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TOWN OF ALLIGATOR, MISSISSIPPI

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

November 22, 2017


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

In Re: Annual Municipal Compilation

Gentlemen:

Accompanying this letter are two copies of the annual compilation of the Town of Alligator, Mississippi, for the year ended September 30, 2017. A separate management letter was not written to the town in connection with this compilation.

Sincerely,


Mayor

Enclosures

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Town of Alligator, Mississippi
Financial Statements
September, 30, 2017

Ellis & Hirsberg
Certified Public Accountants, PLLC
Clarksdale, Mississippi

NOV 28 2017

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ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Aldermen
Town of Alligator
Alligator, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements - governmental and business-type activities of the Town of Alligator, Mississippi, for the year ended September 30, 2017 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the statement of cash receipts and disbursements - governmental and business-type activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the statement of cash receipts and disbursements - governmental and business-type activities.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The statement of receipts and disbursements - governmental and business-type activities is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. This includes the Management Discussion and Analysis that 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.

The supplementary information contained in Schedules 1 through 3 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited nor reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Other Information

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated November 14, 2017 on the results of our agreed-upon procedures.

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

Ellis & Hirsberg, CPAs, PLLC

Ellis & Hirsberg, CPAs, PLLC
Clarksdale, Mississippi
November 14, 2017

TOWN OF ALLIGATOR, MISSISSIPPI

FINANCIAL STATEMENTS

EXHIBIT A

TOWN OF ALLIGATOR, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Governmental Activities				Business-type Activities		
	Major Funds		Other Governmental Funds	Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund					
RECEIPTS							
Taxes:							
General property taxes	6,303			6,303			0
Penalties and interest on delinquent taxes				0			0
Licenses and permits:							
Privilege licenses	65			65			0
Franchise charges - utilities	2,096			2,096			0
Intergovernmental revenues:							
Federal receipts:							
General health program				0			0
General municipal aid							
Finance & administration	104			104			0
State shared revenues:							
Sales taxes	4,970			4,970			0
Gasoline tax	598			598			0
Motor vehicle tax	1,722			1,722			0
Alcoholic beverage licenses	900			900			0

EXHIBIT A

TOWN OF ALLIGATOR, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Governmental Activities				Business-type Activities		
	Major Funds						
	General Fund	Special Revenue Fund	Other Governmental Funds	Total	Sanitation Fund	Water Fund	Total
Fire protection	1,165			1,165			0
Grand Gulf - nuclear	1,051			1,051			0
Homestead exemption	593			593			0
Charges for services:							
Sanitation				0	16,067		16,067
Water utility				0		27,474	27,474
Interest income	59			59	88	53	141
Fines & forfeits				0			0
Misc. receipts	379			379			0
Total Receipts	20,005	0	0	20,005	16,155	27,527	43,682
DISBURSEMENTS							
General government							
Salaries	10,900			10,900			0
Payroll taxes	2,243			2,243			0
Bank fees & miscellaneous	317			317			0
Utilities & telephone	5,389			5,389			0

TOWN OF ALLIGATOR, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Governmental Activities				Business-type Activities		
	Major Funds		Other Governmental Funds	Total	Sanitation Fund	Water Fund	Total
	General Fund	Special Revenue Fund					
Repairs & supplies	2,235			2,235			0
Insurance & dues	2,932			2,932			0
Accounting & legal	4,050			4,050			0
Miscellaneous labor	933			933			0
Public safety							
Police				0			0
Fire	1,130			1,130			0
Enterprise							
Sanitation				0	22,307		22,307
Water utility				0		25,516	25,516
Redemption of principal				0			0
Debt service interest				0			0
General health program				0			0
Capital Expenditures				0			0
Total Disbursements	30,129	0	0	30,129	22,307	25,516	47,823

TOWN OF ALLIGATOR, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

NOV 28 2017

	Governmental Activities				Business-type Activities		
	Major Funds						
	General Fund	Special Revenue Fund	Other Governmental Funds	Total	Sanitation Fund	Water Fund	Total
Excess (Deficiency) of receipts over disbursements	(10,124)	0	0	(10,124)	(6,152)	2,011	(4,141)
OTHER FINANCING SOURCES (USES)							
Loan proceeds				0			0
Loan principal payments				0			0
Transfers	1,100			1,100	1,400	(2,500)	(1,100)
Total other financing resources (Uses)	1,100	0	0	1,100	1,400	(2,500)	(1,100)
Excess (Deficiency) of receipts & other financing sources over disbursements & other financing uses	(9,024)	0	0	(9,024)	(4,752)	(489)	(5,241)
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	70,103			70,103	30,028	12,808	42,836
CASH BASIS FUND BALANCE - END OF YEAR	61,079	0	0	61,079	25,276	12,319	37,595

(7)

See accountants' compilation report.

**TOWN OF ALLIGATOR, MISSISSIPPI
SELECTED NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2017**

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Note 1 - Significant Accounting Policies

A. Reporting Entity

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

B. Accounting

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

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

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

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

C. Basis of Accounting

All governmental and proprietary funds are accounted for using the cash receipts and disbursements basis of accounting, as allowed by the Mississippi State Department of Audit. This basis of accounting differs from accounting principles generally accepted in the United States of America 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 accounting principles generally accepted in the United States of America. 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), and other supplemental information.

D. Cash Deposits

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

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

Note 2 Report Classifications

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

Note 3 The Town uses the county tax rolls for the assessment of its ad valorem tax. Property is assessed in January of each year and the millage is set in September of each year. The Town clerk bills property owner for the ad valorem tax in December of each year. They are due on January 1 and become delinquent after February 1. The taxes levied for the year ending September 30, 2017 was 18 mills.

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

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

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

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

The carrying amount of the Town's deposits with financial institutions was \$98,674 and the bank balance was \$98,674.

TOWN OF ALLIGATOR, MISSISSIPPI

SUPPLEMENTAL INFORMATION

TOWN OF ALLIGATOR, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

<u>Definition and Purpose</u>	Balance Outstanding 10-1-16	Transactions During Fiscal Year		Balance Outstanding 9-30-17
		<u>Issued</u>	<u>Redeemed</u>	
General Obligation Bonds	0			0
Revenue Bonds	0			0
Other Long-term Debt	<u>0</u>			<u>0</u>
<u>Total</u>	<u>0</u>			<u>0</u>

**TOWN OF ALLIGATOR, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2017**

<u>Name</u>	<u>Term</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Tommie Brown	June 12, 2018	Mayor	Western Surety	50,000
Patrina Barksdale	July 12, 2018	Town Clerk	RLI Surety	50,000
Willie E. Barksdale	Sept. 14, 2018	Alderman	RLI Surety	50,000
Pearlie Emerson	Feb. 7, 2018	Alderman	RLI Surety	50,000
Carl Riley	July 11, 2018	Alderman	RLI Surety	50,000
Mechelle Wallace	June 12, 2018	Alderman	Western Surety	50,000
Chewanda Butler	Nov. 11, 2017	Alderman	RLI Surety	50,000

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TOWN OF ALLIGATOR, MISSISSIPPI
SCHEDULE OF INVESTMENTS - ALL FUNDS
SEPTEMBER 30, 2017

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Balance</u>
General Fund	Certificate of Deposit	.35%	11-25-18	CB&S Bank	10,067
General Fund	Certificate of Deposit	.39%	11-16-19	Southern Bancorp	50,359
Water Fund	Certificate of Deposit	.5%	5-8-18	FNB of Clarksdale	10,145
Sanitation Fund	Certificate of Deposit	.35%	11-7-18	CB&S Bank	<u>24,619</u>
<u>Total Investments</u>					<u><u>95,190</u></u>

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

Honorable Mayor and Aldermen
Town of Alligator, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities of the Town of Alligator, Mississippi as of and for the year ended September 30, 2017, and have issued our report thereon dated November 14, 2017. Our report differed from the standard report due to the basis of accounting. All governmental and proprietary funds contained in this report are accounted for using the cash receipts and disbursements basis of accounting, as allowed 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). Management elected to omit the MD&A.

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

With respect to items tested, the results of those procedures and our compilation of the accompanying Statement of cash Receipts and Disbursements - Governmental and Business-Type Activities, Schedule of Long-Term Debt, Schedule of Surety Bonds for Town Officials, and Schedule of Investments for the year ended September 30, 2017 disclosed no instances of noncompliance.

This report is intended for the information and use of management and is not intended and should not be used by anyone other than those specified parties.

Ellis & Hirsberg, CPAs, PLLC

Ellis & Hirsberg, CPAs, PLLC
Clarksdale, Mississippi
November 14, 2017

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ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor and the mayor and Board of Aldermen of the Town of Alligator, to the accounting records of Town of Alligator, Mississippi, solely to assist the Office of the State Auditor and the mayor and Board of Aldermen in evaluating the Town's compliance with certain laws and regulations as of September 30, 2017, and for the year then ended as required by provisions of Section 21-35-31 of Miss. Code Ann. (1972). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. This 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:

- A. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323 of the Mississippi Code of 1972.

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Southern Bancorp	General	322
FNB of Clarksdale	General	331
C B & S Bank - Certificates	General	10,067
Southern Bancorp - Certificates	General	<u>50,359</u>
<u>Total General Fund</u>		<u>61,079</u>
First National Bank of Clarksdale	Proprietary	2,174
First National Bank of Clarksdale	Proprietary	657

First National Bank of Clarksdale -		
Certificates	Proprietary	10,145
C B & S Bank - Certificates	Proprietary	<u>24,619</u>
<u>Total Proprietary Funds</u>		<u>37,595</u>
<u>Total All Funds</u>		<u>98,674</u>

B. We performed the following procedures with respect to taxes on real and personal property levied during the fiscal year.

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

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

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

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

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Alcohol Beverage License	General	900
Grand Gulf	General	1,051
Sales Tax	General	4,970
Municipal Aid - General	General	104
Municipal Aid - Fire	General	1,165
Gasoline Tax	General	598
Homestead Exemption	General	593

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

The sample consisted of the following:

Number of Sample Items	37
Dollar Value of Sample	6,295

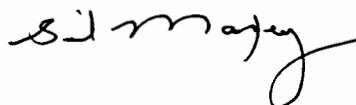
We found the Town's purchasing procedures to be in compliance with the above sections.

- E. No fines were collected by the Town of Alligator.
- F. The Town of Alligator completed, signed and recorded in the board minutes the Municipal Compliance Questionnaire for the fiscal year ended September 30, 2017. Routine audit procedures and tests of the questions contained in the questionnaire did not reveal any instances of noncompliance.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Alligator, taken as a whole.

This report is intended solely for the use of the Office of the State Auditor, State of Mississippi and the mayor and Board of Aldermen of the Town of Alligator 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 purposes.

Ellis & Hirsberg, CPA, PLLC

By: , Member

Clarksdale, Mississippi
November 14, 2017

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