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**Town of Rienzi
Rienzi, Mississippi
Financial Reports
and
Independent Accountants' Report
on Applying Agreed Upon Procedures
September 30, 2019**

**Jones & Jones
Certified Public Accountants
of Booneville, P.A.
Booneville, MS 38829-0250**

September 30, 2019
Table of Contents

Independent Accountants' Compilation Report	Page 1 - 2
Financial Statements	
Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities	3 - 5
Supplemental Schedules	
Schedule 1 - Schedule of Investments	6
Schedule 2 - Schedule of Long Term Debt	7
Schedule 3 - Schedule of Surety Bonds for Town Officials	8
Independent Accountants' Report on Applying Agreed-Upon Procedures	9 - 11
Independent Accountants' Report on Compliance with State Laws and Regulations	12

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

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

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Jeremy D. Jones, C.P.A.

David W. Jones, C.P.A.

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Board of Alderman
Town of Rienzi
Rienzi, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities of the Town of Rienzi, Mississippi, for the year ended September 30, 2019, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on the Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities.

The financial statement is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Management has elected to omit substantially all the disclosures ordinarily included in a financial statement prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis information and other required supplemental information that is required to be presented for purposes of additional analysis. 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 an appropriate operational, economic, or historical context.

*Members of American Institute
of
Certified Public Accountants*


*TELEPHONE (662) 728-6235 FAX (662) 728-3181
P.O. BOX 250 ~ 201 WEST MARKET STREET
BOONEVILLE, MISSISSIPPI 38829-0250*

*Members of Mississippi Society
of
Certified Public Accountants*

The supplementary information contained in Schedules 1, 2, and 3 is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated September 24, 2020, on the results of our agreed-upon procedures.

Yours truly,

A handwritten signature in black ink, appearing to read "Jones & Jones", written over a horizontal line.

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

September 24, 2020

Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the Fiscal Year Ended September 30, 2019

	Governmental Funds			Business-Type Funds			
	Major Fund		Total Governmental Funds	Major Fund			Total Business- Type Funds
	General	Fire Protection		Water	Sewer	Gas System	
RECEIPTS							
Taxes							
General property taxes	\$ 53,615	\$ -	\$ 53,615	\$ -	\$ -	\$ -	\$ -
Payment in lieu of taxes	2,120	-	2,120	-	-	-	-
Rail car taxes	3,950	-	3,950	-	-	-	-
License and permits							
Privilege licenses	357	-	357	-	-	-	-
Franchise charges - utilities	5,346	-	5,346	-	-	-	-
Intergovernmental revenues							
General municipal aid	158	-	158	-	-	-	-
Homestead exemption	5,804	-	5,804	-	-	-	-
Sales tax	43,272	-	43,272	-	-	-	-
Gasoline tax	951	-	951	-	-	-	-
Fire protection and fire code	-	1,871	1,871	-	-	-	-
County shared revenues							
Alcorn County fire protection	-	2,568	2,568	-	-	-	-
Charges for services							
Water and sewer utility	-	-	-	104,316	66,294	-	170,610
Gas utility	-	-	-	-	-	149,205	149,205
Rent	1,400	-	1,400	-	-	-	-
Interest	262	163	425	-	-	-	-
Miscellaneous receipts	10,000	300	10,300	227	81	110	418
Total Receipts	\$ 127,235	\$ 4,902	\$ 132,137	\$ 104,543	\$ 66,375	\$ 149,315	\$ 320,233

Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the Fiscal Year Ended September 30, 2019

	Governmental Funds			Business-Type Funds			
	Major Fund		Total Governmental Funds	Major Fund			Total Business- Type Funds
	General	Fire Protection		Water	Sewer	Gas System	
DISBURSEMENTS							
General government							
Legislative	\$ 9,000	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ -
Executive	9,600	-	9,600	-	-	-	-
Financial	4,518	-	4,518	-	-	-	-
Other	52,040	-	52,040	-	-	-	-
Fire	-	12,900	12,900	-	-	-	-
Street lights	7,031	-	7,031	-	-	-	-
Culture and recreation							
Cemetery	3,700	-	3,700	-	-	-	-
Library	2,771	-	2,771	-	-	-	-
Water and sewer utility	-	-	-	101,321	45,549	-	146,870
Gas utility	-	-	-	-	-	109,857	109,857
Capital outlay	170	-	170	-	-	4,482	4,482
Redemption of principal	1,009	8,748	9,757	-	3,601	12,049	15,650
Debt service interest	191	1,190	1,381	-	2,862	13,331	16,193
Total disbursements	\$ 90,030	\$ 22,838	\$ 112,868	\$ 101,321	\$ 52,012	\$ 139,719	\$ 293,052

Town of Rienzi, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the Fiscal Year Ended September 30, 2019

	Governmental Funds			Business-Type Funds			
	Major Fund	Fire Protection	Total Governmental Funds	Major Fund	Sewer	Gas System	Total Business-Type Funds
General							
\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,266)	\$ (794)	\$ (2,060)
1,395	1,395	-	1,395	666	-	-	666
<u>1,395</u>	<u>1,395</u>	<u>-</u>	<u>1,395</u>	<u>666</u>	<u>(1,266)</u>	<u>(794)</u>	<u>(1,394)</u>
Total other financing sources (uses)							
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses							
38,600	(17,936)		20,664	3,888	13,097	8,802	25,787
<u>108,670</u>	<u>92,435</u>	<u>201,105</u>	<u>201,105</u>	<u>103,173</u>	<u>40,751</u>	<u>57,586</u>	<u>201,510</u>
\$ <u>147,270</u>	\$ <u>74,499</u>	\$ <u>221,769</u>	\$ <u>221,769</u>	\$ <u>107,061</u>	\$ <u>53,848</u>	\$ <u>66,388</u>	\$ <u>227,297</u>

OTHER FINANCING SOURCES (USES)

Short term interfund loans - issued
Short term interfund loans - proceeds

Total other financing sources (uses)

Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses

CASH BASIS FUND BALANCE - BEGINNING OF YEAR

CASH BASIS FUND BALANCE - END OF YEAR

Schedule 1

**Town of Rienzi, Mississippi
Schedule of Investments
September 30, 2019**

Ownership	Type of Investment	Interest Rate	Acquisition Date	Maturity Date	Other Information	Investment Cost/Value
General Fund	Certificate of Deposit	0.35%	7/15/2019	7/15/2020	Farmers & Merchants Bank	\$ 6,647
Gas System	Certificate of Deposit	0.40%	7/15/2019	7/15/2020	Farmers & Merchants Bank	13,367
Total Investment						<u>\$ 20,014</u>

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

Town of Rienzi, Mississippi
Schedule of Long-Term Debt
For the Fiscal Year Ended September 30, 2019

	Balance Outstanding 9/30/2018	Transactions During Fiscal Year		Balance Outstanding 9/30/2019
		Issued	Redeemed	
<u>General Obligation Bonds</u>				
Carolyn Bishop Note 0%, Imputed 3%	\$ 6,831	\$ -	\$ 1,009	\$ 5,822
Northeast Mississippi Planning and Development District Fire Note 2%	63,498	-	8,748	54,750
Total General Obligation Bonds	70,329	-	9,757	60,572
<u>Enterprise Fund</u>				
<u>REVENUE NOTES</u>				
Farmers Home Administration Sewer Note 92-03 4 1/2%	65,244	-	3,601	61,643
Farmers Home Administration Gas Note 97-05 5.125%	265,620	-	12,049	253,571
Total revenue notes	330,864	-	15,650	315,214
Town of Reinzi - Interfund loans				
General due to Gas	75	896	-	971
General due to Sewer	-	499	-	499
Water due to Sewer	1,056	768	-	1,824
Total interfund notes	1,131	2,163	-	3,294
Total long-term debt	<u>\$ 402,324</u>	<u>\$ 2,163</u>	<u>\$ 25,407</u>	<u>\$ 379,080</u>

**Town of Rienzi, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2019**

Name	Position	Insurance Company	Bond
Walter Williams	Mayor	MS Municipal Bond Program	\$ 25,000
James Strickland	Aldersperson	MS Municipal Bond Program	10,000
Jimmy Harwood	Aldersperson	MS Municipal Bond Program	10,000
David Massey	Aldersperson	MS Municipal Bond Program	10,000
Dale Leonard	Aldersperson	MS Municipal Bond Program	10,000
Harold Palmer	Aldersperson	MS Municipal Bond Program	10,000
Jessica Pollard	Town Clerk	Travelers	50,000
Chad Potts	Water Operator	Travelers	50,000

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

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

We have performed the procedures enumerated below, which were agreed to by the Town of Rienzi and required by the Office of the State Auditor (the specified parties), under the provisions of Section 21-35-31, Miss. Code Ann. (1972), on the accounting records of the Town of Rienzi, Mississippi's compliance with certain laws and regulations for the year ended September 30, 2019. Town of Rienzi's management is responsible for its accounting records and compliance with those specified requirements. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. We verified that all investment transactions were in compliance with Section 21-33-323 Miss. Code Ann. (1972), and we reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks. No exceptions were noted.

<u>Balance Per Bank</u>	<u>Fund</u>	<u>General Ledger</u>
Farmers & Merchants Bank	General	\$ 140,573
Farmers & Merchants Bank - Certificate of Deposit	General	6,647
Farmers & Merchants Bank	General	35
Cash on Hand	General	<u>15</u>
Total General Fund		<u>\$ 147,270</u>
Farmers & Merchants Bank	Water	\$ 77,351
Farmers & Merchants Bank	Water	15,857
Farmers & Merchants Bank	Water	8,136
Farmers & Merchants Bank	Water	<u>5,717</u>
Total Water Fund		<u>\$ 107,061</u>

1. Continued

<u>Balance Per Bank</u>	<u>Fund</u>	<u>General Ledger</u>
Farmers & Merchants Bank	Sewer	\$ 4,947
Farmers & Merchants Bank	Sewer	4,975
Farmers & Merchants Bank	Sewer	<u>43,926</u>
Total Sewer Fund		<u>\$ 53,848</u>
Farmers & Merchants Bank	Fire Protection	\$ 4,076
Farmers & Merchants Bank	Fire Protection	<u>70,423</u>
Total Fire Protection		<u>\$ 74,499</u>
Farmers & Merchants Bank	Gas System	\$ 26,142
Farmers & Merchants Bank	Gas System	4,947
Farmers & Merchants Bank	Gas System	19,630
Farmers & Merchants Bank	Gas System	2,302
Farmers & Merchants Bank - Certificate of Deposit	Gas System	<u>13,367</u>
Total Gas Fund		<u>\$ 66,388</u>

2. We noted no investment transactions other than certificates of deposit which were tested in item 1 above.
3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year.
 - a. Traced levies to governing body minutes. No exceptions were noted.
 - b. Traced settlement of taxes collected to proper funds. No exceptions were noted.
 - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code, Ann. (1972). We noted the increase in taxes was in compliance with the above sections.
4. We obtained a statement of payments made by the Department of Finance and Administration to the Town. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Municipal Aid Tax	General	\$ 158
Gasoline Tax	General	951
Homestead Exemption	General	5,804
Sales Tax	General	43,272
T.V.A. Payments in Lieu of Taxes	General	2,120
Fire Protection	Fire	1,818
Fire Code	Fire	<u>53</u>
Total		<u>\$ 54,176</u>

5. We selected a sample of disbursements made by the Town during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:


Number of sample disbursements	25
Total dollar value of sample	\$ 32,823

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

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

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Town of Rienzi and the Office of the State Auditor, State of Mississippi and is not intended to be, and should not be, used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.



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Booneville, MS

September 24, 2020

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


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

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

We have compiled the accompanying Statement of Cash Receipts and Disbursements—Governmental and Business-Type Activities of the Town of Rienzi, Mississippi for the year ended September 30, 2019 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, and have issued our report dated September 24, 2020. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described by the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements—Governmental and Business-Type Activities of the Town of Rienzi, Mississippi for the year ended September 30, 2019 disclosed no instances of noncompliance with state laws and regulations.



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September 24, 2020