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Town of Blue Mountain

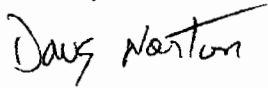
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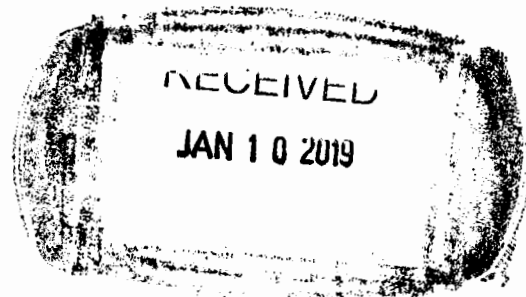
Re: Annual Audit

Accompanying this letter is a copy of the financial report of the Town of Blue Mountain, Mississippi, for the fiscal year ended September 30, 2018. A separate management letter was not written to the town in connection with this audit.

Sincerely,

A handwritten signature in cursive script that reads "Doug Norton".

Mayor

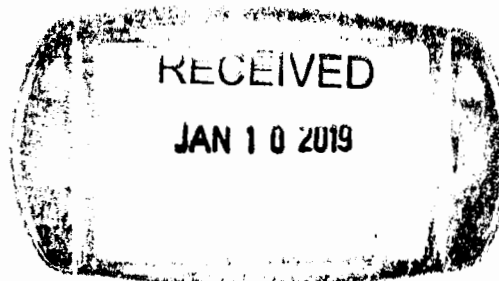


TOWN OF BLUE MOUNTAIN

FINANCIAL REPORT

BLUE MOUNTAIN, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2018

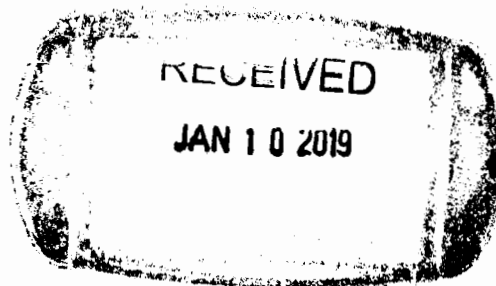


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MISSISSIPPI SOCIETY OF
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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, 2018, 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.

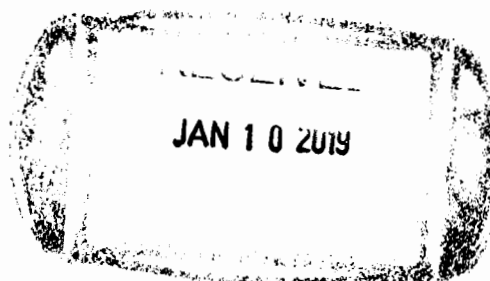
Our procedures and findings are as follows:

- 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 General Ledger</u>
The Peoples Bank	General	\$ 115,351
	Water & Sewer	54,198

- 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, 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	\$ 124,306
Fire Protection Allocation	General	5,252
Gasoline Tax	General	2,818
Homestead Exemption	General	7,048
TVA in Lieu of Taxes	General	8,444
Municipal Aid	General	459

- 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	71
Dollar value of sample	\$ 272,290

- 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.

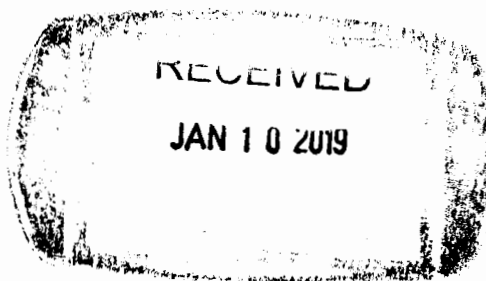
Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused 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, 2018.

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
December 27, 2018



LINDSEY, DAVIS AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

MEMBER

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MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

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, 2018 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

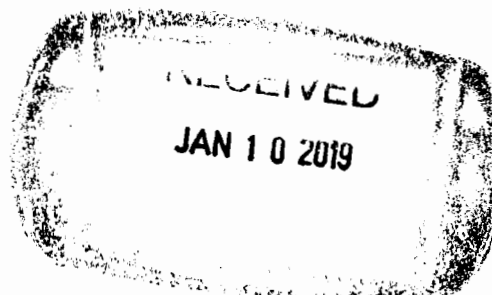
Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it 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
December 27, 2018



TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2018

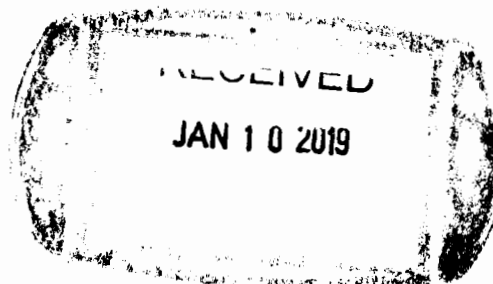
	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2018	2017
REVENUE RECEIPTS				
General Property Taxes	\$ 70,366	\$	\$ 70,366	\$ 63,390
Prior Year Taxes	147		147	549
Penalties and Interest on Delinquent Taxes	791		791	21
Privilege Taxes	3,732		3,732	3,414
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	124,306		124,306	132,321
Gasoline Tax	2,818		2,818	2,818
Fire Protection	5,252		5,252	5,151
Homestead Exemption	7,048		7,048	6,683
TVA in Lieu of Taxes	8,444		8,444	8,911
General Municipal Aid	459		459	459
County Shared Revenue:				
Road Taxes	7,016		7,016	5,957
Fire Protection	11,500		11,500	11,500
Charges for Services:				
Water Utilities		289,254	289,254	282,245
Sanitation Collection Fees		41,425	41,425	34,041
TVRHA in Lieu of Tax	4,134		4,134	4,134
Fines	69,831		69,831	40,798
Donations	11,065		11,065	8,650
Interest	547	291	838	1,172
Gross Receipts Tax	15,637		15,637	6,383
Sale of Cemetery Lots	1,745		1,745	6,570
Miscellaneous	9,794	20,038	29,832	30,473
TOTAL REVENUE RECEIPTS	354,632	351,008	705,640	655,640
OTHER RECEIPTS				
Grant Income	50,000	162,826	212,826	84,896
Transfers	32,000		32,000	43,673
TOTAL OTHER RECEIPTS	82,000	162,826	244,826	128,569
TOTAL RECEIPTS	436,632	513,834	950,466	784,209
Cash Balance - Beginning of Year	155,519	62,598	218,117	289,744
TOTAL AMOUNT TO ACCOUNT FOR	\$ 592,151	\$ 576,432	\$1,168,583	\$ 1,073,953

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2018

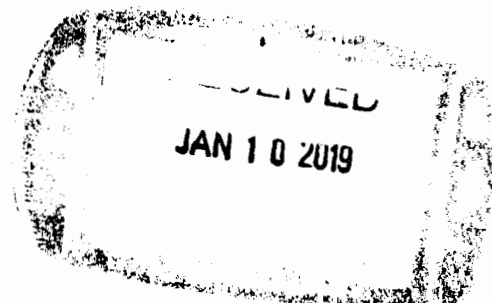
	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2018	2017
OPERATING DISBURSEMENTS				
General Government	\$ 135,203	\$	\$ 135,203	\$ 139,763
Public Safety:				
Police	81,928		81,928	65,061
Fire	19,903		19,903	15,058
Court	33,828		33,828	25,796
Highways and Streets:				
Repairs & Maintenance	15,911		15,911	23,980
Enterprise:				
Water Utilities		270,817	270,817	260,613
Sanitation		29,110	29,110	26,235
Interest on Bonds and Loans	532	425	957	2,812
TOTAL OPERATING DISBURSEMENTS	287,305	300,352	587,657	559,318
OTHER DISBURSEMENTS				
Principal Payments	4,989	28,483	33,472	16,511
Transfers	19,819	12,181	32,000	43,673
(Increase)/Decrease in Meter Deposits				250
Investment in Fixed Assets	141,844	18,392	160,236	151,188
Grant Expense (CDBG)	22,843	162,826	185,669	84,896
TOTAL OTHER DISBURSEMENTS	189,495	221,882	411,377	296,518
TOTAL DISBURSEMENTS	476,800	522,234	999,034	855,836
Cash Balance - End of Year	115,351	54,198	169,549	218,117
TOTAL AMOUNT TO ACCOUNT FOR	\$ 592,151	\$ 576,432	\$ 1,168,583	\$ 1,073,953

See Accountant's Compilation Report



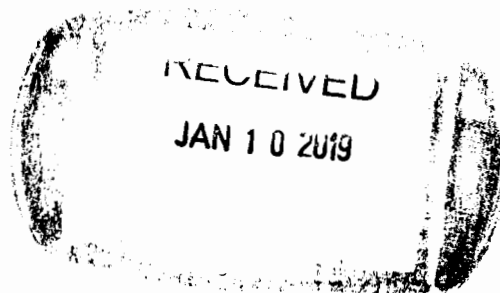
TOWN OF BLUE MOUNTAIN
SCHEDULE OF LONG-TERM DEBT
 SEPTEMBER 30, 2018

	Balance Outstanding Oct. 1, 2017	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2018
		Additions	Reductions	
General Fund	\$ 26,655	\$	\$ 5,449	\$ 21,206
Water and Sewer System	28,484		28,484	
Total	<u>\$ 55,139</u>	<u>\$</u>	<u>\$ 33,933</u>	<u>\$ 21,206</u>



TOWN OF BLUE MOUNTAIN
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2018

<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	50,000
Jessica Jeter	Deputy Clerk	Travelers	50,000
Jim Taylor	Police Chief	Travelers	50,000
Dusty Smith	Assistant Police Chief	Travelers	25,000
Shadrach Spight	Policeman	Travelers	25,000
David Robertson	Policeman	Travelers	25,000
Rickey Griffin	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
Michael Pope	Alderman	MS Municipal Association	10,000



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SHONDA DAVIS

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, 2018 and have issued our report dated December 27, 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
December 27, 2018

