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

FRANCES WARD, MAYOR

BOARD OF ALDERMEN:
JOHN CALMESE
ALLEN HOPSON
CLARA PEARSON
LINDA TAYLOR
MARY WILLIAMSON

August 17, 2017

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

Re: Annual Municipal Financial Statement

Gentlemen:

Accompanying this letter is two (2) hard copies of the annual compilation of the Town of Gunnison, Mississippi, for the fiscal year ended September 30, 2016, respectively. A separate management letter was not written to the Town of Gunnison, Mississippi, in connection with this report.

Sincerely,



Frances Ward, Mayor
Enclosures/attachments

RECEIVED
AUG 28 2017

TOWN of GUNNISON
Compiled Financial Statements
September 30, 2016

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

RECEIVED
AUG 28 2017

Town of Gunnison, Mississippi

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September 30, 2016

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AUG 23 2017



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

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

(Compliance Letter)

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

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Gunnison, Mississippi, as of September 30, 2016, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Gunnison, Mississippi and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

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

<u>Bank</u>	<u>Funds</u>	<u>Balance per General Ledger</u>
State Bank and Trust	General, Water/ Sewer & Sanitation	\$ 39,562.90
State Bank & Trust	2011 CDBG Account	2,600.00
State Bank & Trust	Homecoming Festival	1,566.76

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

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

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

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

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 10,151
General Municipal Aid	General Fund	225
Gasoline Tax	General Fund	1,300
Homestead Exemption	General Fund	7,017
Nuclear Plant Payments	General Fund	3,309
Municipal Fire Protection	Bolivar County	2,899
CDBG-MDA	2011 CDBG Account	223,311
Special Refund	General Fund	668

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

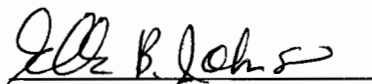
The sample consisted of the following:

Number of Sample Items	26
Total Dollar Value of Sample	\$13,081.47

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

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

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Gunnison, Mississippi, for the year ended September 30, 2016.



Ella B. Johnson, Public Accountant

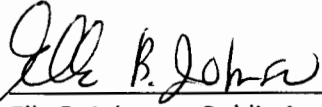
Madison, MS 39110

August 14, 2017

Johnson's Accounting Service
Public Accountant
119 Greenridge Drive
Madison, MS 39110
Phone: 662-347-5773
Fax: 601-790-9369

Governing Body
Town of Gunnison, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements (Governmental & Business Type Activities) as of and for the Fiscal Year Ended September 30, 2016.



Ella B. Johnson, Public Accountant

August 15, 2017

2017

TOWN OF GUNNISON, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-Type Activities	
	General	Garbage	Other		Water &	
	Fund	Disposal	Nonmajor	Total	Sewer	Total
	Fund	Fund	Funds		Fund	
RECEIPTS						
Taxes - Ad Valorem	57,105			57,105		
Licenses & Permits	150			150		
Franchise Taxes	2,669			2,669		
Homestead Exempt. Reimburse.	7,017			7,017		
General Sales Tax	10,151			10,151		
Municipal Aid	225			225		
Motor Vehicle Fuel Taxes	1,300			1,300		
Grand Gulf	3,309			3,309		
Charges for Services:						
Garbage		24,969		24,969		
Water & Sewer					62,965	62,965
Other Revenue	668		2,575	3,243		
Recovered Funds	48,043			48,043		
CDBG Grant Income			223,311	223,311		
TOTAL RECEIPTS	130,637	24,969	225,886	381,492	62,965	62,965
DISBURSEMENTS						
General Government Legislative						
Salaries & Employee Benefits	12,918			12,918		
Executive						
Salaries & Employee Benefits	8,558			8,558		
Financial						
Salaries & Employee Benefits	19,350			19,350		
Supplies	5,795			5,795		
Other Services & Charges	41,050			41,050		
October Fest			2,620	2,620		
Public Works- Street Department						
Salaries & Employee Benefits	12,918			12,918		
Supplies	8,063			8,063		
Other Services & Charges	11,697			11,697		
Public Works - Sanitation						
Garbage Disposal		22,033		22,033		
Federal Expenditures:						
CDBG Project Tank & Well			239,015	239,015		

TOWN OF GUNNISON, MISSISSIPPI
UNAUDITED STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Governmental Activities				Business-Type Activities	
	General <u>Fund</u>	Garbage Disposal <u>Fund</u>	Other Nonmajor <u>Funds</u>	<u>Total</u>	Water & Sewer <u>Fund</u>	<u>Total</u>
Enterprises - Water & Sewer						
Salaries & Employee Benefits					10,204	10,204
Supplies					2,949	2,949
Water Operator					7,800	7,800
Other Services & Charges					21,173	21,173
Total Disbursements	120,349	22,033	241,635	384,017	42,126	42,126
Excess of Receipts Over (Under) Disbursements	10,288	2,936	(15,749)	(2,525)	20,839	20,839
OTHER CASH SOURCES (USES)						
Transfers In				-		
Transfers Out						-
Total Other Cash Sources (Uses)	-	-	-	-		-
Excess (Deficiency) of Receipts Over Disbursements	10,288	2,936	(15,749)	(2,525)	20,839	20,839
Cash Basis Fund Balance						
Beginning of Year	1,743	240	19,916	21,899	3,517	3,517
Cash Basis Fund Balance - End of Yr.	12,031	3,176	4,167	19,374	24,356	24,356

Town of Gunnison, Mississippi
Schedule of Long-Term Debt
For the fiscal Year Ended September 30, 2016

Definition and Purpose	Balance Outstanding	Transactions During Fiscal Year		Balance Outstanding
	<u>10/1/2015</u>	<u>Issued</u>	<u>Redeemed</u>	<u>9/30/2016</u>
General Obligation Bonds:	\$ -	\$ -	\$ -	\$ -
Revenue Bonds:	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

TOWN OF GUNNISON, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2016

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

JOHNSON ACCOUNTING SERVICE
119 Greenridge Drive
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**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

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

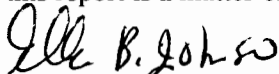
We have compiled the accompanying Unaudited Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Gunnison, Mississippi, for the year ended September 30, 2016, in accordance 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. According, we do not express such an opinion.

With respect to items tested, the results of those procedures and my compilation of the accompanying Unaudited Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Investments and Schedule of Surety Bonds for Municipal Officials of the Town of Gunnison, Mississippi, for the year ended September 30, 2016 disclosed material instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

- a. The Town did not tag or account for fixed assets, as required by Section 7-7-211, Municipal Audit & Accounting Guide. The Town will tag and account for fixed assets before Fiscal Year ending September 30, 2017.
- b. The Town did not levy or appropriate not less than ¼ mill for fire protection or allowed the county to levy such tax (Sections 83-1-37 and 83-1-39). The Town will levy not less than ¼ mill for fire protection before Fiscal Year ending September 30, 2017.

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



Ella B. Johnson,
Public Accountant
August 14, 2017

