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**M. M. WINKLER & ASSOCIATES, PLLC**

***Certified Public Accountants***

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September 6, 2019

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

RE: Compilation & Agreed-Upon Procedures Report

Accompanying this letter are two copies of the annual compilation of the Town of Burnsville, Mississippi, for the fiscal year ended September 30, 2018. A separate management letter was not written to the town in connection with the compilation.

Also, accompanying this letter are two copies of the Agreed-Upon Procedures Report.

Sincerely,

M.M. WINKLER & ASSOCIATES, PLLC

*Donna Williams*

Donna Williams  
Certified Public Accountant

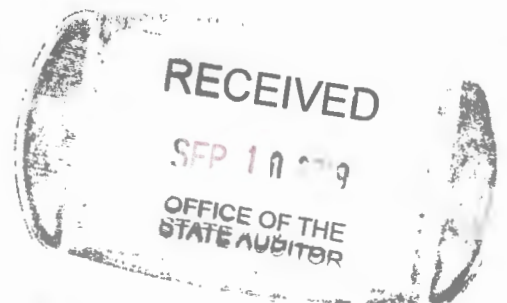




**TOWN OF BURNSVILLE, MISSISSIPPI**

**COMPILED FINANCIAL STATEMENT**

Year Ended September 30, 2018

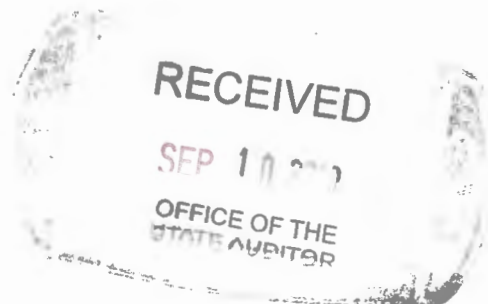


***M. M. WINKLER & ASSOCIATES, PLLC***  
***Certified Public Accountants***  
***Tupelo, Mississippi***

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**TOWN OF BURNSVILLE, MISSISSIPPI  
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**INDEPENDENT ACCOUNTANTS' COMPILATION REPORT**

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

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities of the Town of Burnsville, Mississippi, for the year ended September 30, 2018, and the related notes to financial statement in accordance with the cash basis of accounting. 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.

The Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The Statement of Cash 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 omitted the Management's Discussion and Analysis information and other required supplemental information that is required to be presented for purposes of additional analysis. 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.

*Supplementary Information*

The supplementary information contained in pages 17 through 20 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been compiled from information that is the responsibility of management. This information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

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STATE AUDITOR**



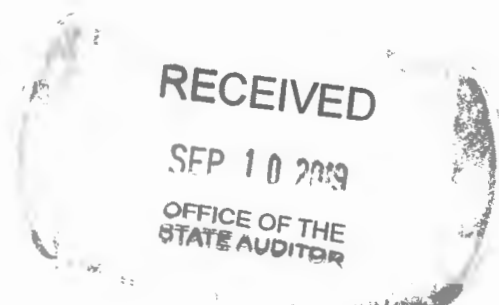
*Other Information*

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated September 3, 2019, on the results of our agreed-upon procedures.

*M. M. Winkler & Associates, PLLC*

September 3, 2019

**BASIC FINANCIAL STATEMENT**



**Town of Burnsville, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2018**

Receipts	Governmental Activities			Business-Type Activities			
	General	Special Revenue	Total	Water	Sewer	Garbage	Total
Government Property Taxes	\$ 83,379	\$ -0-	\$ 83,379	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Penalties and Interest on Delinquent Taxes	1,067	-0-	1,067	-0-	-0-	-0-	-0-
Licenses and Permits:							
Privilege Licenses	910	-0-	910	-0-	-0-	-0-	-0-
Franchise Charges - Utilities	19,274	-0-	19,274	-0-	-0-	-0-	-0-
Intergovernmental Revenues:							
Federal Revenues:							
Federal Payments in Lieu of Taxes	9,996	-0-	9,996	-0-	-0-	-0-	-0-
State Revenues:							
State Grants	20,819	-0-	20,819	-0-	-0-	-0-	-0-
Homestead Exemption Reimbursement	6,605	-0-	6,605	-0-	-0-	-0-	-0-
General Sales Tax	176,003	-0-	176,003	-0-	-0-	-0-	-0-
Fire Protection Allocation	5,343	-0-	5,343	-0-	-0-	-0-	-0-
Gasoline Tax	2,867	-0-	2,867	-0-	-0-	-0-	-0-
Municipal Aid	467	-0-	467	-0-	-0-	-0-	-0-
Alcohol Beverage Licenses	900	-0-	900	-0-	-0-	-0-	-0-
Training Reimbursement	789	-0-	789	-0-	-0-	-0-	-0-
Fuel Tax Rebate	866	-0-	866	-0-	-0-	-0-	-0-
Grants from Local Units:							
Pro-Rata County Road Tax	16,684	-0-	16,684	-0-	-0-	-0-	-0-
Charges for Services:							
Water	-0-	-0-	-0-	304,226	-0-	-0-	304,226
Sewer	-0-	-0-	-0-	-0-	106,333	-0-	106,333
Garbage	-0-	-0-	-0-	-0-	-0-	57,730	57,730
Fines and Forfeitures	40,284	-0-	40,284	-0-	-0-	-0-	-0-
Rents and Royalties	1,200	-0-	1,200	-0-	-0-	-0-	-0-
Miscellaneous	580	-0-	580	510	-0-	-0-	510
<b>Total Receipts</b>	<b>\$ 388,033</b>	<b>\$ -0-</b>	<b>\$ 388,033</b>	<b>\$ 304,736</b>	<b>\$ 106,333</b>	<b>\$ 57,730</b>	<b>\$ 468,799</b>

- Continued -

**Town of Burnsville, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2018**

Disbursements	Governmental Activities			Business-Type Activities			
	General	Special Revenue	Total	Water	Sewer	Garbage	Total
General Government							
Executive	\$ 93,982	\$ -0-	\$ 93,982	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Judicial	8,957	-0-	8,957	-0-	-0-	-0-	-0-
Public Safety							
Police	104,844	-0-	104,844	-0-	-0-	-0-	-0-
Fire	12,775	-0-	12,775	-0-	-0-	-0-	-0-
Public Works	54,779	-0-	54,779	-0-	-0-	-0-	-0-
Culture and Recreation							
Park	24,673	-0-	24,673	-0-	-0-	-0-	-0-
Library	9,253	-0-	9,253	-0-	-0-	-0-	-0-
Enterprise							
Water	-0-	-0-	-0-	211,355	-0-	-0-	211,355
Sewer	-0-	-0-	-0-	-0-	79,203	-0-	79,203
Garbage	-0-	-0-	-0-	-0-	-0-	54,318	54,318
Interest Expense	-0-	-0-	-0-	58	6,665	-0-	6,723
<b>Total Disbursements</b>	<b>\$ 309,263</b>	<b>\$ -0-</b>	<b>\$ 309,263</b>	<b>\$ 211,413</b>	<b>\$ 85,868</b>	<b>\$ 54,318</b>	<b>\$ 351,599</b>
Excess (Deficiency) of Receipts over Disbursements	\$ 78,770	\$ -0-	\$ 78,770	\$ 93,323	\$ 20,465	\$ 3,412	\$ 117,200
Other Sources (Uses)							
Redemption of Principal	\$ -0-	\$ -0-	\$ -0-	\$ ( 7,641 )	\$ ( 14,532 )	\$ -0-	\$ ( 22,173 )
Capital Outlay	( 17,142 )	-0-	( 17,142 )	( 81,866 )	-0-	-0-	( 81,866 )
Interest Income	658	115	773	2,090	982	159	3,231
Operating Transfers In	15,051	-0-	15,051	7,699	7,352	-0-	15,051
Operating Transfers Out	( 15,051 )	-0-	( 15,051 )	( 7,699 )	( 7,352 )	-0-	( 15,051 )
<b>Total Other Sources (Uses)</b>	<b>\$ ( 16,484 )</b>	<b>\$ 115</b>	<b>\$ ( 16,369 )</b>	<b>\$ ( 87,417 )</b>	<b>( 13,550 )</b>	<b>\$ 159</b>	<b>\$ ( 100,808 )</b>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Uses	\$ 62,286	\$ 115	\$ 62,401	\$ 5,906	\$ 6,915	\$ 3,571	\$ 16,392
Cash Balances - Beginning of Year	31,231	76,686	107,917	223,938	110,093	15,414	349,445
Cash Balances - End of Year	\$ 93,517	\$ 76,801	\$ 170,318	\$ 229,844	\$ 117,008	\$ 18,985	\$ 365,837

See accompanying notes and independent accountants' compilation report.

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**TOWN OF BURNSVILLE, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENT  
For the Year Ended September 30, 2018**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The financial statement of the Town of Burnsville, Mississippi (Town), consists of all the funds of the Town.

The Citizens of Burnsville have elected to operate under a Code Charter as permitted by Mississippi Statute 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic - but not only - criterion 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 governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no includable or excludable potential component units.

**Fund Accounting**

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government 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 they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into one generic fund type and one broad fund category as follows:

**Governmental Funds**

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

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted for specific expenditure purposes.



**TOWN OF BURNSVILLE, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENT**

**- Continued -**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Proprietary Funds**

**Water Fund** - The Water Fund is used to account for the Town's water distribution system.

**Sewer Fund** - The Sewer Fund is used to account for the Town's sewer treatment system.

**Garbage Fund** - The Garbage Fund is used to account for the Town's garbage collection services.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Town uses the cash receipts and disbursements basis of accounting as prescribed by the Mississippi Office of the State Auditor.

In the fund financial statements, governmental activities are presented using the cash receipts and disbursements basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures/expenses when they result from cash transactions.

This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the Town utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Under the modified accrual basis revenues are recognized when measurable and available. Measurable means, being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Under the accrual basis, revenues are recognized when earned. Expenses (including depreciation and amortization) are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place.

**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.

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**NOTES TO FINANCIAL STATEMENT**  
**- Continued -**

**NOTE 3. LONG-TERM DEBT**

The annual requirements to amortize all outstanding debt as of September 30, 2018, including interest of \$ 48,616, are as follows:

Year	Principal	Interest	Total
2019	\$ 15,030	\$ 6,167	\$ 21,197
2020	15,485	5,712	21,197
2021	15,956	5,241	21,197
2022	15,510	4,751	20,261
2023	11,222	4,355	15,577
2024 - 2028	61,599	16,287	77,886
2029 - 2033	65,777	5,880	71,657
2034 - 2035	13,257	223	13,480
Total	\$ <u>213,836</u>	\$ <u>48,616</u>	\$ <u>262,452</u>

**NOTE 4. SUBSEQUENT EVENTS**

Management has evaluated all events and transactions that occurred after September 30, 2018 up through September 3, 2019, the date on which the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities was available to be issued. No material subsequent events have occurred during this period that require recognition or disclosure in this financial statement.





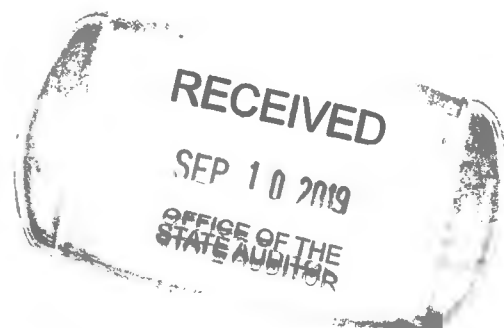
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## **SUPPLEMENTARY INFORMATION**

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**TOWN OF BURNSVILLE, MISSISSIPPI  
SCHEDULE OF INVESTMENTS  
For the Year Ended September 30, 2018**

The Town of Burnsville, Mississippi had no investments as of September 30, 2018.



See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI  
SCHEDULE OF CAPITAL ASSETS  
For the Year Ended September 30, 2018**

**Governmental Activities**

The Town of Burnsville, Mississippi did not account for capital assets in the Governmental Activities funds as of September 30, 2018.

**Business-Type Activities**

The Town of Burnsville, Mississippi did not account for capital assets in the Business-Type Activities funds as of September 30, 2018.

See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
**For the Year Ended September 30, 2018**

The Town's long-term debt activity for the year ended September 30, 2018, is as follows:

<u>Definition and Purpose</u>	Balance Outstanding October 1, 2017	<u>Transaction During Fiscal Year</u>		Balance Outstanding September 30, 2018
		<u>Issued</u>	<u>Redeemed</u>	
<b>Revenue Bonds</b>				
Sewer - USDA	\$ 90,604	\$ -0-	\$ 4,231	\$ 86,373
<b>Other Long-term Debt:</b>				
Water - MDOH Loan	7,641	-0-	7,641	-0-
Sewer - MDEQ Loan	112,559	-0-	5,426	107,133
Sewer - CAP Loan	<u>25,205</u>	<u>-0-</u>	<u>4,875</u>	<u>20,330</u>
Total	\$ <u>236,009</u>	\$ <u>-0-</u>	\$ <u>22,173</u>	\$ <u>213,836</u>

See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS**  
**September 30, 2018**

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Amount</u>
David Nixon	Mayor	Travelers Casualty & Surety Co of America	\$ 50,000
Tracy Roaten	Town Clerk	Travelers Casualty & Surety Co of America	\$ 50,000
Sarah Beth Boyer	Deputy Clerk	Travelers Casualty & Surety Co of America	\$ 50,000
Tracy Roaten	Court Clerk	Travelers Casualty & Surety Co of America	\$ 50,000
Jason Blakney	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Doyle Rorie	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Niesha Carpenter	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Billy Don Hamm	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Robert Davis	Alderman	Travelers Casualty & Surety Co of America	\$ 25,000
Randy Trim	Police Chief	Travelers Casualty & Surety Co of America	\$ 50,000
Adam Hall	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Grady Smith	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Joey Clark	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Thomas Hester	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Brandon Slack	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Darrell Hopkins	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000
Timothy Boggs	Police Officer	Travelers Casualty & Surety Co of America	\$ 25,000

See accompanying independent accountants' compilation report.

**M. M. WINKLER & ASSOCIATES, PLLC**

***Certified Public Accountants***

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

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

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities of the Town of Burnsville, Mississippi, for the year ended September 30, 2018, the related notes to the financial statement, and the accompanying supplementary information contained on pages 17 through 20 in accordance with the cash basis of accounting. 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. The Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities has been 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.

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. Accordingly, we do not express such an opinion.

With respect to the 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 Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials, of the Town of Burnsville, Mississippi (Town), for the year ended September 30, 2018, disclosed the following instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

**Board of Alderman**

1. Capital Asset Ledger, tagging of all capital assets, and performance of an annual inventory of capital assets was not maintained as prescribed by MS state law.

**Repeat Finding** Yes

**Criteria** Section 21-17-5, Miss. Code Ann. (1972) states that the municipal governing authority is responsible for the custody of its assets. This protective custody or safeguarding of assets cannot be accomplished without complete and accurate records. Section II-C, Property Accounting System, in the Municipal Audit and Accounting Guide prescribes that the Town maintain a complete and accurate accounting of capital assets to adequately safeguard those asset and to allow for accurate financial reporting.



<b>Condition</b>	The Town failed to maintain a capital asset ledger, failed to tag all capital assets, and failed to perform an annual inventory of capital assets to adequately safeguard those assets.
<b>Cause</b>	The Town's capital asset ledger, tagging of all capital assets, and performance of an annual inventory of capital assets was not maintained.
<b>Effect</b>	The Town's failure to maintain a capital asset ledger, tag all capital assets, and perform an annual inventory of capital assets resulted in a failure to adequately safeguard those assets and a failure to provide information for the Schedule of Capital Assets.
<b>Recommendation</b>	The Town should maintain a capital asset ledger, tag all capital assets, and perform an annual inventory of capital assets to adequately safeguard those assets and to provide information for the Schedule of Capital Assets as prescribed by law.
<b>Official Response</b>	The Town is currently in the process of updating the capital assets ledger and performing an inventory.

The instances of noncompliance of the prior year have been corrected by management unless it is specifically stated otherwise in the findings and recommendations noted above.

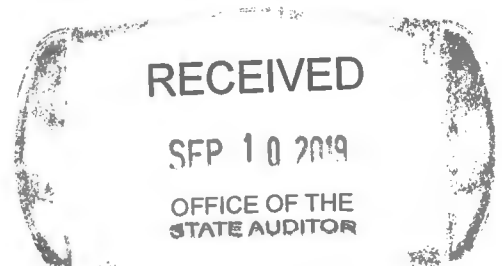
This report is intended solely for the information and use of the Town of Burnsville, Mississippi's management and the Office of the State Auditor and is not intended to be used and should not be used by anyone other than these specified parties. However, this report is a matter of public record and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

*M. M. Winkler & Associates, PLLC*

September 3, 2019

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**AGREED-UPON PROCEDURES**  
**FOR SMALL MUNICIPALITIES (TOWNS)**

September 30, 2018



***M. M. WINKLER & ASSOCIATES, PLLC***  
***Certified Public Accountants***  
***Tupelo, Mississippi***



**M. M. WINKLER & ASSOCIATES, PLLC**

***Certified Public Accountants***

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
FOR SMALL MUNICIPALITIES (TOWNS)**



Honorable Mayor & Board of Aldermen  
Town of Burnsville, Mississippi

We have performed certain agreed-upon procedures enumerated below, which were agreed to by the Town of Burnsville, Mississippi, to the accounting records of the Town of Burnsville, Mississippi (the Town), as of September 30, 2018, and for the year then ended, as prescribed by the Office of the State Auditor (under the provisions of Section 21-35-31, Miss Code Ann. (1972)) in its Municipal Audit and Accounting Guide on compliance with certain procedures, laws and regulations. The Town of Burnsville's officials are responsible for the Town's accounting records, the Town's compliance with certain procedures, laws and regulations, and that the Town's agreed-upon procedures are presented in accordance with the agreed-upon procedures in the Municipal Audit and Accounting Guide; and the Office of the State Auditor is responsible for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for their purposes. The sufficiency of these procedures is solely the responsibility of the governing body of the Town of Burnsville, Mississippi, and the Office of the State Auditor. 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:

**Cash (including investments)**

1. We determined that cash on deposit reconciled with the following bank balances in the respective general ledger fund accounts and the bank's collateralization of the deposits of the related balances from the bank through the State's Collateral Pool Program as of September 30, 2018:

<u>Bank</u>	<u>Fund</u>	<u>Type</u>	<u>Balance per General Ledger</u>
First American National	General	Checking	\$ 93,517
First American National	Special Revenue	Savings	76,801
First American National	Water	Checking	229,844
First American National	Sewer	Checking	117,008
First American National	Garbage	Checking	18,985
Total Cash on Deposit			<u>\$ 536,155</u>

2. Also, we determined that the Town held no investments during the fiscal year ended September 30, 2018. We found no exceptions as a result of our procedures.



## Ad Valorem Taxes

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Traced levies to governing body minutes;
  - b. Traced settlements of taxes collected to the proper funds; and
  - c. Analyzed levy for 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).

We determined that with respect to taxes on real and personal property (including motor vehicles), the distribution of taxes to the proper fund was in accordance with the prescribed tax levy. Also, we determined that ad valorem tax collections were within the limitations of Sections 27-29-320 to 27-39-323, Miss. Code Ann. (1972).

## State Receipts

4. We obtained the Department of Finance and Administration statement of Statewide Expenditures and Revenue to Cities/Counties specifically for the Town. Payments indicated were traced to deposit in the respective General Fund accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 160,952
Prior Year Expense - Contractual - 1099	General Fund	16,319
TVA Payment in Lieu	General Fund	9,996
Homestead Exemption Reimbursement	General Fund	6,604
Fire Protection Allocation	General Fund	5,343
Gasoline Tax	General Fund	2,866
Liquor Tax	General Fund	900
Prior Year Expense - Subsidies	General Fund	789
General Municipal Aid	General Fund	467
		<hr/>
Total Payments Received		\$ 204,236

## Disbursements

5. We selected individually significant items and a sample of purchases made by the Town during the fiscal year ended September 30, 2018. Each item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss Code Ann. (1972), if applicable.

The items tested consisted of the following:

Number of Items Tested  
Total Dollar Value of Sample

85  
\$ 321,929





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We determined that the Town's purchasing procedures were in compliance with the requirements of the above mentioned sections. We found no exceptions as a result of our procedures.

#### **State Court Fine Assessment**

6. We selected a sample of the collection of fines and forfeitures and determined that the municipal court clerk had settled daily with the municipal clerk [Sections 21-15-21, Miss. Code Ann. (1972)].

Also, we 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 [Sections 99-19-72 & 83-39-31 Miss. Code Ann. (1972)].

While testing the collection of fines and forfeitures, we determined that one non-adjudication fine had been settled with the municipal clerk; however, because it was a non-adjudication fine, it had not been included in the report of state-imposed court assessments and \$ 147.25 had not been remitted timely to the Department of Finance and Administration.

Except for the above mentioned instance, we determined that the Town's procedures were in compliance with the requirements of timely settlements of the above-mentioned sections.

#### **Municipal Compliance Questionnaire**

7. We have read the Municipal Compliance Questionnaire completed by the Town.

The following responses to the questionnaire indicated the following instances of noncompliance with state requirements:

- a. The Town failed to maintain a capital asset ledger, failed to tag all capital assets, and failed to perform an annual inventory of capital assets to adequately safeguard those assets.
- b. The Town's response to the question: Are local privilege taxes collected from all businesses located within the municipality, except those exempted? We determined that while the Town is collecting privilege taxes, the Town's response was based on the fact that additional procedures to determine who owes privilege taxes have not been pursued.

We found no other exceptions as a result of our procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records of the Town of Burnsville, Mississippi, as of September 30, 2018, and for the year then ended, or their compliance with certain procedures, laws and regulations. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other 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 Burnsville, Mississippi, for the year ended September 30, 2018.

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

*M. M. Winkler & Associates, PLLC*

September 3, 2019



