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CITY OF CHARLESTON, MISSISSIPPI

**FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Commissioners
City of Charleston
Charleston, Mississippi

Report on the Financial Statement

We have audited the Statement of Cash Receipts and Disbursements, Governmental and Business-type Activities of the City of Charleston, Mississippi, as of and for the year ended September 30, 2016, and the related notes to the financial statement which collectively comprise the City's basic financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as prescribed by the Office of the Mississippi State Auditor which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for 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 an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and in compliance with the audit requirements prescribed by the Office of the Mississippi State Auditor. As described more fully in Note 1, the City of Charleston, Mississippi has prepared their financial statements using accounting practices prescribed or permitted by *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Mississippi State Department of Audit, which practices differ from accounting principles generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement referred to above is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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. However, the effect on the financial statements of the variances between these accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental:	
General Fund	Qualified
Debt Service Fund	Unmodified
Airport Fund	Unmodified
Municipal Court Fund	Unmodified
Street Improvements Fund	Unmodified
Proprietary:	
Water and Sewer Fund	Qualified

Basis for the Qualified Opinions on the General Fund and Water and Sewer Fund

The Water and Sewer Fund bills customers monthly for water fees, sewer fees, and garbage (refuse collection) fees. The garbage fees, once collected by the Water and Sewer fund, are remitted to the General Fund whereby the funds are dispersed to a waste management company with whom the City has contracted. When the meters are read monthly, the information is input into the Water software in order to generate a Billing Summary from which customer's bills are generated. Due to suspected software issues, in an apparent haphazard way many customers were not issued bills every month and the resulting unbilled customers did not appear on the Unpaid Customers listing. Also, due to the changes in water clerks and city clerks, personnel were inadequately trained in the application of internal controls in order to identify that the City was under collecting its water, sewer, and garbage fees. When comparing the Billing Summaries to the Monthly Collections, the City's under collections have resulted in misstatements in the General Fund – Refuse Collection fees in the amount of \$19,095.57 and in the Water and Sewer Fund – Water and Sewer fees in the amount of \$65,753.64.

Also, the City has a balance in the Sundry Receipts account of the General Fund in the amount of \$26,214.65 in which the auditor was unable to obtain sufficient appropriate audit evidence to substantiate the amount or as to whether it is correctly categorized. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

Opinion

In our opinion, because of the effect of the matters discussed in the preceding paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of each fund of the City of Charleston, Mississippi as of September 30, 2016, or changes in financial position or cash flows thereof for the year then ended. Further, the City has not presented management's discussion and analysis nor required supplemental information that accounting principles generally accepted in the United States has determined is necessary to supplement, although they are not required to be part of, the basic financial statements.

Qualified Opinions

In our opinion, except for the matters described in the "Basis for the Qualified Opinions on the General Fund and Water and Sewer Fund" paragraph, the financial statements referred to above present fairly, in all material respects, the cash balances of the General Fund and the Water and Sewer Fund of the City of Charleston, Mississippi, as of September 30, 2016, and their respective cash receipts and disbursements, for the year then ended, on the basis of accounting described in Note 1.



Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Debt Service Fund, the Airport Fund, the Municipal Court Fund, and the Street Improvements Fund of the City of Charleston, Mississippi, as of September 30, 2016, and their respective cash receipts and disbursements, for the year then ended, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2017 on our consideration of the City of Charleston, 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 the 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 the City of Charleston, Mississippi's internal control over financial reporting and compliance.

This report is intended for the information of the City's management, the Office of the Mississippi State Auditor, and the appropriate federal and state agencies 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.

Taylor, Powell, Wilson & Hartford, P.A.

June 8, 2017



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

RECEIPTS	Governmental Activities				Capital Projects	Business-type Activities	Totals	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	(Memorandum Only)	
							September 30,	
							2016	2015
REVENUE RECEIPTS:								
General property taxes:								
Current year levy	\$ 490,556.82	\$ 44,343.22	\$	\$	\$	\$	\$ 534,900.04	\$ 543,424.86
Prior year's levy	799.35	70.83					870.18	16,602.20
Autos	91,672.92	9,164.48					100,837.40	98,757.87
Penalties and interest	5,602.17						5,602.17	9,932.46
Total taxes	<u>588,631.26</u>	<u>53,578.53</u>					<u>642,209.79</u>	<u>668,717.39</u>
Licenses and permits:								
Permits and inspections	4,713.70						4,713.70	8,847.03
Franchise fees – utilities	61,622.92						61,622.92	81,030.35
Total licenses and permits	<u>66,336.62</u>						<u>66,336.62</u>	<u>89,877.38</u>
Fines and forfeits – net of amounts remitted to State	<u>(31,366.25)</u>			<u>100,789.57</u>			<u>69,423.32</u>	<u>74,943.41</u>
Intergovernmental Revenue:								
Federal grants:								
USDA-Community Facilities Grant	31,600.00						31,600.00	
Public Safety Grant								
Wastewater Treatment Feasibility Study Grant						30,000.00	30,000.00	
C.D.B.G. - Sewer Rehabilitation Project Grant						188,558.07	188,558.07	
Total federal grants	<u>31,600.00</u>					<u>218,558.07</u>	<u>250,158.07</u>	
State of Mississippi:								
Rural Fire Truck Grant								70,000.00
Solid Waste Assistance Grant	15,000.00						15,000.00	
Homestead exemption reimbursement	35,870.08	3,178.35					39,048.43	39,529.64
Grand Gulf funds	22,058.63						22,058.63	21,941.79
General sales tax diversion	343,884.50						343,884.50	349,917.02
Municipal Revolving fund	1,093.61						1,093.61	1,093.60

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

RECEIPTS REVENUE RECEIPTS: (Cont'd)	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
Intergovernmental Revenue: (Cont'd)								
Gasoline tax	\$ 7,356.98	\$	\$	\$	\$	\$	\$ 7,356.98	\$ 6,578.99
Alcoholic beverages licenses	1,800.00						1,800.00	2,250.00
Fire insurance premium tax	13,697.58						13,697.58	11,564.38
Police Training reimbursement	4,237.00						4,237.00	7,200.00
MDOT reimbursement								720.72
Total State of Mississippi	<u>444,998.38</u>	<u>3,178.35</u>					<u>448,176.73</u>	<u>510,796.14</u>
County shared revenues:								
Road maintenance	96,855.78						96,855.78	103,693.52
Fire protection contribution and rebate funds	<u>2,767.30</u>						<u>2,767.30</u>	<u>3,968.11</u>
Total county shared revenues	<u>99,623.08</u>						<u>99,623.08</u>	<u>107,661.63</u>
Charges for services:								
Refuse collection fees	127,343.43						127,343.43	143,889.87
Water and Sewer Fees						475,418.99	475,418.99	573,354.13
Total charges for services	<u>127,343.43</u>					<u>475,418.99</u>	<u>602,762.42</u>	<u>717,244.00</u>
Miscellaneous:								
Interest	168.71		387.68			385.68	942.07	905.17
Rent and lease – use of property	22,333.20		103,500.00				125,833.20	125,835.77
Donations	23,770.00						23,770.00	
Sundry receipts	<u>26,976.65</u>						<u>26,976.65</u>	<u>1,122.21</u>
Total miscellaneous	<u>73,248.56</u>		<u>103,887.68</u>			<u>385.68</u>	<u>177,521.92</u>	<u>127,863.15</u>
Total revenue receipts	<u>1,400,415.08</u>	<u>56,756.88</u>	<u>103,887.68</u>	<u>100,789.57</u>		<u>694,362.74</u>	<u>2,356,211.95</u>	<u>2,297,103.10</u>

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Capital Projects	Business-type Activities	Totals	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	(Memorandum Only)	
							September 30,	
OTHER SOURCES:							2016	2015
Tallahatchie Co Bank - Equipment and Equipment Loans	\$ 38,878.90	\$	\$	\$	\$	\$	\$ 38,878.90	\$
Operating transfers:								
Transferred from Municipal Fund	34,792.76						34,792.76	
Interfund Loans		11,847.60	242.28			87,822.10	99,911.98	
Total other sources	<u>73,671.66</u>	<u>11,847.60</u>	<u>242.28</u>			<u>87,822.10</u>	<u>173,583.64</u>	
Total receipts	<u>1,474,086.74</u>	<u>68,604.48</u>	<u>104,129.96</u>	<u>100,789.57</u>		<u>782,184.84</u>	<u>2,529,795.59</u>	<u>2,297,103.10</u>
DISBURSEMENTS								
OPERATING DISBURSEMENTS:								
General Government:								
Legislative:								
Commissioner's salaries	27,600.00						27,600.00	27,600.00
Payroll taxes	2,111.40						2,111.40	2,111.40
State retirement	<u>4,347.00</u>						<u>4,347.00</u>	<u>4,347.00</u>
Total legislative	<u>34,058.40</u>						<u>34,058.40</u>	<u>34,058.40</u>
Judicial:								
Salaries	31,438.44			41,779.18			73,217.62	71,112.43
Payroll taxes	2,393.64			7,610.91			10,004.55	10,474.67
State retirement	<u>3,415.92</u>			<u>5,162.75</u>			<u>8,578.67</u>	<u>9,688.19</u>
Total judicial	<u>37,248.00</u>			<u>54,552.84</u>			<u>91,800.84</u>	<u>91,275.29</u>
Executive:								
Mayor's salary	18,000.00						18,000.00	18,000.00
Payroll taxes	1,377.00						1,377.00	1,377.00
State retirement	2,835.00						2,835.00	2,835.00
Mayor's expenditures	<u>11,007.45</u>						<u>11,007.45</u>	<u>6,095.06</u>
Total executive	<u>33,219.45</u>						<u>33,219.45</u>	<u>28,307.06</u>

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

DISBURSEMENTS OPERATING DISBURSEMENTS: (Cont'd)	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
Financial Administration:								
Salaries	\$ 56,766.73	\$	\$	\$	\$	\$	\$ 56,766.73	\$ 72,421.76
Payroll taxes	3,985.59						3,985.59	5,222.68
State retirement	14,768.03						14,768.03	10,595.63
Benefits – medical insurance	18,943.55						18,943.55	7,500.40
Office supply	17,092.43			1,542.86			18,635.29	11,956.05
Professional fees	30,655.53						30,655.53	24,595.50
Telephone	11,930.34						11,930.34	11,569.83
Travel and convention	13,607.60			1,254.53			14,862.13	15,185.64
Publishing	1,564.06						1,564.06	2,168.75
Insurance	6,748.88			825.30			7,574.18	4,828.58
Dues and subscriptions	1,995.00			50.00			2,045.00	1,263.00
Computer expense	22,339.37						22,339.37	14,869.45
Office equipment maintenance	1,268.43						1,268.43	1,251.07
Miscellaneous	10,980.28	315.06		1,949.64			13,244.98	10,060.92
Total financial administration	<u>212,645.82</u>	<u>315.06</u>		<u>5,622.33</u>			<u>218,583.21</u>	<u>193,489.26</u>
Building and plant:								
Supplies	5,115.13						5,115.13	2,124.17
Repairs	1,239.28						1,239.28	7,559.60
Utilities	10,927.26						10,927.26	19,476.87
Insurance	366.16						366.16	321.58
Total building and plant	<u>17,647.83</u>						<u>17,647.83</u>	<u>29,482.22</u>
Total general government	<u>334,819.50</u>	<u>315.06</u>		<u>60,175.17</u>			<u>395,309.73</u>	<u>376,612.23</u>

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

DISBURSEMENTS OPERATING DISBURSEMENTS: (Cont'd)	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
Public Safety:								
Police:								
Salaries	\$ 299,825.02	\$	\$	\$	\$	\$	\$ 299,825.02	\$ 300,242.17
Payroll taxes	21,905.91						21,905.91	21,808.62
State retirement	45,844.53						45,844.53	46,503.90
Benefits – medical insurance	22,210.04						22,210.04	31,255.08
Supplies and uniforms	6,133.60						6,133.60	5,499.08
Fuel	17,430.24						17,430.24	22,069.61
Repairs	9,884.99						9,884.99	7,567.26
Travel and training	6,382.12						6,382.12	13,782.91
Telephone and utilities	6,339.96						6,339.96	15,420.17
Insurance	32,499.70						32,499.70	20,559.55
Crime lab and professional fees	142.00						142.00	652.56
Office and computer supplies	2,397.36						2,397.36	3,341.99
Dispatcher service-county	5,000.00						5,000.00	10,000.00
Miscellaneous	1,844.90						1,844.90	565.84
Total police	<u>477,840.37</u>						<u>477,840.37</u>	<u>499,268.74</u>
Fire:								
Salaries	34,508.54						34,508.54	33,526.62
Payroll taxes	2,640.12						2,640.12	2,606.18
Supplies and uniforms	0.33						0.33	48.50
Fuel	210.45						210.45	393.19
Repairs	10,878.57						10,878.57	1,245.00
Telephone	681.94						681.94	6,232.37
Insurance	11,300.50						11,300.50	9,505.57
Miscellaneous	4,000.64						4,000.64	1,635.52
Total fire	<u>64,221.09</u>						<u>64,221.09</u>	<u>55,192.95</u>
Total public safety	<u>542,061.46</u>						<u>542,061.46</u>	<u>554,461.69</u>

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

DISBURSEMENTS OPERATING DISBURSEMENTS: (Cont'd)	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
Public Works:								
Streets:								
Salaries	\$ 118,660.73	\$	\$	\$	\$	\$	\$ 118,660.73	\$ 98,481.34
Payroll taxes	8,520.26						8,520.26	7,077.35
State retirement	17,149.46						17,149.46	14,109.69
Benefits – medical insurance	11,072.49						11,072.49	22,145.78
Materials, supplies and repairs	49,803.90						49,803.90	31,447.93
Fuel	9,856.87						9,856.87	12,060.28
Repairs – equipment	20,608.72						20,608.72	19,692.20
Utilities – street lights	30,223.63						30,223.63	35,067.76
Insurance	15,010.19						15,010.19	9,258.17
Travel and auto allowance	189.80						189.80	25.00
Miscellaneous	273.04						273.04	139.15
Total streets	<u>281,369.09</u>						<u>281,369.09</u>	<u>249,504.65</u>
Health and Welfare:								
Sanitation:								
Refuse collection-Waste Mgt., Inc.	185,629.92						185,629.92	159,999.93
Total health and welfare	<u>185,629.92</u>						<u>185,629.92</u>	<u>159,999.93</u>
Appropriations for the benefit of:								
National guard	1,200.00						1,200.00	1,200.00
Public library	4,200.00						4,200.00	4,150.00
County district attorney's office	1,200.00						1,200.00	1,200.00
Total program appropriations	<u>6,600.00</u>						<u>6,600.00</u>	<u>6,550.00</u>
Special Revenue – Airport:								
Supply, repairs and maintenance			2,756.51				2,756.51	1,323.77
Utilities			2,398.34				2,398.34	2,281.33
Professional fees			5,500.00				5,500.00	5,500.00
Insurance			1,830.80				1,830.80	2,724.95
Total municipal airport			<u>12,485.65</u>				<u>12,485.65</u>	<u>11,830.05</u>

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

DISBURSEMENTS OPERATING DISBURSEMENTS: (Cont'd)	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
Enterprise:								
Water & Sewer Fund:								
Salaries & Water Service Assistance	\$	\$	\$	\$	\$	\$ 140,159.66	\$ 140,159.66	\$ 154,470.87
Payroll taxes						10,094.13	10,094.13	9,672.23
State retirement						18,920.18	18,920.18	17,398.59
Benefits – medical insurance						15,774.95	15,774.95	9,682.89
Repairs, maintenance and supplies						51,280.34	51,280.34	52,018.42
Chemicals and lab fees						41,777.05	41,777.05	44,171.96
Telephone						1,017.18	1,017.18	7,996.55
Utilities						24,383.40	24,383.40	43,098.68
Insurance						19,765.36	19,765.36	19,378.27
Professional fees						19,580.72	19,580.72	13,145.39
Collection fees including East Charleston						13,573.84	13,573.84	5,785.75
Fuel & Travel						6,817.16	6,817.16	11,978.97
Total water & sewer fund						363,143.97	363,143.97	388,798.57
Total operating disbursements	1,350,479.97	315.06	12,485.65	60,175.17		363,143.97	1,786,599.82	1,747,757.12
OTHER DISBURSEMENTS:								
Debt service:								
Interfund Loans	48,860.28			51,051.70			99,911.98	
Improvements:								
Principal								14,918.04
Interest								277.60
FMHA – sewer improvement bonds:								
Principal						3,730.05	3,730.05	3,566.21
Interest						3,229.95	3,229.95	3,393.79
Tallahatchie County Bank - Operating and								
Equipment Loans:								
Principal	2,463.14						2,463.14	4,157.74
Interest	286.23						286.23	154.23

See Accompanying Notes to the Financial Statements.



CITY OF CHARLESTON, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Capital Projects	Business-type Activities	Totals (Memorandum Only)	
	General Fund	Debt Service Fund	Special Revenue Airport	Municipal Court Fund	Street Improvements	Water & Sewer Fund	September 30,	
							2016	2015
DISBURSEMENTS								
OPERATING DISBURSEMENTS: (Cont'd)								
Regions Bank - Equipment Loans:								
Principal	\$	\$	\$	\$	\$	\$	\$	819.07
Interest								36.43
Trustmark National Bank - Equipment Loans:								
Principal	17,333.26						17,333.26	16,929.37
Interest	3,129.86						3,129.86	3,533.75
Capital Improvements Loan:								
Principal	9,282.80						9,282.80	14,006.94
Interest	7,244.35						7,244.35	8,029.26
General Obligation Bonds, Series 2014:								
Principal		35,000.00					35,000.00	30,000.00
Interest		24,440.00					24,440.00	19,810.00
Rural Development - Water Utility:								
Principal						51,511.92	51,511.92	49,310.78
Interest						110,029.41	110,029.41	112,228.30
Total debt service	88,599.92	59,440.00		51,051.70		168,501.33	367,592.95	281,171.51
Operating transfer to general fund				34,792.76			34,792.76	
Operating transfer from general fund								
Capital outlay:								
Sewer Rehabilitation						218,558.07	218,558.07	
Street Improvements					524,194.47		524,194.47	58,600.00
Buildings and Equipment	122,991.80						122,991.80	28,416.40
Sewer Line Rehabilitation								
Runway Rehabilitation and Improvements			26,505.00				26,505.00	
Total other disbursements	211,591.72	59,440.00	26,505.00	85,844.46	524,194.47	387,059.40	1,294,635.05	368,187.91
Total disbursements	1,562,071.69	59,755.06	38,990.65	146,019.63	524,194.47	750,203.37	3,081,234.87	2,115,945.03
EXCESS RECEIPTS, DISBURSEMENTS (-)	(87,984.95)	8,849.42	65,139.31	(45,230.06)	(524,194.47)	31,981.47	(551,439.28)	181,158.07
CASH AND INVESTMENTS – BEGINNING, as restated	265,756.57	3,904.63	295,831.48	60,263.63	567,652.69	317,452.70	1,510,861.70	1,329,703.63
CASH AND INVESTMENTS – ENDING	\$ 177,771.62	\$ 12,754.05	\$ 360,970.79	\$ 15,033.57	\$ 43,458.22	\$ 349,434.17	\$ 959,422.42	\$ 1,510,861.70

See Accompanying Notes to the Financial Statements.



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Charleston, Mississippi (“the City”) operates under the Mayor-Board of Commissioners form of government and provides the following services: public safety (police and fire protection), streets, sanitation, culture and recreation, public improvements, planning and zoning, general administrative services, and water and sewer services.

Reporting Entity – This report includes all of the funds of the City, and there are no component units as defined by GASB Statement 14.

Basis of Accounting – All governmental and proprietary funds are accounted for using the cash receipts and disbursements basis of accounting, as prescribed by the Mississippi State Department of Audit. This basis of accounting differs from generally accepted accounting principles in that revenues are recognized when received rather than when measurable and available as net current assets and expenditures are generally recognized when the related fund expense is disbursed rather than when the related fund liability is incurred. Consequently, these financial statements are not intended to present financial position or results of operations in accordance with generally accepted accounting principles. Financial statements issued following accounting principles generally accepted in the United States of America normally contain Government-Wide Financial Statements, Fund Financial Statements, Management Discussion and Analysis (MD&A), Required Supplemental Information (Budgetary Reporting), and other Supplemental Information.

Basis of Presentation – Fund Accounting – The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for by a separate set of self-balancing accounts that comprise revenues/receipts and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

The City uses the following funds:

Governmental Fund Types:

General Fund:

The General Fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

Special Revenue Fund:

Special Revenue Funds are used to account for the proceeds of specific revenue resources that are legally restricted to expenditures for specified purposes. For purposes of the City, the Airport Fund is considered the special revenue fund for reporting purposes.

Debt Service Fund:

Debt service funds are used to account for and report the accumulation of funds restricted or committed for the periodic payment of principal and interest on general long-term debt.



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Governmental Fund Types: (Cont'd)

Capital Projects Fund:

Capital Projects Funds are used to account for financial resources to be used for acquisition and/or construction of major capital facilities (other than those financed by proprietary funds including proprietary fund grants). Such resources are derived principally from proceeds of revenue bonds and federal grants.

Proprietary Fund Types:

Proprietary Funds are used to account for operations which are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Proprietary Fund for the City is the Water and Sewer Fund which is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collections thereof. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

The reporting model for financial statement format and presentation requirements of the Governmental Accounting Standards Board Statement Numbers 34 through 82 do not apply when only a Statement of Cash Receipts and Disbursements prepared on an other comprehensive basis of accounting is presented.

Budget – The budget for all funds is prepared and adopted on the cash receipts and disbursements basis of accounting, a basis of accounting other than generally accepted accounting principles. This basis is consistent with the applicable laws of the State of Mississippi. Revenues which are legally receipted from October 1 through September 30 may be credited to the budget. Expenditures which may be charged to the budget are those which were legally budgeted, incurred prior to the end of the fiscal year, and disbursed during the fiscal year or within 30 days thereafter.

Cash and Investments – For the purpose of the financial statement, cash includes all demand, savings accounts, and certificates of deposits of the City.

Capital Assets – Capital asset purchases are recorded as expenditures at the time of acquisition. Such assets are not capitalized but instead are fully expensed in the year of purchase. Consequently, depreciation has not been provided on fixed assets.

Revenues and Expenditures/Expenses – Revenues for governmental and proprietary funds are recorded when they are received. Expenditures for governmental funds are recorded when the warrant is issued.

Total Columns on Statements – The “Total” columns on the statements are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial analysis. Adjustments to eliminate interfund transactions have not been recorded in arriving at such amounts and the memorandum totals are not intended to fairly present the financial position or results of operations of the City, taken as a whole.



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 2 – PROPERTY TAXES

Property taxes are attached as an enforceable lien on property as of February 1. The City bills and collects its own property tax. The primary months of collection are December and January.

The City's millage rate for 2015 taxes, which were collected in the year ended September 30, 2016, was at a rate of 86 mills.

The City utilized the county tax rolls and values in assessing the ad valorem taxes on real and personal property within the City boundaries. Taxes on autos are billed and collected by the county and remitted to the City in the month following the month of collection.

Property for which ad valorem taxes have not been paid is advertised for sale in April and September each year. Property not sold at auction is purchased by the City.

A reconciliation of assessed properties and property taxes is contained in Note 10 of this report.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments consist of bank deposits in the form of checking accounts, savings accounts and certificates of deposit with the City's depository banks. At September 30, 2016, the carrying amount of the City's deposits with financial institutions was \$959,422.42 and the bank balance was \$1,256,354.03. The collateral for public entities' deposits in financial institutions are 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 the 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.

The bank balance is categorized as follows:

Amount insured by the FDIC	\$ 500,000.00
Amount collateralized through the Statewide Collateral Pool Program Sponsored by the State of Mississippi Treasury Department	756,354.03
Uncollateralized	<u>0</u>
Total bank balance	<u>\$ 1,256,354.03</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 4 – BOND RESERVE REQUIREMENTS

The City's revenue bond ordinances require that the City make monthly deposits to reserve accounts until a maximum balance has been accumulated.

The maximum reserve balances and monthly deposit requirements for the bonds are as follows:

	<u>Monthly Deposit Amount</u>	<u>Total Reserve Requirement</u>	<u>Balance in Account at 9-30-16</u>
Sewer System Revenue Bond	\$ 59.00	\$ 6,955.00	\$ 6,955.00
Combined Water and Sewer System Junior Lien Revenue Bond	2,277.16	261,539.16	227,715.92

Any funds withdrawn from these accounts during the life of the loans must be replaced in accordance with the above schedule.

The required and actual reserve account balances for the bonds at September 30, 2016 are as follows:

	<u>Required Balance</u>	<u>Actual Balance</u>	<u>Over/ Short</u>
Sewer System Revenue Bond	\$ 6,955.00	\$ 6,955.00	\$
Combined Water and Sewer System Junior Lien Revenue Bond	227,715.92	227,715.92	

NOTE 5 – PENSION PLAN

The City contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

Funding Policy – PERS members are required to contribute 9.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The rate at September 30, 2016 was 15.75% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The City's contributions for the years ending September 30, 2016, 2015, and 2014 were \$112,442, \$105,478, and \$103,469, respectively, equal to the required contributions for each year.



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 6 – LONG-TERM DEBT

Long-term debt consists of the following:

	Balance Outstanding 10-1-2015	Transactions During Fiscal Year Issued Redeemed	Balance Outstanding 9-30-2016
REVENUE BONDS:			
Sewer System Revenue Bond issued on 4-5-2000. Payment of interest only shall be made on the first anniversary of the bond. Principal payments with interest on the unpaid balance from the date thereof, at the rate of 4.50% per annum shall be paid in equal annual installments of principal and interest in the amount of \$6,953.00 beginning on the second anniversary date of the bond and continuing through the 13 th anniversary of the bond. Final payment if not sooner paid shall be due and payable 35 years from date of bond.	\$ 73,472.58	\$ 3,730.05	\$ 69,742.53
Combined Water and Sewer System Junior Lien Revenue Bond \$2,867,220 dated as of 5-30-2008 payable in monthly installments of \$13,461.59 for 35 years maturing 5-30-2043 at a rate of 4.375%. First payment due 6-30-2008.	2,538,330.20	51,511.92	2,486,818.28
General Obligation Street Improvement Bonds, Series 2014 \$600,000 dated as of 8-18-2014. Interest is payable on June 1st and interest and principal is payable on December 1st of each year at an effective interest rate of 4.2%. Principal amounts will vary and increase over time. Final maturity, if not paid sooner, shall be 12-1-2029.	570,000.00	35,000.00	535,000.00



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 6 – LONG-TERM DEBT (Cont'd)

Long-term debt consists of the following:

	Balance Outstanding 10-1-2015	Transactions During Fiscal Year		Balance Outstanding 9-30-2016
		Issued	Redeemed	
OTHER LONG-TERM DEBT:				
Tallahatchie County Bank loan, dated 7-7-16 matures on 7-10-2021. Original loan amount is \$38,878.90 at 4.00% fixed rate. Payments of \$716.33 principal and interest starting 8-10-2016.	\$	\$ 38,878.90	\$ 1,157.66	\$ 37,721.24
2009 Capital Improvements Revolving Loan Revised Loan for \$324,000 at 233 months at 3% per annum with a monthly payment of \$1,836.35 beginning 10-1-2010 maturing 02-1-2030.	257,053.21		9,282.80	247,770.41
Trustmark National Bank Dated 3-6-2013 for \$182,119 payable in 120 payments of \$1,705.26, including interest at 2.36%. First payment due 4-5-2013 and maturing 3-5-2023.	140,532.35		17,333.26	123,199.09
Tallahatchie County Bank Dated 1-22-2013 for \$11,224 at a rate of 4.00% per annum fixed rate. Payments of \$331.69 per month which includes principal and interest. Maturing 2-1-2016.	1,305.48		1,305.48	
Total Long-Term Debt	<u>\$ 3,580,693.82</u>	<u>\$ 38,878.90</u>	<u>\$ 119,321.17</u>	<u>\$ 3,500,251.55</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 6 - LONG-TERM DEBT (Cont'd)

The annual aggregate maturities for the Sewer System Revenue Bond for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,901.41	\$ 3,058.59	\$ 6,960.00
2018	4,080.64	2,879.36	6,960.00
2019	4,268.09	2,691.91	6,960.00
2020	4,464.17	2,495.83	6,960.00
2021	4,669.23	2,290.77	6,960.00
2022-2026	26,767.83	8,032.17	34,800.00
2027-2030	<u>1,591.16</u>	<u>1,707.20</u>	<u>23,298.36</u>
Total	<u>\$ 69,742.53</u>	<u>\$ 23,155.83</u>	<u>\$ 92,898.36</u>

The annual aggregate maturities for the Combined Water and Sewer System Junior Lien Revenue Bond for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 53,811.31	\$ 107,727.77	\$ 161,539.08
2018	56,213.31	105,325.77	161,539.08
2019	58,722.58	102,816.50	161,539.08
2020	61,343.85	100,195.23	161,539.08
2021	64,082.11	97,456.97	161,539.08
2022-2026	365,958.79	441,736.61	807,695.40
2027-2031	455,261.94	352,433.46	807,695.40
2032-2036	566,357.32	241,338.08	807,695.40
2037-2041	704,562.74	103,132.66	807,695.40
2042	<u>100,504.33</u>	<u>1,584.77</u>	<u>102,089.10</u>
Total	<u>\$ 2,486,818.28</u>	<u>\$ 1,653,747.82</u>	<u>\$ 4,140,566.10</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 6 - LONG-TERM DEBT (Cont'd)

The annual aggregate maturities for the General Obligations Street Improvement Bond for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 35,000.00	\$ 22,470.00	\$ 57,470.00
2018	35,000.00	21,000.00	56,000.00
2019	35,000.00	19,530.00	54,530.00
2020	35,000.00	18,060.00	53,060.00
2021	40,000.00	16,590.00	56,590.00
2022-2026	210,000.00	57,540.00	267,540.00
2027-2029	<u>145,000.00</u>	<u>12,390.00</u>	<u>157,390.00</u>
Total	<u>\$ 535,000.00</u>	<u>\$ 167,580.00</u>	<u>\$ 702,580.00</u>

The annual aggregate maturities for the 2009 Capital Improvements Revolving Loan for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 14,805.56	\$ 7,230.64	\$ 22,036.20
2018	15,255.90	6,780.30	2,036.20
2019	15,719.93	6,316.27	2,036.20
2020	16,198.04	5,838.16	2,036.20
2021	16,690.72	5,345.48	2,036.20
2022-2026	91,384.55	18,796.45	110,181.00
2027-2030	<u>77,715.71</u>	<u>4,529.36</u>	<u>2,245.07</u>
Total	<u>\$ 247,770.41</u>	<u>\$ 54,836.66</u>	<u>\$ 302,607.07</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**NOTE 6 - LONG-TERM DEBT
(Cont'd)**

The annual aggregate maturities for the Trustmark National Bank dated 3-6-2013 for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 17,746.78	\$ 2,716.34	\$ 20,463.12
2018	18,170.15	2,292.97	20,463.12
2019	18,603.62	1,859.50	20,463.12
2020	19,047.45	1,415.67	20,463.12
2021	19,501.88	961.24	20,463.12
2022-2023	<u>30,129.21</u>	<u>565.47</u>	<u>30,694.68</u>
Total	<u>\$ 123,199.09</u>	<u>\$ 9,811.19</u>	<u>\$ 133,010.28</u>

The annual aggregate maturities for the Tallahatchie County Bank dated 7-7-2016 for the years subsequent to September 30, 2016 are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 7,218.50	\$ 1,377.46	\$ 8,595.96
2018	7,512.58	1,083.38	8,595.96
2019	7,818.67	777.29	8,595.96
2020	8,137.21	458.75	8,595.96
2021	<u>7,034.28</u>	<u>129.02</u>	<u>7,163.30</u>
Total	<u>\$ 37,721.24</u>	<u>\$ 3,825.90</u>	<u>\$ 41,547.14</u>

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The City participates in federally assisted grant programs, principal of which are Community Development Block Grants and Rural Development Grants. These programs are subject to program compliance audits by grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or applicable fund. In general, the City expects amounts disallowed, if any, to be immaterial.

The City is occasionally involved in various other legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the City.



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 8 – RISK MANAGEMENT

The City has entered into a joint and several relationships with other public entities in the Mississippi Municipal Worker's Compensation Group and the Mississippi Municipal Liability Group. Each member shares responsibility for premium contribution based on payroll and their own loss experiences as well as assessments needed for fund inadequacies. They also share the benefit of fund surplus in the form of dividends when applicable.

NOTE 9 – SCHEDULE OF CAPITAL ASSETS

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES:				
Capital assets:				
Land	\$ 116,310	\$	\$	\$ 116,310
Building and improvements	1,673,857			1,673,857
Machinery and equipment	970,686	121,256		1,091,942
Infrastructure	2,505,205	584,530		3,089,735
Construction in process	<u>58,600</u>	<u>26,505</u>	<u>(58,600)</u>	<u>26,505</u>
Total governmental activities	<u>\$ 5,324,658</u>	<u>\$ 732,291</u>	<u>\$ (58,600)</u>	<u>\$ 5,998,349</u>
BUSINESS-TYPE ACTIVITIES:				
Capital assets:				
Land, buildings and infrastructure	\$ 3,108,967	\$		\$ 3,108,967
Machinery and equipment	1,104,958			1,105,750
Construction in process	<u></u>	<u>218,558</u>		<u>218,558</u>
Total business-type activities	<u>\$ 4,214,717</u>	<u>\$ 218,558</u>		<u>\$ 4,433,275</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 10 – RECONCILIATION OF TAX ASSESSMENTS TO FUND COLLECTIONS

Tax assessments were found to be mathematically correct and in agreement with collections as follows:

	Taxable Assessed Values	Millage	Tax
Realty	\$ 5,134,242	86	\$ 441,545
Personal other than autos	1,586,571	86	136,445
Public utilities	502,252	86	43,194
Mobile homes	57,478	86	4,943
Autos collected by county	<u>1,172,528</u>	86	<u>100,837</u>
	<u>\$ 8,453,071</u>		726,964
Homestead exemptions allowed	<u>\$ 974,792</u>		(83,832)
Homestead exemption reimbursement - state			39,048
Prior year taxes collected			870
Penalties and interest - delinquent taxes			5,578
Adjustment to Rolls			<u>0</u>
Total taxes to account for			<u>\$ 688,628</u>
	Taxes, Penalties and Interest	Homestead Exemption Reimbursement from State	Total
Credits:			
General Fund	\$ 588,611	\$ 35,870	
Debt Service Fund	<u>53,574</u>	<u>3,178</u>	
	<u>\$ 642,185</u>	<u>\$ 39,048</u>	\$ 681,233
Balance represented by:			
Unpaid personalty			4,303
Unpaid mobile homes			3,084
Unsettled – shortage			<u>8</u>
Total taxes accounted for			<u>\$ 688,628</u>



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 10 – RECONCILIATION OF TAX ASSESSMENTS TO FUND COLLECTIONS (Cont'd)

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

Ad valorem taxes were found to be within the limitation of Section 27-39-320 to 27-39-323 Mississippi Code Annotated (1972).

NOTE 11 – SCHEDULE OF SURETY BONDS FOR CITY OFFICIALS

Sedrick Smith	Mayor	Western Surety	50,000	
		Travelers Casualty & Surety Co.	169,000	
Clarissa Milner **	City clerk	RLI Insurance Company	50,000	
Vicky S. Clark**	City clerk	RLI Insurance Company	50,000	
Ana Ealy	Water clerk	Travelers Casualty & Surety Co.	50,000	
Pamela Byrd**	Deputy clerk	RLI Insurance Company	50,000	
Dorothy Brown	Commissioner	MS Municipal Association	50,000	
Margaret Miller	Commissioner	MS Municipal Association	50,000	
Joey Brunson	Commissioner	MS Municipal Association	50,000	
Roosevelt Taylor	Commissioner	MS Municipal Association	50,000	
Perry Herron	Commissioner	MS Municipal Association	50,000	
John Page	Chief of Police	Travelers Casualty & Surety Co.	50,000	
Priscilla Curtis	Fine Clerk	Brierfield Insurance Company	10,000	
Each Police Officer	Nine Officers	Travelers Casualty & Surety Co.	25,000	Each

**No longer employed

NOTE 12 – SCHEDULE OF INVESTMENTS – ALL FUNDS

Airport Fund:

Tallahatchie County Bank, Certificate of
Deposit #19871, dated July 26, 2016 at a
rate of .25%, maturing January 24, 2017

\$ 110,260.17



**CITY OF CHARLESTON, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 8, 2017, the date the financial statements were available to be issued, and believes the following issue is significant enough to warrant inclusion:

Due to the under collection of the City's water, sewer, and garbage collections for the year under audit, our auditors extended their procedures to compare billing registers with the City's monthly collections from October 31, 2016 billings and subsequent collections through May 31, 2017. The results show that the monthly billing registers agree with monthly collections within tolerable limits; however, those billings/collections for the first eight months of the fiscal year as compared to the same months for 2015 and 2014 are down \$40,082.75 and \$35,756.55, respectively. As of the date of this report, the City Clerk and Water Clerk are in the process of determining why overall billings are down as compared to previous years.



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GREENWOOD, MISSISSIPPI 38930-9369
662-453-6432

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

To the Honorable Mayor and
Board of Commissioners
City of Charleston, MS

We have audited the Statement of Cash Receipts and Disbursements – All Funds of the City of Charleston, MS as of and for the year ended September 30, 2016 and have issued our report dated June 8, 2017. We have conducted our audit in accordance with auditing standards prescribed by the Office of the State Auditor and the standards applicable to financial audits contained in *Government Auditing Standards*.

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

The results of those procedures and our audit of the general purpose financial statements disclosed the following material instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

Finding: Section 21-35-25, Miss. Code Ann. (1972) states that a municipality must comply with legal publication requirements when budgetary changes of 10% or more are made to a department's budget. The Code Section also states that if revenues are less than estimated and a deficit is anticipated, the board should revise the budget by its regular July meeting. General Fund – Refuse Collection fees was under collected by \$19,095.57 and Water and Sewer Fund – Water and Sewer fees were under collected by \$65,753.64. Eliminating interfund loans would result in a deficit in the Water and Sewer Fund and contributed to the deficit in the General Fund. Also, no amendment was made for either under collection; therefore, there was no related publication announcing a budgetary change of more than 10%.

Recommendation: The City should comply with Section 21-35-25, Miss. Code Ann. (1972) whenever a budgetary change would result in a 10% departmental change or when revenues are less than anticipated and a deficit is anticipated.

City's Response: See below for City's Response to all findings.

The results of procedures and our audit of the general purpose financial statements disclosed the following immaterial instances of noncompliance with state laws and regulations. Our findings and recommendation and your responses are as follows:

Finding: Section 17-17-348, Miss. Code Ann. (1972) states that the municipality must publish an itemized report of all revenues, costs, and expenses incurred by the municipality during the immediately preceding fiscal year in operating the garbage or rubbish collection or disposal system. No such report was published.



Recommendation: The City should comply with Section 17-17-348, Miss. Code Ann. (1972) by publishing the garbage collection and disposal report for the preceding fiscal year as soon as possible after the close of the fiscal year.

Finding: Section 21-35-13, Miss. Code Ann. (1972) states that the municipal clerk should 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 item. Although the monthly expenditures reports were presented at every board meeting, their relation to budget monthly or yearly unexpended balances was not presented.

Recommendation: The City should comply with Section 21-35-13, Miss. Code Ann. (1972) by having the municipal clerk provide reports monthly to the board that, along with the monthly expenditures, does report the monthly and fiscal year to date unexpended balances of each budget item.

Finding: The City is responsible for paying Mississippi Unemployment Taxes to the Mississippi Department of Employment Security for the benefit of its employees per federal and state unemployment laws. No unemployment taxes were filed and were therefore unpaid for the fiscal year. All four quarters of unemployment taxes in the amount of \$1,203.68 were paid after the fiscal year end.

City's Responses: The City has been in a considerable bind due to the high turnover of municipal personnel. We have had four City Clerks in less than two years and multiple deputy clerks and water clerks. Unfortunately, although presenting impressive resumes, the City Clerks did not have the governmental experience and did not stay long enough to receive adequate training to adequately keep an accurate set of financial records or to successfully implement the City's internal controls as related to financial and fiscal procedures. At the end of the fiscal year ended September 30, 2016, the City had no Clerk or Deputy Clerks – only the Water clerk with less than a year's experience. The result was that the Mayor and Board were unable to obtain up to date accurate financial information on a monthly basis from the City Clerks and therefore were unable to ascertain that the water, sewer, and garbage fees were being under collected or that the budget needed amending. At fiscal year end, the City did not have adequate financial records to publish the garbage collection and disposal report. Also, the Mayor and Board did not know that the unemployment taxes had not been paid for the fiscal year.

As of the date of this report, the City has hired a new City Clerk and a new Water Clerk and has contracted with an outside accounting firm for payroll services and to keep the monthly financial records in a method as prescribed by the Office of the MS State Auditor. Monthly financial reports will be presented to the Mayor and the Board and compared to the budget. The City and Water clerk are receiving training and are implementing the City's internal controls. All payroll and related unemployment taxes past due have been paid and are being paid timely. The City Mayor and Board believe that appropriate measures have been taken to remediate the findings above.

This report is intended for the information of the City's 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.

Jayles Powell, Nelson & Hartford, P.A.

June 8, 2017



TAYLOR, POWELL, WILSON & HARTFORD, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 9369
GREENWOOD, MISSISSIPPI 38930-9369
662-453-6432

**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***

To the Honorable Mayor and
Board of Commissioners
City of Charleston, Mississippi

We have audited the Statement of Cash Receipts and Disbursements-All Funds of the City of Charleston, Mississippi, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise City of Charleston, Mississippi's basic financial statements and have issued our report thereon dated June 8, 2017. Our audit was conducted 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Charleston, Mississippi'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 statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 a 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2016-2.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies: 2016-1.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Charleston, Mississippi'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standard* and which are described in the accompanying schedule of findings and questioned costs as items: 2016-3, 2016-4, and 2016-5.

City of Charleston, Mississippi's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

This report is intended solely for the information and use of management, City Board of Commissioners, others within the entity, and the Office of the Mississippi 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.

Layles, Powell, Wilson & Hartford, P.A.

June 8, 2017



CITY OF CHARLESTON, MISSISSIPPI
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2016

Summary of Auditor's Results:

The auditor's report expresses the following opinions on the financial statements of the City of Charleston, Mississippi:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental:	
General Fund	Qualified
Debt Service Fund	Unmodified
Airport Fund	Unmodified
Municipal Court Fund	Unmodified
Street Improvements Fund	Unmodified
Proprietary:	
Water and Sewer Fund	Qualified

See the "Independent Auditor's Report on Compliance with State Laws and Regulations" report for the four findings related to the City's material and nonmaterial instances of noncompliance with state laws and regulations.

Significant deficiencies, material weaknesses, and compliance matters relating to the audit of the financial statements are reported in the 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* and included below as findings 2016-1, 2016-2, 2016-3, 2016-4, and 2016-5.

Findings – Financial Statements Audit:

Significant Deficiency

2016-1. Segregation of Duties and Adequately Trained Personnel

Condition: The desired level of internal control obtained by adequate separation of duties in the accounting control categories is not being achieved due to the small number of persons employed and, for the last two fiscal years, the high turnover of personnel.

Criteria: In several instances, a single employee performs various procedures in the accounting process which would normally be divided among other employees in an environment where there were more clerical and accounting employees.

Effect: The City has certain inherent weaknesses in its internal control structure. As typical for a city this size, it is not economically feasible to employ additional persons solely for the purpose of achieving adequate internal controls. Also, due to the high turnover of personnel, adequate training in financial record keeping and the City's internal controls could not be achieved.

Recommendation: The City should utilize other systems of checks and balances to minimize the inherent weaknesses in internal controls. Also, the Mayor and City Board of Commissioners should closely monitor the City's financial position on a weekly and monthly basis, which may include inspections of reconciliations of revenues to books and banks.



CITY OF CHARLESTON, MISSISSIPPI
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2016

Findings – Financial Statements Audit: (Cont'd)

Significant Deficiency (Cont'd)

2016-1. Segregation of Duties and Adequately Trained Personnel (Cont'd)

City's Response: The Mayor and Board of Commissioners understand the inherent weaknesses in internal control that exists due to employing limited personnel who have access to many accounting phases, specifically the handling of cash. The Mayor and City Board of Commissioners have agreed to increase their involvement in the daily accounting activities of the City and have instituted several controls in order to increase control effectiveness. Unfortunately, for this fiscal year under audit, the turnover of City and Deputy Clerks was such that adequate financial records were unable to be produced in a timely manner and thus monitoring was virtually impossible.

Material Weakness

2016-2. Ability to Properly Produce Financial Statements and Maintain Financial Records

Conditions: Inability of management to prepare the financial statements on the Cash Receipts and Disbursements basis which is an accounting practice prescribed and permitted by the Mississippi State Department of Audit. Also, the City improperly recorded or mistakenly omitted some transactions necessary to produce a set of materially correct financial statements.

Criteria: Part of effective internal controls over financial reporting is the ability to properly produce financial statements in accordance with the cash basis of accounting. Management is responsible for ensuring that all items are reported inclusively and correctly on the City's financial statements.

Effect: During our audit we discovered several material transactions that were either not recorded or not recorded correctly in the general ledger. As a result the City lacks internal controls over the maintenance of its financial records and in its preparation of financial statements, and instead, relies, primarily, on its external auditors for assistance with these tasks.

Recommendation: Special consideration should be made as to classification so that amounts are recorded correctly. Also, bank reconciliations should be done timely in order to guarantee all transactions are recorded. Also, accounting personnel should be trained in the preparation of financial statements in the applicable prescribed form.

City's Response: As of the date of this report, the City has had four City Clerks in less than two years and multiple deputy and water clerks. At fiscal year-end, the City had no City Clerk or Deputy Clerk with the City's financial records left in a state of disarray. During the fiscal year under audit, the City hired an outside contractor to "catch up" the City's financial records and produce a balanced set of books/funds for the City. However, after several months of delay and expenditures exceeding the quoted price and due to the contracted company's inadequate results, the City terminated their services. Unfortunately, due to high personnel turnover and inadequate record keeping, the City's internal controls were unable to be applied in many areas. As a result the City was forced to have our external auditor correct any missing or omitted information in order to prepare the financial statements. The City will take full responsibility for all adjusting or reclassifying journal entries proposed by our external auditors.



CITY OF CHARLESTON, MISSISSIPPI
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2016

Material Weakness (Cont'd)

2016-2. Ability to Properly Produce Financial Statements and Maintain Financial Records (Cont'd)

As of the date of this report, the City has hired a new City Clerk and a new Water Clerk who are being trained in governmental procedures including financial, fiscal, and the city's internal control procedures. Also, the City has contracted with an outside accounting firm for payroll services and to keep the monthly financial records in a method as prescribed by the Office of the MS State Auditor. The contracted accounting firm, with the Mayor and Board's oversight, should be able to prepare the financial statements on the Cash Receipts and Disbursements basis as prescribed and permitted by the Mississippi State Department of Audit.

Compliance and Other Matters

2016-3. Compliance with Laws and Regulations

See "Independent Auditor's Report on Compliance with State Laws and Regulations" for compliance with laws findings, recommendations, and City's responses.

2016-4. Compliance with Grant Expenditures

Condition: It was noted during the inspection of the revenues and expenditures of the US Department of Housing and Urban Development Community Development Block Grant (CDBG) for the City's sewer rehabilitation and improvements project, that one expenditure for \$27,069 was not paid within three days of receiving the grant funds for the same amount.

Criteria: All CDBG grant expenditures must be paid within three days of receiving grant funds.

Effect: Noncompliance with grant procedures could potentially jeopardize future grant awards.

Recommendation: The City should immediately comply with grant procedures. Grant revenues should not be requested until the related expenditures are ready for processing. Expenditures should be paid within three days of receiving grant funds.

City's Response: The request for grant funds and the related delay in expending those funds unfortunately occurred during a time that the City had no City Clerk or Deputy Clerk. The former City and Deputy Clerks had just resigned their positions, and the City had yet to hire a new City Clerk. The funds were expended as soon as management was made aware of the need. The Mayor has intimated that he will be diligent in monitoring the CDBG procedures, and noted that the other five expenditures during the fiscal year were in compliance.

2016-5. Compliance with Contracts

Condition: The City's agreement with the MS Development Authority regarding the 2009 Capital Improvements Revolving Loan requires the city to make monthly payments on the loan in the amount of \$1,836.35. During the fiscal year ended September 30, 2016, only nine of the twelve required payments were made; therefore, the City underpaid the loan as required by covenant by \$5,509.05 which includes principal and interest.



CITY OF CHARLESTON, MISSISSIPPI
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2016

2016-5. Compliance with Contracts (Cont'd)

Criteria: The City remits the loan payments of \$1,836.35 monthly to the MS Development Authority from funds received from rental income on the real property that was constructed using the 2009 Capital Improvements Revolving Loan. The City began repayment beginning October 1, 2010, and the loan was to mature on February 1, 2030.

Effect: Noncompliance with loan payments could potentially jeopardize future loans from the MS Development Authority. Also, any missed payments would subject the City to penalties and extend the maturity of the loan.

Recommendation: The City should be diligent in remitting its loan payments on a timely, monthly schedule.

City's Response: Again, due to the high turnover of office personnel, new clerks coming in were not able to be trained by exiting clerks resulting in new personnel having to familiarize themselves with every aspect of accounting and office procedures. Due to the timing of exiting clerks and the hiring of new clerks, unfortunately, some loan payments were not made. The City is confident that with its new City Clerk and contract with a local accounting firm that it will make all loan payments timely and adhere to all loan covenants.





United States Department of Agriculture
Rural Development
Batesville Area Office

SUBJECT: Evidence of Continuing Compliance with Letter of Conditions and/or Loan Agreement and/or Grant Agreement re: Insurance Coverage

Please have you accountant furnish us with evidence that the entity has adequate insurance in force by completing the following:

INSURANCE

COVERAGE & POLICY NUMBER	INSURANCE CO. AND ADDRESS	AMOUNT OF COVERAGE	DATE OF EXPIRATION
--------------------------	---------------------------	--------------------	--------------------

PROPERTY INSURANCE Policy # <u>3A7105218</u>	Clyde C. Scott Insurance PO Box 16508 JACKSON MS 39236	3,000,996.00	4/18/18
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LIABILITY Policy # <u>047GL2016</u>	M.S. Municipal Service 600 East Amite Street Suite 200 JACKSON, MS 39201	20,401.00	12/31/16
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FIDELITY BOND

Policy # Included in Audit paper work

Positions Covered _____

WORKMAN'S COMP. Policy # <u>0047WNC2015</u>	M.S. Municipal Service 600 East Amite Street Suite 200 JACKSON, MS 39201	29,164.00	9/30/16
--	--	-----------	---------

OTHER INS.

Policy # _____

PLEASE RETURN ATTACHED TO YOUR ANNUAL REPORT PACKET.

Anna Z...
Signature/Title

City Clerk 6/22/17
Date

175 Broome Ridge Road, Suite C - Batesville, MS 38606
Phone: (662) 578-7008 • Fax: (662) 578-0670 • Web: <http://www.rurdev.usda.gov/ms/>

Committed to the future of rural communities

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To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD)

RECEIVED

JUN 28 2017

WATER & SEWER FUND-CASH BASIS
SUPPLEMENTAL DATA
The Following Data Should Be Supplied Where Applicable

Schedule I
Page 2
Circle One

1. ALL BORROWERS

- a. Are deposited funds in institutions insured by the Federal Government? Yes No
b. Are you exempt from Federal Income Tax? Yes No
c. Are Local, State and Federal Taxes paid current? Yes No
d. Is corporate status in good standing with State? N/A Yes No
e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property Insurance			
Policy # _____	<u>See Insurance Cover Sheet</u>		
Liability			
Policy# _____			
Fidelity			
Policy# _____			

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY

a. Number of Members N/A

<u>Current Quarter</u>	<u>Year to Date</u>
_____	_____

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

<u>Current Quarter</u>	<u>Year to Date</u>
a. Water purchased or produced (CU FT - GAL)	<u>74,205,000</u>
b. Water sold (CU FT - GAL)	<u>74,205,000</u>
c. Treated waste (CU FT - GAL)	<u>7,804,000</u>
d. Number of users - water	<u>1202</u>
e. Number of users - sewer	<u>823</u>

4. OTHER UTILITIES

a. Number of users N/A

b. Product purchased	_____	_____
c. Product sold	_____	_____

5. HEALTH CARE BORROWERS ONLY

a. Number of beds N/A

b. Patient days of care	_____	_____
c. Percentage of occupancy	_____ %	_____ %
d. Number of outpatient visits	_____	_____

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts: **WATER & SEWER FUND**

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation & Maintenance</u>	<u>Reserve</u>	<u>Customer Deposits All Others</u>	<u>Grand Total</u>
Cash Savings and investments	\$ _____	\$ <u>114,763</u>	\$ _____	\$ _____	\$ <u>234,671</u>	\$ <u>63,463</u>	\$ <u>412,897</u>
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ <u>114,763</u>	\$ _____	\$ _____	\$ <u>234,671</u>	\$ <u>63,463</u>	\$ <u>412,897</u>

AGE ACCOUNTS RECEIVABLE AS FOLLOWS: N/A - CASH BASIS

	<u>0-30</u>	<u>31-60</u>	<u>61-91</u>	<u>91 and Older</u>	<u>*Total</u>
Dollar Values	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Number of Accounts	_____	_____	_____	_____	_____

*Totals must agree with those on Balance Sheet.

Form RD 442-3
(Rev. 3-97)

Name CITY OF CHARLESTON, MISSISSIPPI

Address POST OFFICE BOX 420
CHARLESTON, MS 38921

BALANCE SHEET

GENERAL FUND - CASH BASIS		09 Month	30 Day	16 Year	09 Month	30 Day	15 Year
		Current Year			Current Year		
ASSETS							
CURRENT ASSETS							
1.	Cash on hand and in banks			177,772			265,757
2.	Time deposits and short-term investments						
3.	Accounts receivable						
4.	Less: Allowance for doubtful accounts	()	()
5.	Inventories						
6.	Prepayments						
7.	.....					
8.	.....					
9.	Total Current Assets (Add 1 through 8)			177,772			265,757
FIXED ASSETS							
10.	Land						
11.	Buildings						
12.	Furniture and equipment						
13.	.....					
14.	Less: Accumulated depreciated	()	()
15.	Net Total Fixed Assets (Add 10 through 14)						
OTHER ASSETS							
16.	.....					
17.	.....					
18.	Total Assets (Add 9, 15, 16, and 17)			177,772			265,757
LIABILITIES AND EQUITIES							
CURRENT LIABILITIES							
19.	Accounts payable						
20.	Notes payable						
21.	Current portion of USDA note						
22.	Customer deposits						
23.	Taxes payable						
24.	Interest payable						
25.	.....					
26.	.....					
27.	Total Current Liabilities (Add 19 through 26)						
LONG-TERM LIABILITIES							
28.	Notes payable USDA						
29.	.....					
30.	.....					
31.	.....					
32.	Total Long-Term Liabilities (Add 28 through 30)						
33.	Total Liabilities (Add 27 and 31)						
EQUITY							
34.	Retained earnings Fund Balance, as restated			177,772			265,757
35.	Memberships						
36.	Total Equity (Add lines 33 and 34)						
37.	Total Liabilities and Equity (Add lines 32 and 35)			177,772			265,757

CERTIFIED CORRECT

Date

9/22/17

Appropriate Official (Signature)



According to the Paperwork Reduction Act of 1995, no personas are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0015. The time required to complete this information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Position 3
UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Name CITY OF CHARLESTON, MISSISSIPPI

Address POST OFFICE BOX 420
CHARLESTON, MS 38921

GENERAL FUND- CASH BASIS (1)	9 - 3 0 - 2 0 1 5 P R I O R Y E A R A c t u a l	ANNUAL BUDGET BEG 10-2015 END 9-2016	For the 12 Months Ended 9-30-2016 CURRENT YEAR		
			Actual Data		Actual YTD (Over)Under Budget Col. 3 - 5 = 6
			Current Quarter	9 - 3 0 - 2 0 1 6 Year To Date	
OPERATING INCOME	(2)	(3)	(4)	(5)	(6)
1. Property taxes	619,860	<i>See enclosed</i>		588,631	
2. State of MS/Intergov't	716,307	<i>adopted annual</i>		611,192	
3. Refuse collections	143,890	<i>budget</i>		127,343	
4. Loans and Transfers				73,672	
5. Miscellaneous	24,083			73,249	
6. Less: Allowances and Deductions				1,474,087	
7. Total Operating Income (Add lines 1 through 6)	1,504,140				
OPERATING EXPENSES					
8. General Government	320,577			334,820	
9. Public safety	554,462			542,061	
10. Public works	249,505			281,369	
11. Health and welfare	160,000			185,630	
12. Appropriations	6,550			6,600	
13. Capital outlay	27,624			122,992	
14. Debt service	47,666			88,600	
15. Interest					
16. Depreciation					
17. Total Operating Expense (Add Lines 8 through 16)	1,366,384			1,562,072	
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	137,756			(87,985)	
NONOPERATING INCOME					
19.					
20.					
21. Total Nonoperating Income (Add 19 and 20)					
22. NET INCOME (LOSS) (Add lines 18 and 21)	128,001			265,757	
23. Equity Beginning of Period, as restated	128,001			265,757	
24.					
25. Adjustment					
26. Equity End of Period (Add lines 22 through 25)	265,757			177,772	

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

Mike Powell

Secretary

6/22/17

Date

Luiza

Appropriate Official

6/22/17

Date

GENERAL FUND-CASH BASIS
SUPPLEMENTAL DATA
The Following Data Should Be Supplied Where Applicable

Schedule 1
Page 2
Circle One

1. ALL BORROWERS

- a. Are deposited funds in institutions insured by the Federal Government? Yes No
b. Are you exempt from Federal Income Tax? Yes No
c. Are Local, State and Federal Taxes paid current? Yes No
d. Is corporate status in good standing with State? N/A Yes No
e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property Insurance			
Policy # _____	<u>See Insurance Cover Sheet</u>		
Liability			
Policy# _____			
Fidelity			
Policy# _____			

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY

a. Number of Members N/A

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL) See Water and Sewer Schedules
b. Water sold (CU FT - GAL)
c. Treated waste (CU FT - GAL)
d. Number of users – water
e. Number of users – sewer

4. OTHER UTILITIES

a. Number of users N/A
b. Product purchased
c. Product sold

5. HEALTH CARE BORROWERS ONLY

a. Number of beds N/A
b. Patient days of care
c. Percentage of occupancy
d. Number of outpatient visits

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts: **GENERAL FUND**

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation & Maintenance</u>	<u>Reserve</u>	<u>All Others</u>	<u>Grand Total</u>
Cash	\$ _____	\$ <u>177,772</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>177,772</u>
Savings and investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ <u>177,772</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>177,772</u>

AGE ACCOUNTS RECEIVABLE AS FOLLOWS: N/A CASH BASIS

	<u>0-30</u>	<u>31-60</u>	<u>61-91</u>	<u>91 and Older</u>	<u>*Total</u>
Dollar Values	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Number of Accounts	_____	_____	_____	_____	_____

*Totals must agree with those on Balance Sheet.

Schedule 2

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)		\$ <u>See 9-30-2017 Budget for</u>
<u>Add</u>		<u>Future Cash Flows Projections</u>
B. <u>Items in Operations not Requiring Cash:</u>		
1. Depreciation (line 16 schedule 1)	_____	_____
2. Others: _____	_____	_____
C. <u>Cash Provided From:</u>		
1. Proceeds from Agency loan/grant	_____	_____
2. Proceeds from others	_____	_____
3. Increase (Decrease) in Accounts Payable, Accruals and Other Current Liabilities	_____	_____
4. Decrease (Increase) in Accounts Receivable, Inventories and Other Current Assets (<u>Exclude cash</u>)	_____	_____
5. Other: _____	_____	_____
6. _____	_____	_____
D. Total all A, B and C items _____		
E. <u>Less: Cash Extended for:</u>		
1. All Construction, Equipment and New Capital Items (loan & grant funds)	_____	_____
2. Replacement and Additions to Existing Property, Plant and Equipment	_____	_____
3. Principal Payment Agency Loan	_____	_____
4. Principal Payment Other Loans	_____	_____
5. Other: _____	_____	_____
6. Total E 1 through 5	_____	_____
<u>Add</u>		
F. Beginning Cash Balances _____		
G. Ending Cash Balances (Total of D Minus E 6 Plus F) _____		
<u>Item G Cash Balances Composed of:</u>		
Construction Account	_____	_____
Revenue Account	_____	_____
Debt Payment Account	_____	_____
O & M Account	_____	_____
Reserve Account	_____	_____
Funded Depreciation Account	_____	_____
Others: _____	_____	_____
Total - Agrees with Item G		
		\$ _____

Form RD 442-3
(Rev. 3-97)

BALANCE SHEET

Name CITY OF CHARLESTON, MISSISSIPPI

Address POST OFFICE BOX 420
CHARLESTON, MS 38921

WATER & SEWER FUND - CASH BASIS

ASSETS

CURRENT ASSETS

	09 Month	30 Day	16 Year	09 Month	30 Day	15 Year
	<i>Current Year</i>			<i>Current Year</i>		
1. Cash on hand and in banks			412,897			376,724
2. Time deposits and short-term investments						
3. Accounts receivable						
4. Less: Allowance for doubtful accounts			()			()
5. Inventories						
6. Prepayments						
7.						
8.						
9. Total Current Assets (Add 1 through 8)			412,897			376,724

FIXED ASSETS

10. Land						
11. Buildings						
12. Furniture and equipment						
13.						
14. Less: Accumulated depreciated			()			()
15. Net Total Fixed Assets (Add 10 through 14)			4,433,275			4,214,720

OTHER ASSETS

16.						
17.						
18. Total Assets (Add 9, 15, 16, and 17)			4,846,172			4,591,444

LIABILITIES AND EQUITIES

CURRENT LIABILITIES

19. Accounts payable						
20. Notes payable						
21. Current portion of USDA note			57,713			55,242
22. Customer deposits			63,463			59,271
23. Taxes payable						
24. Interest payable						
25. Tallahatchie County Bank						
26.						
27. Total Current Liabilities (Add 19 through 26)			121,176			114,513

LONG-TERM LIABILITIES

28. Notes payable USDA			2,498,848			2,556,561
29.						
30.						
31. Total Long-Term Liabilities (Add 28 through 30)			2,498,848			2,556,561
32. Total Liabilities (Add 27 and 31)			2,620,024			2,671,074

EQUITY

33. Retained earnings Fund Balance, as restated			2,226,148			1,920,370
34. Memberships						
35. Total Equity (Add lines 33 and 34)			2,226,148			1,920,370
36. Total Liabilities and Equity (Add lines 32 and 35)			4,846,172			4,591,444

CERTIFIED CORRECT

Date
6/22/17

Appropriate Official (Signature)

[Signature]

According to the Paperwork Reduction Act of 1995, no person is required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0015. The time required to complete this information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Position 3
UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Name CITY OF CHARLESTON, MISSISSIPPI

Address POST OFFICE BOX 420
CHARLESTON, MS 38921

WATER & SEWER FUND- CASH BASIS	9 - 3 0 - 2 0 1 5	ANNUAL BUDGET	For the 12 Months Ended 9-30-2016		
(1)	P R I O R Y E A R A c t u a l	BEG 10-2015 END 9-2016	CURRENT YEAR		Actual YTD (Over)Under Budget Col. 3 - 5 - 6
OPERATING INCOME	(2)	(3)	Actual Data Current Quarter	Year To Date	(6)
1. Water fees	421,050	<i>See enclosed</i>		343,709	
2. Sewer fees	152,305	<i>adopted annual</i>		131,710	
3. Grant funds		<i>budget</i>		218,558	
4. Interfund loans				87,822	
5. Miscellaneous	358				
6. Less: Allowances and Deductions					
7. Total Operating Income (Add lines 1 through 6)	573,713			781,799	
OPERATING EXPENSES					
8. Payroll	191,225			184,954	
9. Repairs & supplies	96,190			93,057	
10. Utilities	51,095			25,401	
11. Insurance	19,378			19,765	
12. Collection/prof. fees	18,931			33,155	
13. Travel & fuel	11,979			6,817	
14.					
15. Interest	115,900			113,259	
16. Depreciation					
17. Total Operating Expense (Add Lines 8 through 16)	504,698			476,408	
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	69,015			305,391	
NONOPERATING INCOME					
19. Interest	302			387	
20.					
21. Total Nonoperating Income (Add 19 and 20)	302			387	
22. NET INCOME (LOSS) (Add lines 18 and 21)	69,317			305,778	
23. Equity Beginning of Period, as restated	1,851,053			1,920,370	
24.					
25.					
26. Equity End of Period (Add lines 22 through 25)	1,920,370			2,226,148	

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

[Signature]
Secretary

6/22/17
Date

[Signature]
Appropriate Official

6/22/17
Date

WATER & SEWER FUND-CASH BASIS
SUPPLEMENTAL DATA
The Following Data Should Be Supplied Where Applicable

Schedule 1
Page 2
Circle One

1. ALL BORROWERS

- a. Are deposited funds in institutions insured by the Federal Government? Yes No
b. Are you exempt from Federal Income Tax? Yes No
c. Are Local, State and Federal Taxes paid current? Yes No
d. Is corporate status in good standing with State? N/A Yes No
e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

Insurance Coverage and Policy Number	Insurance Company and Address	Amount of Coverage	Expiration Date of Policy
Property Insurance			
Policy # _____	<u>See Insurance Cover Sheet</u>		
Liability			
Policy# _____			
Fidelity			
Policy# _____			

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY

	<u>Current Quarter</u>	<u>Year to Date</u>
a. Number of Members N/A	_____	_____
	_____	_____

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)	_____	_____
b. Water sold (CU FT - GAL)	_____	_____
c. Treated waste (CU FT - GAL)	_____	_____
d. Number of users – water	_____	_____
e. Number of users – sewer	_____	_____

4. OTHER UTILITIES

a. Number of users N/A	_____	_____
b. Product purchased	_____	_____
c. Product sold	_____	_____

5. HEALTH CARE BORROWERS ONLY

a. Number of beds N/A	_____	_____
b. Patient days of care	_____	_____
c. Percentage of occupancy	_____%	_____%
d. Number of outpatient visits	_____	_____

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts: **WATER & SEWER FUND**

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation & Maintenance</u>	<u>Reserve</u>	<u>Customer Deposits All Others</u>	<u>Grand Total</u>
Cash	\$ _____	\$ 114,763	\$ _____	\$ _____	\$ 234,671	\$ 63,463	\$ 412,897
Savings	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
and investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ 114,763	\$ _____	\$ _____	\$ 234,671	\$ 63,463	\$ 412,897

AGE ACCOUNTS RECEIVABLE AS FOLLOWS: **N/A - CASH BASIS**

	Days <u>0-30</u>	Days <u>31-60</u>	Days <u>61-91</u>	Days <u>91 and Older</u>	<u>*Total</u>
Dollar Values	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Number of Accounts	_____	_____	_____	_____	_____

*Totals must agree with those on Balance Sheet.

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WATER & SEWER FUND – CASH BASIS
PROJECTED CASH FLOW

Schedule 2

For the Year BEG. 10-2016 END. 9-30-2017
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)	\$ <u>See 9-30-2017 Budget for</u>
<u>Add</u>	<u>Future Cash Flows Projections</u>
B. <u>Items in Operations not Requiring Cash:</u>	
1. Depreciation (line 16 schedule 1)	_____
2. Others:	_____
C. <u>Cash Provided From:</u>	
1. Proceeds from Agency loan/grant	_____
2. Proceeds from others	_____
3. Increase (Decrease) in Accounts Payable, Accruals and Other Current Liabilities	_____
4. Decrease (Increase) in Accounts Receivable, Inventories and Other Current Assets (<u>Exclude cash</u>)	_____
5. Other:	_____
6.	_____
D. Total all A, B and C items	_____
E. <u>Less: Cash Extended for:</u>	
1. All Construction, Equipment and New Capital Items (loan & grant funds)	_____
2. Replacement and Additions to Existing Property, Plant and Equipment	_____
3. Principal Payment Agency Loan	_____
4. Principal Payment Other Loans	_____
5. Other:	_____
6. Total E 1 through 5	_____
<u>Add</u>	
F. Beginning Cash Balances	_____
G. Ending Cash Balances (Total of D Minus E 6 Plus F)	_____
<u>Item G Cash Balances Composed of:</u>	
Construction Account	_____
Revenue Account	_____
Debt Payment Account	_____
O & M Account	_____
Reserve Account	_____
Funded Depreciation Account	_____
Others:	_____
.....	_____

Total - Agrees with Item G \$ _____

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016

The following is a summary of the budget of Estimated Revenues and Expenditures for City of Charleston, Mississippi for the Fiscal Year Ending September 30, 2016:

	<u>Final Budget for Next Fiscal Year</u>	<u>Estimated Total for Current Fiscal Year</u>
GENERAL FUND:		
RECEIPTS:		
License, permits, franchise fees	\$ 95,775	\$ 96,673
Inter-governmental Revenues:		
Federal grants	0	85,000
State grants	3,600	3,600
State shared revenues	528,600	529,890
Grants from local units	3,970	3,970
Charges for Governmental Services:		
Refuse collection and disposal	140,000	139,979
Fines and forfeits	11,500	1,801
Miscellaneous:		
Transfers in	75,000	0
Proceeds from loans	0	0
Sale of equipment	500	0
Interest and rent	25,640	26,856
Other	600	4,274
Total from all sources, other than taxation	885,185	892,043
Beginning cash balance	328,049	203,881
Amount to be raised by ad valorem tax	604,290	600,091
Total from all sources	<u>\$ 1,817,524</u>	<u>\$ 1,696,015</u>
EXPENDITURES:		
General Government:		
Personnel services	\$ 162,070	\$ 187,157
Supplies	12,750	13,383
Other services and charges	179,100	153,901
Election Expense	0	0
Capital outlay	2,000	0
Total general government	<u>355,920</u>	<u>354,441</u>
Public Safety:		
Personnel services	460,990	421,698
Supplies	63,150	32,932
Other services and charges	62,800	48,769
Capital outlay	4,500	26,802
Total public safety	<u>591,440</u>	<u>530,201</u>

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016

	Final Budget for Next Fiscal Year	Estimated Total for Current Fiscal Year
GENERAL FUND:		
EXPENDITURES: Cont'd		
Public Works:		
Streets:		
Personnel services	\$ 179,550	\$ 131,279
Supplies	34,150	23,877
Other services and charges	78,150	72,763
Capital outlay	2,500	2,399
Total public works	<u>294,350</u>	<u>230,318</u>
Sanitation:		
Refuse collection and disposal	<u>155,000</u>	<u>168,278</u>
Total sanitation	<u>155,000</u>	<u>168,278</u>
Culture and Recreation:		
Parks/Recreation Improvements	<u>9,000</u>	<u>6,500</u>
Total culture and recreation	<u>9,000</u>	<u>6,500</u>
Other:		
Transfers out	-7,300	-21,953
Appropriation - Public Library	-4,200	-4,200
Appropriation - National Guard	-1,200	-1,200
Appropriation - District Attorney Office	-1,200	-1,200
Appropriation - Debt Service	-42,505	-49,675
Total other	<u>-56,405</u>	<u>-78,228</u>
Total expenditures	1,462,115	1,367,966
Ending cash balance	<u>355,409</u>	<u>328,049</u>
Total expenditures and ending balance	<u>\$ 1,817,524</u>	<u>\$ 1,696,015</u>
SPECIAL REVENUE - SEIZED DRUG FUND:		
RECEIPTS:		
Seized funds	\$ 3,000	\$ 0
Sale of equipment	0	0
Interest	<u>5</u>	<u>7</u>
Total receipts	3,005	7
Beginning cash balance	<u>18,753</u>	<u>19,606</u>
Total from all sources	<u>\$ 21,758</u>	<u>\$ 19,613</u>
EXPENDITURES:		
Other services and charges	\$ 1,500	\$ 0
Capital outlay	<u>18,000</u>	<u>860</u>
Total expenditures	19,500	860
Ending cash balance	<u>2,258</u>	<u>18,753</u>

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CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016

	Final Budget for Next Fiscal Year	Estimated Total for Current Fiscal Year
SPECIAL REVENUE - AIRPORT FUND:		
RECEIPTS:		
Rent	\$ 101,730	\$ 102,690
Interest	300	351
Total receipts	102,030	103,041
Beginning cash and investment balance	293,287	203,738
Total from all sources	\$ 395,317	\$ 306,779
EXPENDITURES:		
Repairs and supplies	\$ 8,500	\$ 5,513
Other services and charges	10,000	7,979
Capital outlay	0	0
Other uses - Appropriation - General Fund	75,000	0
Total expenditures	93,500	13,492
Ending cash and investment balance	301,817	293,287
Total expenditures and ending balance	\$ 395,317	\$ 306,779
MUNICIPAL COURT FUND:		
RECEIPTS:		
Fines	\$ 60,000	\$ 62,314
Total receipts	60,000	62,314
Beginning cash balance	39,549	33,516
Total from all sources	\$ 99,549	\$ 95,830
EXPENDITURES:		
Personnel services	\$ 54,685	\$ 53,412
Repairs and supplies	3,650	2,869
Refund of fines	200	0
Refund of bond	0	0
Other services and charges	0	0
Total expenditures	58,535	56,281
Ending cash balance	41,014	39,549
Total expenditures and ending balance	\$ 99,549	\$ 95,830
WATER AND SEWER FUND:		
REVENUES:		
Water charges	\$ 435,700	\$ 422,402
Sewer charges	156,000	156,000
Interest & Miscellaneous	1,185	746
Grant Revenues	0	0
Total receipts	592,885	579,148
Beginning cash balance	143,135	112,798
Total from all sources	\$ 736,020	\$ 691,946

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016

	Final Budget for Next Fiscal Year	Estimated Total for Current Fiscal Year
WATER AND SEWER FUND: (Cont'd)		
EXPENDITURES:		
Personnel services	\$ 204,270	\$ 180,720
Repairs and supplies	111,000	81,585
Other services and charges	104,000	100,073
Capital outlay	17,000	2,697
Debt service	<u>168,540</u>	<u>183,736</u>
Total expenditures	604,810	548,811
Ending cash balance	<u>131,210</u>	<u>143,135</u>
Total expenditures and ending balance	\$ 736,020	\$ 691,946
DEBT SERVICE FUND:		
RECEIPTS:		
Miscellaneous-Transfers In - General Fund	\$ 7,300	\$ 21,953
Total from all sources, other than taxation	7,300	21,953
Beginning cash balance	16,635	0
Amount to be raised by ad valorem tax	<u>52,725</u>	<u>44,492</u>
Total from all sources	\$ 76,660	\$ 66,445
EXPENDITURES:		
Other services and charges	\$ 500	\$ 0
Debt service – Bond redemption	<u>58,940</u>	<u>49,810</u>
Total expenditures	59,440	49,810
Ending cash balance	<u>17,220</u>	<u>16,635</u>
Total expenditures and ending balance	\$ 76,660	\$ 66,445



CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017

The following is a summary of the budget of Estimated Revenues and Expenditures for City of Charleston, Mississippi for the Fiscal Year Ending September 30, 2017:

	<u>Final Budget for Next Fiscal Year</u>
GENERAL FUND:	
RECEIPTS:	
License, permits, franchise fees	\$ 98,900
Inter-governmental Revenues:	
Federal grants	0
State grants	3,600
State shared revenues	532,600
Grants from local units	3,970
Charges for Governmental Services:	
Refuse collection and disposal	145,000
Fines and forfeits	11,500
Miscellaneous:	
Transfers in	100,000
Proceeds from loans	0
Sale of equipment	500
Interest and rent	25,640
Other	600
Total from all sources, other than taxation	922,310
Beginning cash balance	362,153
Amount to be raised by ad valorem tax	620,300
Total from all sources	<u>\$ 1,904,763</u>
EXPENDITURES:	
General Government:	
Personnel services	\$ 178,200
Supplies	14,000
Other services and charges	185,100
Election Expense	0
Capital outlay	2,000
Total general government	<u>379,300</u>
Public Safety:	
Personnel services	505,050
Supplies	69,400
Other services and charges	69,050
Capital outlay	4,500
Total public safety	<u>648,000</u>

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017

	<u>Final Budget for Next Fiscal Year</u>
GENERAL FUND:	
EXPENDITURES: Cont'd	
Public Works:	
Streets:	
Personnel services	\$ 181,500
Supplies	36,000
Other services and charges	79,940
Capital outlay	<u>2,500</u>
Total public works	<u>299,940</u>
Sanitation:	
Refuse collection and disposal	<u>157,000</u>
Total sanitation	<u>157,000</u>
Culture and Recreation:	
Parks/Recreation Improvements	<u>9,000</u>
Total culture and recreation	<u>9,000</u>
Other:	
Transfers out	0
Appropriation - Public Library	-4,200
Appropriation - National Guard	-1,200
Appropriation - District Attorney Office	-1,200
Appropriation - Debt Service	<u>-42,500</u>
Total other	<u>-49,100</u>
Total expenditures	1,542,340
Ending cash balance	<u>362,423</u>
Total expenditures and ending balance	<u>\$ 1,904,763</u>
SPECIAL REVENUE - SEIZED DRUG FUND:	
RECEIPTS:	
Seized funds	\$ 3,000
Sale of equipment	0
Interest	<u>5</u>
Total receipts	3,005
Beginning cash balance	<u>18,766</u>
Total from all sources	<u>\$ 21,771</u>
EXPENDITURES:	
Other services and charges	\$ 1,500
Capital outlay	<u>18,000</u>
Total expenditures	19,500
Ending cash balance	<u>2,271</u>
Total expenditures and ending balance	<u>\$ 21,771</u>

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017

	<u>Final Budget for Next Fiscal Year</u>
SPECIAL REVENUE - AIRPORT FUND:	
RECEIPTS:	
Rent	\$ 101,730
Interest	<u>300</u>
Total receipts	102,030
Beginning cash and investment balance	<u>282,400</u>
Total from all sources	\$ 384,430
EXPENDITURES:	
Repairs and supplies	\$ 7,200
Other services and charges	13,000
Capital outlay	0
Other uses - Appropriation - General Fund	<u>75,000</u>
Total expenditures	95,200
Ending cash and investment balance	<u>289,230</u>
Total expenditures and ending balance	\$ 384,430
MUNICIPAL COURT FUND:	
RECEIPTS:	
Fines	\$ <u>60,000</u>
Total receipts	60,000
Beginning cash balance	<u>60,264</u>
Total from all sources	\$ <u>120,264</u>
EXPENDITURES:	
Personnel services	\$ 57,400
Repairs and supplies	3,760
Refund of fines	200
Refund of bond	0
Other services and charges	0
Other uses - Appropriation - General Fund	<u>25,000</u>
Total expenditures	86,360
Ending cash balance	<u>33,904</u>
Total expenditures and ending balance	\$ <u>120,264</u>
WATER AND SEWER FUND:	
REVENUES:	
Water charges	\$ 430,000
Sewer charges	165,000
Interest & Miscellaneous	400
Grant Revenues	<u>0</u>
Total receipts	595,400
Beginning cash balance	<u>145,427</u>
Total from all sources	\$ <u>740,827</u>

CITY OF CHARLESTON, MISSISSIPPI
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017

	<u>Final Budget for Next Fiscal Year</u>
WATER AND SEWER FUND: (Cont'd)	
EXPENDITURES:	
Personnel services	\$ 195,250
Repairs and supplies	108,610
Other services and charges	106,000
Capital outlay	17,000
Debt service	<u>168,540</u>
Total expenditures	595,400
Ending cash balance	<u>145,427</u>
Total expenditures and ending balance	<u>\$ 740,827</u>
 DEBT SERVICE FUND:	
RECEIPTS:	
Beginning cash balance	\$ 11,410
Amount to be raised by ad valorem tax	<u>57,970</u>
Total from all sources	<u>\$ 69,380</u>
 EXPENDITURES:	
Other services and charges	\$ 500
Debt service – Bond redemption	<u>57,470</u>
Total expenditures	57,970
Ending cash balance	<u>11,410</u>
Total expenditures and ending balance	<u>\$ 69,380</u>



