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TOWN OF RIENZI

TOWN HALL

P.O. BOX 53 • RIENZI, MS 38865 • 662-462-5315

Mr. Walter Williams, Mayor
Mr. David Massey, Alderman
Mrs. Sandra Williams, Alderwoman
Mr. Dale Leonard, Alderman

Ms. Betty Williams, Alderwoman
Mr. Harold Palmer, Alderman
Elaine Matthews, Town Clerk

August 4, 2015

Office of State Auditor

P.O. Box 956

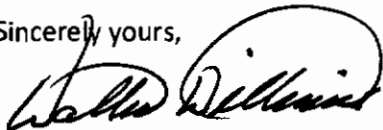
Jackson, MS 39205

RE: Annual Municipal Compilation

Dear Sir:

Accompanying this letter are two hard copies and a disk that contains an electronic copy of the annual compilation and agreed-upon procedures report of the Town of Rienzi, Mississippi, for the fiscal year ended September 30, 2014. A separate management letter was not written to the Town in connection with this compilation.

Sincerely yours,



Walter Williams, Mayor

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JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE, P.A.

Kermit V. Jones Jr., C.P.A. Christopher D. Jones, C.P.A. Jeremy D. Jones, C.P.A. David W. Jones, C.P.A.

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Board of Alderpersons
Town of Rienzi
Rienzi, Mississippi 38865

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type funds of the Town of Rienzi, Mississippi for the year ended September 30, 2014. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

Management has not presented government-wide financial statements to display the cash basis financial position and changes in cash basis financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, as applied to the Town's cash basis of accounting, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from cash basis transactions for the Town's governmental activities and business-type activities are not reasonably determinable.

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.

The supplementary information contained in Schedules 1, 2 and 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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 not presented management's discussion and analysis and other required supplemental information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated August 4, 2015 on the results of our agreed-upon procedures.

Yours truly,



JONES & JONES
Certified Public Accountants
of Booneville, P.A.

August 4, 2015

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Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Funds
For the Fiscal Year Ended September 30, 2014

	Governmental Funds			Business-Type Funds		
	Major Fund		Total Governmental Funds	Major Fund		Total Business- Type Funds
	General	Fire Protection		Water & Sewer System	Gas System	
RECEIPTS						
Taxes						
General property taxes	\$ 29,818	-	\$ 29,818	\$ -	-	\$ -
Payment in lieu of taxes	2,632	-	2,632	-	-	-
License and permits						
Privilege licenses	414	-	414	-	-	-
Franchise charges - utilities	4,884	-	4,884	-	-	-
Intergovernmental revenues:						
State shared revenues						
General municipal aid	158	-	158	-	-	-
Homestead exemption	4,682	-	4,682	-	-	-
Sales tax	48,198	-	48,198	-	-	-
Gasoline tax	867	-	867	-	-	-
Fire protection allocation	-	1,728	1,728	-	-	-
County shared revenues:						
Alcorn County fire protection	-	24,807	24,807	-	-	-
Charges for services						
Water utility	-	-	-	129,097	-	129,097
Gas utility	-	-	-	-	138,979	138,979
Interest	70	222	292	107	124	231
Loan proceeds	-	-	-	-	15,000	15,000
Intrafund loan repayment	-	-	-	15,000	-	15,000
Miscellaneous receipts	2,607	-	2,607	-	-	-
Total Receipts	\$ 94,330	\$ 26,757	\$ 121,087	\$ 144,204	\$ 154,103	\$ 298,307

See accountants' compilation report
Page 3

Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Funds
For the Fiscal Year Ended September 30, 2014

	Governmental Funds				Business-Type Funds			
	Major Fund			Total Governmental Funds	Major Fund			Total Business- Type Funds
	General	Fire Protection			Water & Sewer System	Gas System		
DISBURSEMENTS								
General government								
Legislative	\$ 9,000	-	\$	9,000	\$	-	\$	-
Executive	6,000	-		6,000	-	-		-
Financial	17,885	-		17,885	-	-		-
Other	28,620	-		28,620	-	-		-
Public safety								
Fire	-	12,382		12,382	-	-		-
Public works								
Street lights	9,065	-		9,065	-	-		-
Culture and recreation								
Parks	79	-		79	-	-		-
Cemetery	2,800	-		2,800	-	-		-
Library	2,428	-		2,428	-	-		-
Enterprise								
Water utility	-	-		-	113,574	-		113,574
Gas utility	-	-		-	-	110,609		110,609
Capital outlay	-	158		158	-	14,467		14,467
Intrafund loans	-	-		-	15,000	-		15,000
Redemption of principal	868	-		868	2,876	23,553		26,429
Debt service interest	332	-		332	3,586	17,621		21,207
Total disbursements	\$ 77,077	\$ 12,540	\$	\$ 89,617	\$ 135,036	\$ 166,250	\$	\$ 301,286

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Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Funds
For the Fiscal Year Ended September 30, 2014

	Governmental Funds			Business-Type Funds		
	Major Fund		Total Governmental Funds	Major Fund		Total Business- Type Funds
	General	Fire Protection		Water & Sewer System	Gas System	
OTHER FINANCING SOURCES (USES)						
Transfers in / (out)	\$ (18,380)	\$ -	\$ (18,380)	\$ 7,578	\$ 10,802	\$ 18,380
Total other financing sources (uses)	(18,380)	-	(18,380)	7,578	10,802	18,380
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,127)	14,217	13,090	16,746	(1,345)	15,401
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	31,598	122,704	154,302	49,931	38,021	87,952
CASH BASIS FUND BALANCE - END OF YEAR	\$ 30,471	\$ 136,921	\$ 167,392	\$ 66,677	\$ 36,676	\$ 103,353

Schedule 1

Town of Rienzi, Mississippi
Schedule of Investments
September 30, 2014

OWNERSHIP	TYPE OF INVESTMENT	INTEREST RATE	ACQUISITION DATE	MATURITY DATE	OTHER INFORMATION	INVESTMENT COST/VALUE
General Fund	Certificate of Deposit	0.40%	7/14/2014	7/14/2015	Farmers & Merchants Bank	\$ 6,577
Gas System	Certificate of Deposit	0.40%	7/14/2014	7/14/2015	Farmers & Merchants Bank	13,168
TOTAL INVESTMENTS						<u>\$ 19,745</u>

All certificates of deposit are included in the cash balance - end of year. The fair value of the certificates of deposit is approximately the same as the carrying value.

Schedule 2

**Town of Rienzi, Mississippi
Statement of Long-Term Debt
For the Fiscal Year Ended September 30, 2014**

	Balance Outstanding 9/30/2013	Transactions During Fiscal Year		Balance Outstanding 9/30/2014
		Issued	Redeemed	
<u>General Obligation Bonds</u>				
Carolyn Bishop Note 0%, Imputed 3%	\$ 11,446	\$ -	\$ 869	\$ 10,577
<u>Enterprise Fund</u>				
<u>REVENUE NOTES</u>				
Farmers Home Administration Water Note 92-03 4 1/2%	81,010	-	2,877	78,133
Farmers Home Administration Gas Note 97-05 5.125%	316,654	-	8,553	308,101
Town of Reinzi - Water Fund Gas Note	-	15,000	15,000	-
Rounding	(1)	-	(1)	-
Total revenue notes	<u>397,663</u>	<u>15,000</u>	<u>26,429</u>	<u>386,234</u>
Total long-term debt	<u>\$ 409,109</u>	<u>\$ 15,000</u>	<u>\$ 27,298</u>	<u>\$ 396,811</u>

**Town of Rienzi, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2014**

Name	Position	Insurance Company	Bond
Walter Williams	Mayor	MS Municipal Bond Program	\$ 25,000
David Massey	Aldersperson	MS Municipal Bond Program	10,000
Sandra Williams	Aldersperson	MS Municipal Bond Program	10,000
Betty Williams	Aldersperson	MS Municipal Bond Program	10,000
Harold Palmer	Aldersperson	MS Municipal Bond Program	10,000
Dale Leonard	Aldersperson	MS Municipal Bond Program	10,000
Elaine Pitts	Town Clerk	St Paul Insurance Company	50,000
Chad Potts	Water Operator	St Paul Insurance Company	50,000

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CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE, P.A.

Kermit V. Jones Jr., C.P.A.

Christopher D. Jones, C.P.A.

Jeremy D. Jones, C.P.A.

David W. Jones, C.P.A.

**Independent Accountants' Report on
Applying Agreed-Upon Procedures**

To the Honorable Mayor and Board of Alderman
and Office of the State Auditor, State of Mississippi

We have performed the procedures enumerated below, which are were agreed to by the Town of Rienzi and required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972), solely to assist you with respect to the accounting records of Town of Rienzi, Mississippi's compliance with certain laws and regulations as of September 30, 2014 and for the year then ended. Town of Rienzi's management is responsible for the Town's accounting records. 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 those parties specified in the 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.

Our procedures and findings are as follows:

1. We verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and 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. No exceptions were noted.

<u>Balance Per Bank</u>	<u>Fund</u>	<u>General Ledger</u>
Farmers & Merchants Bank	General	\$ 23,844
Farmers & Merchants Bank - Certificate of Deposit	General	6,577
Farmers & Merchants Bank	General	34
Cash on Hand	General	<u>16</u>
Total General Fund		<u>\$ 30,471</u>
Farmers & Merchants Bank	Water	\$ 39,209
Farmers & Merchants Bank	Water	10,626
Farmers & Merchants Bank	Water	4,234
Farmers & Merchants Bank	Water	<u>12,608</u>
Total Water Fund		<u>\$ 66,677</u>

1. Continued

<u>Balance Per Bank</u>	<u>Fund</u>	<u>General Ledger</u>
Farmers & Merchants Bank	Fire Protection	\$ 132,855
Farmers & Merchants Bank	Fire Protection	4,066
Total Fire Protection		<u>\$ 136,921</u>
Farmers & Merchants Bank	Gas System	\$ 2,014
Farmers & Merchants Bank	Gas System	14,161
Farmers & Merchants Bank	Gas System	3,099
Farmers & Merchants Bank	Gas System	4,234
Farmers & Merchants Bank - Certificate of Deposit	Gas System	<u>13,168</u>
Total Gas Fund		<u>\$ 36,676</u>

2. We noted no investment transactions other than certificates of deposit which were tested in item 1 above.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year.
 - a. Traced levies to governing body minutes. We noted 2013 tax rolls and assessed valuations were not adopted until October 7, 2014.
 - b. Traced settlement of taxes collected to proper funds. No exceptions were noted.
 - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code, Ann. (1972). We noted the increase in taxes was in compliance with the above sections.
4. We obtained a statement of payments made by the Department of Finance and Administration to the Town. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Municipal Aid Tax	General Fund	\$ 158
Gasoline Tax	General Fund	867
Homestead Exemption	General Fund	4,682
Sales Tax	General Fund	48,198
T.V.A. Payments in Lieu of Taxes	General Fund	2,632
Fire Protection Allocation	Fire Fund	<u>1,728</u>
Total		<u>\$ 58,265</u>

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5. We selected a sample of disbursements made by the Town during the fiscal year. Each sample item was evaluated for proper approval and 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 disbursements	32
Total dollar value of sample	\$ 89,419

We found the Town's purchasing procedures to be in agreement with the requirements of the abovementioned sections.

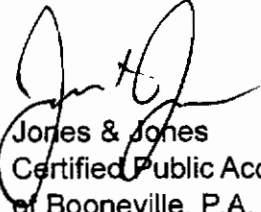
We reviewed the Town's Board minutes for approval of claims. We noted no exceptions for regular monthly disbursements.

6. We noted the Town did not have a Marshall and therefore no fines or court fees were collected or remitted to the State.
7. We have read the Municipal Compliance Questionnaire completed by the Town. The completed survey indicated no instances of noncompliance with State requirements.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. 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 the information and use of the Town of Rienzi and the Office of the State Auditor, State of Mississippi 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.

August 4, 2015


Jones & Jones
Certified Public Accountants
of Booneville, P.A.
Booneville, MS

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JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE, P.A.

Kermit V. Jones Jr., C.P.A. Christopher D. Jones, C.P.A. Jeremy D. Jones, C.P.A. David W. Jones C.P.A.

**INDEPENDENT ACCOUNTANTS' REPORT ON
COMPLIANCE WITH STATE LAWS AND REGULATIONS**

To the Honorable Mayor and Board of Alderman
and Office of the State Auditor, State of Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Funds of the Town of Rienzi, Mississippi for the year ended September 30, 2014 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, and have issued our report dated August 4, 2015. 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 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 items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Funds of the Town of Rienzi, Mississippi for the year ended September 30, 2014 disclosed the following instances of noncompliance with state laws and regulations which were also addressed in item 3.a. in the Independent Accountants' Report on Applying Agreed-Upon Procedures dated August 4, 2015. Our findings and recommendations are as follows:

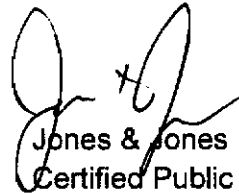
Adoption of Tax Rolls and Assessed Valuations

We noted 2013 tax rolls and assessed valuations were not adopted until October 7, 2014.

We recommended the Town formally adopt in the minutes all tax levies and tax rolls prior to collection of those taxes.

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This report is intended 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.

A handwritten signature in black ink, appearing to be 'J. Jones' with a stylized flourish.

Jones & Jones
Certified Public Accountants
of Booneville, P.A.
Booneville, MS

August 4, 2015