

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. 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.

TOWN OF RENOVA, MISSISSIPPI

**Special Report on Agreed-upon Procedures
For Small Municipalities**

And

**Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
And Supplementary Information**

For the Fiscal Year Ended September 30, 2024

TOWN OF RENOVA, MISSISSIPPI
Financial Statements
For the Fiscal Year Ended September 30, 2024

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AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountant's Report on Applying Agreed-Upon Procedures

Governing Body
Town of Renova, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Renova, Mississippi, as of September 30, 2024, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Renova, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. The Town of Renova is responsible for and takes responsibility for the subject matter.

The Town of Renova has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the user to determine the Town's compliance with certain specified laws and regulations. This report may not be suitable for any other purpose. The procedures performed may not address all of the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are as follows:

1. 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:

| <u>Bank</u> | <u>Fund</u> | <u>Balance per General Ledger</u> |
|----------------------|-----------------|---------------------------------------|
| Cleveland State Bank | General | \$ 807,389.90 |
| Cleveland State Bank | Special Revenue | 7,925.54 |
| Cleveland State Bank | Proprietary | 203,510.47 |

2. We physically examined securities held for investment. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, MS Code Ann. (1972).

| <u>Security</u> | <u>Fund</u> | <u>Ledger Cost</u> |
|-------------------------|-------------|--------------------|
| CD-Cleveland State Bank | Proprietary | \$ 39,260.03 |

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

- a. Trace levies to governing body minutes.
- b. Traced distribution of taxes collected to proper funds; and
- c. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-93-320 to 27-29-323 Miss. Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

Ad valorem tax collections for the retirement of general obligation debt were found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss. Code Ann. (1972).

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

| <u>Payment Purpose</u> | <u>Receiving Fund</u> | <u>Ledger Amount</u> |
|-------------------------------|-----------------------|----------------------|
| Municipal Aid | General | \$ 337.89 |
| Gasoline Tax | General | 1,917.64 |
| Homestead Exemption | General | 11,712.19 |
| Nuclear Plant | General | 2,888.02 |
| Sales Tax | General | 86,145.20 |
| Fire Protection | General | 9,879.69 |
| Other Aid - Dept of Revenue | General | 60,897.72 |
| Dept of Environmental Quality | General | 196,430.60 |
| | | <u>\$ 370,208.95</u> |

5. We selected a sample of purchases made by the municipality 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), if applicable.

The sample consisted of the following:

| | |
|------------------------------|--------------|
| Number of Sample Items | 56 |
| Total Dollar Value of Sample | \$495,001.47 |

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements. The completed survey indicated no instances of noncompliance with state requirements.

We were engaged by the Town of Renova to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively on the applicable subject matter. 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.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in Paragraphs 1, 2, and 3 should be adjusted. Had we performed additional procedures, or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statement of the Town of Renova, Mississippi, for the year ended September 30, 2024.

We are required to be independent of the Town of Renova and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Edmondson, Burchfield, Hardy & Associates, PA

Cleveland, Mississippi

June 20, 2025

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AMERICAN INSTITUTE OF
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Independent Accountants' Compilation Report on the Statement of Cash Receipts and Disbursements- Governmental and Business-Type Activities

Governing Board
Town of Renova, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities of the Town of Renova, Mississippi for the year ended September 30, 2024. 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 financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The 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.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the government's financial position and results of operations. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Supplementary Information

The accompanying supplementary information presented on pages 8 to 11 is presented for purposes of additional analysis and is not a required part of the financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Edmondson, Burchfield, Hardy & Associates, PA

Cleveland, Mississippi

June 20, 2025

Town of Renova, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the year ended September 30, 2024

| | Governmental Activities | | | | Business-type Activities | |
|---|-------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|
| | Major Funds | | | Total | Water & Sewer Enterprise | |
| | General Fund | Special Revenue Fund | Other Governmental Funds | | fund | Total |
| RECEIPTS | | | | | | |
| Taxes | | | | | | |
| General property taxes | \$ 146,576.79 | \$ - | \$ - | \$ 146,576.79 | \$ - | \$ - |
| Penalties and interest on delinquent taxes | 3,732.16 | - | - | 3,732.16 | - | - |
| Licenses and permits | | | | | | |
| Privilege licenses | 336.00 | - | - | 336.00 | - | - |
| Franchise charges-utilities | 15,940.63 | - | - | 15,940.63 | - | - |
| Permits | 1,450.00 | - | - | 1,450.00 | - | - |
| Intergovernmental revenues: | | | | | | |
| General municipal aid | | - | - | - | - | - |
| State shared revenue: | | | | | | |
| Sales taxes | 86,145.20 | - | - | 86,145.20 | - | - |
| Gasoline tax | 1,917.64 | - | - | 1,917.64 | - | - |
| Fire insurance premium distribution | 9,879.69 | - | - | 9,879.69 | - | - |
| Others | | | | | | |
| Nuclear plant | 2,888.02 | - | - | 2,888.02 | - | - |
| Homestead exemption reimbursement | 11,712.19 | - | - | 11,712.19 | - | - |
| Municipal aid | 337.89 | - | - | 337.89 | - | - |
| Other aid | 60,897.72 | - | - | 60,897.72 | - | - |
| Grantor payments | 196,430.60 | - | - | 196,430.60 | | |
| Charges for services | | | | | | |
| Sanitation | - | - | - | - | 34,665.40 | 34,665.40 |
| Water utility | - | - | - | - | 323,600.43 | 323,600.43 |
| Fines and forfeits | - | - | - | - | | - |
| Interest | 3,259.84 | 23.80 | - | 3,283.64 | 1,278.94 | 1,278.94 |
| Miscellaneous receipts | 9,170.00 | - | - | 9,170.00 | 2,715.00 | 2,715.00 |
| Total receipts | <u>\$ 550,674.37</u> | <u>\$ 23.80</u> | <u>\$ -</u> | <u>\$ 550,698.17</u> | <u>\$ 362,259.77</u> | <u>\$ 362,259.77</u> |
| DISBURSEMENTS | | | | | | |
| General government | | | | | | |
| Executive | 9,052.36 | - | - | 9,052.36 | - | - |
| Legislative | 15,960.00 | - | - | 15,960.00 | - | - |
| Financial | 65,213.68 | - | - | 65,213.68 | - | - |
| Public Works | 40,204.42 | - | - | 40,204.42 | - | - |
| Other | 3,210.00 | - | - | 3,210.00 | - | - |
| Public safety | | | | | | |
| Fire | 19,662.81 | - | - | 19,662.81 | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Enterprise | | | | | | |
| Sanitation | - | - | - | - | 37,415.58 | 37,415.58 |
| Water utility | - | - | - | - | 312,055.06 | 312,055.06 |
| Redemption of principal | 15,765.70 | - | - | 15,765.70 | | - |
| Debt service interest | 1,634.30 | - | - | 1,634.30 | | - |
| Non-departmental | 14,410.62 | - | - | 14,410.62 | | - |
| Capital outlay | 366,870.46 | - | - | 366,870.46 | | - |
| Total Disbursements | <u>551,984.35</u> | <u>-</u> | <u>-</u> | <u>551,984.35</u> | <u>349,470.64</u> | <u>349,470.64</u> |
| Excess (Deficiency) of receipts over disbursements | <u>(1,309.98)</u> | <u>23.80</u> | <u>-</u> | <u>(1,286.18)</u> | <u>12,789.13</u> | <u>12,789.13</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In (out) | 8,700.00 | - | - | 8,700.00 | (8,700.00) | (8,700.00) |
| Total other financing sources (uses) | <u>8,700.00</u> | <u>-</u> | <u>-</u> | <u>8,700.00</u> | <u>(8,700.00)</u> | <u>(8,700.00)</u> |
| Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>7,390.02</u> | <u>23.80</u> | <u>-</u> | <u>7,413.82</u> | <u>4,089.13</u> | <u>4,089.13</u> |

Town of Renova, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-Type Activities
For the year ended September 30, 2024

| | | | | | | |
|---|----------------------|--------------------|-------------|----------------------|----------------------|----------------------|
| CASH BASIS FUND BALANCE- BEGINNING OF YEAR | 799,999.88 | 7,901.74 | - | 807,901.62 | 238,681.37 | 238,681.37 |
| CASH BASIS FUND BALANCE- END OF YEAR | <u>\$ 807,389.90</u> | <u>\$ 7,925.54</u> | <u>\$ -</u> | <u>\$ 815,315.44</u> | <u>\$ 242,770.50</u> | <u>\$ 242,770.50</u> |

See accountants' compilation report.

Town of Renova, Mississippi
Selected Notes to the Financial Statements
September 30, 2024

Note A: Summary of Significant Accounting Policies

General Information

The Town operates under the Code Charter form of government and provides services as authorized by law.

Reporting Entity

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

Fund Accounting

The accounts of the Town 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.

Note B: Report Classifications

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

Town of Renova, Mississippi
Schedule of Investments - All Funds
September 30, 2024

| <u>Ownership</u> | <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> |
|------------------|---------------------------|----------------------|-------------------------|----------------------|--------------------------|------------------------------|
| Enterprise Fund | Certificate of Deposit | 0.85% | 11/23/2023 | 11/21/2024 | - | \$ 39,260.03 |

Town of Renova, Mississippi
Schedule of Capital Assets
For the Fiscal Year Ended September 30, 2024

| Governmental activities: | Beginning Balance | Increases | Decreases | Ending Balance |
|---|------------------------------|----------------------|----------------------|---------------------------|
| Capital assets: | | | | |
| Land | \$ 44,750.00 | \$ - | \$ - | \$ 44,750.00 |
| Buildings | 324,076.11 | - | - | 324,076.11 |
| Machinery & equipment | 174,245.70 | 897.50 | - | 175,143.20 |
| Construction in Progress | 6,240.00 | 132,702.23 | (6,240.00) | 132,702.23 |
| Total governmental activities capital assets | <u>\$ 549,311.81</u> | <u>\$ 133,599.73</u> | <u>\$ (6,240.00)</u> | <u>\$ 676,671.54</u> |
| Business-type activities: | | | | |
| Capital assets: | | | | |
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | - | - | - | - |
| Machinery & equipment | 2,576,911.23 | 563,329.35 | - | 3,140,240.58 |
| Total business-type activites capital assets | <u>\$ 2,576,911.23</u> | <u>\$ 563,329.35</u> | <u>\$ -</u> | <u>\$ 3,140,240.58</u> |

Town of Renova, Mississippi
Schedule of Long-Term Debt
For the Fiscal Year Ended September 30, 2024

| Definition and Purpose | Balance | Transactions during the Fiscal Year | | Balance |
|----------------------------------|--------------------------------|-------------------------------------|---------------------|-----------------------------------|
| | Outstanding October 1, 2023 | Increases | Decreases | Outstanding September 30, 2024 |
| General Obligation Bonds: | | | | |
| Rural Development Bonds #97-04 | \$ 48,053.44 | \$ - | 15,765.70 | \$ 32,287.74 |
| Revenue Bonds: | - | - | - | - |
| Other Long-term Debt | - | - | - | - |
| Total | <u>\$ 48,053.44</u> | <u>\$ -</u> | <u>\$ 15,765.70</u> | <u>\$ 32,287.74</u> |

Town of Renova, Mississippi
Schedule of Surety Bonds for Municipal Officials
September 30, 2024

| <u>Name</u> | <u>Position</u> | <u>Surety</u> | <u>Bond Amount</u> |
|-----------------|-----------------|---------------|------------------------|
| Harvey L Green | Mayor | Ohio Casualty | \$ 50,000.00 |
| Pamela Martin | Town Clerk | Ohio Casualty | \$ 50,000.00 |
| Marcia Barnes | Secretary | Ohio Casualty | \$ 50,000.00 |
| Diane Phillips | Water Clerk | Ohio Casualty | \$ 50,000.00 |
| Tony G Anderson | Alderman | Ohio Casualty | \$ 50,000.00 |
| Jurel Beamon | Alderman | Ohio Casualty | \$ 50,000.00 |
| Lenora Payne | Alderman | Ohio Casualty | \$ 50,000.00 |
| Milton Hunt | Alderman | Ohio Casualty | \$ 50,000.00 |
| Marilyn Conrad | Alderman | Ohio Casualty | \$ 50,000.00 |

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE MISSISSIPPI STATE AUDITOR'S REQUIREMENTS AND STATE LAWS AND REGULATIONS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

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

We have compiled the statement of cash receipts and disbursements of the governmental and business-type activities of the Town of Renova, Mississippi as of and for the year ended September 30, 2024. 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 financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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 general-purpose financial statements disclosed no material instances of noncompliance with state laws and regulations.

The instances of noncompliance of the prior year have been corrected by management unless it is specifically stated otherwise in the findings and recommendations reflected above.

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 Town'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.

Edmondson, Burchfield, Hardy & Associates, PA

Cleveland, Mississippi
June 20, 2025