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TOWN OF BLUE MOUNTAIN

FINANCIAL REPORT

BLUE MOUNTAIN, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2020

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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, 2020. 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	\$ 140,808
	Water & Sewer	37,887

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, 2020.

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	\$ 131,624
Fire Protection Allocation	General	5,550
Gasoline Tax	General	2,818
Homestead Exemption	General	7,837
TVA in Lieu of Taxes	General	10,139
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	\$ 126,108

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
February 9, 2021

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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 financial statement of the Town of Blue Mountain, Mississippi, which comprise the statement of cash receipts and disbursements (all funds) - cash basis as of September 30, 2020 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
February 9, 2021

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2020

	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS	TOTALS (MEMORANDUM ONLY)	
	GENERAL	ENTERPRISE	2020	2019
REVENUE RECEIPTS				
General Property Taxes	\$ 66,294	\$	\$ 66,294	\$ 66,205
Prior Year Taxes	525		525	576
Penalties and Interest on Delinquent Taxes	39		39	511
Privilege Taxes	4,729		4,729	4,556
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	131,624		131,624	124,671
Gasoline Tax	2,818		2,818	2,818
Fire Protection	5,550		5,550	5,430
Homestead Exemption	7,837		7,837	7,439
TVA in Lieu of Taxes	10,139		10,139	9,098
General Municipal Aid	459		459	459
Modernization Use Tax	20,317		20,317	
County Shared Revenue:				
Road Taxes	9,004		9,004	8,352
Fire Protection	12,500		12,500	11,500
Charges for Services:				
Water Utilities		306,067	306,067	299,486
Sanitation Collection Fees		42,275	42,275	42,208
TVRHA in Lieu of Tax	4,128		4,128	4,128
Fines	44,577		44,577	90,163
Donations	1,950		1,950	13,060
Interest	408	222	630	1,014
Gross Receipts Tax	15,214		15,214	14,873
Sale of Cemetery Lots	3,500		3,500	3,755
Miscellaneous	11,147	51,094	62,241	51,267
TOTAL REVENUE RECEIPTS	352,759	399,658	752,417	761,569
OTHER RECEIPTS				
Grant Income	4,167		4,167	268,424
BP Oil Spill Funds				100,000
Transfers	47,457		47,457	14,079
TOTAL OTHER RECEIPTS	51,624		51,624	382,503
TOTAL RECEIPTS	404,383	399,658	804,041	1,144,072
Cash Balance - Beginning of Year	87,991	78,928	166,919	169,549
TOTAL AMOUNT TO ACCOUNT FOR	\$ 492,374	\$ 478,586	\$ 970,960	\$ 1,313,621

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
YEAR ENDED SEPTEMBER 30, 2020

	GOVERNMENTAL FUNDS GENERAL	PROPRIETARY FUNDS ENTERPRISE	TOTALS (MEMORANDUM ONLY)	
			2020	2019
OPERATING DISBURSEMENTS				
General Government	\$ 151,116	\$	\$ 151,116	\$ 139,445
Public Safety:				
Police	102,678		102,678	128,034
Fire	12,835		12,835	18,878
Court	35,687		35,687	66,650
Highways and Streets:				
Repairs & Maintenance	20,428		20,428	14,292
Enterprise:				
Water Utilities		305,686	305,686	287,867
Sanitation		29,965	29,965	29,965
Interest on Bonds and Loans	485		485	382
TOTAL OPERATING DISBURSEMENTS	323,229	335,651	658,880	685,513
OTHER DISBURSEMENTS				
Principal Payments	5,244		5,244	5,139
Transfers		47,457	47,457	14,079
Investment in Fixed Assets	18,926	57,591	76,517	179,442
Grant Expense	4,167		4,167	262,529
TOTAL OTHER DISBURSEMENTS	28,337	105,048	133,385	461,189
TOTAL DISBURSEMENTS	351,566	440,699	792,265	1,146,702
Cash Balance - End of Year	140,808	37,887	178,695	166,919
TOTAL AMOUNT TO ACCOUNT FOR	\$ 492,374	\$ 478,586	\$ 970,960	\$ 1,313,621

See Accountant's Compilation Report

TOWN OF BLUE MOUNTAIN
SCHEDULE OF LONG-TERM DEBT
 SEPTEMBER 30, 2020

	Balance Outstanding Oct. 1, 2019	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2020
		Additions	Reductions	
General Fund	<u>\$ 16,067</u>	<u>\$</u>	<u>\$ 5,244</u>	<u>\$ 10,823</u>

TOWN OF BLUE MOUNTAIN
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
 SEPTEMBER 30, 2020

<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	50,000
Jessica Jeter	Court Clerk	Travelers	50,000
Amanda Chism	Deputy Court Clerk	Travelers	50,000
Shelia Lence	Part Time Deputy Clerk	Travelers	50,000
Brock White	Police Chief	Travelers	50,000
Eric Scott Welch	Assistant Police Chief	Travelers	25,000
Justin Williams	Policeman	Travelers	25,000
Christopher Whiteside	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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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, 2020 and have issued our report dated February 9, 2021. 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 & Associates

Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
February 9, 2021