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Town of Glen

P. O. Box 335 ♦ 2551 Hwy. 72 E.
Glen, MS 38846



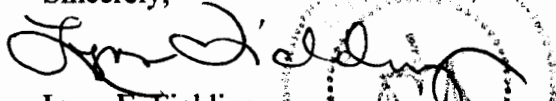
March 22, 2018

Office of the State Auditor
P.O. Box 956
Jackson, MS 39205

RE: Annual Municipal Compliance

Accompanying this letter are two copies of the annual compliance of the Town of Glen, Mississippi for the fiscal year ended September 30, 2017. A separate management letter was not written to the town in connection With this compliance.

Sincerely,


Lynn E. Fielding
Town Clerk



TOWN OF GLEN, MISSISSIPPI
COMPILATION REPORT
AND REPORT ON AGREED-UPON PROCEDURES
FOR THE YEAR ENDED SEPTEMBER 30, 2017



Certified Public Accountants



**TOWN OF GLEN, MISSISSIPPI
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SEPTEMBER 30, 2017**

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Glen, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements-Governmental Activities of the Town of Glen, Mississippi, for the year ended September 30, 2017, and the related notes to financial statement, which collectively comprise the Town's basic financial statements as listed in the table of contents, in accordance with the cash receipts and disbursements basis of accounting, and for determining that the cash receipts and disbursements 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- Governmental Activities 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 the Statement of Cash Receipts and Disbursements-Governmental Activities.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The Statement of Cash Receipts and Disbursements-Governmental Activities is prepared in accordance with the cash receipts and disbursements basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained on pages 8 through 11 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and has been compiled from information that is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information, and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Other Information

The Statement of Cash Receipts and Disbursements-Governmental Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

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Corinth, Mississippi
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Iuka, Mississippi
Phone: (662)423-5057

In accordance with the provisions of Section 21-35-31, Miss Code Ann. (1972), we have issued a report dated January 15, 2018 on the results of our agreed-upon procedures.

The Sparks CPA Firm, P.C.

The Sparks CPA Firm, P.C.
Certified Public Accountants
Iuka, Mississippi
January 15, 2018

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BASIC FINANCIAL STATEMENTS

Town of Glen, Mississippi
Statement of Cash Receipts and Disbursements-
Governmental Activities
For the Year Ended September 30, 2017

	Governmental Activities	
	General Fund	Total
Receipts		
Railcar tax	\$ 9,939	\$ 9,939
Licenses and permits		
Privilege licenses	320	320
Franchise charges - utilities	5,503	5,503
Intergovernmental revenues:		
Federal receipts		
Federal payments in lieu of taxes	3,041	3,041
Federal grants	42,014	42,014
State shared revenues:		
Sales tax allocation	36,437	36,437
Fire protection allocation	2,307	2,307
Gasoline tax	1,236	1,236
Municipal aid	205	205
Interest earned	134	134
Rents and royalties	1,425	1,425
Miscellaneous receipts	1,175	1,175
Total Receipts	<u>103,736</u>	<u>103,736</u>
Disbursements		
General government	39,928	39,928
Public safety	1,382	1,382
Interest expense	137	137
Total Disbursements	<u>41,447</u>	<u>41,447</u>
Excess (Deficiency) of receipts over disbursements	<u>62,289</u>	<u>62,289</u>
Other Financing Sources (Uses)		
Redemption of principal	(4,046)	(4,046)
Capital outlay	(42,014)	(42,014)
Total Other Financing Sources (Uses)	<u>(46,060)</u>	<u>(46,060)</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	16,229	16,229
Cash Balances - Beginning of Year	93,487	93,487
Cash Balances - End of Year	<u>\$ 109,716</u>	<u>\$ 109,716</u>

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See accompanying notes and independent accountants' compilation report.

**TOWN OF GLEN, MISSISSIPPI
NOTES TO FINANCIAL STATEMENT
SEPTEMBER 30, 2017**

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

The Citizens of Glen have elected to operate under a Code Charter as permitted by Mississippi Statute 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic – but not only – criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no includable or excludable potential component units.

Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounting for in individual funds based upon the purposes for which they are to be spent and the means by which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into one generic fund type and one broad fund category as follows:

Governmental Funds:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Town uses the cash receipts and disbursements basis of accounting as prescribed by the Mississippi Office of the State Auditor.

In the fund financial statements, governmental activities are presented using the cash receipts and disbursements basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures/expenses when they result from cash transactions.

**TOWN OF GLEN, MISSISSIPPI
NOTES TO FINANCIAL STATEMENT
SEPTEMBER 30, 2017**

Note 1 - Summary of Significant Accounting Policies (Continued):

This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the Town utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Under the modified accrual basis revenues are recognized when measurable and available. Measurable means, being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Under the accrual basis, revenues are recognized when earned. Expenses (including depreciation and amortization) are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place.

Note 2 - 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.

Note 3 - Long Term Debt

The annual requirements to amortize all outstanding debt as of September 30, 2017, including interest of \$49 are as follows:

Year	Principal	Interest	Total
2018	\$ 3,813	\$ 48	\$ 3,861
2019	320	1	321
Total	\$ 4,133	\$ 49	\$ 4,182

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SUPPLEMENTARY INFORMATION

Town of Glen, Mississippi
Schedule of Investments
September 30, 2017

The Town had no investments at September 30, 2017.

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See accompanying notes and independent accountants' compilation report.

Town of Glen, Mississippi
Schedule of Capital Assets
For the Year Ended September 30, 2017

Governmental Activities

The Town did not account for capital assets in the Governmental Activities funds.

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See accompanying notes and independent accountants' compilation report.

Town of Glen, Mississippi
Schedule of Long-Term Debt
For the Year Ended September 30, 2017

DEFINITION AND PURPOSE	Balance Outstanding	Transactions During Fiscal Year		Balance Outstanding
	October 1, 2016	Issued	Redeemed	September 30, 2017
Governmental Activities				
CAP Loan	\$ 8,179	\$ -	\$ 4,046	\$ 4,133
Total	<u>\$ 8,179</u>	<u>\$ -</u>	<u>\$ 4,046</u>	<u>\$ 4,133</u>

See accompanying notes and independent accountants' compilation report.

Town of Glen, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2017

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Danny R. Beavers	Mayor	\$ 25,000
Lynn E. Fielding	Town Clerk	\$ 50,000
David J. Derrick	Vice-Mayor	\$ 10,000
Ruth V. Sellers	Alderman	\$ 10,000
Frances J. Null	Alderman	\$ 10,000
Shirley D. Tutor	Alderman	\$ 10,000
David S. Derrick	Alderman	\$ 10,000

See accompanying notes and independent accountants' compilation report.

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

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

Honorable Mayor and Board of Aldermen
Town of Glen, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements-Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials, of the Town of Glen, Mississippi, as of and for the year ended September 30, 2017, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles 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 those requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements-Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials, for the Town of Glen, Mississippi, for the year ended September 30, 2017 disclosed the following instances of noncompliance with state laws and regulations:

1. The Town failed to maintain a capital asset ledger and failed to perform an annual inventory of capital assets to adequately safeguard those assets.
2. The Town failed to complete the Municipal Compliance Questionnaire timely and attach at the first board meeting in October following the fiscal year.
3. The Town failed to meet minimum surety bond requirements for two public officials handling money.

This report is intended for the information of the Town of Glen, Mississippi'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.

The Sparks CPA Firm, P.C.

The Sparks CPA Firm, P.C.
Certified Public Accountants
Iuka, Mississippi
January 15, 2018

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**INDEPENDENT ACCOUNTANTS' REPORT ON
AGREED-UPON PROCEDURES**

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**INDEPENDENT ACCOUNTANTS' REPORT
ON AGREED-UPON PROCEDURES**

Honorable Mayor and Board of Aldermen
Town of Glen, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Glen, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Glen, Mississippi's compliance with certain laws and regulations as of September 30, 2017, and for the year then ended. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. 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.

Our procedures and findings are as follows:

1. We reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per</u> <u>General Ledger</u>
Renasant	General	\$ 109,716

2. The Town owned no investment securities during the fiscal year ended September 30, 2017.
3. The Town did not levy taxes on real and personal property for the year ended September 30, 2017.
4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit 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>Amount</u>
TVA in lieu of tax	General	\$ 3,041
Municipal aid	General	\$ 205
Sales tax allocation	General	\$ 36,437
CDBG grant	General	\$ 42,014
Gasoline tax	General	\$ 1,236
Fire protection allocation	General	\$ 2,307

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.

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The sample consisted of the following:

Number of sample items	10
Dollar value of sample	\$52,407

We found the Town of Glen, Mississippi's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. The Town did not levy fines and forfeitures for the fiscal year ended September 30, 2017.
7. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated the following instances of non-compliance with state requirements:
 - The Town failed to maintain a capital asset ledger and failed to perform an annual inventory of capital assets to adequately safeguard those assets.
 - The Town failed to complete the Municipal Compliance Questionnaire timely and attach at the first board meeting in October following the fiscal year.
8. We performed procedures to test compliance with certain other state laws and regulations, specifically relating to budgeting, vehicle markings, surety bonds, transfer payments, depositories, investments, debt issuance, privilege taxes, and capital assets. The following instances of noncompliance with state requirements were noted:
 - The Town failed to meet minimum surety bond requirements for two public officials handling money.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. 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 use of the Office of the State Auditor, State of Mississippi and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

The Sparks CPA Firm, P.C.

The Sparks CPA Firm, P.C.
Certified Public Accountants
Iuka, Mississippi
January 15, 2018

MAR 27 2018