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Robert R. Bourne
Mayor

Donna McKenzie
Clerk & Tax
Collector

Lawrence E. Hahn
City Attorney

City of Columbia
201 Second Street
Columbia, Mississippi 39429
Telephone: 601-736-8201

Aldermen

Edward Hough
At-Large

Wendell Hammond
Ward 1

Cheryl A. Bourne
Ward 2

Renee' Galloway
Ward 3

Gwendolyn
Hammond
Ward 4

February 3, 2017

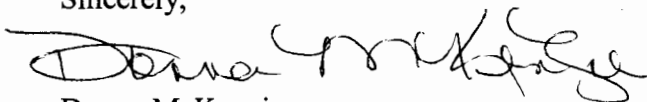
Emily M. McNeil, CPA
P O Box 956
Jackson MS 39429

Dear Ms McNeil,

I am enclosing a copy of our audit for 2015. I apologize for not having a copy sent on time. Our CPA said he emailed a copy and mailed a copy attention Municipal Audit Department. I email a copy to your email address.

Please let me know if you need any further information. We should have our 2016 audit coming soon.

Sincerely,



Donna McKenzie,
City of Columbia



CITY OF COLUMBIA, MISSISSIPPI

Audit Report

September 30, 2015

CITY OF COLUMBIA, MISSISSIPPI
AUDIT REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2015
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McDaniel CPA Firm
Certified Public Accountant / Financial Consultant

Scotty McDaniel, CPA

MEMBER

Mississippi Society
of Certified Public
Accountants

**INDEPENDENT AUDITOR'S REPORT
ON
BASIC FINANCIAL STATEMENTS**

To the Honorable Mayor and Board of Alderpersons
City of Columbia, Mississippi

We have audited the accompanying financial statements of each major fund, and the aggregate remaining fund information of the City of Columbia, Mississippi, as of and for the year ended September 30, 2015, collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Columbia, Mississippi's management. 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 Governmental 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the City of Columbia, Mississippi prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - cash basis of each major fund and the aggregate remaining fund information of the City of Columbia, Mississippi, as of September 30, 2015, and the respective changes in financial position - cash basis thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2016, on our consideration of the City of Columbia, Mississippi's internal control over financial reporting and on our

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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 and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require the budgetary comparison information on pages 13 - 14 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

McDaniel CPA Firm

April 18, 2016

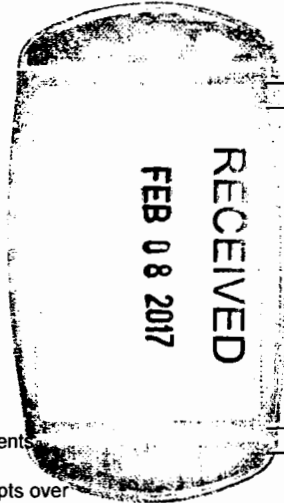


BASIC FINANCIAL STATEMENTS



CITY OF COLUMBIA, MISSISSIPPI
Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
As of and For the Year Ended September 30, 2015

	Governmental Activities			Business-Type Activities	
	General Fund	Other Nonmajor Funds	Total	Water, Sewer and Sanitation Funds	Total
RECEIPTS					
Property taxes	\$ 879,571	232,238	1,111,809	-	-
Sales taxes	3,311,868		3,311,868	-	-
Franchise fees	453,967		453,967	-	-
Pro rata road and privilege tax	263,769		263,769	-	-
Licenses and other revenue	23,423		23,423	-	-
Fines and forfeitures	301,136		301,136	-	-
Federal Grant revenues	278,737		278,737	-	-
Intergovernmental revenues	755,746	53,983	809,729	-	-
Charges for services		57,200	57,200	2,516,744	2,516,744
Interest income	1,525	109	1,634	821	821
Miscellaneous revenues	236,129		236,129	1,347,660	1,347,660
Total receipts	6,505,871	343,530	6,849,401	3,865,225	3,865,225
DISBURSEMENTS					
General government	1,577,039	274,018	1,851,057	-	-
Public safety	2,786,706	10,430	2,797,136	-	-
Public works	688,883		688,883	-	-
Culture and recreation	269,502		269,502	-	-
Economic development	115,091		115,091	-	-
Enterprises:					
Water, sewer, and sanitation				2,065,000	2,065,000
Interest on loans	131,348		131,348	5,100	5,100
Total disbursements	5,568,569	284,448	5,853,017	2,070,100	2,070,100
Excess of Receipts over (under) Disbursements	937,302	59,082	996,384	1,795,125	1,795,125



The notes to the financial statements are an integral part of this statement.



CITY OF COLUMBIA, MISSISSIPPI
Statement of Cash Basis Assets and Fund Balances and
Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
As of and For the Year Ended September 30, 2015

	Governmental Activities			Business-Type Activities	
	General Fund	Other Nonmajor Funds	Total	Water, Sewer and Sanitation Funds	Total
OTHER CASH SOURCES (USES)					
Capital outlay	(298,988)	(204,496)	(503,484)	(1,384,313)	(1,384,313)
Debt repaid	(300,000)		(300,000)	(107,079)	(107,079)
Operating transfers in		120,000	120,000		-
Operating transfers out	(120,000)		(120,000)		-
Total other cash sources and (uses)	(718,988)	(84,496)	(803,484)	(1,491,392)	(1,491,392)
Excess (Deficiency) of Receipts and Other Cash Sources Over Disbursements and Other Cash Uses	218,314	(25,414)	192,900	303,733	303,733
Cash Basis Fund Balance - Beginning of Year	1,632,760	196,402	1,829,162	599,503	599,503
Cash Basis Fund Balance - End of Year	<u>\$ 1,851,074</u>	<u>170,988</u>	<u>2,022,062</u>	<u>903,236</u>	<u>903,236</u>
Cash Basis Assets - End of Year					
Cash and cash equivalents	1,851,074	170,988	2,022,062	903,236	903,236
Total Cash Basis Assets	<u>1,851,074</u>	<u>170,988</u>	<u>2,022,062</u>	<u>903,236</u>	<u>903,236</u>
Cash Basis Fund Balances - End of Year					
Unreserved	1,851,074	170,988	2,022,062	903,236	903,236
Total Cash Basis Fund Balance	<u>1,851,074</u>	<u>170,988</u>	<u>2,022,062</u>	<u>903,236</u>	<u>903,236</u>

The notes to the financial statements are an integral part of this statement.



NOTES TO FINANCIAL STATEMENTS



CITY OF COLUMBIA, MISSISSIPPI
Notes to Financial Statements
September 30, 2015

Note 1 – Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City of Columbia, Mississippi, (the City) was incorporated in 1819. The City operates under a Mayor-Board of Alderpersons form of government and provides all of the rights and privileges provided by statute for municipalities. Elected officials include the Mayor and five Aldermen. Services provided by the City include: Public Safety – Police and Fire, Highways and Street, Water, Sewer and Sanitation, Health and Social Services, Culture and Recreation, Public Improvements, Planning and Zoning, and General Administrative Services. A public school system is available to residents of the City of Columbia but is not under the jurisdiction of the City government.

The financial statements of the City have been prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

B. Fund Financial Statements.

Basic financial statements consist of the following:

Statement of cash basis assets and fund balances and cash receipts,
disbursements and changes in cash basis fund balances.

The City reports the following major government fund:

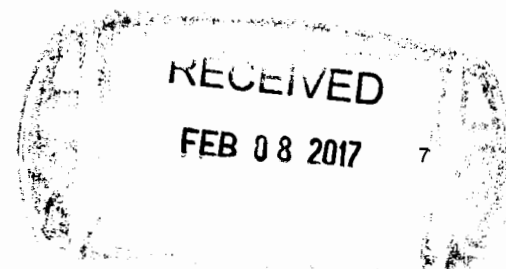
The general fund is the government's primary operating fund. It accounts for all the financial resources and the legally authorized activities of the City except those required to be accounted for in other specialized funds.

The City reports the following major proprietary fund:

The water and sewer fund accounts for the activities of providing water and sewer services to citizens of the City.

Additionally, the City reports the following fund type:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.





CITY OF COLUMBIA, MISSISSIPPI
Notes to Financial Statements
September 30, 2015

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied for Debt Service.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Governmental fund financial statements are reported using the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recognized as soon as they are collected. Expenditures generally are recorded when cash is spent.

D. Assets and Net Assets or Equity

1. Cash and Investments

The government's cash and cash equivalents are considered to be cash on hand or invested in certificates of deposit.

2. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Note 2 – Cash and Cash Equivalents

The collateral for public entities, deposits in financial institutes is now held in the name of the State Treasurer under a program established by the Mississippi Legislature and governed by Section 27-105-5, Mississippi Code Ann. (1972). Under this program, the entity'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.

Custodial Credit Risks – Deposits. Custodial credit risks is defined as the risk that , in the event of a failure of a financial institute, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a



CITY OF COLUMBIA, MISSISSIPPI
Notes to Financial Statements
September 30, 2015

formal policy for custodial credit risk. However, the Mississippi State Treasury manages the risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institutes trust department or agent in the name of the Mississippi State Treasurer on behalf of the City. As of September 30, 2015, none of the City's bank balance of \$ 2,925,298, was exposed to custodial credit risk.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to those prescribed in Section 27-105-33 (d) and 27-105-33 (e) Miss. Code Ann. (1972). The City does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

Custodial Credit Risk – Investments. Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy that addresses custodial risk. However, the Mississippi State Treasurer manages the risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institutions trust department or agent in the name of the Mississippi State Treasurer on behalf of the City. As of September 30, 2015, none of the City's bank balance of \$ 2,925,298 was exposed to custodial credit risk.

Concentration of Credit Risk. Disclosures of investments by amount and issuer for any issuer that represents five percent or more of total investments is required. This requirement does not apply to investment issued or explicitly guaranteed by the U.S. government, investments in mutual funds and external investment pools, and other pooled investments. As of September 30, 2015, the City had no investments.

Following is a list of the City's eligible investments, which in accordance with state statute are limited to the investment of funds in excess of sums required for immediate expenditure or current obligations:

Certificates of deposit with municipal depositories approved annually by the State
Treasurer bonds or direct obligations of the:

- United States of America
- State of Mississippi
- County or Municipality of Mississippi
- School Districts

State statute allow the investment of funds received from the sale of bonds, notes or certificates of indebtedness which are not immediately required for disbursement for the



CITY OF COLUMBIA, MISSISSIPPI
Notes to Financial Statements
September 30, 2015

purpose issued, in direct obligations issued by or guaranteed in full by the United States of America, or in certificates of deposit with approved municipal depositories.

Note 3 – Property Tax

Numerous statutes exist under which the Board of Alderpersons may levy property taxes. The selection of statutes is made based on the objectives and responsibilities of the City. Restrictions associated with property tax levies vary with the statutory authority.

Each September, the Board of Alderperson levies the City's and City School District's property taxes for the ensuing fiscal year which begins on October 1. Levied taxes attach as an enforceable lien on real property on January 1 of each year and March 1 of each year for personal property. The City's tax collector collects the property taxes and in the month following collection settles them to the appropriate funds of the various taxing authorities.

Note 4 – Defined Benefit Pension Plan

Public Employees' Retirement System

A. *Plan Description and Provisions*

The City of Columbia, Mississippi contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost sharing, multi-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 Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

B. *Plan Funding Policy*

PERS members are required to contribute 9.00% of their annual covered salary and the City of Columbia, Mississippi is required to contribute at an actuarially determined rate. This rate was 15.6% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The City of Columbia, Mississippi's contributions to PERS for the years ended September 30, 2015, 2014, and 2013 were \$ 434,526, \$ 421,246, and \$ 407,334, respectively, equal to the required contributions for each year.



CITY OF COLUMBIA, MISSISSIPPI
Notes to Financial Statements
September 30, 2015

Note 5 - Risk Management

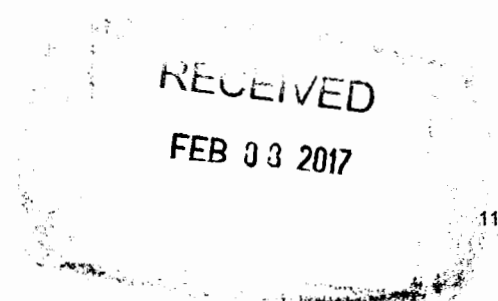
The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three years.

Note 6 – Contingencies – Pending or Threatened Litigation

According to the city attorney, there are currently several matters under litigation and investigation. The board of alderpersons are aware of these cases.

Note 7 – Mississippi Municipal Compliance Questionnaire

The Mississippi Compliance Questionnaire was completed and entered into the minutes as prescribed by law. A review of the questionnaire revealed that all items were answered yes or not applicable.





REQUIRED SUPPLEMENTARY INFORMATION

CITY OF COLUMBIA, MISSISSIPPI
 Budgetary Comparison Schedule for the General Fund
 For the Year Ended September 30, 2015

Schedule 1

	Budgeted Amounts		Variance Positive (Negative)
	Final	Actual	Final to Actual
RECEIPTS			
Property taxes	\$ 879,571	\$ 879,571	-
Sales taxes	3,311,868	3,311,868	-
Franchise fees	453,967	453,967	-
Pro rata road and privilege tax	263,769	263,769	-
Licenses and misc revenue	23,423	23,423	-
Fines and forfeitures	201,136	201,136	-
Federal grant revenues	278,737	278,737	-
Intergovernmental revenues	755,746	755,746	-
Interest Income	1,525	1,525	-
Other revenues	336,129	336,129	-
Total Receipts	6,505,871	6,505,871	-
DISBURSEMENTS			
General government	1,577,039	1,577,039	-
Public safety	2,786,706	2,786,706	-
Public works	688,883	688,883	-
Culture and recreation	269,502	269,502	-
Economic development	115,091	115,091	-
Interest on loans	131,348	131,348	-
Total Disbursements	5,568,569	5,568,569	-
Excess of Receipts over (under) Disbursements	937,302	937,302	-
OTHER CASH SOURCES (USES)			
Capital outlay	(298,988)	(298,988)	-
Debt repaid	(300,000)	(300,000)	-
Transfers Out	(120,000)	(120,000)	-
Total Other Cash Sources and Uses	(718,988)	(718,988)	-
Net Change in Cash Basis Fund Balances	218,314	218,314	-
Cash Basis Fund Balances - Beginning	1,632,760	1,632,760	-
Cash Basis Fund Balances - Ending	\$ 1,851,074	\$ 1,851,074	-

The notes to the required supplementary information are an integral part of this statement.

CITY OF COLUMBIA, MISSISSIPPI

Notes to the Required Supplementary Information For the Year Ended September 30, 2015

Note A – Budgetary Information

Generally, in the of August, prior to the ensuing fiscal year beginning October 1, the Board of Alderpersons of the City, using historical and anticipated fiscal data, prepares an original budget for the general fund for said fiscal year. The completed budget for the fiscal year includes every source of revenue, each general item of expenditure, and the cash and investment balances. When during the fiscal year it appears to the Board of Alderpersons that budgetary estimates will not be met, it may make revisions to the budget.

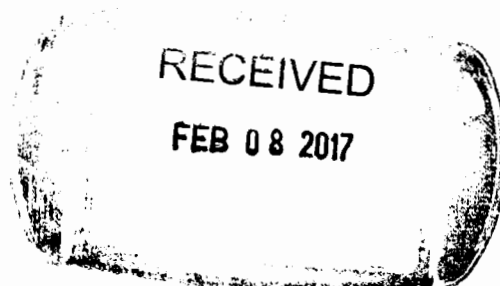
The City's budget is prepared on the cash basis of accounting.

Note B -Basis of Presentation.

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual amounts on a budgetary basis, and variances between the final budget and the actual data.

As discussed in Note 1, the financial statements are prepared on the cash basis of cash receipts and disbursements which is the same as the basis used for budget preparation.

SUPPLEMENTAL INFORMATION



CITY OF COLUMBIA, MISSISSIPPI

SCHEDULE OF CAPITAL ASSETS

For the Fiscal Year Ended September 30, 2015

Governmental Activities:	<u>Balance</u> <u>10/1/2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>9/30/2015</u>
Capital Assets:				
Land	\$ 1,457,934			\$ 1,457,934
Buildings	3,443,982			3,443,982
Improvements other than buildings	334,395			334,395
Machinery and equipment	2,239,572	85,600		2,325,172
Infrastructure	8,324,385	417,884		8,742,269
Total Governmental activities capital assets	15,800,268	503,484	-	16,303,752

Business-type Activities:	<u>Balance</u> <u>10/1/2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>9/30/2015</u>
Capital Assets:				
Land	\$ 24,339			24,339
Buildings	30,925			30,925
Plant and distribution system	13,753,393	1,384,313		15,137,706
Machinery and equipment	856,893			856,893
Total Business-type activities capital assets	14,665,550	1,384,313	-	16,049,863

CITY OF COLUMBIA, MISSISSIPPI

Schedule of Surety Bonds for Municipal Officials

September 30, 2015

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Robert Bourne	Mayor	Travelers	\$ 100,000
Renee Galloway	Aldersperson	Travelers	\$ 100,000
Cheryl Bourne	Aldersperson	Travelers	\$ 100,000
Wendell Hammond	Aldersperson	Travelers	\$ 100,000
Edward Hough	Aldersperson	Travelers	\$ 100,000
Gwen Hammond	Aldersperson	Travelers	\$ 100,000
Donna McKenzie	City Clerk	Brierfield	\$ 50,000
Office personnel	Various	Various	\$ 50,000



CITY OF COLUMBIA, MISSISSIPPI

Schedule of Long-Term Debt

September 30, 2015

	Balance Outstanding Oct. 1, 2014	Issued	Redeemed	Balance Outstanding Sept. 30, 2015
<u>General Obligation Bonds:</u>				
2011 Special obligation bonds, series 2011	3,500,000		(300,000)	3,200,000
Total G.O. Bonds	<u>3,500,000</u>	<u>-</u>	<u>(300,000)</u>	<u>3,200,000</u>
<u>Notes:</u>				
Citi-Capital	47,925		(47,925)	-
Mississippi Department of Health	1,735,771		(77,215)	1,658,556
Total Notes	<u>1,783,696</u>	<u>-</u>	<u>(125,140)</u>	<u>1,658,556</u>
Total Debt	<u>\$ 5,283,696</u>	<u>-</u>	<u>(425,140)</u>	<u>\$ 4,858,556</u>

REPORT ON INTERNAL CONTROL AND STATE COMPLIANCE

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McDaniel CPA Firm
Certified Public Accountant / Financial Consultant

Scotty McDaniel, CPA

MEMBER

Mississippi Society
of Certified Public
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**INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Mayor and Members of the City Board
City of Columbia, Mississippi

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Columbia, Mississippi as of and for the year ended September 30, 2015, which collectively comprise the City of Columbia, Mississippi's basic financial statements and have issued our report thereon dated April 18, 2016. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the city's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the city's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the city's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in the internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood

that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the city's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether city's 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*.

This report is intended solely for the information and use of the City's management, others within the organization, and federal awarding agencies and pass-through entities 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.

McDaniel CPA Firm
April 18, 2016



McDaniel CPA Firm
Certified Public Accountant / Financial Consultant

Scotty McDaniel, CPA

MEMBER
Mississippi Society
of Certified Public
Accountants

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Mayor and Members of the City Board
City of Columbia, Mississippi

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Mississippi as of and for the year ended September 30, 2015, and have issued our report hereon dated April 18, 2016. 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.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our audit of the basic financial statements disclosed no material instances of noncompliance with state laws and regulations.

This report is intended for the information of the City'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.

McDaniel CPA Firm
April 18, 2016

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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**CITY OF COLUMBIA, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2015**

Section 1: Summary of Auditor's Results

Financial Statements:

- | | | |
|----|--|-------------|
| 1. | Type of auditor's report issued on the basic financial statements. | Unqualified |
| 2. | Material noncompliance relating to the financial statements. | No |
| 3. | Internal control over financial reporting: | |
| a. | Material weakness identified ? | No |
| b. | Significant deficiency identified that is not considered to be a material weakness ? | No |

Section 2: Financial Statement Findings

The results of our tests did not disclose any findings related to the financial statements that are required to be reported to be reported under *Government Auditing Standards*.

