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TOWN OF SUNFLOWER

Desiree Norwood
Mayor

POST OFFICE Box 127
103 East Quiver Street
Sunflower, Ms. 38778-0127
662.569.3388 or 662-569-3387
fax: 662-569-3711

Aldermen

JaQuana Haley	Ward 1
Marc Box	Ward 2
Betty J. Miller	Ward 3
Paul J. Haley	Ward 4
Betty Nash Brown	At-Large

Yumekia Stovall
Municipal Clerk

Chris Powell, Town Attorney

August 8, 2017

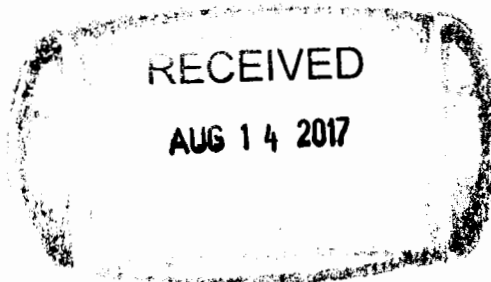
Office of the State Auditor
P.O. Box 956
Jackson, MS 39205

Dear Sir/Madam:

Accompanying this letter is a copy of the annual compilation of the Town of Sunflower, Mississippi, for the fiscal year ended September 30, 2015.

Sincerely,


Mayor Desiree Norwood



TOWN OF SUNFLOWER, MISSISSIPPI
YEAR ENDED SEPTEMBER 30, 2015

Fred T. Neely & Company, PLLC

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AUG 14 2017



TOWN OF SUNFLOWER, MISSISSIPPI

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Lance Mohamed, CPA
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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Sunflower
Sunflower, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities of The Town of Sunflower, Mississippi, as and for the year ended September 30, 2015, and the related notes to the financial statement, which collectively comprise the Town's basic financial statements as listed in the table of contents in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note A of the financial statement, which describes the basis of accounting. The Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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.

The supplementary information contained in Schedules I through III is presented in compliance with the requirements of the Mississippi Office of the State Auditor and has been compiled from information that is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, we do not express an opinion or provide any assurance on such supplementary information.

The Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with the accounting principles generally accepted in the United States of America.

In accordance with the provisions of Code Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated July 31, 2017 on the results of our agreed-upon procedures.

Fred T Neely + Co

Fred T. Neely & Company, PLLC
Greenwood, Mississippi
July 31, 2017

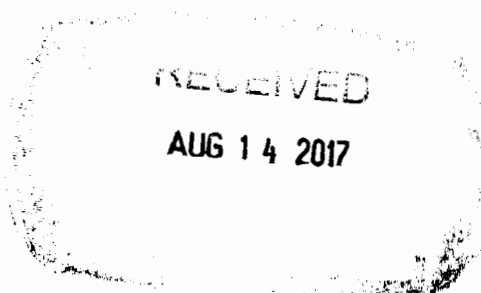


FINANCIAL STATEMENT



TOWN OF SUNFLOWER, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - GOVERNMENTAL AND
BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Water, Sewer & Garbage Fund</u>	<u>Totals</u>
CASH RECEIPTS:			
General property taxes			
Current levy-real, personal & utility	\$ 122,175	\$ -	\$ 122,175
Auto & mobile home	50,075	-	50,075
Prior year	19,601	-	19,601
Penalties and interest on delinquent taxes	16,022	-	16,022
Licenses and permits			
Permits and privilege licenses	355	-	355
Franchise fees	14,753	-	14,753
Intergovernmental receipts			
Federal grants			
CDBG grant	-	-	-
State grants			
General municipal aid	578	-	578
Homestead exemption	15,684	-	15,684
State shared revenues			
General sales tax	30,993	-	30,993
Motor vehicle fuel tax	3,405	-	3,405
Alcoholic beverage license	1,800	-	1,800
Grand gulf	4,524	-	4,524
Fire protection	6,306	-	6,306
Utility taxes	688	-	688
County shared receipts			
Local grant	24,303	-	24,303
Fire protection	4,145	-	4,145
Charges for services			
Water, sewer and garbage	-	239,902	239,902
Other receipts			
Interest earnings	1,468	1,359	2,827
Fines and forfeits	5,690	-	5,690
Facility building income	3,790	-	3,790
Miscellaneous	1,500	-	1,500
Transfers in	875	-	875
Total cash receipts	<u>328,730</u>	<u>241,261</u>	<u>569,991</u>





TOWN OF SUNFLOWER, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - GOVERNMENTAL AND
BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Water, Sewer & Garbage Fund</u>	<u>Totals</u>
CASH DISBURSEMENTS:			
General government			
Employee wages & benefits	23,627	-	23,627
Utilities	20,597	-	20,597
Insurance	1,923	-	1,923
Repairs, maintenance and supplies	26,355	-	26,355
Office	1,804	-	1,804
Property tax expense	837	-	837
Telephone	2,561	-	2,561
Travel, dues and cpe	13,230	-	13,230
Advertising	1,414	-	1,414
Legal and professional services	36,959	-	36,959
Capital outlay	-	-	-
Miscellaneous	-	-	-
Transfers out	875	-	875
Public safety			
Police			
Employee wages & benefits	93,256	-	93,256
Utilities	1,633	-	1,633
Insurance	4,085	-	4,085
Telephone	1,592	-	1,592
Travel, training and uniforms	2,139	-	2,139
Gas and oil	7,408	-	7,408
Repairs, maintenance and supplies	4,390	-	4,390
Office	1,632	-	1,632
Dues & fees	9,923	-	9,923
Miscellaneous	104	-	104
Capital outlay	-	-	-
Fire			
Utilities	3,118	-	3,118
Repairs, maintenance and supplies	356	-	356
Gas and oil	189	-	189
Insurance	832	-	832
Travel, training and uniforms	-	-	-
Capital outlay	3,697	-	3,697
Water, sewer & garbage			
Employee wages & benefits	-	90,382	90,382
Repairs, maintenance and supplies	-	31,668	31,668
Utilities and telephone	-	26,228	26,228
Insurance	-	10,424	10,424
Garbage collection fees	-	40,808	40,808
Office	-	3,049	3,049
Water analysis	-	11,003	11,003
Gas and oil	-	5,907	5,907
Dues and subscriptions	-	2,270	2,270
Other miscellaneous	-	1,583	1,583
Capital outlay	-	2,195	2,195
Interest on bonds, notes & capital lease	-	2,737	2,737
Bond, note & capital lease principal payments	-	3,347	3,347
Total cash disbursements	<u>264,536</u>	<u>231,601</u>	<u>496,137</u>



TOWN OF SUNFLOWER, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - GOVERNMENTAL AND
BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
	<u>General Fund</u>	<u>Water, Sewer & Garbage Fund</u>	<u>Totals</u>
Excess (deficiency) of receipts over (under) disbursements	64,194	9,660	73,854
CASH - BEGINNING	<u>393,736</u>	<u>130,747</u>	<u>524,483</u>
CASH - ENDING	<u>\$ 457,930</u>	<u>\$ 140,407</u>	<u>\$ 598,337</u>



**TOWN OF SUNFLOWER, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

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

Reporting Entity

The financial statement of the Town consists of all the funds of the Town.

Fund Accounting

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

NOTE B: REPORT CLASSIFICATIONS

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

NOTE C: DEPOSITS AND INVESTMENTS

1. Policies and Practices

The collateral for public entities' deposits in financial institutions are 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, Mississippi 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 Depository Insurance Corporation (FDIC).

2. Deposits

At year-end, the carrying amount of the Town's deposits was \$597,837, and the bank balances totaled \$599,874. Of the bank balances, \$250,000 was insured by federal deposit insurance and \$349,874 was covered by pooled and/or pledged collateral, as allowed by the Mississippi Code.

NOTE D: SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 31, 2017, the date on which the financial statement was available to be issued.



SUPPLEMENTAL INFORMATION

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**TOWN OF SUNFLOWER, MISSISSIPPI
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2015**

Fund	Interest Rate	Number	Purchase Date	Maturity Date	Amount
Water Fund	0.55	6606001876	2/20/2008	2/20/2016	\$ 13,154
Water Fund	0.55	6606001885	2/20/2008	2/20/2016	26,307
Water Fund	0.55	6606001894	2/20/2008	2/20/2016	<u>26,307</u>
					<u><u>\$ 65,768</u></u>



**TOWN OF SUNFLOWER, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2015**

Name	Position	Company	Amount
Yumekia Stovall	City Clerk	CNA Surety	\$ 100,000
Monica McCraney	Deputy City Clerk	CNA Surety	\$ 50,000
Wendy Stewart	Mayor	St Paul	\$ 50,000
Mayor/ City Clerk		Travelers - Blanket Bond	\$ 100,000
Levi Ford	Police Chief	CNA Surety	\$ 50,000
Marc Box	Alderman	St Paul	\$ 50,000
Paul Haley	Alderman	St Paul	\$ 50,000
Pattie Holeman	Alderman	St Paul	\$ 50,000
Ondina Johnson	Alderman	St Paul	\$ 50,000
JaQuana Haley	Alderman	St Paul	\$ 50,000



**TOWN OF SUNFLOWER, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
SEPTEMBER 30, 2015**

	Balance Outstanding 10/1/2014	Transactions During Fiscal Year Issued Redeemed		Balance Outstanding 9/30/2015
<u>REVENUE BONDS</u>				
Single registered 4.5% bond, originally issued for \$100,000 due in equal monthly payments of \$507.	62,359	-	3,347	59,012
Total long-term debt	\$ 62,359	\$ -	\$ 3,347	\$ 59,012

AUG 14 2017



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REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Aldermen
Town of Sunflower
Sunflower, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Investments, Schedule of Surety Bonds for Town Officials, and Schedule of Long-Term Debt of the Town of Sunflower, Mississippi, for the year ended September 30, 2015, in accordance with Statements on Standards for Accounting Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly we do not express an opinion.

With respect to items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities of the Town of Sunflower, Mississippi, for the year ended September 30, 2015 disclosed the two following material instances of noncompliance with state laws and regulations.

- a. In accordance with Section 31-7-13, Miss Code Ann. (1972), purchases which involve an expenditure of more than \$5,000 but not more than \$50,000, exclusive of freight and shipping charges may be made from the lowest and best bid without publishing or posting advertisement for bids, provided at least two (2) competitive written bids have been obtained. Supplies in the amount of \$5,210 and \$5,603 (net of shipping charges) were purchased from Mid-American Research Chemical and no written bids were obtained.
- b. Section 27-35-167 requires the municipality to adopt the county ad valorem tax rolls. The Town of Sunflower did not adopt the county's ad valorem tax rolls.

This report is intended solely for the information and use of management and the Office of the State Auditor and is not intended to be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Fred T Neely & Co

Fred T. Neely & Company, PLLC
Greenwood, Mississippi
July 31, 2017



TOWN OF SUNFLOWER, MISSISSIPPI
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES
SEPTEMBER 30, 2015

AUG 14 2017

Fred T. Neely & Company, PLLC



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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

The Mayor and Board of Aldermen
Town of Sunflower
Sunflower, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Sunflower, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Sunflower, Mississippi's compliance with certain laws and regulations as of September 30, 2015, and for the year then ended. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

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

Planters Bank & Trust	General	\$	392,341
Planters Bank & Trust	Court		2,276
Planters Bank & Trust	MDES Revolving Fund		1,673
Planters Bank & Trust	MDEZA		438
	Total General Fund	\$	<u>396,728</u>
Planters Bank & Trust	House	\$	100
Planters Bank & Trust	Municipal Fire		195
Planters Bank & Trust	Fire Protection		60,407
	Total Special Revenue Fund	\$	<u>60,702</u>
Planters Bank & Trust	Water/Sewer	\$	19,926
Planters Bank & Trust	Depreciation		6,453
Planters Bank & Trust	Cushion		5,170
Planters Bank & Trust	Contingent		1,312
Planters Bank & Trust	Interest & Sinking		41,678
Planters Bank & Trust	Sewer Grant		100
	Total Proprietary Fund	\$	<u>74,639</u>



May 31, 2017

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).
 - a. As of September 30, 2015, the Town of Sunflower had three certificates of deposit at Planters Bank & Trust with balances totaling \$65,768.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Traced levies to governing body minutes;
 - b. Traced distribution of taxes collected to proper fund;
 - c. Examined uncollected taxes for proper handling, including tax sale;
 - d. Analyzed increase in taxes for the most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972); and
 - e. Verified the use of certified county assessment tax rolls.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies. Uncollected taxes were determined to be properly handled.

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

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales tax allocation	General	30,993
Homestead exemption reimbursement	General	15,684
Fire rebate funds	General	6,306
Nuclear funds	General	4,524
Subsidies-Dept of Public Safety	General	852
Gasoline tax	General	3,405
Liquor privilege tax	General	1,800
City Utility	General	688
General municipal aid	General	578
Total State Revenues		<u>\$ 64,830</u>

July 31, 2017

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of sample items	28
Dollar value of sample	\$96,509

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections, with the exception of the item listed below.

- a. During our testing procedures, we noted that two purchases of supplies in the amount of \$5,603 and \$5,210 (net of shipping charges) that did not have documentation that two written quotes were obtained in accordance with state purchasing law.
6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.
7. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey and our inquiry and observation indicated two instances of noncompliance with state requirements, which is listed below.
 - a. In accordance with Section 31-7-13, Miss Code Ann. (1972), purchases which involve an expenditure of more than \$5,000 but not more than \$50,000, exclusive of freight and shipping charges may be made from the lowest and best bid without publishing or posting advertisement for bids, provided at least two (2) competitive written bids have been obtained. In two instances, supplies in the amount of \$5,603 and \$5,210, respectively (net of shipping charges) was purchased from Mid-American Research Chemical and no competitive written bids were obtained.
 - b. Section 27-35-167 requires the municipality to adopt the county ad valorem tax rolls. The Town of Sunflower did not adopt the county's ad valorem tax rolls.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Office of State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Fred T Neely & Co

Fred T. Neely & Company, PLLC
Greenwood, Mississippi
July 31, 2017

AUG 14 2017

