



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

TOWN OF BLUE MOUNTAIN

FINANCIAL REPORT

BLUE MOUNTAIN, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2019

-ooOoo-

CONTENTS

	<u>PAGE</u>
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	3-5
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	6
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)-CASH BASIS	7-8
SCHEDULE OF LONG-TERM DEBT	9
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS	10
ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS	11

-ooOoo-

LINDSEY, DAVIS AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 146

1122 CITY AVE. NORTH

RIPLEY, MS 38663

TELEPHONE 662-837-3295

FAX # 662-837-0174

MEMBER

AMERICAN INSTITUTE OF

CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF

CERTIFIED PUBLIC ACCOUNTANTS

STOCKHOLDERS

CHARLES L. DAVIS, JR., CPA

DEAN CAVINESS, CPA

STEPHANIE CLIFTON, CPA

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 performed the procedures enumerated below, which were agreed to by the Mayor and Board of Aldermen of the Town of Blue Mountain on the cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire in accordance with the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated of the Town of Blue Mountain for the year ended September 30, 2019. The Town of Blue Mountain's management is responsible for the cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire in accordance with provisions of Section 21-35-31, Mississippi Code, 1972, Annotated. The sufficiency of these procedures is solely the responsibility of the Mayor and Board of Aldermen of the Town of Blue Mountain. 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.

The procedures and associated findings are as follows:

A. Cash

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	\$ 87,991
	Water & Sewer	78,928

B. Investments

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, 2019.

C. Ad Valorem Taxes

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, Mississippi Code, 1972, Annotated.

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, Mississippi Code, 1972, Annotated.

D. State Receipts

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

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General	\$ 124,671
Fire Protection Allocation	General	5,430
Gasoline Tax	General	2,818
Homestead Exemption	General	7,439
TVA in Lieu of Taxes	General	9,098
Municipal Aid	General	459

E. Disbursements

We selected a sample of purchases made by the municipality 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 33-7-57, Mississippi Code, 1972, Annotated, as applicable.

The sample consisted of the following:

Number of sample items	77
Dollar value of sample	\$ 488,307

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

F. State Court Fine Assessments

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. Municipal Compliance Questionnaire

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

This agreed-upon procedures engagement was conducted in accordance with the 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 cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire. 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 is intended solely for information and use of the Mayor and Board of Aldermen of the Town of Blue Mountain 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 and Associates
Certified Public Accountants

Ripley, Mississippi
January 30, 2020

LINDSEY, DAVIS AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 146

1122 CITY AVE. NORTH

RIPLEY, MS 38663

TELEPHONE 662-837-3295

FAX # 662-837-0174

MEMBER

AMERICAN INSTITUTE OF

CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF

CERTIFIED PUBLIC ACCOUNTANTS

STOCKHOLDERS

CHARLES L. DAVIS, JR., CPA

DEAN CAVINESS, CPA

STEPHANIE CLIFTON, CPA

B.J. HORTON, CPA

SHONDA DAVIS

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 financial statement of the Town of Blue Mountain, Mississippi, which comprise a cash receipts and disbursements (all funds) - cash basis as of September 30, 2019 for the year then ended in accordance with the cash basis of accounting and for determining that the cash basis of accounting is an acceptable financial 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 financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The financial statements are 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.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, 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 30, 2020

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2019

	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2019	2018
REVENUE RECEIPTS				
General Property Taxes	\$ 66,205	\$	\$ 66,205	\$ 70,366
Prior Year Taxes	576		576	147
Penalties and Interest on Delinquent Taxes	511		511	791
Privilege Taxes	4,556		4,556	3,732
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	124,671		124,671	124,306
Gasoline Tax	2,818		2,818	2,818
Fire Protection	5,430		5,430	5,252
Homestead Exemption	7,439		7,439	7,048
TVA in Lieu of Taxes	9,098		9,098	8,444
General Municipal Aid	459		459	459
County Shared Revenue:				
Road Taxes	8,352		8,352	7,016
Fire Protection	11,500		11,500	11,500
Charges for Services:				
Water Utilities		299,486	299,486	289,254
Sanitation Collection Fees		42,208	42,208	41,425
TVRHA in Lieu of Tax	4,128		4,128	4,134
Fines	90,163		90,163	69,831
Donations	13,060		13,060	11,065
Interest	772	242	1,014	838
Gross Receipts Tax	14,873		14,873	15,637
Sale of Cemetery Lots	3,755		3,755	1,745
Miscellaneous	28,851	22,416	51,267	29,832
TOTAL REVENUE RECEIPTS	397,217	364,352	761,569	705,640
OTHER RECEIPTS				
Grant Income	5,895	262,529	268,424	212,826
BP Oil Spill Funds	100,000		100,000	
Transfers	14,079		14,079	32,000
TOTAL OTHER RECEIPTS	119,974	262,529	382,503	244,826
TOTAL RECEIPTS	517,191	626,881	1,144,072	950,466
Cash Balance - Beginning of Year	115,351	54,198	169,549	218,117
TOTAL AMOUNT TO ACCOUNT FOR	\$ 632,542	\$ 681,079	\$1,313,621	\$ 1,168,583

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2019

	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2019	2018
OPERATING DISBURSEMENTS				
General Government	\$ 139,445	\$	\$ 139,445	\$ 135,203
Public Safety:				
Police	128,034		128,034	81,928
Fire	18,878		18,878	19,903
Court	66,650		66,650	33,828
Highways and Streets:				
Repairs & Maintenance	14,292		14,292	15,911
Enterprise:				
Water Utilities		287,867	287,867	270,817
Sanitation		29,965	29,965	29,110
Interest on Bonds and Loans	382		382	957
TOTAL OPERATING DISBURSEMENTS	367,681	317,832	685,513	587,657
OTHER DISBURSEMENTS				
Principal Payments	5,139		5,139	33,472
Transfers		14,079	14,079	32,000
Investment in Fixed Assets	171,731	7,711	179,442	160,236
Grant Expense (CDBG)		262,529	262,529	185,669
TOTAL OTHER DISBURSEMENTS	176,870	284,319	461,189	411,377
TOTAL DISBURSEMENTS	544,551	602,151	1,146,702	999,034
Cash Balance - End of Year	87,991	78,928	166,919	169,549
TOTAL AMOUNT TO ACCOUNT FOR	\$ 632,542	\$ 681,079	\$ 1,313,621	\$ 1,168,583

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
SCHEDULE OF LONG-TERM DEBT
 SEPTEMBER 30, 2019

	Balance Outstanding Oct. 1, 2018	Transactions During Fiscal Year Additions	Reductions	Balance Outstanding Sept. 30, 2019
General Fund	<u>\$ 21,206</u>	<u>\$</u>	<u>\$ 5,139</u>	<u>\$ 16,067</u>

TOWN OF BLUE MOUNTAIN
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
 SEPTEMBER 30, 2019

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Doug Norton	Mayor	MS Municipal Association	\$ 50,000
Amanda Chism	Town Clerk	Travelers	50,000
Jessica Jeter	Water Clerk	Travelers	18,878
Blanket Bond	Deputy Clerk	Travelers	50,000
David Robertson	Police Chief	Travelers	50,000
Shane Tillery	Assistant Police Chief	Travelers	25,000
Blanket Bond	Policeman	Travelers	25,000
Blanket Bond	Policeman	Travelers	25,000
Blanket Bond	Policeman/Policewoman	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

LINDSEY, DAVIS AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 146

1122 CITY AVE. NORTH

RIPLEY, MS 38663

TELEPHONE 662-837-3295

FAX # 662-837-0174

MEMBER

AMERICAN INSTITUTE OF

CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF

CERTIFIED PUBLIC ACCOUNTANTS

STOCKHOLDERS

CHARLES L. DAVIS, JR., CPA

DEAN CAVINESS, CPA

STEPHANIE CLIFTON, CPA

B.J. HORTON, CPA

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, 2019 and have issued our report dated January 30, 2020. 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 compilation 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 and Associates
Certified Public Accountants

Ripley, Mississippi
January 30, 2020