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CITY OF RAYMOND, MISSISSIPPI
AUDITED FINANCIAL STATEMENT
FOR YEAR ENDED SEPTEMBER 30, 2020

**CITY OF RAYMOND, MISSISSIPPI
AUDITED FINANCIAL STATEMENT
For the Year Ended September 30, 2020**

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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, 2020, 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, 2020, 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.

A handwritten signature in blue ink that reads "Price & Co." in a cursive script.

Price & Co.
Forest, Mississippi

December 16, 2020

CITY OF RAYMOND, MISSISSIPPI
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)
For the Year Ended September 30, 2020

	<u>General</u>	<u>Special Revenue</u>	<u>Proprietary Fund</u>	<u>Fiduciary</u>	T o t a l s (Memorandum Only)	
					<u>2020</u>	<u>2019</u>
RECEIPTS						
Taxes						
General Property Taxes	\$ 242,728	\$ -	\$ -	\$ -	\$ 242,728	\$ 216,385
Licenses and Permits	6,268	-	-	-	6,268	3,492
Franchise Charges	73,956	-	-	-	73,956	75,832
Utility	42,701	-	-	-	42,701	36,971
General Municipal Aid (From State)	964	-	-	-	964	964
State Shared Revenues:						
Sales Taxes	239,940	-	-	-	239,940	239,929
Gasoline Tax	5,074	-	-	-	5,074	5,074
Fire Insurance Premium Distribution	-	11,661	-	-	11,661	11,409
Homestead Exemption	16,400	-	-	-	16,400	15,567
Grand Gulf in Lieu of Taxes	17,729	-	-	-	17,729	17,647
Use Tax	30,620	-	-	-	30,620	-
Department of Archives and History Grant	-	-	-	-	-	12,100
Interest income	2,146	-	3,653	23	5,822	2,275
Cemetery Charges	1,600	-	-	-	1,600	18,775
Rent	73,754	-	3,600	-	77,354	60,814
Contribution from Businesses and Individuals	710	-	-	-	710	-
Charges For Services:						
Water and Sewer	-	-	768,675	-	768,675	853,002
Sanitation	-	-	49,377	-	49,377	49,783
Sale of Vehicles	-	-	-	-	-	1,900
Fines and Forfeits	61,618	-	-	-	61,618	74,106
Miscellaneous Receipts	785	-	240	-	1,025	13
Total Receipts	<u>816,993</u>	<u>11,661</u>	<u>825,545</u>	<u>23</u>	<u>1,654,222</u>	<u>1,696,038</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, 2020

					T o t a l s (Memorandum Only)	
	<u>General</u>	<u>Special</u> <u>Revenue</u>	<u>Proprietary</u> <u>Fund</u>	<u>Fiduciary</u>	<u>2020</u>	<u>2019</u>
DISBURSEMENTS						
General Government (Executive and Financial)	\$ 311,040	\$ -	\$ -	\$ -	\$ 311,040	\$ 306,626
Public Safety:						
Police	416,764	-	-	-	416,764	402,663
Fire	-	6,965	-	-	6,965	7,354
Streets	128,495	-	-	-	128,495	153,153
Cemetery	14,250	-	-	-	14,250	13,188
Enterprise:						
Water and Sewer Utility	-	-	491,365	-	491,365	434,132
Sanitation	-	-	48,946	-	48,946	48,128
Bond and Notes Repaid	19,843	-	35,158	-	55,001	86,589
Total Disbursements	<u>890,392</u>	<u>6,965</u>	<u>575,469</u>	<u>-</u>	<u>1,472,826</u>	<u>1,451,833</u>
Excess (Deficiency) of receipts over disbursements	<u>(73,399)</u>	<u>4,696</u>	<u>250,076</u>	<u>23</u>	<u>181,396</u>	<u>244,205</u>
OTHER FINANCING SOURCES (USES)						
Transfers	141,850	8,150	(150,000)	-	-	-
Capital Outlay	(27,485)	(14,004)	(8,533)	-	(50,022)	-
Loan Proceeds	27,485	-	-	-	27,485	(91,564)
Total other financing resources (uses)	<u>141,850</u>	<u>(5,854)</u>	<u>(158,533)</u>	<u>-</u>	<u>(22,537)</u>	<u>(91,564)</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>68,451</u>	<u>(1,158)</u>	<u>91,543</u>	<u>23</u>	<u>158,859</u>	<u>152,641</u>
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	<u>403,369</u>	<u>83,933</u>	<u>1,530,610</u>	<u>3,508</u>	<u>2,021,420</u>	<u>1,868,779</u>
CASH BASIS FUND BALANCE - END OF YEAR	<u>\$ 471,820</u>	<u>\$ 82,775</u>	<u>\$ 1,622,153</u>	<u>\$ 3,531</u>	<u>\$ 2,180,279</u>	<u>\$ 2,021,420</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, 2020

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 32% 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 December 16, 2020, which is the date the financial statement was available to be issued.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF INVESTMENTS - ALL FUNDS
September 30, 2020

<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	0.80%	11/4/2019	11/4/2020	Merchants & Planters	\$ 116,171
Certificate of Deposit	0.90%	12/7/2019	12/7/2020	Merchants & Planters	144,753
Certificate of Deposit	0.30%	8/7/2020	8/7/2021	Merchants & Planters	104,400
Certificate of Deposit	0.80%	12/7/2019	12/7/2020	Merchants & Planters	<u>347,324</u>
					<u>\$ 712,648</u>

See accompanying notes and accountant's report.

**CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
For the Year Ended September 30, 2020**

	<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	723,921	-	-	\$ 723,921
Improvements	876,714	-	-	\$ 876,714
Machinery and Equipment	<u>376,133</u>	<u>41,489</u>	<u>-</u>	<u>\$ 417,622</u>
Total Governmental activities capital assets	<u>\$ 2,048,309</u>	<u>\$ 41,489</u>	<u>\$ -</u>	<u>\$ 2,089,798</u>
Business-type activities:				
Capital Assets:				
Land	\$ 46,985	\$ -	\$ -	\$ 46,985
Buildings	160,446	-	-	\$ 160,446
Improvements	4,876,868	-	-	\$ 4,876,868
Machinery and Equipment	<u>367,535</u>	<u>8,533</u>	<u>-</u>	<u>\$ 376,068</u>
Total Business-type activities capital assets	<u>\$ 5,451,834</u>	<u>\$ 8,533</u>	<u>\$ -</u>	<u>\$ 5,460,367</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, 2020

	Balance Outstanding <u>September 30, 2019</u>	<u>Transactions During Fiscal Year</u>		Balance Outstanding <u>September 30, 2020</u>
		<u>Issued</u>	<u>Redeemed</u>	
State of Mississippi				
- Clean Water SRF Loans	\$ 238,053	\$ -	\$ 23,952	\$ 214,101
State of Mississippi				
- Water Pollution Loan	66,843	-	5,653	61,190
Bancorp South Equipment Finance				
- 2017 Ford Explorer	8,093	-	8,093	-
Bancorp South Equipment Finance				
- 2017 Chevrolet Tahoe	8,419	-	8,419	-
Bancorp South Equipment Finance				
- 2020 Dodge Charger	-	27,485	2,950	24,535
	<u>-</u>	<u>27,485</u>	<u>2,950</u>	<u>24,535</u>
TOTAL	<u>\$ 321,408</u>	<u>\$ 27,485</u>	<u>\$ 49,067</u>	<u>\$ 299,826</u>

See accompanying notes and accountant's report.

CITY OF RAYMOND, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS AND EMPLOYEES
September 30, 2020

<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 Porter	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

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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, 2020, and have issued our report dated December 16, 2020. 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 no material instances of noncompliance with state laws and regulations.

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

December 16, 2020