

## OFFICE OF THE STATE AUDITOR REPORT NOTE:

*Section 7-7-211, Mississippi Code Annotated (1972)* gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. 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 BURNSVILLE, MISSISSIPPI**  
**COMPILED FINANCIAL STATEMENT**

Year Ended September 30, 2021

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

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**TOWN OF BURNSVILLE, MISSISSIPPI**  
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**M. M. WINKLER & ASSOCIATES, PLLC**

***Certified Public Accountants***

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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, 2021, 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 19 through 22 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.

*Other Information*

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated August 3, 2022, on the results of our agreed-upon procedures.

*M. M. Winkler & Associates, PLLC*

August 3, 2022

## **BASIC FINANCIAL STATEMENT**



**Town of Burnsville, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2021**

Receipts	Governmental Activities		Business-Type Activities			
	General	Special Revenue	Water	Sewer	Garbage	Total
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Government Property Taxes	94,051	-0-	-0-	-0-	-0-	-0-
Penalties and Interest on Delinquent Taxes	5,857	-0-	-0-	-0-	-0-	-0-
Licenses and Permits:						
Privilege Licenses	1,583	-0-	-0-	-0-	-0-	-0-
Franchise Charges - Utilities	21,282	-0-	-0-	-0-	-0-	-0-
Intergovernmental Revenues:						
Federal Revenues:						
Federal Payments in Lieu of Taxes	9,996	-0-	-0-	-0-	-0-	-0-
Federal Grants	-0-	-0-	-0-	-0-	-0-	-0-
State Revenues:						
State Grants	141,801	-0-	387,666	-0-	-0-	387,666
Homestead Exemption Reimbursement	7,529	-0-	-0-	-0-	-0-	-0-
General Sales Tax	186,521	-0-	-0-	-0-	-0-	-0-
Fire Protection Allocation	-0-	-0-	-0-	-0-	-0-	-0-
Gasoline Tax	2,867	-0-	-0-	-0-	-0-	-0-
Municipal Aid	467	-0-	-0-	-0-	-0-	-0-
Alcohol Beverage Licenses	1,800	-0-	-0-	-0-	-0-	-0-
Other Aid	44,303	-0-	-0-	-0-	-0-	-0-
Fuel Tax Rebate	-0-	-0-	-0-	-0-	-0-	-0-
Grants from Local Units:						
School District Interlocal Agreement	-0-	-0-	-0-	-0-	-0-	-0-
Pro-Rata County Road Tax	19,641	-0-	-0-	-0-	-0-	-0-
Charges for Services:						
Water	-0-	-0-	295,446	-0-	-0-	295,446
Sewer	-0-	-0-	-0-	109,715	-0-	109,715
Garbage	-0-	-0-	-0-	-0-	59,880	59,880
Fines and Forfeitures	29,600	-0-	-0-	-0-	-0-	-0-
Rents and Royalties	-0-	-0-	-0-	-0-	-0-	-0-
Insurance Proceeds	-0-	-0-	-0-	-0-	-0-	-0-
Miscellaneous	1,329	-0-	-0-	-0-	-0-	-0-
<b>Total Receipts</b>	<b>\$ 588,627</b>	<b>\$ -0-</b>	<b>\$ 683,112</b>	<b>\$ 109,715</b>	<b>\$ 59,880</b>	<b>\$ 852,707</b>

- Continued -

**Town of Burnsville, Mississippi**  
**Statement of Cash Receipts and Disbursements**  
**Governmental and Business-Type Activities**  
**For the Year Ended September 30, 2021**

Disbursements	Governmental Activities		Business-Type Activities			
	General	Special Revenue	Water	Sewer	Garbage	Total
General Government						
Executive	\$ 90,889	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Judicial	9,580	-0-	-0-	-0-	-0-	-0-
Public Safety						
Police	112,405	-0-	-0-	-0-	-0-	-0-
Fire	10,465	-0-	-0-	-0-	-0-	-0-
Public Works	38,999	-0-	-0-	-0-	-0-	-0-
Culture and Recreation						
Park	18,746	-0-	-0-	-0-	-0-	-0-
Library	15,375	-0-	-0-	-0-	-0-	-0-
Enterprise						
Water	-0-	-0-	192,968	-0-	-0-	192,968
Sewer	-0-	-0-	-0-	71,099	-0-	71,099
Garbage	-0-	-0-	-0-	-0-	54,927	54,927
Interest Expense	-0-	-0-	-0-	5,241	-0-	5,241
<b>Total Disbursements</b>	<b>\$ 296,459</b>	<b>\$ -0-</b>	<b>\$ 192,968</b>	<b>\$ 76,340</b>	<b>\$ 54,927</b>	<b>\$ 324,235</b>
Excess (Deficiency) of Receipts over Disbursements	\$ 272,168	\$ -0-	\$ 490,144	\$ 33,375	\$ 4,953	\$ 528,472
Other Sources (Uses)						
Redemption of Principal	\$ ( -0- )	\$ ( -0- )	\$ ( -0- )	\$ ( 15,956 )	\$ ( -0- )	\$ ( 15,956 )
Proceeds from Loan	-0-	-0-	92,050	-0-	-0-	92,050
Capital Outlay	( 21,644 )	( -0- )	( 590,654 )	( 933 )	( -0- )	( 591,587 )
Proceeds from Capital Asset Sales	-0-	-0-	18,674	1,000	-0-	19,674
Interest Income	3,096	115	6,832	1,203	450	8,485
Operating Transfers In	-0-	-0-	-0-	-0-	-0-	-0-
Operating Transfers Out	( -0- )	( -0- )	( -0- )	( -0- )	( -0- )	( -0- )
<b>Total Other Sources (Uses)</b>	<b>\$ ( 18,548 )</b>	<b>\$ 115</b>	<b>\$ ( 473,098 )</b>	<b>\$ ( 14,686 )</b>	<b>\$ 450</b>	<b>\$ ( 487,334 )</b>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Uses	\$ 253,620	\$ 115	\$ 17,046	\$ 18,689	\$ 5,403	\$ 41,138
Cash Balances - Beginning of Year	166,148	77,032	435,962	75,210	25,012	536,184
Cash Balances - End of Year	\$ 419,768	\$ 77,147	\$ 453,008	\$ 93,899	\$ 30,415	\$ 577,322

The 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, 2021

**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 generic fund types and broad fund categories 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.

**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.

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

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

**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 which is a cash basis of accounting and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

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.

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.

**Deposits**

Cash includes cash on hand and demand deposits.

**Property Tax Revenues**

Numerous statutes exist under which the Board of Aldermen may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the town. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

The Board of Aldermen, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase.

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

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

**Property Tax Revenues - Continued**

All property taxes and motor vehicle and mobile homes taxes are recognized as revenue in the year in which they are received from Tishomingo County, Mississippi.

**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.

**NOTE 3. DEPOSITS**

The carrying amount of the county's total deposits with financial institutions at September 30, 2021, was \$ 1,074,237, and the bank balance was \$ 1,083,708. The collateral for public entities' deposits in financial institutions are held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the Town's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

**Custodial Credit Risk - Deposits.** Custodial credit risk is the risk that in the event of the failure of a financial institution, the Town will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Town does not have a formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the Town. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the Town.

**NOTE 4. LONG-TERM DEBT**

The annual requirements to amortize all outstanding debt as of September 30, 2021, including interest of \$ 31,492, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 15,510	\$ 4,751	\$ 20,261
2023	11,222	4,355	15,577
2024	11,570	4,007	15,577
2025	11,931	3,646	15,577
2026	12,306	3,271	15,577
2027 - 2031	67,666	10,221	77,887
2032 - 2035	37,154	1,241	38,395
Total	\$ <u>167,359</u>	\$ <u>31,492</u>	\$ <u>198,851</u>

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

**NOTE 4. LONG-TERM DEBT - Continued**

The Town has received the first payment request of \$ 92,050 from the Drinking Water Systems Improvements Revolving Loan Fund Program (DWSIRLF) approved in the amount of \$ 500,000 for the construction of drinking water facilities known as the Surface Water project. The repayment schedule will be determine when the total loan proceeds have been received and other requirements have been met.

**NOTE 5. DEFINED BENEFIT PENSION PLAN**

*General Information about the Pension Plan*

Plan Description. Town of Burnsville, Mississippi contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contributions rates are established by *Mississippi Code 1972 Annotated* Section 25-11-1 et seq. and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

Benefits Provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who become members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

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

**NOTE 5.        DEFINED BENEFIT PENSION PLAN - Continued**

Contributions. At September 30, 2021, PERS members were required to contribute 9% of their annual covered salary, and the Town is required to contribute at an actuarially determined rate. The employer's rate at September 30, 2021 was 17.40% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The Town's contributions (employer share only) to PERS for the years ended September 30, 2021, 2020, and 2019 were \$ 34,006, \$ 32,590, and \$ 28,434 respectively, equal to the required contributions for each year.

**NOTE 6.        CONTINGENCIES**

Federal Grants - The Town has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the Town.

**NOTE 7.        SUBSEQUENT EVENTS**

Events that occur after the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about transactions that existed at the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities date are recognized in the accompanying financial statement. Subsequent events which provide evidence about conditions that existed after the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities date require disclosure in the accompanying notes. Management of the Town of Burnsville, Mississippi, evaluated the activity of the Town through August 3, 2022, the date on which the financial statement was available to be issued, and determined that no subsequent event had occurred requiring disclosure in the notes to the 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, 2021**

The Town of Burnsville, Mississippi had no investments as of September 30, 2021.

See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI  
SCHEDULE OF CAPITAL ASSETS  
For the Year Ended September 30, 2021**

**Governmental Activities**

The Town of Burnsville, Mississippi did not account for capital assets in the Governmental Activities funds as of September 30, 2021.

**Business-Type Activities**

The Town of Burnsville, Mississippi did not account for capital assets in the Business-Type Activities funds as of September 30, 2021.

See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
**For the Year Ended September 30, 2021**

The Town's long-term debt activity for the year ended September 30, 2021, is as follows:

<b>Definition and Purpose</b>	Balance Outstanding October 1, 2020	Transactions During Fiscal Year		Balance Outstanding September 30, 2021
		Issued	Redeemed	
<b>Revenue Bonds</b>				
Sewer - USDA	\$ 77,306	\$ -0-	\$ 4,845	\$ 72,461
<b>Other Long-term Debt:</b>				
Sewer - MDEQ Loan	95,993	-0-	5,718	90,275
Sewer - CAP Loan	<u>10,016</u>	<u>-0-</u>	<u>5,393</u>	<u>4,623</u>
Total	\$ <u>183,315</u>	\$ <u>-0-</u>	\$ <u>15,956</u>	\$ <u>167,359</u>

See accompanying independent accountants' compilation report.

**TOWN OF BURNSVILLE, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS**  
**September 30, 2021**

<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
Sheila Hamrick	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
Denise Timbes	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

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, 2021, 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, 2021, 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. We've been working on it a section at a time. Vehicles is complete. Police Department is complete. Fire Department is working their section with the county.

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*

August 3, 2022