50,000
Luke Thompson	Police Chief	Travelers Casualty & Surety	\$ 50,000
Paula Morrison	Court Clerk	Travelers Casualty & Surety	\$ 50,000
Darnishia Norwood	Deputy Court Clerk	Travelers Casualty & Surety	\$ 50,000
Ayn Reed	Executive Asst	Travelers Casualty & Surety	\$ 50,000
Stacy Gallagher	CID Admin Asst	Travelers Casualty & Surety	\$ 50,000
Kitty Thompson	Compliance Clerk	Travelers Casualty & Surety	\$ 50,000
Hiawatha Stewart	Records Clerk	Travelers Casualty & Surety	\$ 50,000
Courtney Walters	Sewer Billing Clerk	Travelers Casualty & Surety	\$ 50,000
Reginald Cooper	Police Officer	Travelers Casualty & Surety	\$ 50,000
Colin Cooper	Police Officer	Travelers Casualty & Surety	\$ 50,000
Ford Hayman	Police Officer	Travelers Casualty & Surety	\$ 50,000
Maurice Kendrick	Police Officer	Travelers Casualty & Surety	\$ 50,000

City of Byram, Mississippi
 Schedule of Long-Term Debt
 September 30, 2015

Schedule D-2

Date of Obligation	Date of Maturity	Interest Rate	Original Amount	Balance October 1, 2014	Current Year Transactions		Balance September 30, 2015
					Additions	Reductions	
Long-Term Debt							
General Obligations Bonds							
8/1/2012	8/1/2032	2.4 - 3.4%	5,000,000	\$ 4,625,000	-	195,000	4,430,000
Total General Obligation Bonds				\$ 4,625,000	-	195,000	4,430,000
Other Long-Term Debt							
6/1/2011	10/1/2014	3.82%	152,799	\$ 53,529	-	53,529	-
5/1/2011	10/1/2014	3.82%	232,890	81,848	-	81,848	-
10/1/2013	10/1/2018	3.56%	266,633	266,633	-	49,663	216,970
11/10/2011	11/1/2014	6.36%	63,696	22,266	-	22,266	-
2/15/2012	10/31/2015	3.65%	125,671	64,445	-	31,645	32,800
10/13/2014	10/13/2019	2.70%	43,682	-	43,682	4,752	38,930
Total Other Long-Term Debt				\$ 488,721	43,682	243,703	288,700
Total Long-Term Debt				\$ 5,113,721	43,682	438,703	4,718,700
Enterprise Fund Type							
General Obligations Bonds							
9/1/2015	9/1/2025	11%	700,000	\$ -	700,000	-	700,000
Total General Obligation Bonds				\$ -	700,000	-	700,000
Other Long-Term Debt							
9/1/2012	5/1/2032	1.75%	2,750,000	\$ 2,529,899	-	123,293	2,406,606
5/1/2014	2/1/2034	1.75%	212,798	595,402	-	25,979	569,423
Total Other Long-Term Debt				\$ 3,125,301	-	149,272	2,976,029
Total Long-Term Debt				\$ 3,125,301	700,000	149,272	3,676,029

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III

STATISTICAL SECTION



financial health.

Financial Trends

These schedules contain financial trends information intended to assist the reader in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its own-source revenues-property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

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III

STATISTICAL SECTION

This part of the City of Byram's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Financial Trends

Table 1	General Governmental Expenditures by Function
Table 2	General Revenues by Source
Table 3	Fund Balance and Net Position Information
Table 4	Schedule of Changes in Net Position
Table 5	Schedule of Changes in Fund Balance

Revenue Capacity

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Debt Capacity

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Demographic and Economic Information

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Table 21	Operating Indicators by Function
Table 22	Capital Assets Indicators by Function
Table 23	Miscellaneous Statistics

City of Byram
Table 1
General Governmental Expenditures by Function
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year	General Government	Public Safety	Public Works	Culture and Recreation	Debt Service	Total
2009	-	-	-	-	-	-
2010	697,009	469,942	98,528	-	-	1,265,479
2011	339,846	2,920,942	480,740	18,945	-	3,760,473
2012	1,553,118	3,270,479	2,141,336	33,049	97,700	7,095,682
2013	1,271,893	3,724,737	2,416,541	25,437	525,722	7,964,330
2014	1,115,623	5,420,550	1,828,814	4,062	523,933	8,892,982
2015	1,108,285	3,775,704	1,517,235	28,667	587,817	7,017,708

City of Byram
Table 2
General Revenues by Source
Last 10 Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Taxes	Licenses & Permits	Inter-Governmental Revenue	Charges for Services	Fines	Grants & Donations	Interest Earned	Misc.	Total
2009	-	-	-	-	-	-	-	-	-
2010	3,800	210	144	1	-	-	19	15	4,189
2011	4,070	386	542	18	163	-	43	18	5,240
2012	4,272	385	430	16	379	61	27	19	5,589
2013	4,972	385	1,087	24	289	29	28	20	6,834
2014	4,884	444	859	17	401	25	10	33	6,674
2015	4,889	525	551	125	234	34	7	49	6,415

City of Byram
Table 3
Fund Balance and Net Position Information
Fiscal Years Beginning with Year of Incorporation
(amounts expressed in thousands)

	2009	2010	2011	2012	2013	2014	2015
Governmental Funds Fund Balances							
General Fund							
Unassigned	\$0	\$2,923	\$4,123	\$4,204	\$4,711	\$4,938	\$4,474
Total General Fund	-	2,923	4,123	4,204	4,711	4,938	4,474
All Other Governmental Funds							
Restricted:							
Unemployment	\$0	\$1	\$14	\$35	\$54	\$74	\$100
Public Safety	-	-	-	1	1	34	54
Capital Projects	-	-	-	3,614	2,105	199	48
Debt Service	-	-	-	8	45	77	132
Unassigned:	-	-	-	4,204	4,711	4,938	4,474
Total All Other Governmental Funds	\$0	\$1	\$14	\$7,862	\$6,916	\$5,322	\$4,808
Government-Wide Funds Net Position							
Governmental Activities							
Net Investment in Capital Assets	\$0	\$5,421	\$6,074	\$2,370	\$5,634	\$9,897	\$10,014
Restricted	-	1	14	3,658	2,168	357	306
Unrestricted	-	2,923	4,093	4,231	4,697	4,792	(976)
Total Governmental Activities	\$0	\$8,345	\$10,181	\$10,259	\$12,499	\$15,046	\$9,344
Business-Type Activities							
Net Investment in Capital Assets	\$0	\$ -	\$ -	(\$274)	(\$324)	(\$656)	(\$641)
Unrestricted	-	-	-	(94)	(211)	(230)	(370)
Total Business-Type Activities	\$0	\$ -	\$ -	(\$368)	(\$535)	(\$886)	(\$1,011)
Total Primary Government:							
Net Investment in Capital Assets	\$0	\$5,421	\$6,074	\$2,096	\$5,310	\$9,241	\$9,373
Restricted	-	1	14	3,658	2,168	357	306
Unrestricted	-	2,923	4,093	4,137	4,486	4,562	(1,346)
Total Primary Government	\$0	\$8,345	\$10,181	\$9,891	\$11,964	\$14,160	\$8,333

*Fund Balance information with respect to these categories for years 2009-2010 is unavailable before GASB 54 implementation.

City of Byram
Table 4
Schedule of Changes in Net Position, Last Ten Fiscal Years
Fiscal Years Beginning with Year of Incorporation
(accural basis of accounting)

	2009	2010	2011	2012	2013	2014	2015
Expenses							
Governmental activities:							
General government	\$0	\$882,958	\$1,262,270	\$2,166,967	\$1,744,091	\$1,614,727	\$1,157,724
Public safety	-	144,085	1,548,243	1,255,309	495,330	1,313,027	3,906,432
Public services	-	125,092	521,605	2,196,081	2,479,546	1,897,671	1,910,226
Culture and recreation	-	-	18,945	33,049	25,437	4,062	28,667
Pension expense	-	-	-	-	-	-	799,967
Interest on long-term debt	-	-	-	-	42,002	83,372	636
Total governmental activities expenses	-	1,152,135	3,351,063	5,651,406	4,786,406	4,912,859	7,803,652
Business-type activities							
Public utility	-	-	-	592,306	607,677	589,436	715,055
Total business-type activities expenses	-	-	-	592,306	607,677	589,436	715,055
Total primary government expenses	\$0	\$1,152,135	\$3,351,063	\$6,243,712	\$5,394,083	\$5,502,295	\$8,518,707
Program Revenues							
Governmental activities							
Charges for services:							
General government	\$0	\$210,740	\$682,135	\$1,161,125	\$882,694	\$1,053,488	\$1,059,074
Operating grants and contributions	-	130,678	418,823	250,887	898,923	659,590	277,491
Total governmental activities program revenues	-	341,418	1,100,958	1,412,012	1,781,617	1,713,078	1,336,565
Business-type activities:							
Charges for services:							
Sewer	-	-	-	32,938	576,353	573,696	848,884
Operating grants and contributions	-	-	-	-	-	-	-
Total business-type activities program revenues	-	-	-	32,938	576,353	573,696	848,884
Total primary government program revenues	\$0	\$341,418	\$1,100,958	\$1,444,950	\$2,357,970	\$2,286,774	\$2,185,449
Net (Expense)/Revenue							
Governmental activities	\$0	(\$810,717)	(\$2,250,105)	(\$4,239,394)	(\$3,004,789)	(\$3,199,781)	(\$6,467,087)
Business-type activities	-	-	-	(559,368)	(31,324)	(15,740)	133,829
Total primary government net expense	\$0	(\$810,717)	(\$2,250,105)	(\$4,798,762)	(\$3,036,113)	(\$3,215,521)	(\$6,333,258)
General Revenues and Other Changes in Net Position							
Governmental Activities							
Taxes							
Property taxes	\$0	\$2,307,169	\$2,542,079	\$2,561,178	\$3,024,808	\$3,026,559	\$3,069,187
Sales taxes	-	1,493,274	1,527,692	1,711,344	1,946,916	1,857,650	1,820,194
Road and bridge privilege taxes	-	-	-	-	-	-	117,550
Other taxes	-	14,969	20,883	30,042	23,792	31,431	6,385
Grants and contributions	-	-	-	614	-	-	-
Unrestricted investment income	-	19,482	43,350	27,432	28,297	10,101	6,624
Miscellaneous	-	13,667	5,977	57,632	29,253	61,966	72,070
Transfers	-	-	-	20,854	183,335	332,173	31,402
Total governmental activities	\$0	3,848,561	4,139,981	4,409,096	5,236,401	5,319,880	5,123,412
Business-type activities:							
Unrestricted investment income	-	-	-	34	117	62	45
Miscellaneous	-	-	-	212,088	-	-	-
Transfers	-	-	-	(20,854)	(183,335)	(332,173)	(31,402)
Total business-type activities	-	-	-	191,268	(183,218)	(332,111)	(31,357)
Total primary government	\$0	\$3,848,561	\$4,139,981	\$4,600,364	\$5,053,183	\$4,987,769	\$5,092,055
Change in Net Position							
Governmental activities	\$0	\$3,037,844	\$1,889,876	\$169,702	\$2,231,612	2,120,099	(1,343,675)
Business-type activities	-	-	-	(368,100)	(214,542)	(347,851)	102,472
Total primary government	\$0	\$3,037,844	\$1,889,876	(\$198,398)	\$2,017,070	\$1,772,248	(\$1,241,203)

City of Byram
Table 5
Schedule of Changes in Fund Balance
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015
Revenues							
Sales Taxes	\$0	\$1,493,274	\$1,527,692	\$1,711,344	\$1,946,916	\$1,857,650	\$1,820,194
Property Taxes	-	2,307,169	2,542,079	2,561,178	3,024,808	3,026,559	3,069,187
Licenses, fees, and permits	-	210,340	386,048	385,075	385,417	444,271	525,063
Fines and forfeitures	-	-	163,268	378,722	288,986	401,394	234,269
Chages for services	-	400	17,737	16,230	23,739	16,625	125,240
Grants and donations	-	-	-	60,687	28,767	25,137	34,114
Investment income	-	19,482	43,350	27,432	28,297	10,101	6,624
Intergovernmental programs	-	144,384	542,253	429,718	1,086,701	859,094	551,307
Other revenue	-	14,930	18,409	19,048	20,561	32,933	48,548
Total Revenues	0	4,189,979	5,240,836	5,589,434	6,834,192	6,673,764	6,414,546
Expenditures							
General government	-	697,009	993,846	1,553,118	1,271,893	1,115,623	1,108,285
Public safety	-	469,942	2,920,942	3,270,479	3,724,737	5,420,550	3,775,704
Public services	-	98,528	480,740	2,141,366	2,416,541	1,828,814	1,517,235
Culture and recreation	-	-	18,945	33,049	25,437	4,062	28,667
Debt service:	-	-	-	-	-	-	-
Principal	-	-	-	-	355,836	372,132	438,703
Interest	-	-	-	-	169,386	151,801	148,614
Other	-	-	-	97,700	500	-	500
Total Expenditures	0	1,265,479	4,414,473	7,095,712	7,964,330	8,892,982	7,017,708
Excess of revenues over/ (under) expenditures	0	2,924,500	826,363	(1,506,278)	(1,130,138)	(2,219,218)	(603,162)
Other Financing Sources (Uses)							
Issuance of bonds/ loan proceeds	-	-	-	5,000,000	-	-	-
Inception of leases	-	-	385,689	189,367	-	266,633	43,682
Insurance proceeds	-	-	-	21,453	-	27,021	14,300
Transfers from other funds	-	-	-	1,310,854	183,335	332,173	31,402
Transfers to other funds	-	-	-	(1,290,000)	-	-	-
Other	-	-	-	-	491	-	(271)
Total other financing sources (uses)	0	0	385,689	5,231,674	183,826	625,827	89,113
Net change in fund balances	\$0	\$2,924,500	\$1,212,052	\$3,725,396	(\$946,312)	(\$1,593,391)	(\$514,049)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	1.97%	3.83%	3.40%	2.27%

City of Byram
Table 6
Property Tax Levies and Collections (1)
 Fiscal Years Beginning Year of Incorporation
 (amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Total Levy</u>	<u>Current Collections</u>	<u>% Current Collected</u>	<u>Delinquent Collections</u>	<u>Total Tax Collections</u>	<u>Ratio Total Collected to Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio Delinquent to Total Levy</u>
2009	-	-	0.0%	-	-	0.0%	-	0.00%
2010	2,220,205	2,307,169	103.9%	-86,964	2,220,205	100.0%	-86,964	-3.92%
2011	2,212,509	2,542,079	114.9%	-329,570	2,212,509	100.0%	-329,570	-14.90%
2012	2,385,878	2,561,178	107.3%	-175,300	2,385,878	100.0%	-175,300	-7.35%
2013	2,766,590	3,002,925	108.5%	-236,335	2,766,590	100.0%	-236,335	-8.54%
2014	2,774,388	2,928,260	105.5%	-153,872	2,774,388	100.0%	-153,872	100.00%
2015	2,991,051	3,069,187	102.6%	-78,136	2,991,051	100.0%	-78,136	100.00%

(1) Levy is established October 1 of year in which taxes are collected.

Source: Hinds County Tax Collector office

City of Byram
Table 7

Assessed and Actual Value of Property (1)
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	REAL PROPERTY		PERSONAL PROPERTY		UTILITIES		VEHICLES		TOTALS		% Assessed Increase (Decrease)
	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	
2009	-	-	-	-	-	-	-	-	-	-	0.0%
2010	60,107,586	439,382,939	3,928,445	26,189,633	-	-	11,200,000	37,333,333	75,236,031	502,905,905	100.0%
2011	61,203,466	447,393,757	4,339,798	28,931,987	4,200,000	28,000,000	9,239,736	30,799,120	78,983,000	535,124,864	5.0%
2012	62,098,521	453,936,557	4,156,928	27,712,853	3,829,528	25,530,187	14,638,321	48,794,403	84,723,298	555,974,000	7.3%
2013	64,548,959	471,849,115	4,432,446	29,549,640	3,059,072	20,393,813	15,115,135	50,383,783	87,155,612	572,176,352	2.9%
2014	64,594,995	472,185,636	4,030,458	26,869,720	3,236,965	21,579,767	15,851,935	52,839,783	87,714,353	573,474,906	0.6%
2015	64,950,109	474,781,499	4,170,944	27,806,293	3,319,024	22,126,827	15,752,112	52,507,040	88,192,189	577,221,659	0.5%

(1) Assessment rates are as follows:

Real Property - Assessed at 10% of actual value for homeowner-occupied, 15% for all others.

Personal Property - Assessed at 15% of actual value.

Utilities - Assessed at 15% of actual value.

Vehicles - Assessed at 30% of actual value.

Above schedule uses estimated combined assessment ratio of 13.68% for real property.

(2) The weighted average of all individual direct rates is 14.9%.

Source: Hinds County Tax Assessor

(3) Incorporation was effective in June, 2009

JUL 07 2015

City of Byram
Table 8
Property Tax Rates
Direct and Overlapping Governments
 Fiscal Years Beginning Year of Incorporation

Fiscal Year	City of Byram			Hinds County			School District			Grand Total Millage
	Operating Millage	Debt Millage	Total Millage	Operating Millage	Debt Millage	Total Millage	Operating Millage	Debt Millage	Total Millage	
2009	0	0.00	0.00	39.91	3.245	43.15	48.13	15.11	63.24	106.39
2010	30	0.00	30.00	41.96	3.245	45.21	48.17	12.81	60.98	136.19
2011	30	0.00	30.00	41.96	3.245	45.21	49.87	11.13	61.00	136.21
2012	30	4.10	34.10	42.75	2.455	45.21	48.97	12.03	61.00	140.31
2013	30	4.10	34.10	42.92	2.280	45.20	50.18	10.82	61.00	140.30
2014	30	4.10	34.10	42.43	1.750	44.18	50.12	10.88	61.00	139.28
2015	30	4.10	34.10	42.25	1.930	44.18	50.65	14.36	65.00	143.28

Source: City of Byram

City of Byram
Table 10
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds (1)
Current and Five Years Ago
(amounts expressed in thousands)

Fiscal Year	Jurisdiction	(2) Net General Obligation Bonded Debt Outstanding	(3) Percentage Applicable to Byram	Amount Applicable to Byram
Direct:				
2014	City of Byram	\$4,547,768	100.00%	\$4,547,768
Overlapping:				
2014	Hinds County	36,185,000	3.72%	1,346,082
2014	Hinds County Schools	<u>11,140,000</u>	19.41%	<u>2,162,274</u>
Total Overlapping		<u>47,325,000</u>		<u>3,508,356</u>
Total Direct & Overlapping		<u>\$51,872,768</u>		<u>\$8,056,124</u>
Direct:				
2009	City of Byram	\$0	100.00%	\$0
Overlapping:				
2009	Hinds County	46,745,000	3.72%	1,738,914
2009	Hinds County Schools	<u>29,753,000</u>	19.41%	<u>5,775,057</u>
Total Overlapping		<u>76,498,000</u>		<u>7,513,971</u>
Total Direct & Overlapping		<u>\$76,498,000</u>		<u>\$7,513,971</u>

- (1) Excludes general obligation bonds reported in the enterprise funds.
(2) Total bonded G.O. debt less amount in debt service funds for retirement of bonds.
(3) The percentage used is based on population.

Source: Hinds County School District, Hinds County

City of Byram
Table 11
Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year	Governmental Activities		Business-type Activities				Total Primary Government	Percentage of Personal Income (a)	Per Capita
	General Obligation Bonds	Other Debt	General Obligation Bonds	State Revolving Fund Loan	Other				
2009	-	-	-	-	-	-	0.00%	-	
2010	-	6,450	-	-	-	6,450	0.00%	1	
2011	-	415,073	-	-	-	415,073	0.15%	36	
2012	5,000,000	575,056	-	2,750,000	-	8,325,056	2.82%	710	
2013	4,815,000	673,637	-	2,651,055	-	8,139,692	3.01%	694	
2014	4,625,000	440,477	-	3,125,301	-	8,190,778	3.10%	706	
2015	4,430,000	269,056	700,000	2,976,028	19,705	8,394,789	2.88%	726	

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
 (a) See Table 17 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

City of Byram

Table 12

Legal Debt Margin Information
Last Ten Fiscal Years

(amounts expressed in thousands)

	2009	2010	2011	2012	2013	2014	2015
Assessed Value of Property	\$ -	\$75,236,031	\$78,983,000	\$84,723,298	\$87,155,612	\$87,714,353	\$88,192,189
Debt Limit, 15% of Assessed Valuation	-	11,285,405	11,847,450	12,708,495	13,073,342	13,157,153	13,228,828
Amount of Debt Applicable to Limit:							
General Long-Term Debt	-	-	-	5,000,000	4,815,000	4,625,000	4,430,000
G.O. Public Utility Bonds	-	-	-	-	-	-	700,000
Total Bonded Debt (a)	0	0	0	5,000,000	4,815,000	4,625,000	5,130,000
Less:							
Special Assessment Bonds	-	-	-	-	-	0	0
G. O. Public Utility Bonds	-	-	-	-	-	-	700,000
Total Excluded (b)	0	0	0	0	0	0	700,000
Total Net Debt Applicable to Limit (a)-(b)	0	0	0	5,000,000	4,815,000	4,625,000	4,430,000
Legal Debt Margin	\$0	\$11,285,405	\$11,847,450	\$7,708,495	\$8,258,342	\$8,532,153	\$8,798,828
Total Net Debt Applicable to the Limit as a percentage of debt limit	0.00%	0.00%	0.00%	39.34%	36.83%	35.15%	33.49%

City of Byram

Table 13

**Ratio of Net General Obligation Debt to Assessed Value and
Net General Obligation Bonded Debt Per Capita**

Last Five Fiscal Years

(amounts expressed in thousands)

Fiscal Year	Estimated Population (1)	Assessed Valuation (2)	Gross Bonded Debt (3)	Less Debt Service Fund	Net Bonded Debt	Net Bonded Debt Per Capita (4)	Ratio of Net Bonded Debt to Assessed Value
2009	-	-	-	-	-	-	0.00%
2010	11.5	75,236,031	-	-	-	-	0.00%
2011	11.6	78,983,000	-	-	5,000,000	-	6.33%
2012	11.7	84,723,298	5,000,000	-	5,000,000	426,585	5.90%
2013	11.7	87,155,612	4,815,000	44,972	4,770,028	406,964	5.47%
2014	11.6	87,714,353	4,625,000	77,232	4,547,768	391,948	5.18%
2015	11.6	88,192,189	5,130,000	131,802	4,998,198	432,520	5.67%

(1) Bureau of the Census established 2000 and 2010 populations.

(2) Interim figures are based on estimates by the Planning District and residential construction permits.

(3) From Table 7.

(4) General obligation bonds reported in the Enterprise Fund and Special Assessment debt have been excluded.

(5) Expressed in actual dollars.

City of Byram

Table 14

**Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total Governmental Expenditures (1)**

Last Five Fiscal Years

(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
2009	-	-	-	-	0.00%
2010	-	-	-	1,265,479	0.00%
2011	-	-	-	4,414,473	0.00%
2012	-	-	-	7,095,682	0.00%
2013	185,000	142,300	327,300	7,964,330	4.11%
2014	190,000	136,010	326,010	8,892,982	3.67%
2015	195,000	129,550	324,550	7,017,708	4.62%

(1) Includes Special Assessment Bonds. General Obligation bonds reported in the Enterprise Fund have been excluded.

City of Byram
Table 15

Construction Activity (1)
Ten-Year Period Ending December 31, 2014
(amounts expressed in actual dollars)

Calendar Year	Non-Residential		Residential		Alterations	Total Value	% Change
	Number of Permits	Value	Number of Permits	Increase In Family Units			
2009	112	\$ 680,845	21	21	-	\$ 2,674,845	100.0%
2010	179	10,200,046	39	39	4	14,167,760	429.7%
2011	207	10,013,349	18	18	2	12,565,811	-11.3%
2012	202	4,948,403	28	28	5	7,835,933	-37.6%
2013	198	3,501,532	37	37	12	8,445,342	7.8%
2014	203	4,267,830	28	28	7	6,965,586	-17.5%
2015	249	16,804,829	61	45	7	23,145,366	232.3%

(1) Source: City of Byram Building Permit Section

City of Byram
Table 16
Property Value and Construction
 Last Ten Calendar Years
 (amounts expressed in thousands)

Fiscal Year	Real Property Value (2)	Non-Residential Construction (1)		Residential Construction (1)		Additions/Alterations (1)	
		Number of Units	Value	Number of Units	Value	Number of Units	Value
2009	-	112	681	21	1,994	-	2,675
2010	439,382,939	179	10,200	39	3,968	4	14,168
2011	447,393,757	207	10,013	18	2,552	2	12,566
2012	453,936,557	202	4,948	28	2,888	5	7,836
2013	471,849,115	198	3,502	37	4,944	12	8,445
2014	472,185,636	203	4,268	28	2,698	7	6,966
2015	474,781,499	249	16,805	45	6,341	7	23,145

(1) From Table 16
 (2) Total estimated actual value from Table 7

Source: City of Byram

City of Byram
Table 17
Demographic and Economic Statistics
 Last Five Calendar Years

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	County School Enrollment	Unemployment Rate
2009	11,373	20,689	235,295,997	32.4	1 6,288	8.4%
2010	11,489	21,616	248,346,224	32.4	1 6,404	9.4%
2011	11,605	24,267	281,618,535	32.4	1 6,574	9.6%
2012	11,721	25,201	295,380,921	32.4	1 6,706	8.4%
2013	11,721	23,106	270,825,426	32.4	1 5,820	6.9%
2014	11,603	22,777	264,281,531	32.4	1 6,255	6.2%
2015	11,556	25,217	291,407,652	32.4	1 6,059	6.4%

Source: U. S. Census Bureau
 U.S. Census Bureau
 Economic and Community Development Section
 U. S. Labor Bureau Statistics
 Hinds County School District

City of Byram
Table 18
Education Related Information
 Last 5 Fiscal Years

<u>Fiscal Year</u>	<u>Elementary Schools</u>	<u>Middle Schools</u>	<u>High Schools</u>	<u>Vocational Schools</u>	<u>Junior College</u>	<u>Total County Enrollment</u>
2009	2	1	-	-	-	6,288
2010	2	1	-	-	-	6,404
2011	2	1	-	-	-	6,574
2012	2	1	-	-	-	6,706
2013	2	1	-	-	-	5,820
2014	2	1	-	-	-	6,255
2015	2	1	-	-	-	6,059

Source: City of Byram

City of Byram
Table 19
Principal Employers
 Current and Five Years Ago

<u>Employer</u>	2015			2009		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Kroger	126	1	26.09%	122	1	26.81%
Gary Road Elementary	95	2	19.67%	91	2	20.00%
Byram Middle School	88	3	18.22%	80	4	17.58%
Willow Creek Nursing Home	95	4	19.67%	86	3	18.90%
Gary Road Intermediate	79	5	16.36%	76	5	16.70%
Total	<u>483</u>		<u>100%</u>	<u>455</u>		<u>100%</u>

Source: City of Byram, Individual companies

City of Byram
Table 20
Full-time Equivalent Government Employees By Function
 Last Five Calendar Years

Function/Program	2009	2010	2011	2012	2013	2014	2015
General government	-	2	6	7	7	7	8
Public safety (1)	-	6	40	41	44	51	53
Public services	-	4	7	13	15	13	13
Culture and recreation	-	-	-	-	-	-	-
Total	<u>0</u>	<u>12</u>	<u>53</u>	<u>61</u>	<u>66</u>	<u>71</u>	<u>74</u>

Source: City of Byram

Notes:

(1) Includes Fire and Police

City of Byram
Table 21
Operating Indicators by Function
 Last Five Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015
General government							
Building permits issued	-	242	188	227	247	250	301
Building inspections conducted	-	465	338	308	507	551	465
Public safety							
Police							
Arrests	-	-	198	436	409	291	320
Traffic violations	-	-	2,532	3,250	4,152	3,586	2,994
Parking violations	-	-	10	83	41	13	17
Fire							
Number of emergency calls answered	-	-	-	960	1,050	1,111	925
Number of inspections conducted	-	-	-	200	137	181	231
Fire insurance rating	-	7	7	7	7	7	7
Public services							
Centerline miles of road maintained:							
City	-	-	189	189	192	192	192
Street resurfacing (miles)	-	-	-	-	-	2.5	3.5
Potholes repaired	-	-	1200	1,800	2,400	2,055	3,500
Sanitation							
Water							
Service connections	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water main breaks	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average daily consumption (thousands of gallons)							
Number of fire hydrants							
Sewer							
Average daily sewage treatment (thousands of gallons)	-	-	-	315,000	320,000	320,000	320,000
Culture and recreation							
Library							
Volumes in collection	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total volumes borrowed	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parks							
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: City of Byram

City of Byram
Table 22
Capital Assets Indicators by Function
 Last Five Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015
Public safety							
Police							
Number of stations	-	-	1	1	1	1	1
Zone offices	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Patrol units	-	2	24	26	26	29	30
Fire							
Number of stations	-	-	-	-	-	1	1
Public services							
Street miles			189	189	193	193	193
Street Lights	-	-	-	-	-	-	-
Traffic Signals	4	4	6	6	6	6	6
Sanitation							
Water							
Water mains (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storage capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sewer							
Sanitary sewers (miles)	-	-	-	28.85	36.67	36.67	40.5
Storm sewers (miles)	-	-	-	3	6.3	6.3	6.3
Treatment capacity (thousands of gallons)	-	-	-	191,625,000	191,625,000	191,625,000	191,625,000
Refuse collection							
Collection trucks	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Culture and recreation							
Number of Parks	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Park Acreage	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Golf Courses	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community Centers	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recreational Trail Miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes: No capital assets indicators are available for the General Government function.

Source: City of Byram

City of Byram

Table 23

Miscellaneous Statistics

Date of Incorporation	6/16/2009	Other:	
Form of Government	Mayor/Aldermen	Average selling price of homes	\$134,400
Population (Estimated Census)	11,556	Median income-- household	\$55,532
Area in square miles	18.36	Major highways	1
Number of employees (excluding police and fire)	21	Nearest railroads:	Canadian National
Police Protection:			Illinois Central
Number of sworn officers	30	Nearest commercial airport:	Jackson- Medgar Wiley Evers
Number of residents per sworn officer	385		Runway length 8,500 feet
Education:			International Airport
Percentage of Population (> 25 yrs.) with High school diploma	92.70%	Nearest general airport	Hawkins Field Airport
Bachelor's degree	31.2%	Nearest full-service port	Runway length 5,387 feet
		Name of waterway	Port of Vicksburg, 60 miles
			Mississippi River

Source:

City of Byram

U. S. Census Bureau <http://quickfacts.census.gov/qfd/states/28/2810140.html>

www.byram-ms.us Byram Police 2014 annual report

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Mayor and Board of Aldermen
City of Byram, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise City of Byram's basic financial statements, and have issued our report thereon dated April 22, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

1929 SPILLWAY ROAD
BRANDON, MISSISSIPPI 39047
TELEPHONE 601-992-5292 FAX 601-992-2033

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Byram's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
April 22, 2016

Certified Public Accountants

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
STATE LAWS AND REGULATIONS

Mayor and Board of Aldermen
City of Byram, Mississippi

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi as of and for the year ended September 30, 2015, which collectively comprise the City of Byram's basic financial statements and have issued our report thereon dated April 22, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of procedures performed to test compliance with certain other state laws and regulations and our audit of the financial statements did not disclose any instances of noncompliance with other state laws and regulations.

This report is intended solely for the information and use of the City's management and the Office of the State Auditor and pass-through entities 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.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
April 22, 2016

Certified Public Accountants

JUL 07 2016

1929 SPILLWAY ROAD
BRANDON, MISSISSIPPI 39047
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SCHEDULE OF FINDINGS AND RESPONSES

City of Byram, Mississippi

Schedule of Findings and Responses
For the Year Ended September 30, 2015

Section I: Summary of Auditor's Results

Financial Statements:

- | | | |
|----|---|----------------|
| 1. | Type of auditor's report issued: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weakness(es) identified? | No. |
| | b. Significant deficiency(ies) identified? | None reported. |
| 3. | Noncompliance material to financial statements noted? | No. |

Section II: Financial Statements Findings

The results of our tests did not disclose any findings related to the financial statements that are required to be reported by *Government Auditing Standards*.