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TOWN OF ALLIGATOR, MISSISSIPPI

P. O. Box 26
Alligator, MS 38720
Phone: 662-624-5737

November 22, 2016

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

In Re: Annual Municipal Compilation

Gentlemen:

Accompanying this letter are two copies of the annual compilation of the Town of Alligator, Mississippi, for the year ended September 30, 2016. A separate management letter was not written to the town in connection with this compilation.

Sincerely,


Mayor

Enclosures





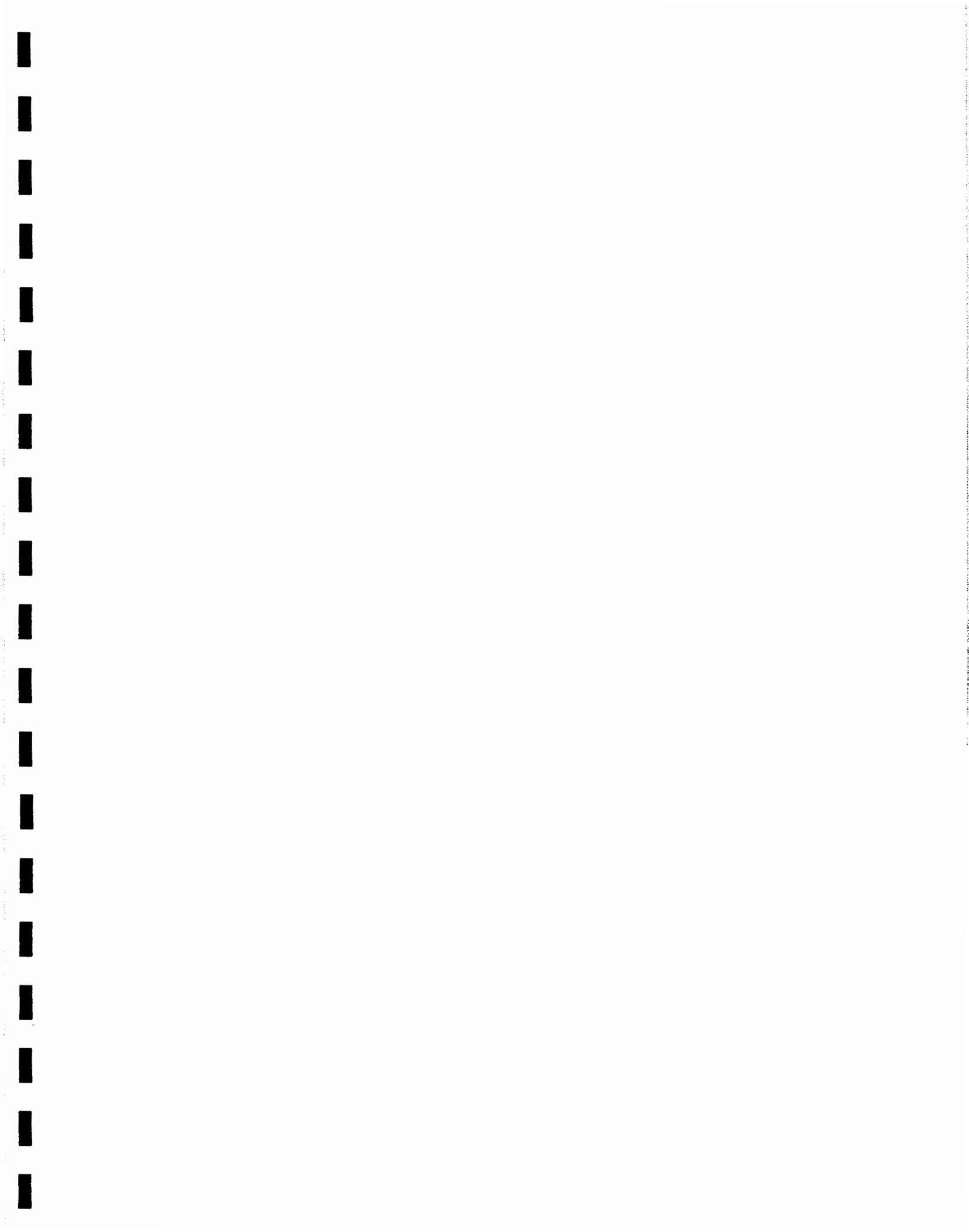
Town of Alligator
Financial Statements
September 30, 2016

Ellis & Hirsberg
Certified Public Accountants, PLLC
Clarksdale, Mississippi

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DEC 05 2016







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ACCOUNTANTS' COMPILATION REPORT

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

We have compiled the accompanying combined Statement of Cash Receipts and Disbursements, Governmental and Business-type Activities of the Town of Alligator for the year ended September 30, 2016, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying Statement of Cash Receipts and Disbursements, Governmental and Business-type Activities and, accordingly, do not express an opinion or any other form of assurance on it.

The Town's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the combined Statement of Cash Receipts and Disbursements, Governmental and Business-type Activities is not intended to present results of operations, in conformity with generally accepted accounting principles.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

The supplementary information contained in Schedules 1 through 3 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Alligator, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

We are not independent with respect to the Town of Alligator.

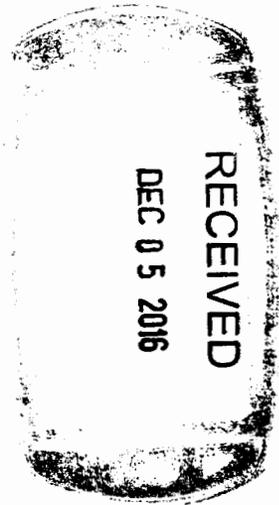
Clarksdale, Mississippi
November 17, 2016

Ellis & Hirsberg, CPA, PLLC



TOWN OF ALLIGATOR, MISSISSIPPI
 COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-type Activities		
	Major Funds			Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund	Other Governmental Funds				
RECEIPTS							
Taxes:							
General property taxes	6,993			6,993			0
Penalties and interest on delinquent taxes				0			0
Licenses and permits:							
Privilege licenses	50			50			0
Franchise charges - utilities	1,982			1,982			0
Intergovernmental revenues:							
Federal receipts:							
General health program				0			0
General municipal aid							
Finance & administration	104			104			0
State shared revenues:							
Sales taxes	5,753			5,753			0
Gasoline tax	598			598			0
Motor vehicle tax	2,056			2,056			0
Alcoholic beverage licenses	900			900			0





TOWN OF ALLIGATOR, MISSISSIPPI
 COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-type Activities		
	Major Funds			Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund	Other Governmental Funds				
Fire protection	1,334			1,334			0
Grand Gulf - nuclear	1,137			1,137			0
Homestead exemption	580			580			0
Charges for services:							
Sanitation				0	14,452		14,452
Water utility				0		27,223	27,223
Interest income	253			253	218	55	273
Fines & forfeits				0			0
Misc. receipts	100			100			0
Total Receipts	21,840	0	0	21,840	14,670	27,278	41,948
DISBURSEMENTS							
General government							
Salaries	12,000			12,000			0
Payroll taxes	1,927			1,927			0
Bank fees & miscellaneous	1,067			1,067			0
Utilities & telephone	5,589			5,589			0

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TOWN OF ALLIGATOR, MISSISSIPPI
 COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-type Activities		
	Major Funds		Other Governmental Funds	Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund					
Repairs & supplies	3,668			3,668			0
Insurance & dues	3,321			3,321			0
Accounting & legal	4,275			4,275			0
Miscellaneous labor	456			456			0
Public safety							
Police				0			0
Fire	1,334			1,334			0
Culture & recreation							
Parks				0			0
Library				0			0
Enterprise							
Sanitation				0	16,003		16,003
Water utility				0		31,682	31,682
Redemption of principal				0			0
Debt service interest				0			0
General health program				0			0
Capital Expenditures				0			0
Total Disbursements	33,637	0	0	33,637	16,003	31,682	47,685



TOWN OF ALLIGATOR, MISSISSIPPI
 COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-type Activities		
	Major Funds			Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund	Other Governmental Funds				
Excess (Deficiency) of receipts over disbursements	(11,797)	0	0	(11,797)	(1,333)	(4,404)	(5,737)
OTHER FINANCING SOURCES (USES)							
Loan proceeds				0			0
Loan principal payments				0			0
Transfers	10,320			10,320	(9,520)	(800)	(10,320)
Total other financing resources (Uses)	10,320	0	0	10,320	(9,520)	(800)	(10,320)
Excess (Deficiency) of receipts & other financing sources over disbursements & other financing uses	(1,477)	0	0	(1,477)	(10,853)	(5,204)	(16,057)
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	71,580			71,580	40,881	18,012	58,893
CASH BASIS FUND BALANCE - END OF YEAR	70,103	0	0	70,103	30,028	12,808	42,836

See the accompanying notes to the financial statements.



**TOWN OF ALLIGATOR, MISSISSIPPI
SELECTED DISCLOSURES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

Note 1 - Significant Accounting Policies

A. Reporting Entity

In evaluating and defining the Town's government it was found that the Town has no component units and therefore was considered as one unit.

B. Accounting

The Town uses funds to report its cash receipts and disbursements. Fund accounting is used to demonstrate legal compliance by segregating transactions related to specific government functions.

The Town uses two fund classifications of funds: general government and proprietary. Each fund has a separate balanced set of accounts.

The general government funds are used to account for all the Town's general activities and includes the accounting for general fixed assets and general long-term debt.

The proprietary funds are used to account for activities where net income or net loss is determined as if operating in a competitive environment.

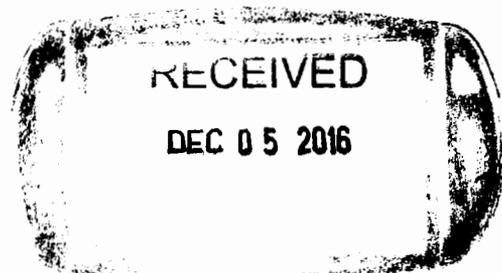
C. Basis of Accounting

The financial statements are prepared using the cash receipts and disbursements method of accounting as prescribed by the Office of the State Auditor. Revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred.

D. Cash Deposits

The Town deposits all its funds in financial institutions selected by the Board of Aldermen that are insured by the Federal Deposit Insurance Corporation (FDIC).

E. The total column in this financial statement is presented for overview information purposes and is not meant to present fairly the cash receipts and disbursements on a consolidated basis.





Note 2 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 3 The Town uses the county tax rolls for the assessment of its ad valorem tax. Property is assessed in January of each year and the millage is set in September of each year. The Town clerk bills property owner for the ad valorem tax in December of each year. They are due on January 1 and become delinquent after February 1. The taxes levied for the year ending September 30, 2016 was 18 mills.

Auto taxes are collected and remitted to the Town by the Bolivar County tax collector.

Note 4 State law authorizes the Town to invest in interest bearing time certificates of deposit for periods of fourteen days to one year with depositories and in obligations of the U. S. Treasury, State of Mississippi, or any county, municipality or school district of this state. Further, the Town may invest in certain repurchase agreements.

Cash includes cash on hand, demand deposits, all certificates of deposit and cash equivalents, which are short-term highly liquid investments that are readily convertible to 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 Federal Depository Insurance Corporation.

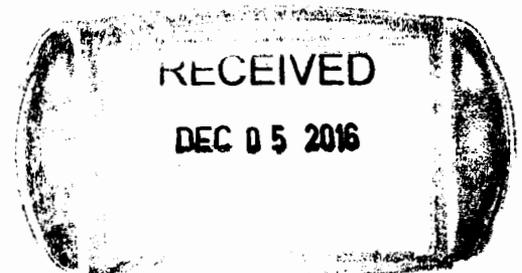
The carrying amount of the Town's deposits with financial institutions was \$112,939 and the bank balance was \$112,939.



**TOWN OF ALLIGATOR, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2016**

<u>Name</u>	<u>Term</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Tommie Brown	June 12, 2017	Mayor	Western Surety	50,000
Frances Williams	March 27, 2017	Town Clerk	RLI Surety	50,000
Robert Fava, Jr.	July 2, 2017	Alderman	RLI Surety	50,000
Ronald Fava	Nov. 11, 2016	Alderman	RLI Surety	50,000
Jerry Mitchell	Nov. 11, 2016	Alderman	RLI Surety	50,000
Mechelle Wallace	June 12, 2017	Alderman	Western Surety	50,000
Chewanda Butler	Nov. 11, 2016	Alderman	RLI Surety	50,000

See accountants' compilation report.





TOWN OF ALLIGATOR, MISSISSIPPI
 SCHEDULE OF INVESTMENTS - ALL FUNDS
 SEPTEMBER 30, 2016

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Balance</u>
General Fund	Certificate of Deposit	.35%	5-25-17	CB&S Bank	16,309
General Fund	Certificate of Deposit	.39%	11-16-19	Southern Bancorp	50,359
Water Fund	Certificate of Deposit	.5%	5-8-17	FNB of Clarksdale	10,095
Sanitation Fund	Certificate of Deposit	.35%	5-7-17	CB&S Bank	<u>24,533</u>
<u>Total Investments</u>					<u><u>101,296</u></u>

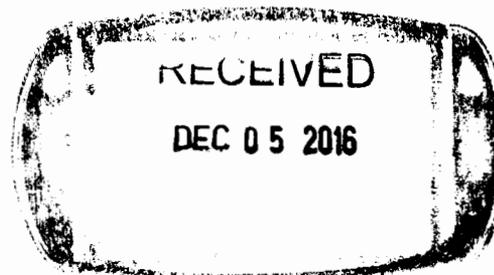
See accountants' compilation report



TOWN OF ALLIGATOR, MISSISSIPPI
 SCHEDULE OF LONG-TERM DEBT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

<u>Definition and Purpose</u>	Balance	Transactions During Fiscal Year		Balance
	Outstanding 10-1-15	Issued	Redeemed	Outstanding 9-30-16
General Obligation Bonds	0			0
Revenue Bonds	0			0
Other Long-term Debt	0			0
<u>Total</u>	<u>0</u>			<u>0</u>

See accountants' compilation report.





**SPECIAL REPORT ON AGREED UPON PROCEDURES FOR THE
 TOWN OF ALLIGATOR, MISSISSIPPI FOR THE FISCAL
 YEAR ENDED SEPTEMBER 30, 2016**

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

We have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Alligator as of September 30, 2016, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated. It is understood that this report is solely for the use of the Governing Body of the Town of Alligator and the Office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. Our procedures and findings are as follows:

- A. 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 banks. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323 of the Mississippi Code of 1972.

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Southern Bancorp	General	412
FNB of Clarksdale	General	3,023
C B & S Bank - Certificates	General	16,309
Southern Bancorp - Certificates	General	<u>50,359</u>
<u>Total General Fund</u>		<u>70,103</u>
First National Bank of Clarksdale	Proprietary	2,713
First National Bank of Clarksdale	Proprietary	5,495
First National Bank of Clarksdale - Certificates	Proprietary	10,095
C B & S Bank - Certificates	Proprietary	<u>24,533</u>
<u>Total Proprietary Funds</u>		<u>42,836</u>
<u>Total All Funds</u>		<u>112,939</u>



- B. We performed the following procedures with respect to taxes on real and personal property levied during the fiscal year.
1. Verify use of county assessment rolls and trace levies to governing body minutes;
 2. Determined the reasonableness of taxes levied per the tax rolls to amounts actually collected;
 3. Traced distribution of taxes collected to proper funds;
 4. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 through 27-39-323, Mississippi Code, 1972, Annotated.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 through 27-39-323, Mississippi Code, 1972, Annotated.

- C. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the Town. The payments were traced to deposit in banks and recorded in the general ledger without exception. Cash receipts were as follows:

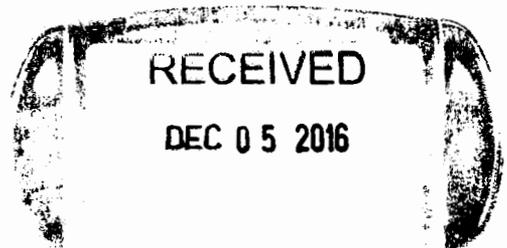
<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Alcohol Beverage License	General	900
Grand Gulf	General	1,137
Sales Tax	General	5,753
Municipal Aid - General	General	104
Municipal Aid - Fire	General	1,334
Gasoline Tax	General	598
Homestead Exemption	General	580

- D. We selected a sample of purchases made by the Town during the year. Each sample item was evaluated for compliance with public purchasing requirements set forth in Sections 31-7-1, 31-7-13, 31-7-49 and 31-7-57, Mississippi Code, 1972, Annotated, as applicable.

The sample consisted of the following:

Number of Sample Items	29
Dollar Value of Sample	6,158

We found the Town's purchasing procedures to be in compliance with the above sections.



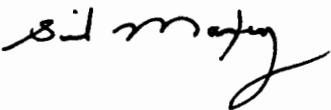


E. No fines were collected by the Town of Alligator.

F. The Town of Alligator completed, signed and recorded in the board minutes the Municipal Compliance Questionnaire for the fiscal year ended September 30, 2016. Routine audit procedures and tests of the questions contained in the questionnaire did not reveal any instances of noncompliance.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items 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 relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Alligator, taken as a whole.

Ellis & Hirsberg, CPA, PLLC

By: , Member

Clarksdale, Mississippi
November 17, 2016

