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Town of Blue Mountain

P. O. Box 188
Blue Mountain, Mississippi 38610
Phone (662) 685-4721

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

Re: Annual Audit

Accompanying this letter is a copy of the financial report of the Town of Blue Mountain, Mississippi, for the fiscal year ended September 30, 2017. A separate management letter was not written to the town in connection with this audit.

Sincerely,



Mayor

RECEIVED

MAR 07 2018

TOWN OF BLUE MOUNTAIN

FINANCIAL REPORT

BLUE MOUNTAIN, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2017

11/10/17

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B.J. HORTON, CPA

SHONDA DAVIS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Blue Mountain
Blue Mountain, MS 38610

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Blue Mountain, Mississippi, as of September 30, 2017, and for the year then ended, as required by the Office of the State Auditor, under 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 Blue Mountain, Mississippi and the Office of the State Auditor and should not be used for any other purposes.

Our procedures and findings are as follows:

- A. We reconciled cash on deposit with the following bank to balances 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>
The Peoples Bank	General	\$ 155,519
	Water & Sewer	62,598

- B. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).

The Town of Blue Mountain owned no securities held for investment at September 30, 2017.

MAR 07 2018

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

1. Verified use of certified county assessment rolls and traced levies to governing body minutes;
2. Examined uncollected taxes for proper handling, including tax sales;
3. Traced distribution of taxes collected to proper funds; and
4. Analyzed increase in taxes for the most recent period for compliance 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.

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

D. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Funds</u>	<u>General Ledger Amount</u>
Sales Tax Allocation	General	\$ 132,321
Fire Protection Allocation	General	5,151
Gasoline Tax	General	2,818
Homestead Exemption	General	6,683
TVA in Lieu of Taxes	General	8,911
Municipal Aid	General	459
Public Safety	General	4,181

E. 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, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of sample items	54
Dollar value of sample	\$ 256,920

F. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

G. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of non compliance with state requirements.

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 Blue Mountain, for the year ended September 30, 2017.

This report is intended solely for the use of 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 purposes. However, this report is a matter of public record and its distribution is not limited.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
January 4, 2018

retrieval + info. retrieval

LINDSEY, DAVIS AND ASSOCIATES

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Blue Mountain
Blue Mountain, MS 38610

Management is responsible for the accompanying statement of cash receipts and disbursements (all funds)-cash basis of the Town of Blue Mountain, Mississippi, as of and for the year ended September 30, 2017 in accordance with accounting principles generally accepted in the United States of America. 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 financial statements 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 these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not 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 on pages 9, 10 and 11 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Blue Mountain, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
January 4, 2018

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TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2017	2016
REVENUE RECEIPTS				
General Property Taxes	\$ 63,390	\$	\$ 63,390	\$ 60,632
Prior Year Taxes	549		549	452
Penalties and Interest on Delinquent Taxes	21		21	502
Privilege Taxes	3,414		3,414	3,948
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	132,321		132,321	133,864
Gasoline Tax	2,818		2,818	2,818
Fire Protection	5,151		5,151	5,900
Homestead Exemption	6,683		6,683	6,542
TVA in Lieu of Taxes	8,911		8,911	4,969
General Municipal Aid	459		459	459
County Shared Revenue:				
Road Taxes	5,957		5,957	9,579
Fire Protection	11,500		11,500	11,500
Charges for Services:				
Water Utilities		282,245	282,245	313,548
Sanitation Collection Fees		34,041	34,041	32,846
TVRHA in Lieu of Tax	4,134		4,134	3,922
Fines	40,798		40,798	70,915
Donations	8,650		8,650	9,525
Interest	926	246	1,172	1,226
Gross Receipts Tax	6,383		6,383	12,553
Sale of Cemetery Lots	6,570		6,570	4,530
Miscellaneous	11,784	20,345	32,129	18,323
TOTAL REVENUE RECEIPTS	320,419	336,877	657,296	708,553
OTHER RECEIPTS				
Grant Income	84,896		84,896	439,562
Transfers	9,420	34,253	43,673	31,543
TOTAL OTHER RECEIPTS	94,316	34,253	128,569	471,105
TOTAL RECEIPTS	414,735	371,130	785,865	1,179,658
Cash Balance - Beginning of Year	221,998	67,746	289,744	276,224
TOTAL AMOUNT TO ACCOUNT FOR	\$ 636,733	\$ 438,876	\$1,075,609	\$ 1,455,882

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2017

	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2017	2016
OPERATING DISBURSEMENTS				
General Government	\$ 139,763	\$	\$ 139,763	\$ 125,186
Public Safety:				
Police	65,061		65,061	60,412
Fire	15,058		15,058	17,933
Court	25,796		25,796	36,056
Highways and Streets:				
Repairs & Maintenance	23,980		23,980	28,837
Enterprise:				
Water Utilities		260,613	260,613	281,030
Sanitation		26,235	26,235	26,268
Interest on Bonds and Loans	1,005	1,807	2,812	1,650
TOTAL OPERATING DISBURSEMENTS	270,663	288,655	559,318	577,372
OTHER DISBURSEMENTS				
Principal Payments	4,516	11,995	16,511	17,673
Transfers	34,709	10,620	45,329	31,543
(Increase)/Decrease in Meter Deposits		250	250	
Investment in Fixed Assets	86,430	64,758	151,188	104,628
Grant Expense (CDBG)	84,896		84,896	434,922
TOTAL OTHER DISBURSEMENTS	210,551	87,623	298,174	588,766
TOTAL DISBURSEMENTS	481,214	376,278	857,492	1,166,138
Cash Balance - End of Year	155,519	62,598	218,117	289,744
TOTAL AMOUNT TO ACCOUNT FOR	\$ 636,733	\$ 438,876	\$ 1,075,609	\$ 1,455,882

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
SCHEDULE OF LONG-TERM DEBT
 SEPTEMBER 30, 2017

	Balance Outstanding Oct. 1, 2016	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2017
		Additions	Reductions	
General Fund	\$ 31,171	\$	\$ 4,516	\$ 26,655
Water and Sewer System	40,479		11,995	28,484
Total	<u>\$ 71,650</u>	<u>\$</u>	<u>\$ 16,511</u>	<u>\$ 55,139</u>

[Signature]
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TOWN OF BLUE MOUNTAIN
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
 SEPTEMBER 30, 2017

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Doug Norton	Mayor	MS Municipal Association	\$ 50,000
Patricia Glover	Town Clerk	Travelers	50,000
Amanda Chism	Water Clerk	Travelers	25,000
Jim Taylor	Police Chief	Travelers	50,000
Blanket Bond	Policeman	Travelers	25,000
Blanket Bond	Policeman	Travelers	25,000
Blanket Bond	Policeman	Travelers	25,000
Jerrold Akins	Alderman	MS Municipal Association	10,000
Gene Lansdell	Alderman	MS Municipal Association	10,000
Johnny Jones	Alderwoman	MS Municipal Association	10,000
Jeffrey Pipkin	Alderman	MS Municipal Association	10,000
Mike Pope	Alderman	MS Municipal Association	10,000

TOWN OF BLUE MOUNTAIN
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS
SEPTEMBER 30, 2017

GENERAL FUND:

Fire Protection Fund:

.25% Certificate of Deposit, dated October 25, 2004,
maturing on October 25, 2017

\$ 6,535

TOTAL INVESTMENTS

\$ 6,535

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ACCOUNTANT'S REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS

To the Mayor and Board of Aldermen
Town of Blue Mountain
Blue Mountain, MS 38610

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis of the Town of Blue Mountain for the year ended September 30, 2017 and have issued our report dated January 4, 2018. We have conducted our compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

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 compilation of the cash receipts and disbursements disclosed no material instance of noncompliance with state laws and regulations.

This report is intended for the information of the Town'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.

Lindsey, Davis & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
January 4, 2018