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TOWN OF CHUNKY
Compiled Financial Statements
Year Ended September 30, 2016

Table of Contents

TOWN OF CHUNKY
September 30, 2016

	Page
Accountants' Compilation Report.....	2-3
Statement of Cash Receipts and Disbursements.....	4
Supplemental Information.....	5
Schedule of Surety Bonds for Town Officials.....	6
Schedule of Long-Term Debt.....	7

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ACCOUNTANTS' COMPILATION REPORT

Town of Chunky
P.O. Box 86
Chunky, MS 39323

We have compiled the accompanying statements of cash receipts and disbursements of the Town of Chunky, Mississippi, as of September 30, 2016. We have not audited or reviewed the accompanying financial statements and, accordingly do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

The management of the Town of Chunky, Mississippi, is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from the cash basis transactions for the Town's governmental activities and business-type activities are not reasonably determinable.

The Mayor and Alderpersons have elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence

the user's conclusions about the Town's cash receipts and disbursements. Accordingly, this financial statement is not designed for those who are not informed about such matters.

Management has omitted management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information contained in the Schedule 1 through 2 has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Vicki Monroe

February 12, 2017

Town of Chunky
Statement of Cash Receipts and Disbursements
For the Year Ended September 30, 2016

	Fire Fund	General Fund	Water Fund	Total
Receipts				
Chunky Water	\$ -	\$ 3,773	\$ -	\$ 3,773
City Diversion	-	6,952	-	6,952
Fire Protection	12,329	1,009	-	13,338
Grant Income	-	-	-	-
Homestead	-	2,834	-	2,834
Interest Income	16	90	27	133
MS Power Franchise	-	8,899	-	8,899
Municipal Aid	-	1,374	-	1,374
Other Income	-	575	-	575
Railroad Tax	-	750	-	750
Tax Assessor	-	24,459	-	24,459
Water Utility	-	-	92,500	92,500
Total Receipts	\$ 12,345	\$ 50,715	\$ 92,527	\$ 155,587
Disbursements				
General Government	\$ -	\$ 40,089	\$ -	\$ 40,089
Public Safety - Fire	10,783	-	-	10,783
Enterprises - Water	-	-	62,464	62,464
Interest Expense	-	-	2,910	2,910
Total Disbursements	\$ 10,783	\$ 40,089	\$ 65,374	\$ 116,246
 Excess (Deficiency) of Receipts Over Disbursements	 \$ 1,562	 \$ 10,626	 \$ 27,153	 \$ 39,341
 Other Financing/Investing Sources (Uses)				
Asset Purchases	(6,486)	(20,000)		(26,486)
Bonds Repayment	-	-	(21,198)	(21,198)
Total Other Financing/Investing Sources (Uses)	\$ (6,486)	\$ (20,000)	\$ (21,198)	\$ (47,684)
 Excess (Deficiency) of Receipts and Other Financing/Investing Sources over Disbursements and Other Financing Uses	 \$ (4,924)	 \$ (9,374)	 \$ 5,955	 \$ (8,343)
 Cash Basis Fund Balance - Beginning	 \$ 37,812	 \$ 155,337	 \$ 50,451	 \$ 243,600
 Cash Basis Fund Balance - Ending	 <u>\$ 32,888</u>	 <u>\$ 145,963</u>	 <u>\$ 56,406</u>	 <u>\$ 235,257</u>

Town of Chunky
Schedule of Bonds for Town Officials
Year Ended September 30, 2016
Schedule 1

Name	Position	Company	Bond
Joshua A. Clark	Mayor	Scott Insurance	\$ 25,000
William J. Luke	Alderman	Scott Insurance	\$ 10,000
Travis Thompson	Alderman	Scott Insurance	\$ 10,000
Jacky J. Johnson	Alderman	Scott Insurance	\$ 10,000
Eric J. Gilbert	Alderman	Scott Insurance	\$ 10,000
Dwayne E. Reynolds	Alderman	Scott Insurance	\$ 10,000
Mamie Joyce Reynolds	Town Clerk	Scott Insurance	\$ 50,000

Town of Chunky
Schedule of Long-Term Debt
Year Ended September 30, 2016
Schedule 2

	Balance Outstanding 9/30/2015	Transactions During Fiscal Year		Balance Outstanding 9/30/2016
		Issued	Redeemed	
Revenue Bonds:				
Water	\$ 65,062	\$ -	\$ 21,198	\$ 43,864
Total Revenue Bonds	\$ 65,062	\$ -	\$ 21,198	\$ 43,864

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Town of Chunky
P.O. Box 86
Chunky, MS 39323

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Chunky, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Chunky, Mississippi's compliance with certain laws and regulations as of September 30, 2016, and for the year ended. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

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

<u>Bank</u>	<u>Fund</u>	<u>Balance Per</u> <u>General Ledger</u>
Newton County Bank	Fire	\$ 32,888
Newton County Bank	General	\$ 145,963
Newton County Bank	Water	\$ 56,406

2. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

- a. Examined uncollected taxes for proper handling, including tax sales;
- b. Traced distribution of taxes collected to proper funds; and
- c. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

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

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

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

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

This report is intended solely for the use of the Town of Chunky and the Office of the State Auditor, State of Mississippi and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose. However, this report is not intended to be and should not be used by anyone other than those specified parties.

Vicki Monroe

February 12, 2017

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**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

To the Mayor and the Board of Alderpersons
Town of Chunky, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements, Schedule of Long-Term Debt and Schedule of Surety Bonds for Town Officials, of the Town of Chunky, Mississippi, for the year ended September 30, 2016, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

With respect to items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements, Schedule of Long-Term Debt and Schedule of Surety Bonds for Town Officials, of the Town of Chunky, Mississippi, for the year ended September 30, 2016 disclosed no material instances of noncompliance with state laws and regulations.

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

Vicki Monroe

February 12, 2017