



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.



**FINANCIAL REPORT**  
**TOMBIGBEE RIVER VALLEY WATER**  
**MANAGEMENT DISTRICT**

**Tupelo, Mississippi**

**June 30, 2013**

-oo0oo-

CONTENTS

	PAGE
Independent Auditors' Report .....	3
Basic Financial Statements:	
Statement of Net Position .....	6
Statement of Activities.....	7
Balance Sheet – Governmental Funds .....	8
Reconciliation of Governmental Fund Balance to Net Position.....	9
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds ....	10
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to Statement of Activities .....	11
Budgetary Comparison Statement .....	12
Notes to Financial Statements.....	13
Supporting Schedules:	
Schedule of Surety Bonds .....	19
Cash Basis Schedule of Per Diem and Travel Paid to Board Members.....	20
Schedule of Changes in Land and Other Project Costs .....	21
Schedule of Tax Revenue from Member Counties.....	22
Status of Funds for Projects of a Local Nature .....	23
Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	24

-oo0oo-



CERTIFIED PUBLIC ACCOUNTANTS

110 N. Madison \* P.O. Box 196  
Tupelo, MS 38802  
(662) 842-6475 \* FAX (662) 842-4531  
[www.nmcpa.com](http://www.nmcpa.com)

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Tombigbee River Valley Water  
Management District  
Tupelo, Mississippi

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Tombigbee River Valley Water Management District, a component unit of the State of Mississippi, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Tombigbee River Valley Water Management District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tombigbee River Valley Water Management District as of June 30, 2013, and the changes in its financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. 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. Our opinion on the basic financial statements is not affected by this missing information.

### ***Other information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Tombigbee River Valley Water Management District.

The supporting schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supporting schedules are fairly stated in all material respects in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2013, on our consideration of Tombigbee River Valley Water Management District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Nail McKinney Professional Association*

Amory, Mississippi  
September 4, 2013

**BASIC FINANCIAL STATEMENTS**

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## STATEMENT OF NET POSITION

June 30, 2013

**ASSETS**

Cash (Note 6)	\$ 8,303,671
Investments (Note 6)	-
Accounts receivable	41,126
Taxes receivable, member counties	34,607
Capital assets, net of accumulated depreciation (Note 5)	<u>2,580,647</u>
Total assets	<u>10,960,051</u>

**LIABILITIES**

Accounts payable	42,139
Accrued compensated absences	<u>69,060</u>
Total liabilities	<u>111,199</u>

**NET POSITION**

Invested in capital assets	2,580,647
Unrestricted	<u>8,268,205</u>
Total net position	<u>\$ 10,848,852</u>

---

The accompanying notes are an integral part of this financial statement.

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## STATEMENT OF ACTIVITIES

Year ended June 30, 2013

## EXPENSES

## Personal service:

Salaries, wages, and fringe benefits	\$ 896,479
Travel and subsistence	67,008
Contractual services	122,036
Commodities	174,528
Project costs and other outlays	724,066
Loss on sale or transfer of capital assets	326
Depreciation	<u>262,273</u>
Total expenses	<u>2,246,716</u>

## REVENUES

Tax revenue, member counties	1,547,492
Interest income	60,661
Reimbursements:	
Federal	129,610
Nonfederal	<u>140,175</u>
Total revenues	<u>1,877,938</u>
Decrease in net position	(368,778)
Net position, July 1, 2012	<u>11,217,630</u>
Net position, June 30, 2013	<u>\$ 10,848,852</u>

---

The accompanying notes are an integral part of this financial statement.

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2013

**ASSETS**

Cash (Note 6)	\$ 8,303,671
Accounts receivable	41,126
Taxes receivable, member counties	<u>34,607</u>
Total assets	<u>\$ 8,379,404</u>

**LIABILITIES**

Accounts payable	<u>\$ 42,139</u>
Total liabilities	<u>42,139</u>

**FUND BALANCES**

Committed (Note 4)	1,359,579
Unassigned	<u>6,977,686</u>
	<u>8,337,265</u>
Total liabilities and fund balances	<u>\$ 8,379,404</u>

---

The accompanying notes are an integral part of this financial statement.

**TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT**  
**RECONCILIATION OF GOVERNMENTAL FUND BALANCE TO NET POSITION**

June 30, 2013

Fund balances - Governmental Fund (Exhibit C)	\$ 8,337,265
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	2,580,647
Accrued compensated absences are not due and payable in the current year and therefore are not reported in the governmental funds.	<u>(69,060)</u>
Net position of governmental activities (Exhibit B)	<u>\$ 10,848,852</u>

---

The accompanying notes are an integral part of this financial statement.

**TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**GOVERNMENTAL FUNDS**

Year ended June 30, 2013

**REVENUES**

Tax revenue, member counties	\$ 1,547,492
Interest on investments	60,661
Reimbursements:	
Federal	129,610
Nonfederal	<u>140,175</u>
Total revenues	<u>1,877,938</u>

**EXPENSES**

Personal service:	
Salaries, wages, and fringe benefits	909,181
Travel and subsistence	67,008
Contractual services	122,036
Commodities	174,529
Project costs and other outlays	724,066
Machinery and equipment	<u>277,237</u>
Total expenditures	<u>2,274,057</u>
Excess of expenditures over revenues	(396,119)
Fund balance, July 1, 2012	<u>8,733,383</u>
Fund balance, June 30, 2013	<u><u>\$ 8,337,264</u></u>

The accompanying notes are an integral part of this financial statement.

**TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE TO STATEMENT OF ACTIVITIES**

Year ended June 30, 2013

Net change in fund balances - Total Governmental Funds (Exhibit E)	\$	(396,119)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differed from capital outlays in the current period.		14,965
Governmental funds report sales of assets as other income and do not report transfers of undepreciated capital assets to other agencies. Gains and losses on these transactions are recorded in the Statement of Activities.		(326)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		<u>12,702</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>(368,778)</u></u>

---

The accompanying notes are an integral part of this financial statement.

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## BUDGETARY COMPARISON STATEMENT

Year ended June 30, 2013

	BUDGETED AMOUNTS		ACTUAL	BUDGET TO	ACTUAL
	ORIGINAL	FINAL	AMOUNTS		GOVERNMENTAL
			(BUDGETARY	FUND	GOVERNMENTAL
			BASIS)	DIFFERENCES	FUND BASIS
					(EXHIBIT E)
<b>REVENUES:</b>					
Tax revenue, member counties	\$ 2,500,000	\$ 2,000,000	\$ 1,575,832	(a) \$ (28,340)	\$ 1,547,492
Interest on investments	150,000	150,000	70,384	(a) (9,723)	60,661
Reimbursements:					
Federal	100,000	370,000	170,931	(a) (41,321)	129,610
Nonfederal	1,000,000	1,000,000	133,175	(a) 7,000	140,175
Total revenues	<u>3,750,000</u>	<u>3,520,000</u>	<u>1,950,322</u>	<u>(72,384)</u>	<u>1,877,938</u>
<b>EXPENSES:</b>					
Personal service:					
Salaries, wages, and fringe benefits	972,674	1,147,376	910,290	(b) (1,109)	909,181
Travel and subsistence	125,000	125,000	73,718	(b) (6,710)	67,008
Contractual services	600,000	600,000	123,378	(b) (1,342)	122,036
Commodities	400,000	400,000	174,138	(b) 391	174,529
Capital outlay:					
Project costs & other outlays	4,660,026	4,290,299	758,136	(b) (34,070)	724,066
Machinery and equipment	838	1,089,400	277,237	-	277,237
Other infrastructure	92,400	92,400	-	-	-
Subsidies, loans, and grants	300,000	300,000	-	-	-
	<u>7,150,938</u>	<u>8,044,475</u>	<u>2,316,897</u>	<u>(42,840)</u>	<u>2,274,057</u>
Net change in fund balance	(3,400,938)	(4,524,475)	(366,575)	(29,544)	(396,119)
Fund balance, July 1, 2012	<u>8,651,571</u>	<u>8,651,571</u>	<u>8,651,571</u>	<u>81,812</u>	<u>8,733,383</u>
Fund balance, June 30, 2013	<u>\$ 5,250,633</u>	<u>\$ 4,127,096</u>	<u>\$ 8,284,996</u>	<u>\$ 52,268</u>	<u>\$ 8,337,264</u>

The District prepares its budget on the cash basis of accounting, budgeting for revenues expected to be received and expenditures expected to be spent during the year. Differences between the budgetary accounting basis and the Governmental Fund basis shown in Exhibit E result from:

- a) Tax revenues, interest, and other receivables accrued at the beginning and end of each year.
- b) Accounts payable accrued at the beginning and end of each year.

The accompanying notes are an integral part of this financial statement.

# TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2013

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tombigbee River Valley Water Management District was organized in 1963, as authorized by the Legislature of the State of Mississippi, for the purpose of developing and conserving the human and natural resources of Mississippi counties in which the Tombigbee River or any of its tributaries lie. The twelve member counties are Alcorn, Chickasaw, Clay, Itawamba, Kemper, Lee, Lowndes, Monroe, Noxubee, Pontotoc, Prentiss, and Tishomingo. The District is a component unit of the State of Mississippi.

#### A. Use of Estimates in the Preparation of Financial Statements

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### B. Basis of Presentation, Measurement Focus, and Basis of Accounting

**Government-Wide Financial Statements:** The Statement of Net Position and the Statement of Activities display information about a reporting government as a whole. In the District's case, the reporting government consists entirely of a single fund, a governmental general fund. Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when the liability is incurred or when economic assets are used.

**Fund Financial Statements:** The Balance Sheet-Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds display information about individual funds, which are separate accounting entities, each of which has a separate set of self-balancing accounts that constitute the fund's assets, liabilities, fund equity, revenues and expenditures/expenses. The District has only one fund. This general operating fund is used to account for all current financial resources of the District. Fund financial statements of governmental funds are presented using the current financial resources measurement focus and the modified accrual basis. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures, including capital outlays, are recorded when the related fund liability is incurred.

**Other Financial Statements:** The Budgetary Comparison Statement presents the District's originally and finally approved budget compared to actual revenues and expenditures. Actual revenues and expenditures are presented on the District's budgetary basis of accounting, the cash basis of accounting. The District's budget procedures are described below.

NOTES TO FINANCIAL STATEMENTS - (Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the District. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets is historical cost.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives are as follows: Buildings, 20 to 40 years; machinery and equipment, 4 to 10 years.

D. Budgets

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Approximately one year before a fiscal year begins, the agency prepares a proposed operating budget for that year. The operating budget includes proposed expenditures and the means of financing them.
2. During August, this proposed budget for the fiscal year, commencing the following July, is submitted to the Fiscal Management Board and the Legislative Budget Office. Budget hearings are conducted resulting in recommendations for changes or approval of the request as submitted.
3. In January, the proposed budget and any recommendations proposed by the Legislative Budget Commission, are presented to the legislature. The legislature makes any revisions it deems necessary or appropriate. Prior to March 30, the budget is legally enacted through passage of a statute.
4. The District is authorized to transfer budgeted amounts between major expenditure classifications on a limited basis subject to approval by the Fiscal Management Board. The final amended budget is used for budget comparison purposes in this report.
5. The budget for the General Fund is adopted on a cash basis. Exhibit G compares actual expenditures on the budgetary basis to original and final budgets and reconciles revenues and expenditures for the year from the budgetary basis to a modified accrual basis used in governmental fund financial statements.

E. Compensated Absences

Section 25-3-97, Miss. Code Ann. (1972), authorizes payment for a maximum of 30 days accrued personal leave in a lump sum upon termination of employment. No payment is authorized for accrued major medical leave unless the employee presents medical evidence that his or her physical condition is such that he or she can no longer work in a capacity of state government.

NOTES TO FINANCIAL STATEMENTS - (Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Compensated Absences – (Continued)

The liability for compensated absences reported in the government-wide Statement of Net Assets consists of unpaid, accumulated annual personal leave balances. The District has not classified any of the liability for compensated absences as current due to the immateriality of the amount.

F. Risk

The District participates in the State of Mississippi Tort Claims Board insurance pool and purchases commercial insurance in order to limit its exposure to risk.

G. Evaluation of Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through the date of the Independent Auditors' Report, which is September 4, 2013, the date the financial statements were available to be issued.

H. Fund Balance Reporting in Governmental Funds

Nonspendable fund balances reported in the governmental fund balance sheet are associated with assets that are not in spendable form, such as inventories, prepaid items, and the long-term portion of loans and notes receivable, or items that are legally required to be maintained intact.

Spendable fund balances in the governmental fund balance sheet are classified as restricted, committed, assigned or unassigned based upon the extent to which the District is bound to observe constraints imposed on the use of the resources reported in the governmental funds. Restricted fund balances represents amounts that are constrained by external parties, such as creditors, grantors, or contributors, or through constitutional provisions or enabling legislation. Committed fund balances represent amounts that are usable only for specific purposes by formal action of the District's board of directors. Assigned fund balances represent amounts that are intended to be used for specific purposes, but are neither restricted or committed. Unassigned fund balances represents the residual classification for the District.

NOTE 2. PENSION PLAN

Plan Description

Tombigbee River Valley Water Management District 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. Benefit provisions are established by State law 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 Employee Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 601-359-3589 or 1-800-444-PERS.

## NOTES TO FINANCIAL STATEMENTS - (Continued)

### NOTE 2. PENSION PLAN – (Continued)

#### Funding Policy

PERS members are required to contribute 9% of their annual covered salary and Tombigbee River Valley Water Management District is required to contribute at an actuarially determined rate. The current rate is 14.26% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The Tombigbee River Valley Water Management District contributions to PERS for the years ending June 30, 2013, 2012, and 2011, were \$ 96,435, \$ 86,692, and \$ 71,616 respectively, equal to the required contributions for each year.

### NOTE 3. CHANGES IN NONCURRENT LIABILITIES

Noncurrent liabilities consisted entirely of accrued compensated absences which decreased by \$12,702 compared to the July 1, 2012, balance of \$ 81,762.

### NOTE 4. COMMITMENTS AND COMMITTED FUND BALANCE

#### Projects of a Local Nature

In accordance with House Bill No. 179 enacted by the Mississippi Legislature in 1962, the District receives ad valorem taxes from each participating county. The District is obligated to spend for projects of a local nature in each participating county an amount based on that county's 1965 ad valorem tax assessment. The total amount of unexpended project costs for which the District was obligated by this Bill at June 30, 2013 was \$ 22,310. Also, in 2010 and 2011, the District was repaid for bonds redeemed on behalf of Yellow Creek Port Authority. The District's Board of Directors voted to commit these funds to be added to projects of a local nature. The balance of these committed funds as of June 30, 2013 was \$ 1,337,269. Projects are to be financed out of ad valorem taxes of the participating counties during the period they are members of the District. The total of these commitments by the District's Board of Directors of \$1,359,579 is included in committed fund balances in the balance sheet-governmental funds.

The District has entered into several agreements with the Natural Resource Conservation Service to share 25% of the cost of certain emergency watershed projects. The District's share of the cost may be either a cash or in-kind contribution. The District intends to use its maintenance personnel and equipment as its share of the cost.

In addition to the above commitments, the District is obligated by resolutions to maintain the tributaries of the Tombigbee River that are improved by the United States Army Corps of Engineers.

### NOTE 5. CAPITAL ASSETS

The following is a summary of changes in capital assets:

NOTES TO FINANCIAL STATEMENTS - (Continued)

NOTE 5. CAPITAL ASSETS- (Continued)

	BALANCE JULY 1, 2012	INCREASES	DECREASES	BALANCE JUNE 30, 2013
Assets not being depreciated:				
Land	\$ 929,831	\$ -	\$ -	\$ 929,831
	<u>929,831</u>	<u>-</u>	<u>-</u>	<u>929,831</u>
Other capital assets:				
Buildings and improvements	905,437			905,437
Machinery and equipment	3,548,073	277,237	777	3,824,533
	<u>4,453,510</u>	<u>277,237</u>	<u>777</u>	<u>4,729,970</u>
Accumulated depreciation:				
Buildings and improvements	166,407	28,029		194,436
Machinery and equipment	2,650,925	234,243	450	2,884,718
	<u>2,817,332</u>	<u>262,272</u>	<u>450</u>	<u>3,079,154</u>
Net other capital assets	<u>1,636,178</u>	<u>14,965</u>	<u>327</u>	<u>1,650,816</u>
Net capital assets	<u>\$ 2,566,009</u>	<u>\$ 14,965</u>	<u>\$ 327</u>	<u>\$ 2,580,647</u>

NOTE 6. CASH AND INVESTMENTS

The District's deposits and investments, as listed below, at June 30, 2013 were entirely covered by federal depository insurance or by collateral through the statewide collateral pool administered by the State Treasurer.

State law authorizes the District to invest in obligations of the U. S. Treasury and U. S. Agencies; obligations of the Tennessee Valley Authority; obligations of the State of Mississippi and its agencies, municipalities or political subdivisions; obligations of any state or its divisions that are rated "A" or better; and certain surety bonds.

Since the District was invested in interest-bearing accounts at June 30, 2013, the investments' carrying values approximate their fair values.

	AMOUNT
Cash:	
Petty cash fund	\$ 200
Checking account (before deducting outstanding checks)	63,892
Money market	<u>8,303,375</u>
	<u>\$ 8,367,467</u>

**SUPPORTING SCHEDULES**

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## SCHEDULE OF SURETY BONDS

June 30, 2013

<u>NAME AND POSITION</u>	<u>SURETY</u>	<u>SERIAL NUMBER</u>	<u>AMOUNT</u>
Directors:			
Jerry D. Keith, President	Western Surety	18117508	\$ 20,000
Rex Mooney, Vice President	Western Surety	18117508	\$ 20,000
Dr. L. J. Goodgame, Secretary	Western Surety	18117508	\$ 20,000
Robert A. Godfrey, Treasurer	Western Surety	18117508	\$ 20,000
	Travelers Casualty & Surety	105472665	\$ 50,000
Joe Brooks	Western Surety	18117508	\$ 20,000
Julian Chancellor	Western Surety	18117508	\$ 20,000
Ken Cooley	Western Surety	18117508	\$ 20,000
Joe Duncan	Western Surety	18117508	\$ 20,000
Jerry Mack Etheridge	Western Surety	18117508	\$ 20,000
Ramie Ford	Western Surety	18117508	\$ 20,000
Donald G. Goodwin	Western Surety	18117508	\$ 20,000
Carl "Fox" Haas	Western Surety	18117508	\$ 20,000
Larry Homan	Western Surety	18117508	\$ 20,000
Tommy Johnson	Western Surety	18117508	\$ 20,000
Peggy Jolly	Western Surety	18117508	\$ 20,000
Perry R. Lucas	Western Surety	18117508	\$ 20,000
Nicky Nichols	Western Surety	18117508	\$ 20,000
Stanley D. Pulliam	Western Surety	18117508	\$ 20,000
Tim Rakestraw	Western Surety	18117508	\$ 20,000
Jack Savely	Western Surety	18117508	\$ 20,000
Ralph Smith	Western Surety	18117508	\$ 20,000
Earl Thomas	Western Surety	18117508	\$ 20,000
James Threadgill	Western Surety	18117508	\$ 20,000
Paul Vickers	Western Surety	18117508	\$ 20,000
Lonnie Whitt	Western Surety	18117508	\$ 20,000
Walt Willis	Western Surety	18117508	\$ 20,000
Bobby Wilson	Western Surety	18117508	\$ 20,000
Employees:			
Steve Wallace, Executive Director	Western Surety	18117508	\$ 20,000
	Travelers Casualty & Surety	105298801	\$ 5,000
All other employees	Western Surety	18117508	\$ 20,000

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

CASH BASIS SCHEDULE OF PER DIEM AND  
TRAVEL PAID TO BOARD MEMBERS

Year ended June 30, 2013

<u>NAME</u>	<u>PER DIEM</u>	<u>TRAVEL</u>	<u>TOTAL</u>
Joe Brooks	\$ 1,000	\$ 6,692	\$ 7,692
Jullian W. Chancellor, Jr.	80	190	270
Kenneth S. Cooley	240	380	620
Joe Duncan	80	131	211
Jerry Mack Etheridge	80	105	185
Ramie Ford	120	696	816
Robert A. Godfrey	960	362	1,322
Dr. L. J. Goodgame	1,360	5,779	7,139
Donald G. Goodwin	160	600	760
Carl Haas	40	-	40
William Bert Hill	40	57	97
Larry Homan	480	269	749
Tommy Johnson	1,080	4,437	5,517
Peggy Jolly	1,520	6,932	8,452
Jerry D. Keith	2,360	9,303	11,663
W. Brett Marlar	160	-	160
Rex Mooney	760	1,527	2,287
Nicky Nichols	120	67	187
Stanley D. Pulliam	120	118	238
Tim Rakestraw	80	48	128
Donald Rinehart	40	51	91
Jack Savely	800	4,896	5,696
Jesse K. Shields	120	121	241
Ralph Smith	520	559	1,079
Earl Thomas	400	1,684	2,084
James Threadgill	200	20	220
Paul Vickers	360	1,466	1,826
Lonnie Whitt	440	2,292	2,732
Walton Willis	920	5,300	6,220
	<u>\$ 14,640</u>	<u>\$ 54,082</u>	<u>\$ 68,722</u>

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## SCHEDULE OF CHANGES IN LAND AND OTHER PROJECT COSTS

Year ended June 30, 2013

	BALANCE 6/30/2012	NET INCREASE (DECREASE)	BALANCE 6/30/2013
<b>PROJECTS OF A LOCAL NATURE:</b>			
Alcorn County	\$ 642,824	\$ 18,115	\$ 660,939
Chickasaw County	373,326	73,135	446,461
Clay County	551,569	101,593	653,162
Itawamba County	316,855	-	316,855
Kemper County	379,319	-	379,319
Lee County	1,316,511	3,898	1,320,409
Lowndes County	1,413,046	203,766	1,616,812
Monroe County	1,097,915	-	1,097,915
Noxubee County	370,744	41,194	411,938
Pontotoc County	340,702	-	340,702
Prentiss County	318,717	42,649	361,366
Tishomingo County	254,706	24,000	278,706
Total projects of a local nature	<u>7,376,234</u>	<u>508,350</u>	<u>7,884,584</u>
<b>DISTRICT PROJECTS:</b>			
Alcorn County	423,001	107,868	530,869
Chickasaw County	770,413	111,526	881,939
Clay County	570,804	56,890	627,694
Itawamba County	980,824	29,518	1,010,342
Kemper County	588,382	50,001	638,383
Lee County	1,193,350	85,883	1,279,233
Lowndes County	1,427,553	43,409	1,470,962
Monroe County	442,343	58,392	500,735
Noxubee County	252,618	63,962	316,580
Pontotoc County	333,223	59,087	392,310
Prentiss County	503,185	85,912	589,097
Tishomingo County	382,005	50,399	432,404
Non-designated expenditures	<u>3,768,423</u>	<u>18,750</u>	<u>3,787,173</u>
Total district projects	<u>11,636,124</u>	<u>821,597</u>	<u>12,457,721</u>
Items reclassified as buildings, land and equipment	<u>(1,333,036)</u>	<u>-</u>	<u>(1,333,036)</u>
Totals	<u>\$ 17,679,322</u>	<u>\$ 1,329,947</u>	<u>\$ 19,009,269</u>

**TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT**

**SCHEDULE OF TAX REVENUE FROM MEMBER COUNTIES**

Year ended June 30, 2013

	<u>CASH</u> <u>BASIS</u>	INCREASE/ (DECREASE) IN <u>RECEIVABLE</u>	<u>ACCRUAL</u> <u>BASIS</u>
Alcorn County	\$ 90,217	(17,091)	\$ 73,126
Chickasaw County	95,609	440	96,049
Clay County	124,409	(539)	123,870
Itawamba County	39,609	-	39,609
Kemper County	41,840	-	41,840
Lee County	263,637	(5,990)	257,647
Lowndes County	362,520	(2,443)	360,077
Monroe County	171,459	(2,652)	168,807
Noxubee County	43,270	1,121	44,391
Pontotoc County	150,844	(286)	150,558
Prentiss County	56,457	(385)	56,072
Tishomingo County	135,961	(515)	135,446
<b>Total</b>	<u>\$ 1,575,832</u>	<u>\$ (28,340)</u>	<u>\$ 1,547,492</u>

## TOMBIGBEE RIVER VALLEY WATER MANAGEMENT DISTRICT

## STATUS OF FUNDS FOR PROJECTS OF A LOCAL NATURE

June 30, 2013

	TOTAL FUNDS COMMITTED THROUGH 6/30/2012	ADDITIONAL COMMITMENT YEAR ENDED 6/30/2013	TOTAL DISBURSED THROUGH 6/30/2013	TOTAL TO BE DISBURSED
Alcorn County	\$ 748,800	\$ -	\$ 660,939	\$ 87,861
Chickasaw County	446,460	-	446,460	-
Clay County	653,161	-	653,161	-
Itawamba County	385,148	-	316,855	68,293
Kemper County	416,377	-	379,319	37,058
Lee County	1,719,868	-	1,320,410	399,458
Lowndes County	1,835,015	-	1,616,813	218,202
Monroe County	1,320,787	-	1,097,915	222,872
Noxubee County	450,182	-	411,938	38,244
Pontotoc County	466,883	-	340,702	126,181
Prentiss County	420,264	-	361,366	58,898
Tishomingo County	379,142	2,076	278,706	102,512
	<u>\$ 9,242,087</u>	<u>\$ 2,076</u>	<u>\$ 7,884,584</u>	<u>\$ 1,359,579</u>



CERTIFIED PUBLIC ACCOUNTANTS

110 N. Madison \*P.O. Box 196  
Tupelo, MS 38802  
(662) 842-6475 \* FAX (662) 842-4531  
[www.nmcpa.com](http://www.nmcpa.com)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Tombigbee River Valley Water  
Management District  
Tupelo, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tombigbee River Valley Water Management District, a component unit of the State of Mississippi, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Tombigbee River Valley Water Management District's basic financial statements, and have issued our report thereon dated September 4, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Tombigbee River Valley Water Management District's internal control over financial reporting to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tombigbee River Valley Water Management District's internal control. Accordingly, we do not express an opinion on the effectiveness of Tombigbee River Valley Water Management District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tombigbee River Valley Water Management District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Nail McKinney Professional Association*

Amory, Mississippi  
September 4, 2013