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TOWN OF GUNNISON
404 Main Street
Post Office Box 278
Gunnison, Mississippi 38746
Phone: 662-747-2213 – Fax: 662-747-2263

FRANCES WARD, MAYOR

BOARD OF ALDERMEN:
JAMES BRADY
JOHN CALMESE
CLARA PEARSON
LINDA TAYLOR
ALLEN HOPSON

October 5, 2016

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

Re: Annual Municipal Financial Statement

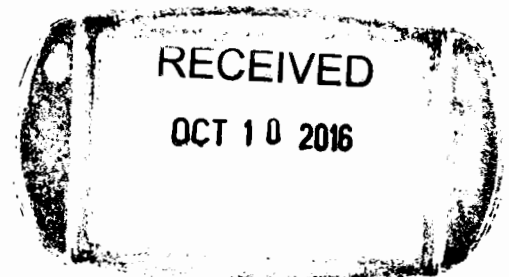
Gentlemen:

Accompanying this letter is two (2) hard copies of the annual compilation of the Town of Gunnison, Mississippi, for the fiscal year ended September 30, 2015, respectively. A separate management letter was not written to the Town of Gunnison, Mississippi, in connection with this report.

Sincerely,

Frances L. Ward

Frances Ward, Mayor
Enclosures/attachments



TOWN of GUNNISON
Compiled Financial Statements
September 30, 2015

Ella B. Johnson,
Public Accountant
119 Greenridge Drive
Madison, MS 39110
662-347-5773 (Office)
601-790-9369 (Fax)

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Town of Gunnison, Mississippi

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September 30, 2015

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Ella B. Johnson, Public Accountant
119 Greenridge Drive
Madison, MS 39110
Phone: 662-347-5773

**SPECIAL REPORT ON AGREED UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

(Compliance Letter)

Honorable Mayor and Board of Aldermen
Town of Gunnison
Gunnison, Mississippi 38746

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Gunnison, Mississippi, as of September 30, 2015, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Gunnison, Mississippi and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

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

<u>Bank</u>	<u>Funds</u>	<u>Balance per General Ledger</u>
State Bank and Trust	General, Water/ Sewer & Sanitation	\$ 5,499.99
State Bank & Trust	2011 CDBG Account	18,304.00
State Bank & Trust	Homecoming Festival	1,611.76

2. The town did not report securities held for investments.
3. We performed the following procedures with respect to taxes and personal property (including motor vehicles) levied during the fiscal year.
 - a. Trace levies to governing body minutes;
 - b. Traced distribution of taxes collected to proper funds; and
 - c. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to General Fund was found to be in accordance with prescribed tax levies.

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

4. The Town did not retire or issue general obligation debt or Revenue Bonds.
5. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts. Payments were recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 9,603
General Municipal Aid	General Fund	225
Gasoline Tax	General Fund	1,300
Homestead Exemption	General Fund	7,088
Grand Gulf	General Fund	3,195
Municipal Fire Protection	Bolivar County	2,459
CDBG-MDA	2011 CDBG Account	26,204

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

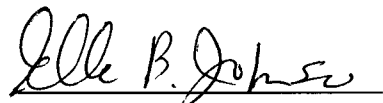
The sample consisted of the following:

Number of Sample Items	21
Total Dollar Value of Sample	\$21,220.56

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

7. Fines and forfeitures were not collected.
8. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements:
 - a. The Board did not have financial statement reports comparing actual to budgeted expenses, therefore, the Board was unable to determine whether revenues were less than estimated or if a deficit was anticipated.
 - b. The Town Clerk did not maintain financial records in accordance with the chart of accounts prescribed by the State Auditor (Section 21-35-11).
 - c. The Town Clerk did not submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget (Section 21-35-13).
 - d. The Town did not tag or account for fixed assets, as required by Section 7-7-211, Municipal Audit & Accounting Guide.
 - e. The Town did not levy or appropriate not less than ¼ mill for fire protection or allowed the county to levy such tax (Sections 83-1-37 and 83-1-39).

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, matters came to our attention that caused us to believe that items specified in Paragraph 1 should be adjusted. However, no matters came to our attention that caused us to believe that items specified in Paragraphs 2, and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Gunnison, Mississippi, for the year ended September 30, 2015.



Ella B. Johnson, Public Accountant
Madison, MS 39110
September 30, 2016

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**Johnson's Accounting Service
Public Accountant**

119 Greenridge Drive, Madison, MS 39110
Phone: 662-347-5773 Fax: 662-790-9369

Governing Body
Town of Gunnison, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements (Governmental & Business Type Activities) as of and for the Fiscal Year Ended September 30, 2015.


Ella B. Johnson, Public Accountant

September 30, 2016

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TOWN OF GUNNISON, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

	Governmental Activities			Total	Business-Type Activities	
	General Fund	Garbage Disposal Fund	Other Nonmajor Funds		Water & Sewer Fund	Total
RECEIPTS						
Taxes - Ad Valorem	56,673			56,673		
Licenses & Permits	150					
Franchise Taxes	1,310			1,310		
Homestead Exempt. Reimburse.	7,088			7,088		
General Sales Tax	9,603			9,603		
Municipal Aid	225			225		
Motor Vehicle Fuel Taxes	1,300			1,300		
Grand Gulf	3,195			3,195		
Charges for Services:						
Garbage		25,787		25,787		
Water & Sewer					55,394	55,394
Other Revenue			2,237	2,237		
CDBG Grant Income			26,204	26,204		
TOTAL RECEIPTS	79,544	25,787	28,441	133,772	55,394	55,394
DISBURSEMENTS						
General Government Legislative						
Salaries & Employee Benefits	12,918			12,918		
Executive/Financial:						
Salaries & Employee Benefits	25,048			25,048		
Supplies	3,767		1,414	5,181		
Other Services & Charges	29,444			29,444		
October Fest	2,765			2,765		
Public Works- Street Department						
Salaries & Employee Benefits	10,765					
Supplies	2,207			2,207		
Other Services & Charges	12,965			12,965		
Capital Outlay-Truck & Equipment	8,559			8,559		
Public Works - Sanitation						
Garbage Disposal		20,195		20,195		
Federal Expenditures:						
CDBG 2011 Sewer Project			2,500	2,500		
CDBG Construction Tank & Well			8,000	8,000		

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TOWN OF GUNNISON, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

	Governmental Activities				Business-Type Activities	
	General Fund	Garbage Disposal Fund	Other Nonmajor Funds	Total	Water & Sewer Fund	Total
Enterprises - Water & Sewer						
Salaries & Employee Benefits					4,596	4,596
Supplies					2,851	2,851
Water Operator					7,800	
Other Services & Charges					19,961	19,961
Total Disbursements	108,438	20,195	11,914	140,547	35,208	35,208
Excess of Receipts Over (Under) Disbursements	(28,894)	5,592	16,527	(6,775)	20,186	20,186
OTHER CASH SOURCES (USES)						
Transfers In	30,000			30,000		
Transfers Out					(30,000)	(30,000)
Total Other Cash Sources (Uses)	30,000	-	-	30,000	(30,000)	(30,000)
Excess (Deficiency) of Receipts Over Disbursements	1,106	5,592	16,527	23,225	(9,814)	(9,814)
Cash Basis Fund Balance						
Beginning of Year	637	(5,352)	3,389	(1,326)	13,331	13,331
Cash Basis Fund Balance - End of Yr.	1,743	240	19,916	21,899	3,517	3,517

Town of Gunnison, Mississippi
Schedule of Long-Term Debt
For the fiscal Year Ended September 30, 2015

Definition and Purpose	Balance Outstanding	Transactions During Fiscal Year		Balance Outstanding
	<u>10/1/2014</u>	<u>Issued</u>	<u>Redeemed</u>	<u>9/30/2015</u>
General Obligation Bonds:	\$ -	\$ -	\$ -	\$ -
Revenue Bonds:	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

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TOWN OF GUNNISON, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2015

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>	<u>Effective Date</u>	<u>Expiration Date</u>
Frances Ward	Mayor	Travelers Casualty & Surety Co.	\$ 50,000	7/6/13	7/6/17
Ariel Mond	Clerk	Travelers Casualty & Surety Co.	50,000	8/8/15	8/8/16
Yriccia Robinson	Deputy Clerk	Travelers Casualty & Surety Co.	50,000	8/8/15	8/8/16
James Brady	Alderman	Travelers Casualty & Surety Co.	25,000	7/6/13	7/6/17
John Calmese	Alderman	Travelers Casualty & Surety Co.	25,000	7/6/13	7/6/17
Clara Pearson	Alderwoman	Travelers Casualty & Surety Co.	25,000	7/6/13	7/6/17
Allen Hopson	Alderman	Travelers Casualty & Surety Co.	25,000	7/1/15	7/1/17
Linda Taylor	Alderwoman	Travelers Casualty & Surety Co.	25,000	7/6/13	7/6/17

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JOHNSON ACCOUNTING SERVICE
Ella B. Johnson, Public Accountant
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**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

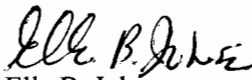
To the Mayor and the Board of Aldermen
Town of Gunnison, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Pace, Mississippi, for the year ended September 30, 2015, in accordance with Statements on Standards for Accounting and 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 by 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. According, we do not express such an opinion.

With respect to items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Gunnison, Mississippi, for the year ended September 30, 2015 disclosed material instances of noncompliance with state laws and regulations.

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 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.


Ella B. Johnson,
Public Accountant
September 30, 2016

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