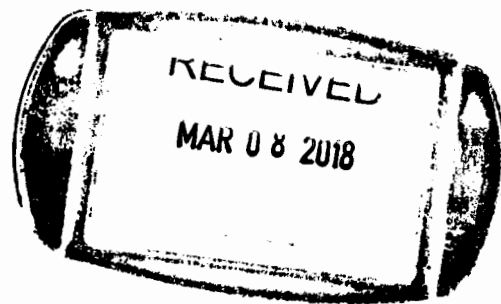




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CITY OF RAYMOND, MISSISSIPPI
Audited Financial Statements
For the year ended September 30, 2017



ROSS & BETTS, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
107A SOUTH BROOKS STREET
PELAHATCHIE, MS 39145

**CITY OF RAYMOND
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CITY OF RAYMOND, MISSISSIPPI

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Board of Aldermen
City of Raymond, Mississippi

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Raymond, Mississippi, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City'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 on the basis of cash receipts and disbursements; 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.

Auditor's 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. 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 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 respective cash basis financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Raymond, Mississippi as of September 30, 2017, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information on pages 17 through 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 to provide assurance.

Omission of Required Supplementary Information

The City of Raymond has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires 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 the financial reporting for placing the basic financial statements in appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplemental Information

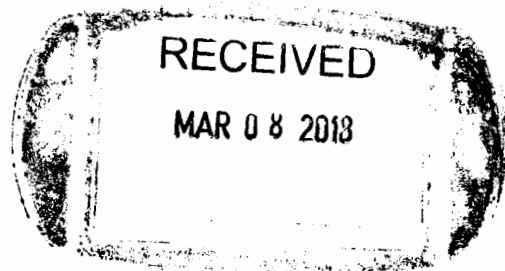
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Raymond's financial statements taken as a whole. The other supplemental section, which includes the Schedule of Changes in Long-term Debt, Schedule of Investments – All Funds, Schedule of Surety Bonds for Municipal Officials, and Schedule of Capital Assets, are presented for purposes of additional analysis and are not a required part of the financial statements. The 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 information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on them.

Emphasis of Matter

As discussed in Note 1, the City of Raymond 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.

Ross Butts, PCH

Pelahatchie, Mississippi
January 24, 2018



CITY OF RAYMOND, MISSISSIPPI

FINANCIAL STATEMENTS

CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS
As of and for the year ended September 30, 2017

Functions/Programs	Cash Disbursements	Program cash receipts			Net (Disbursements) Receipts and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 334,943	\$ -	\$ -	\$ -	\$ (334,943)	\$ -	\$ (334,943)
Public safety	460,008	120,076	-	-	(339,932)	-	(339,932)
Streets	143,286	-	-	-	(143,286)	-	(143,286)
Cemetery	14,025	-	-	-	(14,025)	-	(14,025)
Interest on long-term debt	7,202	-	-	-	(7,202)	-	(7,202)
Total Governmental Activities	<u>\$ 959,464</u>	<u>\$ 120,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (839,388)</u>	<u>\$ -</u>	<u>\$ (839,388)</u>
Business-type activities:							
Water & Sewer	\$ 601,456	\$ 816,811	\$ -	\$ -	\$ -	\$ 215,355	\$ 215,355
Garbage	51,505	48,978	-	-	-	(2,527)	(2,527)
Interest on long-term debt	1,319	-	-	-	-	(1,319)	(1,319)
Total Business-type Activities	<u>\$ 654,280</u>	<u>\$ 865,789</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,509</u>	<u>\$ 211,509</u>
Total Government	<u><u>\$ 1,613,744</u></u>	<u><u>\$ 985,865</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (839,388)</u></u>	<u><u>\$ 211,509</u></u>	<u><u>\$ (627,879)</u></u>
General Receipts:							
Taxes:							
Sales tax					\$ 230,795	\$ -	\$ 230,795
Property tax					103,899	-	103,899
Gasoline tax					5,074	-	5,074
Franchise taxes					70,572	-	70,572
Utility taxes					33,205	-	33,205
Motor fuel taxes					31,709	-	31,709
Grand Gulf					17,844	-	17,844
Homestead Reimbursement					16,153	-	16,153
Fire Protection					10,823	-	10,823
Miscellaneous					106,058	-	106,058
Unrestricted investment earnings					718	1,197	1,915
Transfers					185,158	(185,158)	-
Total General Receipts					<u>\$ 812,008</u>	<u>\$ (183,961)</u>	<u>\$ 628,047</u>
Change in Net Position					\$ (27,380)	\$ 27,548	\$ 168
Net Position - Beginning					563,162	1,268,526	1,831,688
Net Position - Ending					<u>\$ 535,782</u>	<u>\$ 1,296,074</u>	<u>\$ 1,831,856</u>

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

CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS
As of and for the year ended September 30, 2017

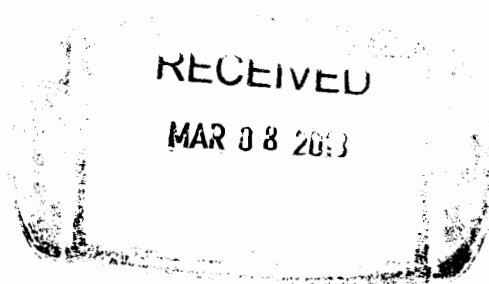
	Program cash receipts				Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
ASSETS							
Cash and cash equivalents					\$ 260,968	\$ 868,863	\$ 1,129,831
Investments					274,814	427,211	702,025
Total Assets					<u>\$ 535,782</u>	<u>\$ 1,296,074</u>	<u>\$ 1,831,856</u>
NET ASSETS							
Nonspendable					\$ -	\$ -	\$ -
Restricted					-	-	-
Committed					-	-	-
Assigned					92,288	-	92,288
Unassigned					443,494	-	443,494
Unrestricted - Business-type					-	1,296,074	1,296,074
Total Net Position					<u>\$ 535,782</u>	<u>\$ 1,296,074</u>	<u>\$ 1,831,856</u>

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



CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF CASH BASIS FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
As of and for the year ended September 30, 2017

	<u>Governmental Activities</u>		
	<u>Major Funds</u>		
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total</u>
Receipts			
Taxes:			
Property	\$ 103,899	\$ -	\$ 103,899
Sales	230,795	-	230,795
Franchise	70,572	-	70,572
Utility	33,205	-	33,205
Motor Fuel	31,709	-	31,709
Grand Gulf	17,844	-	17,844
Licenses and Permits	6,648	-	6,648
State Shared Revenues:			
General Municipal Aid	964	-	964
Fire	-	10,823	10,823
Gasoline Tax	5,074	-	5,074
Homestead	16,153	-	16,153
Rents	48,961	-	48,961
Cemetery Lots and Fees	40,300	-	40,300
Court Fines	120,076	-	120,076
Miscellaneous	9,185	-	9,185
Interest Income	718	-	718
Total Receipts	<u>\$ 736,103</u>	<u>\$ 10,823</u>	<u>\$ 746,926</u>



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

CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF CASH BASIS FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
As of and for the year ended September 30, 2017

	Governmental Activities		
	Major Funds		
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total</u>
Disbursements			
General Government	\$ 306,987	\$ -	\$ 306,987
Public Safety			
Police	425,498	-	425,498
Fire	-	7,662	7,662
Streets	141,732	-	141,732
Cemetery	14,025	-	14,025
Interest Expense	7,202	-	7,202
Total Disbursements	<u>895,444</u>	<u>7,662</u>	<u>903,106</u>
Excess of Receipts over (under) Disbursements	<u>\$ (159,341)</u>	<u>\$ 3,161</u>	<u>\$ (156,180)</u>
Other Cash Sources (Uses)			
Purchase of capital assets	(28,402)	-	(28,402)
Transfers	178,658	6,500	185,158
Principal paid on loans	(27,956)	-	(27,956)
Total Other Cash Sources and (Uses)	<u>\$ 122,300</u>	<u>\$ 6,500</u>	<u>\$ 128,800</u>
Excess (Deficiency) of receipts and other cash sources over disbursements and other cash uses	<u>(37,041)</u>	<u>9,661</u>	<u>(27,380)</u>
CASH BASIS FUND BALANCE- Beginning of Year	<u>480,535</u>	<u>82,627</u>	<u>563,162</u>
CASH BASIS FUND BALANCE-End of Year	<u>\$ 443,494</u>	<u>\$ 92,288</u>	<u>\$ 535,782</u>
CASH BASIS FUND BALANCE- End of Year			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	-
Committed	-	-	-
Assigned	-	92,288	92,288
Unassigned	443,494	-	443,494
Total Cash Basis Fund Balances	<u>\$ 443,494</u>	<u>\$ 92,288</u>	<u>\$ 535,782</u>

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

CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF CASH BASIS NET POSITION AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS NET POSITION
BUSINESS-TYPE FUNDS
As of and for the year ended September 30, 2017

	<u>Business-type Activities</u>
	<u>Major Funds</u>
	<u>Water & Sewer</u>
	<u>Fund</u>
Receipts	
Charges for services	
Water & Sewer	\$ 816,811
Garbage	48,978
Interest Income	1,197
Total Receipts	<u>\$ 866,986</u>
Disbursements	
Water and Sewer	\$ 510,668
Garbage	51,505
Total Disbursements	<u>562,173</u>
Excess of Receipts over (under) Disbursements	<u>\$ 304,813</u>
Other Cash Sources (Uses)	
Purchase of capital assets	(72,158)
Transfers	(185,158)
Principal paid on loans	(18,630)
Interest paid on loans	(1,319)
Total Other Cash Sources and (Uses)	<u>\$ (277,265)</u>
Excess (Deficiency) of receipts and other cash sources over disbursements and other cash uses	27,548
CASH BASIS NET POSITION - Beginning of Year	<u>1,268,526</u>
CASH BASIS NET POSITION - End of Year	<u>\$ 1,296,074</u>
CASH BASIS NET POSITION - End of Year	
Cash and cash equivalents	\$ 1,296,074
Total Cash Basis Net Position	<u><u>\$ 1,296,074</u></u>

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

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MAR 30 2018

CITY OF RAYMOND, MISSISSIPPI
STATEMENT OF CASH BASIS FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
FIDUCIARY FUNDS
As of and for the year ended September 30, 2017

Receipts	
Interest Income	\$ 6
Total Receipts	<u>\$ 6</u>
Other Cash Sources (Uses)	
Transfers	<u>-</u>
Total Other Cash Sources and (Uses)	<u>\$ -</u>
Excess (Deficiency) of receipts and other cash sources over disbursements and other cash uses	6
CASH BASIS FUND BALANCE- Beginning of Year	<u>3,489</u>
CASH BASIS FUND BALANCE-End of Year	<u>\$ 3,495</u>

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

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City of Raymond, Mississippi, (the city), was incorporated in 1830. The City is governed by an elected mayor and a five-member board. It provides the following services as authorized by its charter: public safety, highways and streets, sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services.

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. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Activities and Net Position – cash basis) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The City combines the Statement of Activities and Statement of Net Position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct disbursements* are those that are clearly identifiable with a specific function or segment. *Program receipts* include (1) receipts from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as *general receipts*.

Fund Financial Statements:

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column.

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MAR 30 2018

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 Summary of Significant Accounting Policies (cont.)

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

The government-wide 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 recorded when collected and disbursements are recorded when cash is spent.

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. Disbursements generally are recorded when cash is spent.

Amounts recorded as *program receipts* include (1) receipts from customers or applicants for goods, services or privileges provided, (2) operating grants and contributions and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general receipts* rather than as program receipts.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The City reports the following major Governmental Funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Municipal Fire Fund* is used to account for all financial resources of the fire department.

The City reports the following major Business-type funds:

The *Water and Sewer Fund* is used to account for all financial resources of the water and sewer department.

The City reports the following Fiduciary funds:

The *Fiduciary Fund* is used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs.

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 1 Summary of Significant Accounting Policies (cont.)

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

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, which are short-term highly liquid investments that are readily convertible to cash. All cash deposits are reported at carrying amount (cost) which reasonably estimates fair market value. State law authorizes the City to invest in interest bearing time certificates of deposits with depositories and in obligations of the U. S. Treasury, State of Mississippi, or any county, municipality or school district of this state.

2. *Fund Equity*

Governmental fund balance is classified as restricted, committed, assigned or unassigned. The following are descriptions of fund classification used by the city:

- a. *Restricted fund balance* includes amounts that have constraints placed on the use of resources either external party or imposed by law through a constitutional provisions or enabling legislation
- b. *Committed fund balance* includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Board of Aldermen, the municipality's highest level of decision making authority. This formal action is an order of the Board of Aldermen as approved in the board minutes.
- c. *Assigned fund balance* includes amounts that are constrained by the municipality's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not classified as nonspendable and is neither restricted nor committed.
- d. *Unassigned fund balance* is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance account. In other governmental funds if expenditures for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report negative unassigned fund balance.

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 2 Defined Benefit Pension Plan

Plan Description -The City of Raymond 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. This 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.

Funding Policy - PERS members are required to contribute 9% of their annual covered salary and the City of Raymond is required to contribute an actuarially determined rate. The current rate is 15.75% 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 Raymond's contributions to PERS for the fiscal years ending September 30, 2017, 2016 and 2015 were \$100,885, \$105,340, and \$102,720, respectively, which equaled the required contributions for each year.

Membership in PERS is a condition of employment for all eligible employees of the State of Mississippi, public schools, institutions of higher learning, community and junior colleges, and eligible employees of municipalities, counties and other political subdivisions and instrumentalities of municipal and county government that have entered into a Membership Agreement approved by the PERS Board of Trustees (Board).

Note 3 Contingencies

Litigation – The City of Raymond, Mississippi is not a defendant in any lawsuits at this time.

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

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 4 Deposits and Investments

Deposits

The carrying amount of the City's total deposits with financial institutions at September 30, 2017 was \$1,835,350, and the bank balance was \$1,865,396. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the 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. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal depository Insurance Corporation.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, 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 formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the City. As of September 30, 2017, none of the City's bank balance of \$1,865,396 was exposed to custodial credit risk.

Credit Risk – State law limits investments of those prescribed in Sections 27-105-33(d) and 27-105-33E 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.

Concentration of Credit Risk – Disclosures of investments by amount and issuer for any issuer that represents five percent or more of the total investments is required. This requirement does not apply to investments 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, 2017, the City had no investments other than Certificates of Deposits.

CITY OF RAYMOND
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Note 5 Property Tax Revenues

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

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

Note 6 Claims and Judgments

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 this risk. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in this fiscal year.

Note 7 Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through January 24, 2018, which is the date the financial statements were available to be issued.

CITY OF RAYMOND, MISSISSIPPI

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RAYMOND, MISSISSIPPI
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND
For the year ended September 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
RECEIPTS				
Taxes	\$ 282,500	\$ 282,500	\$ 262,303	\$ (20,197)
Licenses and Permits	5,200	5,200	6,648	1,448
Intergovernmental Receipts	213,000	213,000	247,912	34,912
Court Fines	117,500	117,500	120,076	2,576
Miscellaneous	81,900	81,900	99,164	17,264
Total Receipts	<u>\$ 700,100</u>	<u>\$ 700,100</u>	<u>\$ 736,103</u>	<u>36,003</u>
EXPENDITURES				
General Government	\$ 330,771	\$ 330,771	\$ 306,987	\$ 23,784
Public Safety	341,748	425,185	425,498	(313)
Streets	179,719	179,719	141,732	37,987
Cemetery	14,000	14,000	14,025	(25)
Total Expenditures	<u>\$ 866,238</u>	<u>\$ 949,675</u>	<u>\$ 888,242</u>	<u>\$ 61,433</u>
Excess of receipts over (under) Expenditures	(166,138)	(249,575)	(152,139)	97,436
OTHER CASH SOURCES (USES)				
Purchase of capital assets	\$ (41,500)	\$ (49,349)	\$ (28,402)	\$ 20,947
Transfers	178,658	178,658	178,658	-
Principal paid on loans	-	-	(27,956)	(27,956)
Interest paid on loans	-	-	(7,202)	(7,202)
Total Other Cash Sources and Uses	<u>\$ 137,158</u>	<u>\$ 129,309</u>	<u>\$ 115,098</u>	<u>\$ (14,211)</u>
Net Change in Cash Basis Fund Balance	(28,980)	(120,266)	(37,041)	83,225
Cash Basis Fund Balances - Beginning	<u>480,535</u>	<u>480,535</u>	<u>480,535</u>	<u>480,535</u>
Cash Basis Fund - Ending	<u>\$ 451,555</u>	<u>\$ 360,269</u>	<u>\$ 443,494</u>	<u>\$ 563,760</u>

The accompanying notes to the Required Supplementary Information are an integral part of this statement.

CITY OF RAYMOND, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2017

A. Budgetary Information

Generally, in the month of August, prior to the ensuing fiscal year beginning each October 1, the Board of Aldermen of the City, using historical and anticipated fiscal data, prepares an original budget for each of the governmental funds for said fiscal year. The completed budget for the fiscal year includes every source of revenue, each general item of expenditure, and the unencumbered cash and investment balances. When during the fiscal year it appears to the Board of Aldermen 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. All appropriations lapse at year-end, and there are no encumbrances to budget because state law does not require that funds be available when goods or services are ordered, only when payment is due.

B. Basis of Presentation.

The Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis) presents the original adopted budget, the final adopted budget, actual amounts on a budgetary (Non-GAAP) basis and variances between the final budget and the actual amounts. The schedule is presented for the General Fund.

The budgetary Comparison Schedule – Budget and Actual (Non-GAAP) Basis is a part of required supplemental information.

C. Budget Reconciliation.

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

CITY OF RAYMOND, MISSISSIPPI

SUPPLEMENTARY INFORMATION

**CITY OF RAYMOND
SCHEDULE OF INVESTMENTS
Year Ended September 30, 2017**

<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Cost/Value</u>
Certificate of Deposit	0.20%	5/4/2017	11/4/2017	Merchants & Planters	\$ 114,899
Certificate of Deposit	0.20%	5/31/2017	12/1/2017	Merchants & Planters	143,053
Certificate of Deposit	0.15%	8/17/2017	11/15/2017	Merchants & Planters	103,312
Certificate of Deposit	0.20%	5/28/2017	12/1/2017	Merchants & Planters	<u>343,504</u>
					<u>\$ 704,768</u>

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
Fiscal Year Ended September 30, 2017

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital Assets:				
Land	\$ 71,541	\$ -	\$ -	\$ 71,541
Buildings	738,282	-	-	738,282
Improvements	875,399	1,554	-	876,953
Machinery & Equipment	371,161	26,848	-	398,009
Total Governmental activities capital assets	<u>\$ 2,056,383</u>	<u>\$ 28,402</u>	<u>\$ -</u>	<u>\$ 2,084,785</u>
Business-type activities:				
Capital Assets:				
Land	\$ 46,985	\$ -	\$ -	\$ 46,985
Buildings	101,634	-	-	101,634
Improvements	4,772,130	72,158	-	4,844,288
Machinery & Equipment	354,554	-	-	354,554
Total Business-type activities capital assets	<u>\$ 5,275,303</u>	<u>\$ 72,158</u>	<u>\$ -</u>	<u>\$ 5,347,461</u>

**CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
Year Ended September 30, 2017**

	Balance Outstanding 9/30/2016	Transactions During Fiscal Year Issued	Redeemed	Balance Outstanding 9/30/2017
Mississippi Development Authority				
- Water & Sewer Improvements	\$ 53,113	\$ -	\$ 18,630	\$ 34,483
State of Mississippi				
- Clean Water SRF loans	307,171	-	22,592	284,579
State of Mississippi				
- Water Pollution Control Loan	83,222	-	5,364	77,858
Total	<u>\$ 443,506</u>	<u>\$ -</u>	<u>\$ 46,586</u>	<u>\$ 396,920</u>

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
Year Ended September 30, 2017

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Amount</u>
Isla Tullos	Mayor	Travelers Casualty & Surety Co.	\$ 25,000
Brenda Hubbard	City Clerk	Travelers Casualty & Surety Co.	50,000
Jason Crotwell	Police Chief	Travelers Casualty & Surety Co.	50,000
Lisa Raney	Court Clerk	Travelers Casualty & Surety Co.	50,000
Reagan Hataway	Deputy Court Clerk	Travelers Casualty & Surety Co.	50,000
Delores Rickels	Deputy Court Clerk	Travelers Casualty & Surety Co.	50,000
Lori Dailey	Office Clerk	Travelers Casualty & Surety Co.	50,000
Jack Moss	Alderman	Travelers Casualty & Surety Co.	50,000
Aubrey Barnette	Alderman	Travelers Casualty & Surety Co.	50,000
Lou Ann Askew	Alderman	Travelers Casualty & Surety Co.	50,000
Randall Harris	Alderman	Travelers Casualty & Surety Co.	50,000
Joseph H. Jamison	Alderman	Travelers Casualty & Surety Co.	50,000

CITY OF RAYMOND, MISSISSIPPI

SPECIAL REPORTS

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

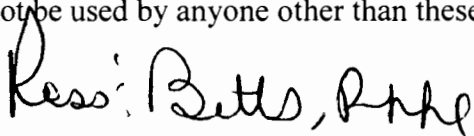
Honorable Mayor and Board of Aldermen
City of Raymond, Mississippi

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 Raymond, Mississippi, as of and for the year ended September 30, 2017 and have issued our report dated January 24, 2018. We have conducted our audit in accordance with auditing standards generally accepted in 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.

Due to the reduced scope, these compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. The results of my compliance tests and my audit of financial statements of the governmental activities, the business-type activities, the major funds and the aggregate remaining fund information disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of the City's management 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.



Pelahatchie, Mississippi
January 24, 2018