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**FINANCIAL STATEMENT**  
**TOWN OF MARIETTA, MISSISSIPPI**  
**September 30, 2019**

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Board of Aldermen  
Town of Marietta, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements – all fund types of the Town of Marietta, Mississippi, as of and for the year ended September 30, 2019, in accordance with the cash receipts and disbursements basis of accounting. 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 March 8, 2021, on the results of our agreed upon procedures.

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

Franks, Franks, Wilemon & Hagood, P.A.  
Tupelo, Mississippi  
March 8, 2021

**TOWN OF MARIETTA, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS -**  
**ALL FUND TYPES**  
For the year ended September 30, 2019

	Governmental Activities		Business-Type Activities	Totals
	General	Fire Protection Fund	Proprietary Fund	Government-Wide
<b>RECEIPTS:</b>				
General Property Taxes	\$ 15,715	\$ -	\$ -	\$ 15,715
Franchise Tax on Utilities	7,512	-	-	7,512
Natural Gas Tax	9,737	-	-	9,737
Intergovernmental Revenues:				
Homestead Exemption	2,201	-	-	2,201
Sales Tax	53,576	-	-	53,576
Gasoline Tax	784	-	-	784
Municipal Aid	128	-	-	128
TVA In Lieu Tax	4,198	-	-	4,198
Fire Protection	-	1,511	-	1,511
Grant Income-State of Mississippi	-	-	-	-
Charges for Services:				
Water & Sewer System	-	-	89,785	89,785
Miscellaneous Receipts:				
Park Donations	1,025	-	-	1,025
Fire Donations	-	3,427	-	3,427
Little League Registration	2,205	-	-	2,205
Privilege License	1,027	-	-	1,027
Interest Income	210	11	185	406
Dare Donations	-	-	-	-
Other Income	2,794	-	-	2,794
Total Cash Receipts	\$ 101,112	\$ 4,949	\$ 89,970	\$ 196,031
<b>DISBURSEMENTS:</b>				
General Administration and Finance	\$ 56,446	\$ -	\$ -	\$ 56,446
Public Safety	23,589	6,628	-	30,217
Culture and Recreation: Park	1,074	-	-	1,074
Enterprise: Water & Sewer System	-	-	67,968	67,968
Capital Outlay	-	-	-	-
Loans Repaid:				
Principal	52,329	-	8,576	60,905
Interest	4,319	-	7,529	11,848
Total Cash Operating Disbursements	137,757	6,628	84,073	228,458
Excess (Deficiency) of receipts over disbursements	(36,645)	(1,679)	5,897	(32,427)
<b>OTHER CASH SOURCES (USES):</b>				
Loan Proceeds	42,150	-	0	42,150
Interfund Loans and Transfers	(445)	-	445	-
Total Other Cash Sources (Uses)	41,705	-	445	42,150
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	5,060	(1,679)	6,342	9,723
Cash Basis Fund Balance - Beginning of Year	3,945	11,468	44,052	59,465
Cash Basis Fund Balance - End of Year	\$ 9,005	\$ 9,789	\$ 50,394	\$ 69,188

See independent accountants' compilation report.

**TOWN OF MARIETTA, MISSISSIPPI**  
SELECTED INFORMATION-Substantially all disclosures required  
by generally accepted accounting principles are not included  
September 30, 2019

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

General Information

The Town operates under the mayor/board of alderman 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 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 - CASH ON DEPOSIT AND INVESTMENTS**

Cash on Deposit and on Hand

We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts with two exceptions and obtained confirmation of the related balances from the banks:

<u>BANK</u>	<u>TYPE OF ACCOUNT</u>	<u>FUND</u>	<u>BALANCE PER GENERAL LEDGER</u>
Cash on Hand			\$ 1,419
Farmers & Merchants Bank	Checking	General	5,700
Farmers & Merchants Bank	Checking	General-Municipality Grant	-
Farmers & Merchants Bank	Checking	General-Park	1,847
Farmers & Merchants Bank	Checking	General-DARE	<u>39</u>
TOTAL GENERAL FUND			\$ <u>9,005</u>
Farmers & Merchants Bank	Checking	Fire Protection	\$ <u>9,789</u>
TOTAL FIRE PROTECTION FUND			\$ <u>9,789</u>

**TOWN OF MARIETTA, MISSISSIPPI**  
 SELECTED INFORMATION-Substantially all disclosures required  
 by generally accepted accounting principles are not included  
 September 30, 2019

**NOTE C - CASH ON DEPOSIT AND INVESTMENTS - continued**

<u>TYPE OF BANK</u>	<u>ACCOUNT</u>	<u>FUND</u>	<u>BALANCE PER GENERAL LEDGER</u>
Cash on Hand			\$ 74
Farmers & Merchants Bank	Checking	Water & Sewer	19,692
Farmers & Merchants Bank	Savings	Water & Sewer Construction CD	2,654
Farmers & Merchants Bank	Savings	Water & Sewer Reserve Account	14,780
Farmers & Merchants Bank	Savings	Water & Sewer Reserve CD	<u>13,194</u>
TOTAL PROPRIETARY FUND			\$ <u>50,394</u>
TOTAL GOVERNMENTAL FUNDS			\$ <u>69,188</u>

Investments

Since the municipality held no securities for investment during the year, it was not necessary to perform any tests related to investment transactions for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).

**NOTE D - LONG-TERM DEBT**

The annual requirements to amortize all debt outstanding as of September 30, 2019, including interest of \$83,557 are as follows:

<u>Fiscal Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 58,989	\$ 10,933	\$ 69,922
2021	17,856	8,438	26,294
2022	18,392	7,902	26,294
2023	18,945	7,349	26,294
2024	19,519	6,775	26,294
2025-2029	72,583	25,532	98,115
2030-2034	51,956	13,809	65,765
2035-2038	<u>19,455</u>	<u>2,819</u>	<u>22,274</u>
	\$ <u>277,695</u>	\$ <u>83,557</u>	\$ <u>361,252</u>

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



**TOWN OF MARIETTA, MISSISSIPPI**  
**SCHEDULE OF INVESTMENTS**  
September 30, 2019

PROPRIETARY FUND TYPES

Water & Sewer - Certificate of Deposit	\$ 2,654
Water & Sewer - Certificate of Deposit	<u>13,194</u>
Total Proprietary Fund Types	<u>\$ 15,848</u>

See independent accountants' compilation report.

**TOWN OF MARIETTA, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS**  
September 30, 2019

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Darbi Burns	Town Clerk	CNA Surety	50,000
Michael Ramey	Chief of Police	CNA Surety	50,000
Angela Pounds	Judge	CNA Surety	5,000
Judy Ramey	Mayor	Mississippi Municipal Bond Program	25,000
Clint Burns	Alderman	Mississippi Municipal Bond Program	10,000
Rickey Stanley	Alderman	Mississippi Municipal Bond Program	10,000
Ronnie Livingston	Alderman	Mississippi Municipal Bond Program	10,000
Craig Pharr	Alderman	Mississippi Municipal Bond Program	10,000
Sarah Greene	Alderman	Mississippi Municipal Bond Program	10,000

See independent accountants' compilation report.

**TOWN OF MARIETTA, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
For the year ended September 30, 2019

<u>DEFINITION AND PURPOSE</u>	<u>BALANCE</u>		<u>TRANSACTIONS</u>		<u>BALANCE</u>
	<u>OUTSTANDING</u>		<u>DURING THE</u>		<u>OUTSTANDING</u>
	<u>October 1, 2018</u>		<u>FISCAL YEAR</u>		<u>September 30, 2019</u>
		<u>ISSUED</u>	<u>REDEEMED</u>		
Notes Payable:					
Farmers & Merchants Bank	\$ 41,650	\$ -	\$ 41,650	\$ -	
Farmers & Merchants Bank	-	42,150	402		41,748
Northeast MS PDD	70,457	-	8,049		62,408
Northeast MS PDD	23,036	-	2,228		20,808
Northeast MS PDD	8,952	-	866		8,086
Farmer's Home Administration-Water	1,573	-	1,573		-
Farmer's Home Administration	150,782	-	6,137		144,645
TOTAL	\$ 296,450	\$ 42,150	\$ 60,905	\$	277,695

See independent accountants' compilation report.

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Rudolph Franks, CPA (1933-2019)

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

Honorable Mayor and Board of Alderman  
Town of Marietta, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Marietta, Mississippi, for the year ended September 30, 2019, and have issued our report thereon dated March 8, 2021. 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 Mississippi 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 statement of cash receipts and disbursements disclosed the following material instances of noncompliance with state laws and regulations. Our findings are included in the Accountants' Report on Agreed-Upon Procedures under item 5.

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  
March 8, 2021

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## INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen  
Town of Marietta, Mississippi

We have performed the certain procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Marietta, Mississippi as of September 30, 2019, 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 Marietta's management is responsible for the Town's accounting records. 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.

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>
Cash on Hand	General	\$ 1,419
Farmers and Merchants	General	7,586
Farmers and Merchants	Fire Protection	<u>9,789</u>
Total Governmental Funds		\$ <u>18,794</u>
Cash on Hand	Water & Sewer	\$ 74
Farmers and Merchants	Water & Sewer	<u>50,320</u>
Total Proprietary Fund		\$ <u>50,394</u>

2. We performed the following procedures with respect to taxes on real and personal property 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 27-39-320 to 27-39-323, 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).

3. 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>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 53,576
Gasoline Tax	General Fund	784
TVA In Lieu	General Fund	4,198
Municipal Aid	General Fund	128
Homestead Exemption Reimb.	General Fund	2,201
Fire Protection Allocation	Fire Protection Fund	1,511

4. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for 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	25
Dollar Value of Sample	\$ 7,066

All purchases were within the requirements set forth in these guidelines (Title 31, Chapter 7, Miss. Code Ann.(1972)).

5. We were unable to test a sample collection of fines and forfeitures due to the client having no fines for the year ended September 30, 2019. Court fines and assessments are to be tested under Section 21-15-21, Miss. Code Ann. (1972) and Section 99-19-73 & 83-39-31 Miss. Code Ann. (1972).

We inquired with the City Clerk about the issuance of tickets within the year. There were no traffic, DUI, or Ordinance tickets issued within the audit year. We also reviewed the detailed general ledger for any fines and forfeitures, which revealed none had been paid for the audit year.

6. We have read the Municipal Compliance Questionnaire completed by the Town. The following response to the questionnaire or tests of compliance indicate the following noncompliance with state requirements:

The Town has performed an annual inventory of fixed assets and all assets that are required to be tagged have been tagged appropriately. Significant work has been done on the fixed asset inventory. However, a complete fixed asset inventory ledger has not been completed. Items missing from the ledger are: purchase dates of some assets and costs of some of the assets. (Section 7-7-211, Miss. Code Ann. (1972)).

The Town did approve claims and issue warrants in excess of budgeted amounts, resulting a budget overage in one department of the Town. (Section 21-35-17, Miss. Code Ann. (1972)).

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 the accounting records of the Town. 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 governing body of the Town of Marietta, Mississippi, and the Office of the State Auditor and is not intended to be and should not be used by anyone other than those specified parties. This report should not be associated with the financial statements of the Town of Marietta, Mississippi, for the year ended September 30, 2019.

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

Franks, Franks, Wilemon & Hagood, P.A.  
Tupelo, Mississippi  
March 8, 2021