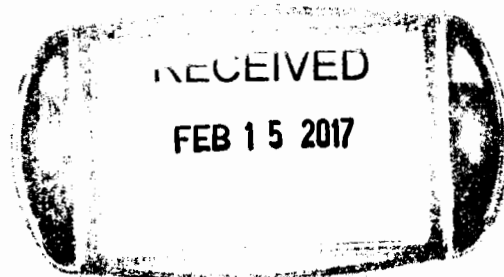




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CITY OF PURVIS, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016



CITY OF PURVIS, MISSISSIPPI

PUBLIC OFFICIALS

Roger Herrin
Mayor

Sheila Speights
City Clerk

Members of Board of Aldermen

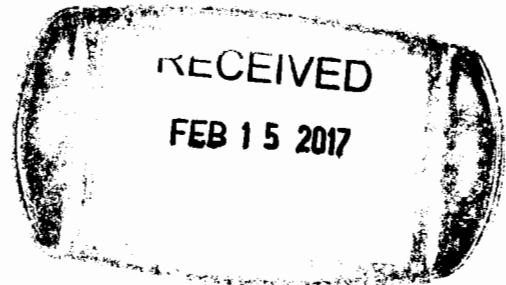
Donna Bielstein

Vernon Hartfield

Wendell Hudson

John Jordan

Jerry Smith



CITY OF PURVIS, MISSISSIPPI

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American Institute of Certified Public Accountants • Mississippi Society of Certified Public Accountants

#10 Plaza Drive • P.O. Box 16433 • Hattiesburg, MS 39404-6433
Phone 601.268.3135 • Fax 601.261.3922

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Board of Alderman
City of Purvis, Mississippi

We have audited the accompanying Statement of Cash Receipts and Disbursements of the governmental activities and the business-type activities, each major fund, and the aggregate remaining fund information of the City of Purvis, Mississippi, for the year ended September 30, 2016 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

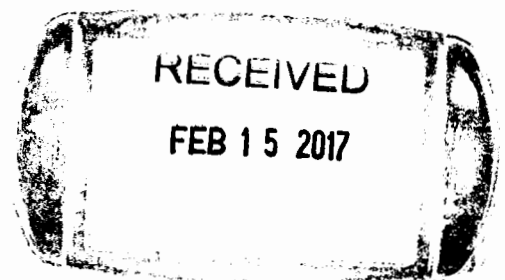
Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as described in Note 1; this includes determination that cash receipts and disbursements is acceptable basis for the preparation of the financial statements 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 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 opinion.

Opinion

In our opinion, the Statement of Cash Receipts and Disbursements referred to above presents fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Purvis, Mississippi as of September 30, 2016, and the respective changes in financial position – Modified Cash Basis for the year then ended in conformity with the basis of accounting described in Note 1.

Other Matters

Required Supplementary Information

Management has not presented a management discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

The accompanying other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly presented in all material respects in relation to the financial statement taken as a whole.

Wright CPA Group, PLLC

Wright CPA Group, PLLC

Hattiesburg, MS
December 19, 2016

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CITY OF PURVIS, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Fiscal Year Ended September 30, 2016

	Governmental Activities			Business-type Activities
	Major Fund	Other Governmental Funds		
	General Fund	Special Revenue Funds	Total	Water and Sewer Fund
Receipts:				
General Property Taxes	\$ 600,297	27,266	627,563	70,068
Penalties and Interest on				
Delinquent Taxes	7,023		7,023	
Licenses and Permits	182,480	122	182,602	
Intergovernmental Revenues:				
Federal:				
Grants	-		-	
General Municipal Aid	1,085		1,085	
Road And Bridge Tax	90,633		90,633	
State Shared Revenues:				
Sales Tax	863,072		863,072	
Gasoline Tax	6,661		6,661	
Fire Ins. Premium Tax	13,949		13,949	
Homestead Exemption	38,694		38,694	
Rail Car Tax	1,961		1,961	
Charges for Services:				
Garbage Collection	118,211		118,211	
Water & Sewer Utility				543,318
Fines and Forfeits:				
Court Fines and Fees	36,961		36,961	
Interest Earned	18,272	608	18,880	2,183
Miscellaneous Receipts	27,988	2,500	30,488	8,163
Total Receipts	\$ 2,007,287	30,496	2,037,783	623,732

The notes to the financial statements are an integral part of this statement.



CITY OF PURVIS, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
For the Fiscal Year Ended September 30, 2016
(continued)

	Governmental Activities			Business-type Activities
	Major Fund	Other Governmental Funds		
	General Fund	Special Revenue Funds	Total	Water and Sewer Fund
Disbursements:				
General Government	\$ 449,073		449,073	
Public Safety:				
Police	576,446		576,446	
Fire	45,468	8,445	53,913	
Public Works:				
Street & Sanitation	550,760		550,760	
Culture and Recreation:				
Parks		14,056	14,056	
Libraries	5,527		5,527	
Enterprises:				
Water & Sewer Utility				402,297
Redemption of Principal	46,322		46,322	83,513
Interest on Debt	686		686	17,297
Total Disbursements	<u>1,674,282</u>	<u>22,501</u>	<u>1,696,783</u>	<u>503,107</u>
Excess (Deficiency) of Receipts over Disbursements	<u>333,005</u>	<u>7,995</u>	<u>341,000</u>	<u>120,625</u>
Other Financing Sources (Uses)				
Transfers	<u>(71,441)</u>		<u>(71,441)</u>	<u>71,441</u>
	<u>(71,441)</u>	<u>-</u>	<u>(71,441)</u>	<u>71,441</u>
Excess of Receipts and Other Financial Sources over Disbursements and Other Financial Uses	261,564	7,995	269,559	192,066
Cash Basis Fund Balance - Beginning of Year	<u>3,431,525</u>	<u>123,575</u>	<u>3,555,100</u>	<u>422,524</u>
Cash Basis Fund Balance - End of Year	<u>\$ 3,693,089</u>	<u>131,570</u>	<u>3,824,659</u>	<u>614,590</u>

The notes to the financial statements are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENT

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

The City operates under the mayor/board of alderman form of government and provides services as authorized by law. These services include the following:

- General Administration
- Public Safety
- Public Works
- Parks and Recreation
- Water and Sewer Utility

Financial Reporting Entity

The financial statement of the City of Purvis consists of all the funds of the City. In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision whether to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the City's reporting entity.

Excluded from the reporting entity:

- Purvis Police Auxiliary
- Purvis Volunteer Fire Department

The City of Purvis donates to or has a financial commitment to these entities but does not appoint management or exert significant control over these organizations.

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City of Purvis' resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into generic fund types and broad categories as follows:

GOVERNMENTAL FUNDS

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted for specific expenditure purposes.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations which are intended to be self-supporting by 50 % or more from user charges or where the board has determined that periodic determination of net income is appropriate for management control and accountability.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

Budgets

Budgets are adopted on a cash basis (legally required) which is not consistent with generally accepted accounting principles.

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accumulated Unpaid Vacation and Sick Pay

Based on the City's personnel policy, full-time employees can earn vacation benefits based on their terms of service as follows:

<u>Years of Service</u>	<u>Vacation</u>
1	2 weeks or 80 hours
10	3 weeks or 120 hours

Vacation days cannot be carried over beyond December 31 of each year. Unused vacation will be paid to the employee at the end of the year. Full-time employees accumulate sick pay at the rate of 8 hours per month, or 96 hours per year with accumulation limited to 40 days or 320 hours. Employees are not paid for any unused sick leave upon termination.

Property Tax Revenue

Property taxes are assessed by the City on a calendar year basis. Property taxes are considered delinquent February 1 and a tax sale is held in August for unpaid taxes. Property tax revenue is recognized when collected, due to the uncertainty of collecting property taxes after September 30.

NOTE 2 – CASH AND OTHER DEPOSITS

The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation.

The carrying amount of the city's deposits with financial institutions was \$4,439,249 and the bank balance was \$4,563,570 at September 30, 2016.

Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a deposit policy for custodial credit risk. However, the Mississippi State Treasurer manages the risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institutions trust department or agent in the name of the Mississippi State Treasurer on behalf of the City. As of September 30, 2016, the City's bank balance did not have any exposure to custodial credit risk.

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 2 – CASH AND OTHER DEPOSITS (continued)

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to those prescribed in Section 21-33-323, Miss. Code Ann. (1972). The City does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

NOTE 3 – CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks, drainage systems, and similar items) are reported in the Schedule of Capital Assets included in Other Supplemental Information. Capital assets, other than infrastructure assets, are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated life in excess of two years. The capitalization threshold for buildings and improvements other than buildings is \$50,000 and \$25,000, respectfully. The government reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported regardless of their amount.

In the years before 2010, the City was not required to report its capital assets in its audited financial statements. New Municipal Audit Guide adopted by Mississippi State Auditor's Office in 2010, requires the City to provide a Schedule of Capital Assets among other required supplemental information in the notes to audited Combined Statement of Receipts and Disbursements. The City was able to estimate the historical cost for the initial reporting of certain assets such as land, buildings and infrastructure acquired many years ago through back-trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the government values these capital assets at the estimated fair value of the item at the date of its donation.

No interest is capitalized on self-constructed capital assets of business-type activities because not capitalizing interest does not have a material effect on the City's combined statement of receipts and disbursements.

Property, plant, and equipment of the City is depreciated using the straight line method over the following estimated useful lives, with a full year's depreciation expense taken for all purchases and sales of capital assets during the year. Land is not depreciated.

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 3 – CAPITAL ASSETS (continued)

<u>Asset</u>	<u>Years</u>
Buildings	40
Improvements other than buildings	20
Public domain infrastructure (roads)	20
System infrastructure	20
Fire trucks	15
Heavy equipment	10
Furniture and fixtures	7
Vehicles and equipment	5
Computer equipment	3

NOTE 4 - BONDED DEBT

Presented below is Section 21-33-303 Mississippi Code:

No municipality shall hereafter issue bonds secured by a pledge of its full faith and credit for the purposes authorized by law in an amount which, when added to the then outstanding bonded indebtedness of such municipality, shall exceed either (a) fifteen percent (15%) of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation, or (b) ten percent (10%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. In computing such indebtedness, there may be deducted all bonds or other evidences of indebtedness, heretofore or hereafter issued, for school, water, sewerage systems, gas, and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying the municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case shall any municipality contract any indebtedness which, when added to all of the outstanding general obligation indebtedness, both bonded and floating, shall exceed either (a) twenty percent (20%) of the assessed value of all taxable property within such municipality according to the last completed assessment for taxation or (b) fifteen percent (15%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. Nothing herein contained shall be construed to apply to contract obligations in any form heretofore or hereafter incurred by any municipality which are subject to annual appropriations therefore, or to bonds heretofore issued by any municipality for school purposes, or to contract obligations in any form heretofore or hereafter incurred by any municipality which are payable exclusively from the revenues of any municipally-owned utility, or to bonds issued by any municipality under the provisions of Sections 57-1-1 through 57-1-51, or to any special assessment improvement bonds issued by any municipality under the provisions of Sections 21-41-1 through 21-41-53, or to any indebtedness incurred pursuant to Section 55-23-8.

All bonds issued prior to July 1, 1990, pursuant to this chapter by any municipality for the purpose of the constructing, replacing, renovating or improving wastewater collection and treatment facilities in order to comply with an administrative order of the Mississippi Department of Natural

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 4 - BONDED DEBT (continued)

Resources issued pursuant to the Federal Water Pollution Control Act and amendments thereto, are hereby exempt from the limitation imposed by this section if the governing body of the municipality adopts an order, resolution or ordinance to the effect that the rates paid by the users of such facilities shall be increased to the extent necessary to provide sufficient funds for the payment of the principal of and interest on such bonds as each respectively becomes due and payable as well as the necessary expenses in connection with the operation and maintenance of such facilities.

The following is a schedule of limitations on the indebtedness of the City of Purvis at September 30, 2016:

<u>Authorized Debt Limit:</u>	<u>15 Percent</u>	<u>20 Percent</u>
Assessed valuation of fiscal year ended September 30, 2015 (\$9,672,475)	\$ 1,450,871	\$ 1,934,495
Present debt subject to 15% limitation	-0-	-0-
Present debt subject to 20% limitation including debt subject to 15% limitation	-0-	-0-
Margin for further debt under respective debt limits	<u>\$ 1,450,871</u>	<u>\$ 1,934,495</u>

NOTE 5 - DEFINED BENEFIT PENSION PLAN

Plan Description

The City of Purvis 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 to Public Employee 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 9.00% of their annual covered salary and the City of Purvis contributes at an actuarially determined rate. The current rate is 15.75% of annual covered payroll. The requirements of PERS members are established and may be amended only by the State of Mississippi legislature. The City of Purvis' contributions to PERS for the years ending September 30, 2016, 2015, and 2014 were \$111,858, \$106,364, and \$101,557 respectively, equal to the required contributions for each year.

CITY OF PURVIS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended September 30, 2016

NOTE 6 - RISK MANAGEMENT

The City of Purvis is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in two separate risk pools to provide coverage for possible losses due to these risks. These pools are described below:

A. Mississippi Municipal Workers' Compensation Group

This pool was formed under the Mississippi Workers' Compensation Act to provide coverage from claims arising from injuries to employees. The City is jointly and severally liable for obligations of the group.

B. Mississippi Municipal Liability Plan

This pool was formed under inter-local agreements for the purpose of providing the liability coverage prescribed by the Plan for the member municipalities. The pool uses a "service company" to manage the plan's day to day activities.

The City of Purvis pays premiums based upon an actuarial assessment of the City's loss experience rate and the plans overall financial condition. The City may be assessed if, at any time, the assets of the plan, in the opinion of the Board of Trustees, are insufficient to discharge its obligations.

NOTE 7 – PURVIS VOLUNTEER FIRE DEPARTMENT

In January 2016, Purvis Volunteer Fire Department entered into four year Fire Protection Services Contract with Lamar County, pursuant to the authority of Section 83-1-37 and 83-1-39 of Mississippi Code Ann. According the contract, Lamar County will provide fire protection and other emergency services to the residents of City of Purvis. The City conveys to the County all real property used as a Fire station and also vehicles, trucks and equipment used by Fire Department. If the contract is terminated, said property shall revert to the City. For the duration of the contract, the City will remit to the County insurance rebates and fire protection taxes levied.

NOTE 8 – SUBSEQUENT EVENTS

Management has considered subsequent events through December 19, 2016, the date the financial statements were available to be issued.

NOTE 9 – CONTINGENCIES

Management is not aware of any contingent liabilities at September 30, 2016.

OTHER SUPPLEMENTAL INFORMATION

CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF INVESTMENTS- ALL FUNDS
For the Fiscal Year Ended September 30, 2016

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Financial Institution</u>	<u>Investment Cost/Value</u>
Water & Sewer fund	Certificate of Deposit	0.15%	8/8/2013	8/8/2017	Hancock Bank	<u>\$ 125,771</u>
					Total	<u><u>\$ 125,771</u></u>

For interest-bearing deposits with banks, the carrying amount is a reasonable estimate of fair value.

CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS – ALL FUNDS
For the Fiscal Year Ended September 30, 2016

Changes in capital assets of governmental activities are summarized in the following table:

Governmental Activities	Balance 9/30/2015	Adjustments	Additions	Deletions	Balance 9/30/2016
Capital assets not being depreciated:					
Land and easements	\$ 113,057			(25,000)	88,057
Total assets not being depreciated	113,057	-	-	(25,000)	88,057
Capital assets being depreciated:					
Buildings and improvements	477,336			(147,701)	329,635
Equipment:	-				-
Office & Other Equipment	120,664		74,536	(51,277)	143,923
Motor vehicles	975,761		29,161	(264,679)	740,243
Infrastructure	893,520		89,800		983,320
Total assets being depreciated	2,467,281	-	193,497	(463,657)	2,197,121
Totals at historical cost	2,580,338	-	193,497	(488,657)	2,285,178
Less accumulated depreciation					
Buildings and improvements	(216,149)		(7,468)	48,926	(174,691)
Equipment:					
Office & Other Equipment	(60,961)		(21,371)		(82,332)
Motor vehicles	(733,999)		(21,954)	153,525	(602,428)
Infrastructure	(165,909)		(27,886)		(193,795)
Total accumulated depreciation	(1,177,018)	-	(78,679)	202,451	(1,053,246)
Governmental activities capital assets, net	\$ 1,403,320	-	114,818	(286,206)	1,231,932



CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS – ALL FUNDS (continued)
For the Fiscal Year Ended September 30, 2016

Changes in capital assets of business-type activities are summarized below:

Business-type Activities	Balance 9/30/2015	Adjustments	Additions	Deletions	Balance 9/30/2016
Water and Sewer:					
Land and easements	\$ 11,384	-		-	11,384
Construction in Progress	15,956	(15,956)		-	-
Total assets not being depreciated	27,340	(15,956)	-	-	11,384
Capital assets being depreciated:					
Buildings, improvements, water and sewer system	-		-	-	-
	7,734,956		51,075	-	7,786,031
Equipment	295,593	26,861	8,540		330,994
Vehicles	108,737	(10,905)			97,832
Total assets being depreciated	8,139,286	15,956	59,615	-	8,214,857
Totals at historical cost	8,166,626	-	59,615	-	8,226,241
Less accumulated depreciation					
Buildings, improvements, water and sewer system	-				-
	(3,364,838)		(175,018)		(3,539,856)
Equipment	(195,441)		(26,883)		(222,324)
Vehicles	(97,832)				(97,832)
Total accumulated depreciation	(3,658,111)	-	(201,901)	-	(3,860,012)
Water and Sewer capital assets, net	\$ 4,508,515	-	(142,286)	-	4,366,229

CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT – ALL FUNDS
For the Fiscal Year Ended September 30, 2016

	Balance Outstanding <u>September 30, 2015</u>	<u>Issued</u>	<u>Redeemed</u>	Balance Outstanding <u>September 30, 2016</u>
<u>DEFINITION AND PURPOSE</u>				
Revolving Loan Payable & Other Debt				
SRF Loan	180,370		35,581	144,789
SRF Loan	260,891		26,213	234,678
Loan for New Fire Truck	46,322		46,322	-
Total	<u>487,583</u>		<u>108,116</u>	<u>379,467</u>
Capital Fund Loan:				
Water and Sewer	<u>361,070</u>		<u>21,719</u>	<u>339,351</u>
Total	<u>361,070</u>		<u>21,719</u>	<u>339,351</u>
 TOTAL	 <u>\$ 848,653</u>		 <u>129,835</u>	 <u>718,818</u>

**CITY OF PURVIS, MISSISSIPPI
SCHEDULE OF SURETY BONDS
For the Fiscal Year Ended September 30, 2016**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Roger Herrin	Mayor	Zurich	\$ 100,000
John Jordan	Mayor-Protem	Zurich	20,000
Wendell Hudson	Alderman	MS Municipal Bond Program	50,000
Jerry Smith	Alderman	MS Municipal Bond Program	50,000
John Jordan	Alderman	MS Municipal Bond Program	50,000
Leon Hartfield	Alderman	MS Municipal Bond Program	50,000
Donna Bielshtein	Alderman	MS Municipal Bond Program	50,000
Sheila Speights	City Clerk	Zurich	120,000
Cheryl Woods	Deputy City Clerk	RLI Insurance Company	50,000
Brenda Martin	Deputy City Clerk	RLI Insurance Company	50,000
Pat Gipson	Court Clerk	Zurich	50,000
Natalie Jamison	Deputy Court Clerk	Zurich	50,000
Joey Walker	Police Chief	Zurich	50,000
Various (8)	Police Officers	Zurich	25,000

INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

WRIGHT CPA GROUP, PLLC



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Aldermen
City of Purvis
Purvis, Mississippi

We have audited the Combined Statement of Cash Receipts and Disbursements of the City of Purvis, Mississippi, as of and for the year ended September 30, 2016, and have issued our report thereon dated December 19, 2016. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America.

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 Combined Statement of Cash Receipts and Disbursements disclosed following noncompliance with state laws and regulations:

1. Analysis of amended budget disclosed that for certain line items, actual expenditures were higher than budgeted per amended budget for all funds. Although the variances were not material, this still may cause noncompliance with budgetary regulations. We recommend that management pays closer attention to budget preparation.

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.

Wright CPA Group, PLLC

WRIGHT CPA GROUP, PLLC
December 19, 2016

FEB 15 2017

MANAGEMENT LETTER

WRIGHT CPA GROUP, PLLC



American Institute of Certified Public Accountants • Mississippi Society of Certified Public Accountants

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December 19, 2016
Honorable Mayor and Board of Aldermen
City of Purvis
Purvis, Mississippi

We have completed our audit of the Combined Statement of Cash Receipts and Disbursements of the City of Purvis, Mississippi as of September 30, 2016 and for the year then ended and have issued our report dated December 19, 2016, thereon. During the course of our audit we noted following matters that we feel should be brought to the City's attention.

1. Analysis of amended budget disclosed that for certain line items, actual expenditures were higher than budgeted per amended budget for all funds. Although the variances were not material, this still may cause noncompliance with budgetary regulations. We recommend that management pays closer attention to budget preparation.

We wish to express our appreciation to you and all your staff for all the courtesy and assistance we received during this year's audit. Your cooperation of giving serious consideration to our findings and recommendations is a strong indication of your desire to enhance the City's financial management function and achieve your goals toward you stewardship over the City's resources and assets.

Wright CPA Group, PLLC

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Hattiesburg, Mississippi

