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TOWN OF SALLIS

JACK ABLES, MAYOR
P. O. Box 73
Sallis, Mississippi 39160

Aldermen

Kelly Hutchison
Gloria Bordelon
Linda Hutchison
David (Brent) Busbea
William (Shannon) Lewis

12/8/15

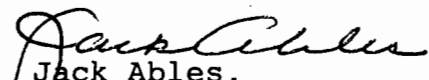
Office of the State Auditor
P.O. Box 956
Jackson, Ms 39205

Re: Annual Municipal Audit

Department of Technical Assistance

Accompanying this letter is a copy of the annual compilation of the Town of Sallis, Mississippi for fiscal year ending September 30, 2015. A separate management letter was not written to the town in connection with the audit.

Sincerely,


Jack Ables,
Mayor

Enclosure

Town of Sallis

Mayor
Jack Ables

City Clerk
Melissa Roberts

Aldermen
Gloria Bordelon
Brent Busbea
Kelly Hutchison
Linda Hutchison
Shannon Lewis

2/6/17

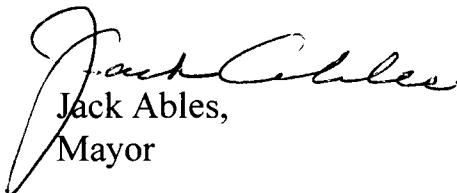
Office of the State Auditor
P.O. Box 956
Jackson, Ms 39205

Re: Annual Municipal Report

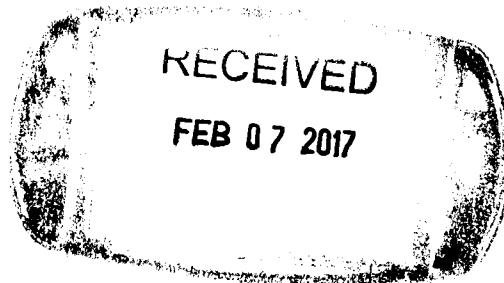
Department of Technical Assistance

Accompanying this letter is a copy of the annual compilation of the Town of Sallis, Mississippi for fiscal years 2015 and 2016. A separate management letter was not written to the town in connection with these audits.

Sincerely,


Jack Ables,
Mayor

Enclosure



TOWN OF SALLIS
FINANCIAL STATEMENTS
September 30, 2015

JIMMY SHAFFER
PUBLIC ACCOUNTANT
118 W. North Street
Kosciusko, Mississippi 39090
601-416-6583

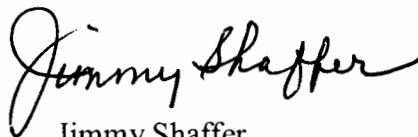
Accountant's Compilation Report

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

The accompanying combined Statement of Cash Receipts and Disbursements of all Funds of the Town of Sallis, Mississippi, for the year ended September 30, 2015 were compiled by me in accordance with standards established by the American Institute of Certified Public Accountants for Accounting and Review services.

My compilation was limited to presenting in the form prescribed by the Mississippi State Department of Audit information that is the representation of the town officials. I have not audited or reviewed the accompanying statement and accordingly, do not express an opinion or any other form of assurance on them.

This statement is represented in accordance with the requirements of the office of the state auditor, which differs from generally accepted accounting principles. Accordingly, these statements are not designed for those who are not informed about such differences.

A handwritten signature in black ink that reads "Jimmy Shaffer". The signature is written in a cursive style with a large, stylized "J" and "S".

Jimmy Shaffer
Public Accountant
November 4, 2015

Honorable Mayor and Board of Aldermen
Town of Sallis
Mississippi

I have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Sallis, 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 that the report is solely for the use of the governing body of the Town of Sallis, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. My procedure and findings are as follows:

- A. Reconciled bank accounts to balance in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Renasant Bank	General	18,006
Renasant Bank	General	14,150
Renasant Bank	General CD	41,662
The Citizens Bank	General CD	<u>40,220</u>
Total General Fund		114,038
Renasant Bank	Enterprise	38,406
Renasant Bank	Enterprise	251,030
Renasant Bank	Enterprise	1,934
Renasant Bank	Enterprise	62,261
Renasant Bank	Enterprise CD	12,533
The Citizens Bank	Enterprise CD	<u>136,344</u>
Total Enterprise		502,508

- B. With respect to taxes on real and personal property levied during the fiscal year the following procedures were performed:

1. Traced amounts collected to the proper funds.
2. Verified collections and payments to the town by the county tax collector.

Taxes collected and deposited to fund \$6,582

Taxes collected were made by the county tax collector and paid to the town less collection fee.



- C. I have obtained a statement of payments made by the State Department of Finance & Administration to the municipality. Payments were traced to deposit in the proper fund accounts and recorded in the general ledger without exception.

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Gasoline tax	General	402
Grand Gulf tax allocation	General	2,148
Sales tax allocation	General	22,730
Municipal relieving fund	General	67
Homestead exemption refund	General	913

- D. Purchases made by the municipality during the fiscal year were examined. Each sample item was evaluated for compliance with Mississippi Code Ann. (1972) purchasing requirements. I have found the municipality purchasing procedure to be in agreement with the requirements of this code section.

Sample items	10	Dollar Amount of Samples	6,014
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- E. I have read the Municipal Compliance Questionnaire completed by the municipality and there were no instances of non-compliance with state requirements.

Population on the latest census is 134.

Because the above procedures were not sufficient to constitute an audit in accordance with generally accepted auditing standards, I 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, no matters came to my attention that caused me to believe that the items specified above should be adjusted. Had I performed additional procedures or had I made an examination in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Sallis, Mississippi, for the year ended September 30, 2015.

Jimmy Shaffer
Public Accountant
November 4, 2015

TOWN OF SALLIS
COMBINED STATEMENT OF RECEIPTS & DISBURSEMENTS ALL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

	General <u>Fund</u>	Enterprise <u>Fund</u>	Totals Sept. 30, <u>2014</u>	Totals Sept. 30, <u>2015</u>
Revenue Receipts:				
General property taxes	6,582		6,988	6,582
Franchise taxes	5,408		5,423	5,408
Homestead exemption	913		845	913
General municipal aid	67		67	67
State shared revenue:				
Sales tax	22,730		23,884	22,730
Motor vehicles	4,967		4,395	4,967
Gasoline tax	402		366	402
Fire protection	0		0	0
Grand Gulf tax	2,148		2,049	2,148
Charges for services:				
Water & sewer utility	0	315,289	320,409	315,289
Total Revenue Receipts	43,217	315,289	364,426	358,506
Other Receipts:				
Interest	369	1,557	717	1,926
Grant Proceeds	0	0	169,387	0
Total Other Receipts	369	1,557	170,104	1,926
Total Receipts	43,586	316,846	534,530	360,432
Cash Balance - Beginning of Year	100,590	485,614	558,049	586,204
Total Amount to Account For	144,176	802,460	1,092,579	946,636
Operating Disbursements				
General government	16,193	0	16,642	16,193
Public works	4,952	0	2,615	4,952
Enterprise:				
Water & Sewer utility	0	279,928	296,486	279,928
Total Operating Disbursements	21,145	279,928	315,743	301,073
Other Disbursements				
Construction in progress	8,992	20,022	0	29,014
Equipment	0	0	188,214	0
Debt retirement	0	0	2,418	0
Total Other Disbursements	8,992	20,022	190,632	330,087
Total Disbursements	30,137	299,950	506,375	0
Cash Balance - End of Year	114,039	502,510	586,204	616,549
Total Amount Accounted For	144,176	802,460	1,092,579	946,636

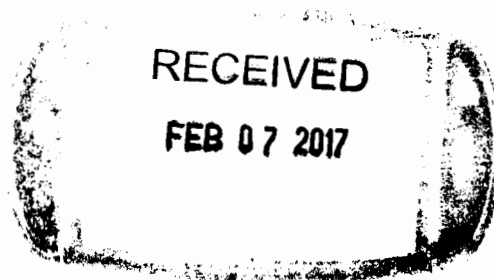
TOWN OF SALLIS, MISSISSIPPI
NOTES TO FINANCIAL STATEMENT
SEPTEMBER 30, 2015

Note 1: Summary of Significant Accounting Policies:

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped, in the financial statements in this report, into fund types and fund categories as follows:

Governmental – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Water Fund – This fund is used to account for the operation and maintenance of the Town water system. The water system is stated at cost and depreciation is provided for over a 35 year period using the straight-line method. Water system improvements, which are financed from current operations are charged directly to expense. Major water system improvements which are financed from government grants and loans are capitalized and depreciated.



TOWN OF SALLIS, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Note 2: Long Term Debt:

A summary of long term debt, all of which is payable to USDA Rural Development, follows:

Sallis Water Association had no long term debt as of September 30, 2015.

All notes are collateralized by the Town water system and the operating revenues of the Water Fund.

TOWN OF SALLIS
BALANCE SHEET - WATER FUND
AT 09/30/14 AND 09/30/15

	<u>9/30/2014</u>	<u>9/30/2015</u>
Assets		
Current Assets		
Cash in banks	337,257	102,603
Time deposits	148,357	399,907
Accounts receivable	27,584	27,288
Total Current Assets	<u>513,198</u>	<u>529,798</u>
Fixed Assets		
Land	1,510	1,510
Buildings	311,643	331,666
Distribution system	2,866,114	2,866,114
Less: accumulated depreciation	<u>(1,401,415)</u>	<u>(1,460,115)</u>
Net fixed assets	<u>1,777,852</u>	<u>1,739,175</u>
Total Assets	<u><u>2,291,050</u></u>	<u><u>2,268,973</u></u>
Current Liabilities		
Accounts payable	7,243	4,854
Current portion USDA notes	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>7,243</u>	<u>4,854</u>
Longterm Liabilities		
Notes payable	<u>0</u>	<u>0</u>
Total Liabilities	7,243	4,854
Equity		
Retained Earnings	1,678,434	1,658,747
Grants	<u>605,373</u>	<u>605,372</u>
Total Liabilities & Equity	<u><u>2,291,050</u></u>	<u><u>2,268,973</u></u>



TOWN OF SALLIS
WATER SERVICES FUND
STATEMENT OF INCOME AND EQUITY
FOR THEY YEAR ENDED 09/30/2015

	<u>9/30/2014</u>	<u>9/30/2015</u>
Operating Income		
Water Revenue	315,553	314,995
	<hr/>	<hr/>
Total Income	315,553	314,995
 Operating Expenses		
Contract services	106,234	97,998
Office	59,699	50,019
Utilities	26,565	25,640
Insurance	20,327	21,914
Salaries	78,831	81,967
Interest	90	0
Depreciation	58,700	58,700
	<hr/>	<hr/>
Total Expenses	350,446	336,238
 Net Operating Income (Loss)	(34,893)	(21,243)
 Non Operating Income		
Interest	613	1,557
	<hr/>	<hr/>
Net Income (Loss)	(34,280)	(19,686)
 Beginning Equity	221,161	186,881
 Ending Equity	<hr/> <hr/>	<hr/> <hr/>
	186,881	167,195

TOWN OF SALLIS
SCHEDULE OF BUDGET & INCOME
FOR THE PERIOD 10/01/15 TO 09/30/16

Operating Income	
Water Revenue	<u>330,000</u>
Total	330,000
Operating Expenses	
Contract services	90,000
Office	50,000
Utilities	26,000
Insurance	22,000
Salaries	85,000
Interest	0
Depreciation	<u>58,700</u>
Total Expenses	331,700
Net Operating Income (Loss)	(1,700)
Non-operating Income	
Interest	<u>2,000</u>
Total Non-operating Income	2,000
Net Income (Loss)	300

TOWN OF SALLIS
SCHEDULE OF SURETY BONDS
SEPTEMBER 30, 2015

<u>Position</u>	<u>Company</u>	<u>Amount</u>
Mayor	Travelers	\$ 50,000
Town Clerk	Travelers	\$ 50,000
Assistant Clerks (3)	Travelers	\$ 50,000 ea
Board of Aldermen (5)	MS Municipalities Prog.	\$ 10,000 ea

