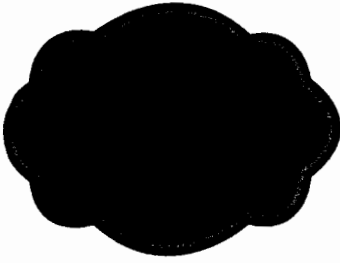




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Town of Lena Court

PO Box 108
Lena, Ms. 39094
601-654-3332
601-654-0141 (fax)
townoflena@att.net

Mayor Jerry Williams
Board of Alderman

Frank Sessums
Robert "Candy" Bone
Steve Goodman
Steve Langford
Todd Mascagni

December 19, 2016

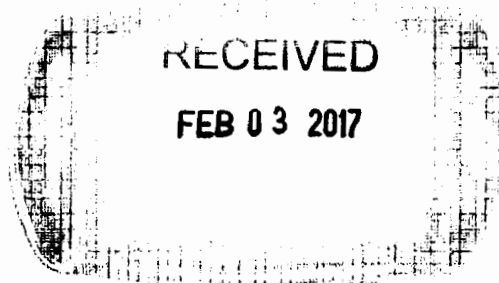
Office of the State Auditor
Post Office Box 956
Jackson, MS 39205

RE: Annual Municipal Compilation

Accompanying this letter are two copies of the annual compilation of the Town of Lena, Mississippi, for the fiscal year ended September 30, 2016. A separate management letter was not written to the town in connection with this compilation.

Sincerely yours,

Mayor



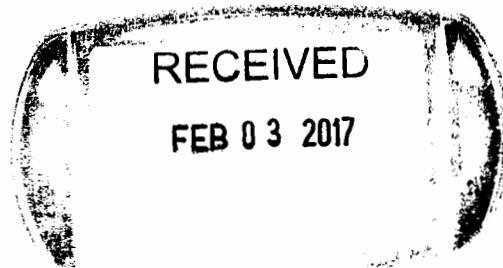


TOWN OF LENA, MISSISSIPPI

FINANCIAL STATEMENT AND SUPPLEMENTARY INFORMATION

SPECIAL REPORT ON AGREED-UPON PROCEDURES

For the Fiscal Year Ended September 30, 2016





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FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION





Butchart, Ellzey & Associates

A Professional Corporation

Thomas B. Butchart, CPA, MBT

William S. Ellzey, CPA

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

Management is responsible for the accompanying statement of cash receipts and disbursements – all fund types of the Town of Lena, Mississippi, as of and for the year ended September 30, 2016, 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 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 cash receipts and disbursements.

The statement of cash receipts and disbursements 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.

The supplementary information contained on page 5 is presented for purposes of additional analysis and is not a required part of the basic financial statement. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

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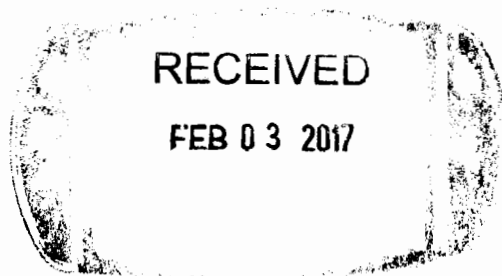


Management has also omitted the management's discussion and analysis, budgetary comparison information, and the schedules related to the net pension liability that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. However, under the cash basis of accounting, this information is not required and as such, is not presented.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated November 30, 2016, on the results of our agreed-upon procedures.

Butchart, Fllzey & Associates

Canton, Mississippi
November 30, 2016





TOWN OF LENA, MISSISSIPPI

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES

SEE ACCOUNTANTS' COMPILATION REPORT

For the Fiscal Year Ended September 30, 2016

	<u>GOVERNMENTAL</u>	
	<u>FUND</u>	<u>TOTALS</u>
	<u>General</u>	<u>(Memorandum only)</u>
	<u>2016</u>	<u>2015</u>
<u>REVENUE RECEIPTS</u>		
General property taxes	\$ 10,801	\$ 13,280
Licenses and permits	-	25
Franchise taxes on utilities	3,293	6,802
Intergovernmental revenues:		
County assistance	28,400	-
General municipal aid (from State)	74	74
State shared revenues:		
Homestead exemption	1,128	1,150
Sales tax	21,090	21,174
Gasoline tax	444	444
Fire insurance premium tax distribution	949	805
Public safety	-	5,552
MDA grant- town hall	10,500	-
Fines	13,448	8,816
Interest income	57	126
Donations and rent- old school building	642	1,227
Miscellaneous	1,312	1,768
	<u>92,138</u>	<u>61,243</u>
TOTAL REVENUE RECEIPTS	\$ 92,138	\$ 61,243
 <u>OTHER RECEIPTS</u>		
Sale of surplus equipment	-	-
	<u>-</u>	<u>-</u>
TOTAL OTHER RECEIPTS	\$ -	\$ -
 TOTAL RECEIPTS	 \$ 92,138	 \$ 61,243



TOWN OF LENA, MISSISSIPPI

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES
SEE ACCOUNTANTS' COMPILATION REPORT

For the Fiscal Year Ended September 30, 2016

	<u>GOVERNMENTAL</u>	<u>TOTALS</u>
	<u>FUND</u>	<u>(Memorandum Only)</u>
	<u>General</u>	<u>2015</u>
	<u>2016</u>	
<u>OPERATING DISBURSEMENTS</u>		
General government (Executive & Financial)		
Personnel	\$ 9,484	\$ 10,234
Professional fees	4,900	4,745
Municipal dues	344	344
Utilities and telephone	3,578	3,535
Insurance	4,999	4,424
Other	6,153	10,729
	\$ 29,458	\$ 34,011
Public Safety		
Police		
Personnel	\$ 7,336	\$ 9,879
Supplies and equipment	3,104	5,520
Court assessment fees	4,269	1,884
	\$ 14,709	\$ 17,283
Fire		
Personnel	\$ 77	\$ 85
Insurance	3,765	3,755
Vehicle operation	58	211
Supplies and equipment	700	1,406
Maintenance and repairs	638	4,242
	\$ 5,238	\$ 9,699
Highways and streets		
Lights and supplies	7,519	7,837
Sanitation	1,161	2,591
Culture and recreation		
Parks and old school	1,223	1,476
TOTAL OPERATING DISBURSEMENTS	\$ 59,308	\$ 72,897
<u>OTHER DISBURSEMENTS</u>		
Capital outlay-general (town hall)	\$ 4,950	\$ -
Capital outlay-public safety	-	875
TOTAL OTHER DISBURSEMENTS	\$ 4,950	\$ 875
TOTAL CASH DISBURSEMENTS	\$ 64,258	\$ 73,772
EXCESS CASH RECEIPTS (DISBURSEMENTS)	\$ 27,880	\$ (12,529)
CASH BALANCE - BEGINNING OF YEAR	114,221	126,750
CASH BALANCE - END OF YEAR	\$ 142,101	\$ 114,221





TOWN OF LENA, MISSISSIPPI

SUPPLEMENTARY SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS

SEE ACCOUNTANTS' COMPILATION REPORT

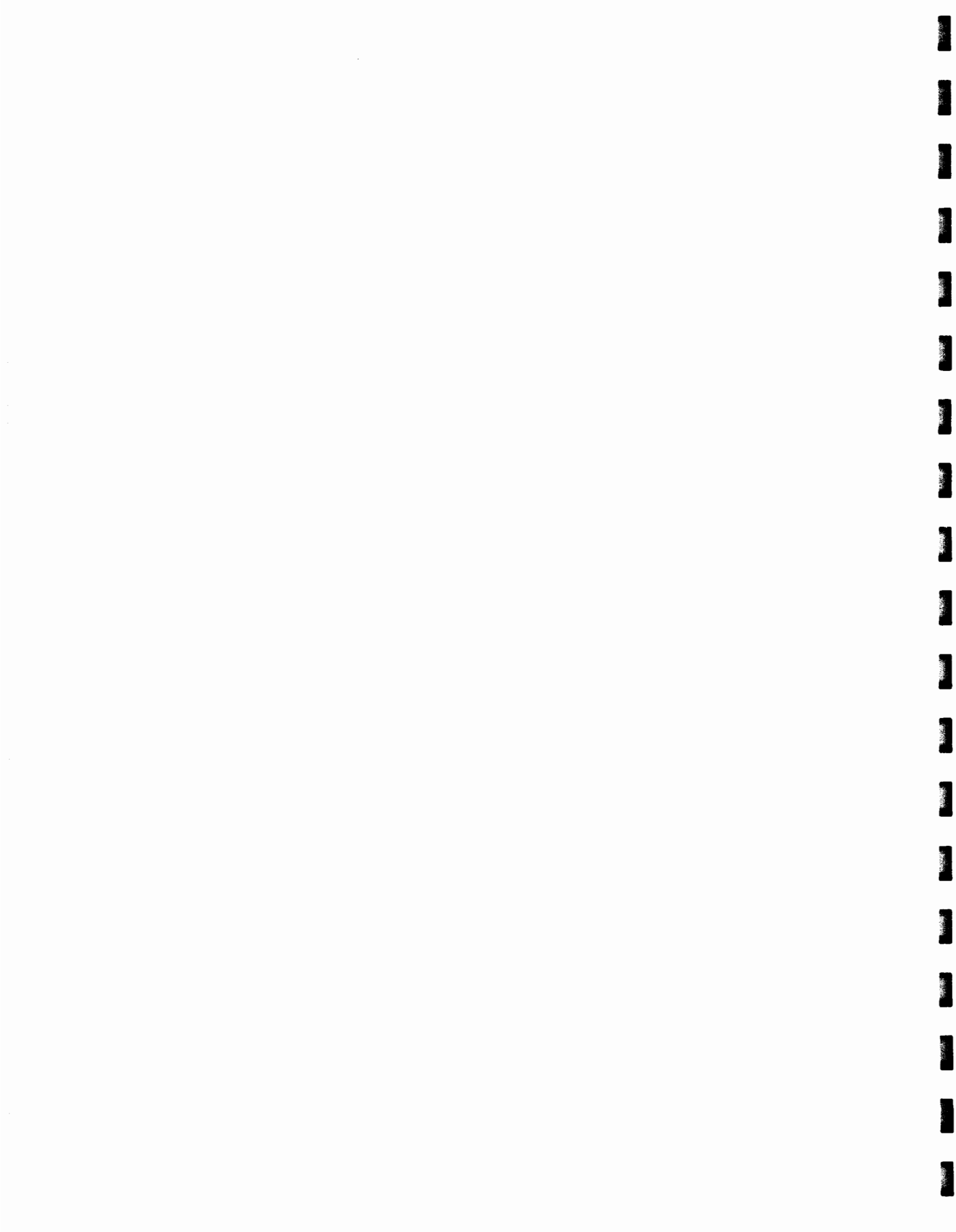
For the Fiscal Year Ended September 30, 2016

<u>NAME</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>BOND</u>
Jerry Williams	Mayor	Brierfield Insurance Co.	10,000
Trixi Spencer	City Clerk	Travelers Insurance	50,000
Trixi Spencer	Tax Collector	RLI Surety	10,000
Jamie Johnson	Police Chief	Travelers Insurance	50,000
Jimmy Lewis	Deputy Marshall	RLI Surety	50,000
Jeff Rhinewalt	Fire Chief	Travelers Insurance	10,000
Robert Bone	Alderman	MS. Muni. Serv. Co.	10,000
Ralph Sessums	Alderman	MS. Muni. Serv. Co.	10,000
Joseph Langford	Alderman	MS. Muni. Serv. Co.	10,000
Steven Goodman	Alderman	MS. Muni. Serv. Co.	10,000
Todd Mascagni	Alderman	MS. Muni. Serv. Co.	10,000



SPECIAL REPORT
ON AGREED - UPON PROCEDURES

RECEIVED
FEB 03 2017



Butchart, Ellzey & Associates

A Professional Corporation

Thomas B. Butchart, CPA, MBT

William S. Ellzey, CPA

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

Mayor and Board of Aldermen
Town of Lena, Mississippi

We have performed certain agreed-upon procedures enumerated below to the accounting records of the Town of Lena, Mississippi, as of September 30, 2016, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. 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 the associated findings are as follows:

- A. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Merchants & Farmers Bank	General-Old School	\$ 473
Merchants & Farmers Bank	General-Fire Protection	27,756
Merchants & Farmers Bank	General	39,588
Merchants & Farmers Bank	Special Fire Protection	<u>74,284</u>
Total General Fund		<u>\$142,101</u>

- B. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

1. Traced levies to governing body minutes;
2. Traced distribution of taxes collected to proper funds; and

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3. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323 Miss. Code Ann. (1972)

- C. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments were traced as follows:

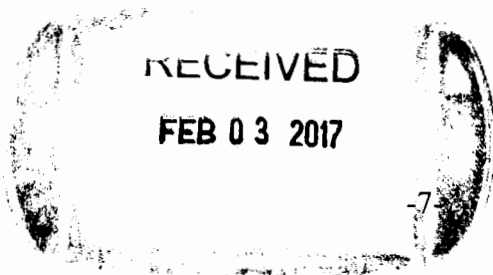
<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 21,090
Fire Protection	General Fund	949
General Municipal Fund	General Fund	74
Gasoline	General Fund	444
Homestead Exemption	General Fund	1,128
MDA Grant	General Fund	<u>10,500</u>
		<u>\$ 34,185</u>

- D. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	15
Total Dollar Value of Sample	<u>\$16,718</u>

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.





- E. We selected a sample of collection of fines and forfeitures to verify that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected to determine that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality's to be in agreement with the requirements of the above mentioned sections except as follows:

The Court is held every three months, with the state-imposed court assessments collected during this period to be settled the following month. During our testing, we found, that the Town was not settling court assessments monthly with the Department of Finance and Administration.

- F. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate non-compliance with state requirements:

1. Local privilege taxes were not collected from all businesses located within the municipality. (Section 27-17-5)
2. Transient vendor taxes were not collected from all transient vendors within the municipality. (Section 75-85-1)

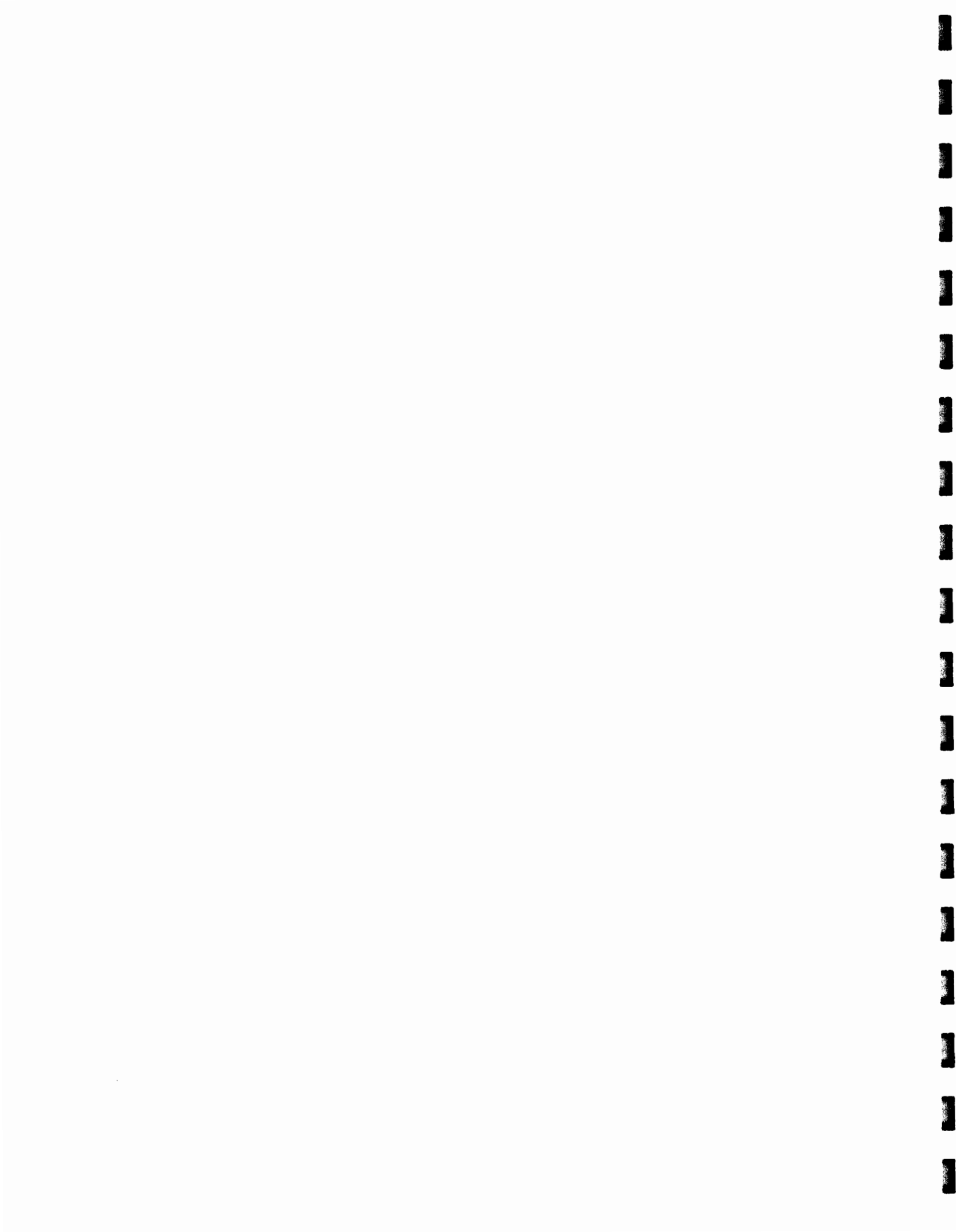
Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transaction referred to above. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Lena, Mississippi, for the year ended September 30, 2016.

Butchart, Filzey & Associates

Canton, Mississippi
November 30, 2016



STATE AUDITOR COMPLIANCE



Butchart, Ellzey & Associates

A Professional Corporation

Thomas B. Butchart, CPA, MBT

William S. Ellzey, CPA

REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and the Board of Aldermen
Town of Lena, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements-all funds types and schedule of surety bonds for town officials of the Town of Lena, Mississippi, for the year ended September 30, 2016, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

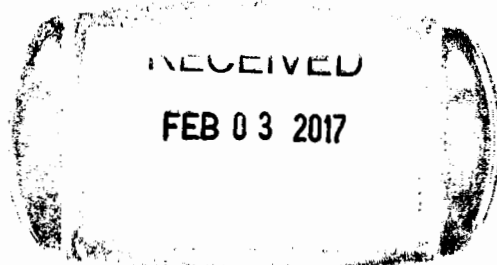
We have performed procedures to test compliance with certain state laws and regulations as described by the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our products were substantially less in scope than an audit, the objective of which is the expression of 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-all fund types and schedule of surety bonds for town officials of the Town of Lena, Mississippi, for the year ended September 30, 2016, disclosed three instances of noncompliance with the state laws and regulations which are noted in items E and F in the Independent Accountants' Special Report on Applying Agreed-Upon Procedures.

This report is intended solely for the information and use 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.

Butchart, Ellzey & Associates

Canton, Mississippi
November 30, 2016



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