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**TOWN OF CRENSHAW
CRENSHAW, MISSISSIPPI**

**AUDITED STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS**

SEPTEMBER 30, 2019

**TOWN OF CRENSHAW
CRENSHAW, MISSISSIPPI**

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**INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENT
AND SUPPLEMENTAL INFORMATION**

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

Report on Financial Statement

I have audited the accompanying statement of cash receipts and disbursements of the Town of Crenshaw for the year ended September 30, 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for 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

My responsibility is to express an opinion on this financial statement based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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, I 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 statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

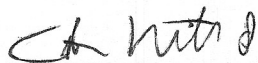
In my opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts and disbursements of the Town of Crenshaw for the year ended September 30, 2019, in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

I draw attention to Note 1 of the financial statement, which describes the basis of accounting. This financial statement is prepared on the cash basis of accounting, 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 that matter.

Other Matters

The audit was performed for the purpose of forming an opinion on the financial statement taken as a whole. The schedules and supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement of the Town of Crenshaw, Mississippi. Such information has been subjected to the auditing procedures applies in the audit of the financial statement and, in my opinion, is fairly presented in all material respects in relation to the financial statement taken as a whole.



Atris Niter, Jr.
Memphis, Tennessee
July 30, 2020

**TOWN OF CRENSHAW
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SEPTEMBER 30, 2019**

<u>REVENUE RECEIPTS</u>	<u>FUND</u>			Total
	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary</u>	(MEMORANDUM Only)
General Property Taxes	\$ 30,599			\$ 30,599
Ad Valorem Taxes	11,086			11,086
Fines	3,765			3,765
Grants	646			646
Other	67,959			67,959
Intergovernmental Revenues:				
Department of Finance	37,174			37,174
Franchise Taxes	19,089			19,089
Sales Taxes	39,794			39,794
Rail Car Tax	-0-			-0-
Homestead Exemption	7,711			7,711
State Fire Department Rebate		11,716		11,716
Charges for Services:				
Water			200,000	200,000
Sewer			18,500	18,500
Garbage			61,500	61,500
TRANSFERS IN (OUT)	278,730		(278,730)	-0-
TOTAL RECEIPTS	496,553	11,716	1,270	509,539
CASH - Beginning	1,749	67,736	8,329	77,814
TOTAL TO ACCOUNT FOR	\$ 498,302	79,452	9,599	\$ 587,353

**TOWN OF CRENSHAW
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SEPTEMBER 30, 2019**

<u>OPERATING DISBURSEMENTS</u>	FUND			Total
	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary</u>	(MEMORANDUM Only)
Administration	\$ 268,279			\$ 268,279
Fire	8,199			8,199
Police	172,296			172,296
Maintenance	38,000			38,000
Library	8,830			8,830
Grants	4,646			4,646
Other services and charges	-0-	-0-	-0-	-0-
TOTAL DISBURSEMENTS	500,250	-0-	-0-	500,250
CASH - Ending	(1,948)	79,452	9,599	87,103
TOTAL AMOUNT ACCOUNTED FOR	\$ <u>498,302</u>	<u>79,452</u>	<u>9,599</u>	\$ <u>587,353</u>

See accountant's report and accompanying notes.

TOWN OF CRENSHAW
Notes to the Financial Statement
September 30, 2019

**NOTE 1 - SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING
POLICIES**

A. Reporting Entity

In evaluating and defining the Town's government, it was determined that the Town has no component units and therefore is considered as one unit.

B. Accounting Method

The Town uses funds to report its cash receipts and disbursements. Fund accounting is used to demonstrate legal compliance by segregating transactions related to specific government functions.

The Town uses three classifications of funds: general fund, special revenue and proprietary fund. Each fund has a separate balanced set of accounts.

The general governmental fund is used to account for all the Town's general governmental activities and include the accounting for fixed assets and general long term debt.

The special revenue fund is used to account for specific revenues that are restricted to expenditures for specific purposes.

The proprietary fund is used to account for activities where net income or net loss is determined as if operated as a business-type activity.

C. Basis of Accounting

The financial statements are prepared using the cash receipts and disbursements method of accounting as prescribed by the Office of the State Auditor. Revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred.

TOWN OF CRENSHAW
Notes to the Financial Statement (continued)
September 30, 2019

D. Cash Deposits

The Town deposits all its funds in financial institutions selected by the board of aldermen that are insured by the Federal Deposit Insurance Corporation up to \$250,000.

E. Column Totals

The total column in this financial statement is presented for overview information purposes and is not meant to present fairly the cash receipts and disbursements on a consolidated basis.

F. Date of Management's Review

The Town's management has evaluated subsequent events through July 30, 2020, the date on which the financial statement was available to be issued.

NOTE 2 – AD VALOREM TAX

The Town uses the county tax rolls for the assessment of its Ad Valorem tax. Property is assessed in January of each year and the millage rate is set in September of each year. The Town Clerk bills property owners for the Ad Valorem tax in December of each year. They are due on January 1st and become delinquent after February 1st. The taxes levied for the year ending September 30, 2019 was 33.50mills.

NOTE 3 – CASH AND OTHER DEPOSITS

The collateral for public entities' deposit in financial institutions are now 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 (1972). Under this program, the entity's funds are protected through a collateral pool administered by the 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 Treasury to replace the public deposits not covered by the Federal Depository Insurance Corporation.

The amount of the Town's deposit with financial institutions was \$87,103 and the book balance was also \$87,103.

TOWN OF CRENSHAW
Notes to the Financial Statement (continued)
September 30, 2019

NOTE 4 – PROPERTY TAX REVENUES

State statutes exist which the Board of Aldermen may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the Town. Restrictions associated with property tax levies vary with 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 March 4 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 original purchase.

TOWN OF CRENSHAW
Schedule of Surety Bonds for Town Officials
September 30, 2019

<u>POSITION</u>	<u>SURETY</u>	<u>BOND</u>
Mayor	Travelers	\$25,000
Town Clerk	Travelers	\$50,000
Police Chief	Travelers	\$50,000
Aldermen (5)	Travelers	\$10,000(each)

See notes to the financial statement.

**TOWN OF CRENSHAW
SCHEDULE OF LONG-TERM DEBT
For the Year Ended September 30, 2019**

THE TOWN CURRENTLY HAS NO LONG TERM DEBT.

See notes to the financial statement.

TOWN OF CRENSHAW
SCHEDULE OF CAPITAL ASSETS
For the year ended September 30, 2019

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Land	\$ 92,500			\$ 92,500
Building and Industrial Factories	125,000			125,000
Equipment	167,500			167,500
	<u>385,000</u>	<u>-0-</u>	<u>-0-</u>	<u>385,000</u>
Accumulated Depreciation:				
Property	<u>180,461</u>	<u>11,500</u>		<u>191,961</u>
	<u>-0-</u>	<u>-0-</u>		<u>191,961</u>
CAPITAL ASSETS, NET	\$ <u>204,539</u>	<u>11,500</u>	<u>-0-</u>	\$ <u>204,539</u>
<u>Business Type Activities:</u>				
Property and Equipment	\$ <u>242,200</u>			\$ <u>242,200</u>
Accumulated Depreciation:				
Property	<u>101,415</u>	<u>11,415</u>	<u>-0-</u>	<u>112,830</u>
CAPITAL ASSETS, NET	\$ <u>140,785</u>	<u>11,415</u>	<u>-0-</u>	\$ <u>129,370</u>

See notes to the financial statement.

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

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

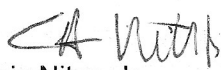
I have audited the general-purpose financial statement of cash receipts and disbursements of the Town of Crenshaw as of and for the year ended September 30, 2019 and have issued my report dated July 30, 2020. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, I 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 my audit and, accordingly, I do not express such an opinion.

The results of those procedures and my audit of the general-purpose financial statement of cash receipts and disbursements disclosed the following instances of noncompliance with state laws and regulations. My findings and recommendations and your responses are as follows:

-NONE-

This report is intended for the information of the Town of Crenshaw'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.


Atris Niter, Jr.
Memphis, Tennessee
July 30, 2020