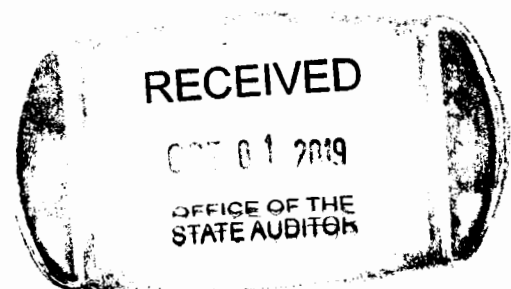




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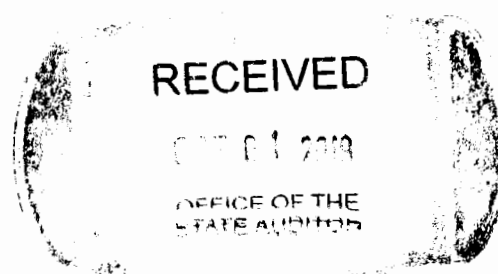
**FINANCIAL STATEMENTS**  
**Town of Tishomingo, Mississippi**  
**For the Year Ended**  
**September 30, 2018**



**TOWN OF TISHOMINGO, MISSISSIPPI**  
**TABLE OF CONTENTS**  
September 30, 2018

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Rudolph Franks, CPA (emeritus)

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

Management is responsible for the accompanying statement of cash receipts and disbursements of the governmental activities and business-type activities of the Town of Tishomingo, Mississippi, as of and for the year ended September 30, 2018, and the related selected information in accordance with the cash receipts and disbursements 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 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.

We draw attention to Note A of the financial statement, which describes the basis of accounting. The statement of cash receipts and disbursements 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.

The supplementary information contained on pages 5 through 7 is presented for purposes of additional analysis and is not a required part of the basic financial statement. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

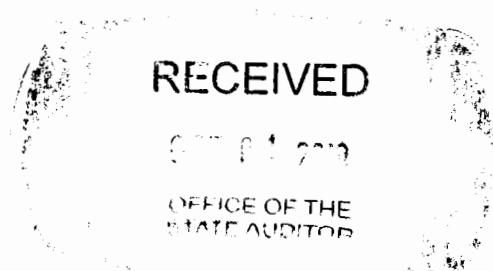
Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared in accordance with the cash receipts and disbursements basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions 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 also omitted the management's discussion and analysis and other required supplementary information that is required to be presented for purposes of additional analysis. Such missing information, although not a 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 for placing the basic financial statement in an appropriate operations, economic, or historical context.

In accordance with provisions of section 21-35-31, Mississippi Code Annotated (1972), we have issued a report dated September 24, 2019, on the results of our agreed upon procedures.

*Franks, Franks, Wilemon & Hagood P.A.*

Franks, Franks, Wilemon & Hagood, P. A.  
Tishomingo, Mississippi  
September 24, 2019



**TOWN OF TISHOMINGO, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS- ALL FUND TYPES**  
For the year ended September 30, 2018

	Governmental Activities	Business-Type Activities			Total
	General	Water Fund	Gas Fund	Garbage Fund	Government-wide
<b><u>CASH RECEIPTS</u></b>					
Property Taxes	\$ 35,195	\$ -	\$ -	\$ -	\$ 35,195
County Road Use Tax	6,516	-	-	-	6,516
TRHA In Lieu of Tax	334	-	-	-	334
Penalties	75	-	-	-	75
Licenses and Permits					
Privilege Tax	4,980	-	-	-	4,980
Utility Tax	6,214	-	-	-	6,214
Franchise Tax	3,225	-	-	-	3,225
Intergovernmental Revenues:					
State Shared Revenues:					
General Municipal Aid	169	-	-	-	169
Sales Tax	155,420	-	-	-	155,420
Gasoline Tax	1,038	-	-	-	1,038
TVA In Lieu of Tax	3,722	-	-	-	3,722
Homestead Exemption Reimbursement	6,085	-	-	-	6,085
Fire Protection	1,935	-	-	-	1,935
Grant Income	10,000	-	-	-	10,000
Charges for Services:					
Water System	-	134,558	-	-	134,558
Natural Gas	-	-	296,117	-	296,117
Garbage	-	-	-	28,708	28,708
Fines and Forfeits	15,968	-	-	-	15,968
Rents	28,552	-	-	-	28,552
Contributions	175	-	-	-	175
Miscellaneous Receipts:					
Interest Income	504	128	6,647	-	13,926
Other Income	9,087	246	426	133	9,892
<b>Total Cash Receipts</b>	<b>\$ 289,194</b>	<b>\$ 134,932</b>	<b>\$ 303,190</b>	<b>\$ 28,841</b>	<b>756,157</b>
<b><u>CASH OPERATING DISBURSEMENTS</u></b>					
General Government:					
Executive	\$ 84,530	\$ -	\$ -	\$ -	\$ 84,530
Judicial	14,050	-	-	-	14,050
Public Safety:					
Police	117,285	-	-	-	117,285
Fire	402	-	-	-	402
Public Works:					
Street	26,213	-	-	-	26,213
Cemetery	542	-	-	-	542
Culture and Recreation:					
Park	596	-	-	-	596
Library	10,871	-	-	-	10,871
Clinic	25,037	-	-	-	25,037
Enterprise:					
Water	-	120,412	-	-	120,412
Gas	-	-	270,943	-	270,943
Garbage	-	-	-	19,702	19,702
Capital Outlay	-	-	-	-	-
Interest Expense	782	62	62	-	906
Principal Retirement	10,580	1,079	1,079	-	12,738
<b>Total Cash Operating Disbursements</b>	<b>290,888</b>	<b>121,553</b>	<b>272,084</b>	<b>19,702</b>	<b>704,227</b>
Excess (Deficiency) of receipts over disbursements	<b>\$ (1,694)</b>	<b>\$ 13,379</b>	<b>\$ 31,106</b>	<b>\$ 9,139</b>	<b>\$ 51,930</b>

**TOWN OF TISHOMINGO, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES**  
For the year ended September 30, 2018

	Governmental Activities	Business-Type Activities			Total Government-wide
	General	Water Fund	Gas Fund	Garbage Fund	
<b>OTHER FINANCING SOURCES (USES)</b>					
Loan Proceeds	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Transfers In	5,000	-	-	-	5,000
Transfers Out	(5,000)	-	-	-	(5,000)
Total Other Financing Sources (Uses)	15,000	-	-	-	15,000
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	13,306	13,379	31,106	9,139	66,930
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	67,993	3,796	2,986	10,010	84,785
CASH BASIS FUND BALANCE - END OF YEAR	\$ 81,299	\$ 17,175	\$ 34,092	\$ 19,149	\$ 151,715

See accountants' compilation report

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**Town of Tishomingo, Mississippi**  
SELECTED INFORMATION-Substantially all disclosures required  
by generally accepted accounting principles are not included  
September 30, 2018

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General Information

The Town operates under the mayor/board of aldermen form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the Town includes 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 has been prepared on the 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.

**NOTE C - LONG-TERM DEBT**

The annual requirements to amortize all debt outstanding as of September 30, 2018, including interest payments of \$1,748 are as follows:

<u>Fiscal Year Ended</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 14,591	\$ 743	\$ 15,334
2020	15,299	490	15,789
2021	8,617	236	8,853
2022	5,650	150	5,800
2023	5,707	93	5,800
2024-2028	<u>6,250</u>	<u>36</u>	<u>6,286</u>
	<u>\$ 56,114</u>	<u>\$ 1,748</u>	<u>\$ 57,862</u>

The Town does not maintain any debt service funds to service the above notes.

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**TOWN OF TISHOMINGO, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS**  
**September 30, 2018**

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
James Tennyson	Mayor	Travelers Casualty & Surety	\$ 25,000
Kimberly Daily	City Clerk	Western Surety Company	\$ 50,000
Shirley Turner	Utility Clerk	Western Surety Company	\$ 50,000
Michael Kemp	Police Chief	Western Surety Company	\$ 50,000
Anne Taylor	Alderman	Travelers Casualty & Surety	\$ 25,000
Barbara Oaks	Alderman	Travelers Casualty & Surety	\$ 25,000
Hal Southward	Alderman	Travelers Casualty & Surety	\$ 25,000
Anthony Stone	Alderman	Travelers Casualty & Surety	\$ 25,000
Gary Harlan	Alderman	Travelers Casualty & Surety	\$ 25,000
Jack Lomenick	Police Officer	Travelers Casualty & Surety	\$ 25,000
Jamie Reynolds	Police Officer	Travelers Casualty & Surety	\$ 25,000
Gregory Harstad	Police Officer	Travelers Casualty & Surety	\$ 25,000
Terry Jackson	Peace Officer	Western Surety Company	\$ 25,000
Albert Duckett	Police Officer	Travelers Casualty & Surety	\$ 25,000
Donovan Cain	Police Officer	Travelers Casualty & Surety	\$ 25,000
Adam Hall	Police Officer	Travelers Casualty & Surety	\$ 25,000

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**TOWN OF TISHOMINGO, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
For the year ended September 30, 2018

<u>DEFINITION AND PURPOSE</u>	<u>BALANCE OUTSTANDING September 30, 2017</u>	<u>TRANSACTIONS DURING FISCAL YEAR REDEEMED</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED</u>	<u>BALANCE OUTSTANDING September 30, 2018</u>
Notes Payable:				
CSB- Capital Lease (5014)	-	2,407	15,000	12,593
Tishomingo County- CAP Loan	39,645	5,424	-	34,221
CSB- Capital Lease (4871)	<u>14,206</u>	<u>4,906</u>	<u>-</u>	<u>9,300</u>
 TOTAL	 \$ <u>53,851</u>	 \$ <u>12,737</u>	 \$ <u>15,000</u>	 \$ <u>56,114</u>

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FRANKS | FRANKS | WILEMON | HAGOOD

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Jonathon Hagood, CPA

Rudolph Franks, CPA (emeritus)

## ACCOUNTANTS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Alderman  
Town of Tishomingo, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Tishomingo, Mississippi, for the year ended September 30, 2018, and have issued our report thereon dated September 24, 2019. We conducted our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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 engagement and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed the following material instances of noncompliance with state laws and regulations.

1. The Town did not maintain a fixed asset inventory listing, take a fixed asset inventory, or tag fixed assets.
2. During our testing of compliance with state purchasing laws, we noted one instance where the Town did not obtain competitive quotes for a purchase.
3. The Town did not meet minimum surety bond requirements for elected officials.

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's 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.

*Franks, Franks, Wilemon & Hagood P.A.*

FRANKS, FRANKS, WILEMON & HAGOOD, P.A.  
Tupelo, Mississippi  
September 24, 2019

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Rudolph Franks, CPA (emeritus)

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen  
Town of Tishomingo, 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 Tishomingo, Mississippi as of September 30, 2018, and for the year ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). The Town of Tishomingo's management is responsible for the Town's accounting records. 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 those parties specified in the report. Consequentially, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. It is understood the report is solely for the use of the governing body of the Town of Tishomingo, Mississippi, and the Office of the State Auditor and should not be used for any other 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>
BancorpSouth Bank	General Fund	\$ 51,344
BancorpSouth Bank	General Fund	26,143
BancorpSouth Bank	General Fund	1,309
BancorpSouth Bank	General Fund	566
BancorpSouth Bank	General Fund	1,603
BancorpSouth Bank	General Fund	334
Total General Fund		\$ <u>81,299</u>
BancorpSouth Bank	Proprietary Fund	\$ 17,175
BancorpSouth Bank	Proprietary Fund	34,092
BancorpSouth Bank	Proprietary Fund	19,149
Total Proprietary Fund		\$ <u>70,416</u>

2. We performed the following procedures with respect to taxes on real and personal property levied during the fiscal year:
  - a. Traced 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 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

3. We obtained a statement of payments made by the Mississippi 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. Payments traced were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 155,420
Homestead Exemption	General Fund	6,085
Gasoline Tax	General Fund	1,038
TVA In Lieu	General Fund	3,722
Municipal Aid	General Fund	169
Fire Protection Allocation	General Fund	1,935

4. 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	14
Dollar Value of Sample	\$ 66,526

We found the municipality's purchasing procedures to be in agreement with the requirements of the above mentioned sections (except as follows):

The Town had one instance where they failed to obtain competitive quotes for a purchase.

5. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance Administration.
6. We have read the Municipal Compliance Questionnaire completed by the Town. The following responses to the questionnaire indicate the following noncompliance with state requirements:

The Town did not maintain a fixed asset inventory listing, take a fixed asset inventory, or tag fixed assets.

We were not engaged to, and did not, conduct an examination, 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 should not be associated with the financial statements of the Town of Tishomingo, Mississippi, for the year ended September 30, 2018.

*Franks, Franks, Wilkmon & Hagood P.A.*

Franks, Franks, Wilkmon & Hagood, P.A.  
Tishomingo, Mississippi  
September 24, 2019

