



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

CITY OF RAYMOND, MISSISSIPPI
AUDITED FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2018

**CITY OF RAYMOND, MISSISSIPPI
ANNUAL FINANCIAL STATEMENT
For the Year Ended September 30, 2018**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report on the Combined Statement of Cash Receipts and Disbursements (All Funds) and Supplemental Information	1-2
Combined Statement of Cash Receipts and Disbursements (All Funds)	3-4
Notes to the Financial Statement	5

SUPPLEMENTARY INFORMATION

Schedule of Investments - All Funds	6
Schedule of Capital Assets	7
Schedule of Changes in Long-Term Debt	8
Schedule of Surety Bonds for Municipal Officials and Employees	9

COMPLIANCE REPORTS

Independent Auditor's Report on Compliance with State Laws and Regulations	10
--	----

PRICE & Co.

Certified Public Accountants

A Professional Association

P.O. Box 364 - 106 East Third Street

Forest, Mississippi 39074

Phone: (601) 469-4020 - Fax: (601) 469-4028

E-mail address: billyprice62@yahoo.com

William N. Price, Jr. CPA

**Member: American Institute of Certified Public Accountants
Mississippi Society of Certified Public Accountants**

William Newman Price, CPA

1927-2011

INDEPENDENT AUDITOR'S REPORT ON THE COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND SUPPLEMENTAL INFORMATION

Honorable Mayor and Board of Aldermen
City of Raymond, Mississippi

Report on the Financial Statements

We have audited the accompanying financial statement of the governmental activities, business-type activities, and each major fund of the City of Raymond, Mississippi, as of and for the year ended September 30, 2018, and the related notes to the financial statement, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with 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 an opinion on this financial statement 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 from 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 opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the respective cash basis financial position 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 September 30, 2018, 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

Omission of Required Supplementary Information

Management has omitted the Management's Discussion and Analysis, the Schedule of the Town's Proportionate Share of the Net Pension Liability, the Schedule of the Town's Contributions, and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statement. Such missing information, although not a part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statement in appropriate operational, economic, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Other Information

The Schedule of Investments - All Funds, Schedule of Capital Assets, Schedule of Changes in Long-Term Debt, and Schedule of Surety Bonds for Municipal Officials and Employees have not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on them.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Price & Co.

Price & Co.
Forest, Mississippi

July 10, 2019

CITY OF RAYMOND, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
For the Year Ended September 30, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary Fund</u>	<u>Fiduciary</u>	T o t a l s (Memorandum Only)	
					<u>2018</u>	<u>2017</u>
RECEIPTS						
Taxes						
General Property Taxes	\$ 165,439	\$ -	\$ -	\$ -	\$ 165,439	\$ 135,608
Licenses and Permits	9,415	-	-	-	9,415	6,648
Franchise Charges	77,707	-	-	-	77,707	70,572
Utility	34,266	-	-	-	34,266	33,205
General Municipal Aid (From State)	964	-	-	-	964	964
State Shared Revenues		-				
Sales Taxes	240,283	-	-	-	240,283	230,795
Gasoline Tax	5,074	-	-	-	5,074	5,074
Fire Insurance Premium Distribution	-	11,034	-	-	11,034	10,823
Homestead Exemption	15,112	-	-	-	15,112	16,153
Grand Gulf in Lieu of Taxes	17,694	-	-	-	17,694	17,844
Interest income	709	-	1,212	6	1,927	1,921
Cemetery Charges	26,100	-	-	-	26,100	40,300
Rent	50,338	-	-	-	50,338	48,961
Contribution from Businesses and Individuals	3,375	-	-	-	3,375	-
Charges For Services:						
Water and Sewer	-	-	837,517	-	837,517	816,811
Sanitation	-	-	49,790	-	49,790	48,978
Sale of Vehicles	750	-	-	-	750	-
Fines and Forfeits	84,442	-	-	-	84,442	120,076
Miscellaneous Receipts	13	-	-	-	13	9,185
Total Receipts	<u>731,681</u>	<u>11,034</u>	<u>888,519</u>	<u>6</u>	<u>1,631,240</u>	<u>1,613,918</u>

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

CITY OF RAYMOND, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
For the Year Ended September 30, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary Fund</u>	<u>Fiduciary</u>	T o t a l s (Memorandum Only)	
					<u>2018</u>	<u>2017</u>
DISBURSEMENTS						
General Government (Executive and Financial)	\$ 313,979	\$ -	\$ -	\$ -	\$ 313,979	\$ 306,987
Public Safety						
Police	402,874	-	-	-	402,874	425,498
Fire	-	7,385	-	-	7,385	7,662
Streets	152,010	-	-	-	152,010	141,732
Cemetery	14,500	-	-	-	14,500	14,025
Enterprise:						
Water and Sewer Utility	-	-	461,987	-	461,987	510,668
Sanitation	-	-	43,582	-	43,582	51,505
Bond and Notes Repaid	35,158	-	19,949	-	55,107	55,107
Total Disbursements	<u>918,521</u>	<u>7,385</u>	<u>525,518</u>	<u>-</u>	<u>1,451,424</u>	<u>1,513,184</u>
Excess (Deficiency) of receipts over disbursements	<u>(186,840)</u>	<u>3,649</u>	<u>363,001</u>	<u>6</u>	<u>179,816</u>	<u>100,734</u>
OTHER FINANCING SOURCES (USES)						
Transfers	178,658	6,500	(185,158)	-	-	-
Capital Outlay	(42,069)	(12,419)	(91,900)	-	(146,388)	(100,560)
Total other financing resources (uses)	<u>136,589</u>	<u>(5,919)</u>	<u>(277,058)</u>	<u>-</u>	<u>(146,388)</u>	<u>(100,560)</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(50,251)</u>	<u>(2,270)</u>	<u>85,943</u>	<u>6</u>	<u>33,428</u>	<u>174</u>
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	<u>443,494</u>	<u>92,288</u>	<u>1,296,074</u>	<u>3,495</u>	<u>1,835,351</u>	<u>1,835,177</u>
CASH BASIS FUND BALANCE - END OF YEAR	<u>\$ 393,243</u>	<u>\$ 90,018</u>	<u>\$ 1,382,017</u>	<u>\$ 3,501</u>	<u>\$ 1,868,779</u>	<u>\$ 1,835,351</u>

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

CITY OF RAYMOND, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENT
September 30, 2018

Note 1 Summary of Significant Accounting Policies

A. General Information

The city operates under the mayor/board of alderman form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the city consists of all the funds of the city.

Fund Accounting

The accounts of the city are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

B. Report Classifications

Receipts and disbursements were classified according to requirements for small cities in the State of Mississippi as prescribed by the Office of the State Auditor.

Note 2 Economic Dependency

Three customers provided 37.24% of the water and sewer revenue in the Water and Sewer Fund.

Note 3 Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through July 10, 2019, which is the date the financial statement was available to be issued.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF INVESTMENTS - ALL FUNDS
September 30, 2018

<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%	5/4/2018	11/4/2018	Merchants & Planters	\$ 115,129
Certificate of Deposit	0.20%	6/3/2018	12/4/2018	Merchants & Planters	143,342
Certificate of Deposit	0.15%	8/12/2018	11/10/2018	Merchants & Planters	103,465
Certificate of Deposit	0.20%	6/3/2018	12/4/2018	Merchants & Planters	<u>344,197</u>
					<u>\$ 706,133</u>

See accompanying notes and accountant's report.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
For the Year Ended September 30, 2018

	<u>Beginning Balance</u>	<u>Transactions During Fiscal Year</u>		<u>Ending Balance</u>
		<u>Increases</u>	<u>Decreases</u>	
Governmental activities:				
Capital Assets:				
Land	\$ 71,541	\$ -	\$ -	\$ 71,541
Buildings	738,282	-	14,361	723,921
Improvements	876,953	-	239	876,714
Machinery and Equipment	<u>398,009</u>	<u>53,863</u>	<u>84,567</u>	<u>367,305</u>
Total Governmental activities capital assets	<u>\$ 2,084,785</u>	<u>\$ 53,863</u>	<u>\$ 99,167</u>	<u>\$ 2,039,481</u>
Business-type activities:				
Capital Assets:				
Land	\$ 46,985	\$ -	\$ -	\$ 46,985
Buildings	101,634	-	-	101,634
Improvements	4,844,288	32,580		4,876,868
Machinery and Equipment	<u>354,554</u>	<u>49,500</u>	<u>18,675</u>	<u>385,379</u>
Total Business-type activities capital assets	<u>\$ 5,347,461</u>	<u>\$ 82,080</u>	<u>\$ 18,675</u>	<u>\$ 5,410,866</u>

See accompanying notes and accountant's report.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF CHANGES IN LONG TERM DEBT
For the Year Ended September 30, 2018

	Balance Outstanding <u>September 30, 2017</u>	<u>Transactions During Fiscal Year</u>		Balance Outstanding <u>September 30, 2018</u>
		<u>Issued</u>	<u>Redeemed</u>	
Mississippi Development Authority				
-Water & Sewer Improvements	\$ 34,483	\$ -	\$ 19,159	\$ 15,324
State of Mississippi				
-Clean Water SRF Loans	284,579	-	23,037	261,542
State of Mississippi				
-Water Pollution Loan	<u>77,858</u>	<u>-</u>	<u>5,460</u>	<u>72,398</u>
 TOTAL	 <u>\$ 396,920</u>	 <u>\$ -</u>	 <u>\$ 47,656</u>	 <u>\$ 349,264</u>

See accompanying notes and accountant's report.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS AND EMPLOYEES
September 30, 2018

<u>N a m e</u>	<u>P o s i t i o n</u>	<u>S u r e t y</u>	<u>B o n d A m o u n t</u>
Isla O. Tullos	Mayor	Travelers Casualty & Surety Co.	\$ 25,000
Brenda A. 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 G. Moss	Alderman	Travelers Casualty & Surety Co.	\$ 50,000
Aubrey C. Barnette	Alderman	Travelers Casualty & Surety Co.	\$ 50,000
Lou Anne 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

PRICE & Co.

Certified Public Accountants

A Professional Association

P.O. Box 364 - 106 East Third Street

Forest, Mississippi 39074

Phone: (601) 469-4020 - Fax: (601) 469-4028

E-mail address: billyprice62@yahoo.com

William N. Price, Jr. CPA

Member: American Institute of Certified Public Accountants

Mississippi Society of Certified Public Accountants

William Newman Price, CPA

1927-2011

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 combined statement of cash receipts and disbursements (all funds) of the City of Raymond, Mississippi as of and for the year ended September 30, 2018, and have issued our report dated July 10, 2019. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America.

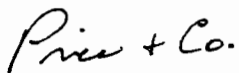
As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our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

The results of those procedures and our audit of the financial statement disclosed the following material instance of noncompliance with state laws and regulations. Our finding and recommendation and your response is as follows:

1. Finding: The budget for the Cemetery Department was exceeded by \$500, and the budget for Contractual Services in the Fire Department was exceeded by \$577.
Recommendation: The budget should be closely monitored each month.
Response: The budget will be closely monitored each month.

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

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.



Price & Co.
Forest, Mississippi

July 10, 2019