

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.

FINANCIAL STATEMENT
TOWN OF MARIETTA, MISSISSIPPI
September 30, 2021

Franks, Franks, Wilemon & Hagood, P.A.
Certified Public Accountants

TABLE OF CONTENTS

Independent Accountants' Compilation Report.....	1
Statement of Cash Receipts and Disbursements - All Fund Types.....	2
Selected Information.....	3
Schedule of Investments	4
Schedule of Surety Bonds for Town Officials.....	5
Schedule of Long-Term Debt	6
Accountants' Report on Compliance with State Laws and Regulations.....	7
Independent Accountants' Report on Agreed-Upon Procedures	8

P.O. Box 731
Tupelo, MS 38802
(662) 844-5226

P.O. Box 355
Fulton, MS 38843
(662) 862-4967



Partners

Gary Franks, CPA

Bryon Wilemon, CPA

Jonathan Hagood, CPA

Rudolph Franks, CPA (1933-2019)

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, 2021, and the related notes to the financial statements 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 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 January 6, 2023, on the results of our agreed upon procedures.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P.A.
Tupelo, Mississippi
January 6, 2023

TOWN OF MARIETTA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS -
ALL FUND TYPES
For the year ended September 30, 2021

	Governmental Activities		Business-Type Activities	Totals
	General	Fire Protection Fund	Proprietary Fund	Government-Wide
RECEIPTS:				
General Property Taxes	\$ 17,337	\$ -	\$ -	\$ 17,337
Franchise Tax on Utilities	11,912	-	-	11,912
Natural Gas Tax	5,971	-	-	5,971
Intergovernmental Revenues:				
Homestead Exemption	2,377	-	-	2,377
Sales Tax	59,242	-	-	59,242
Gasoline Tax	784	-	-	784
Municipal Aid	128	-	-	128
TVA In Lieu Tax	4,441	-	-	4,441
Fire Protection	-	-	-	-
FEMA	5,996	-	-	5,996
American Rescue Plan Act	31,345	-	-	31,345
Modernization Funds	22,047	-	-	22,047
Charges for Services:				
Water & Sewer System	-	-	92,722	92,722
Miscellaneous Receipts:				
Park Donations	2,272	-	-	2,272
Fire Donations	-	3,477	-	3,477
Little League Registration	2,385	-	-	2,385
Privilege License	640	-	-	640
Interest Income	51	16	223	290
Other Income	718	-	-	718
Total Cash Receipts	\$ 167,646	\$ 3,493	\$ 92,945	\$ 264,084
DISBURSEMENTS:				
General Administration and Finance	\$ 81,451	\$ -	\$ -	\$ 81,451
Public Safety	22,191	1,339	-	23,530
Culture and Recreation: Park	1,966	-	-	1,966
Enterprise: Water & Sewer System	-	-	67,393	67,393
Capital Outlay	835	-	11,700	12,535
Loans Repaid:				
Principal	14,729	-	7,655	22,384
Interest	3,504	-	6,406	9,910
Total Cash Operating Disbursements	124,676	1,339	93,154	219,169
Excess (Deficiency) of receipts over disbursements	42,970	2,154	(209)	44,915
OTHER CASH SOURCES (USES):				
Loan Proceeds	-	-	-	-
Interfund Loans and Transfers	(11,676)	-	11,676	-
Total Other Cash Sources (Uses)	(11,676)	-	11,676	-
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	31,294	2,154	11,467	44,915
Cash Basis Fund Balance - Beginning of Year	21,237	9,247	59,439	89,923
Cash Basis Fund Balance - End of Year	\$ 52,531	\$ 11,401	\$ 70,906	\$ 134,838

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, 2021

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 - LONG-TERM DEBT

The annual requirements to amortize all debt outstanding as of September 30, 2021, including interest of \$73,822 are as follows:

<u>Fiscal Year Ended</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 22,719	\$ 9,575	\$ 32,294
2023	23,505	8,789	32,294
2024	24,324	7,970	32,294
2025	25,178	7,116	32,294
2026	26,896	6,228	33,124
2027-2031	60,834	21,239	82,073
2032-2036	<u>50,838</u>	<u>12,905</u>	<u>63,743</u>
	<u>\$ 234,294</u>	<u>\$ 73,822</u>	<u>\$ 308,116</u>

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

NOTE E - SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through January 6, 2023, the date of which the financial statement was available to be issued.

TOWN OF MARIETTA, MISSISSIPPI
SCHEDULE OF INVESTMENTS
September 30, 2021

PROPRIETARY FUND TYPES

Water & Sewer - Certificate of Deposit	\$ 2,654
Water & Sewer - Certificate of Deposit	<u>15,901</u>
Total Proprietary Fund Types	\$ <u><u>18,555</u></u>

See independent accountants' compilation report.

TOWN OF MARIETTA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
September 30, 2021

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
Lori Nix	Town Clerk	Travelers Insurance	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, 2021

DEFINITION AND PURPOSE	BALANCE OUTSTANDING	TRANSACTIONS DURING THE FISCAL YEAR		BALANCE OUTSTANDING
	October 1, 2020	ISSUED	REDEEMED	September 30, 2021
Notes Payable:				
Farmers & Merchants Bank	38,546	-	4,016	34,530
Northeast MS PDD	54,186	-	8,395	45,791
Northeast MS PDD	18,525	-	2,318	16,207
Northeast MS PDD	7,211	-	908	6,303
Farmer's Home Administration	138,210	-	6,747	131,463
TOTAL	\$ 256,678	\$ -	\$ 22,384	\$ 234,294

See independent accountants' compilation report.

P.O. Box 731
Tupelo, MS 38802
(662) 844-5226

P.O. Box 355
Fulton, MS 38843
(662) 862-4967



Partners

Gary Franks, CPA

Bryon Wilemon, CPA

Jonathan Hagood, CPA

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, 2021, and have issued our report thereon dated January 6, 2023. 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 finding is included in the Accountants' Report on Agreed-Upon Procedures under items 4 and 6.

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
January 6, 2023

P.O. Box 731
Tupelo, MS 38802
(662) 844-5226

P.O. Box 355
Fulton, MS 38843
(662) 862-4967



Partners

Gary Franks, CPA

Bryon Wilemon, CPA

Jonathan Hagood, CPA

Rudolph Franks, CPA (1933-2019)

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

Honorable Mayor and Board of Aldermen
Town of Marietta, Mississippi

We have applied the certain agreed-upon procedures as discussed below to the accounting records of the Town of Marietta, Mississippi as of September 30, 2021, 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. It is understood that the report is solely for the use of the governing body of the Town of Marietta, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. 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>
Farmers and Merchants	General	\$ 49,990
Farmers and Merchants	Fire Protection	<u>11,401</u>
Total Governmental Funds		<u>\$ 61,391</u>
Farmers and Merchants	Water & Sewer	<u>\$ 70,832</u>
Total Proprietary Fund		<u>\$ 70,832</u>

2. We performed the following procedures with respect to taxes on real and personal property (including motor vehicle) 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	\$ 59,242
Gasoline Tax	General Fund	784
TVA In Lieu	General Fund	4,441
Municipal Aid	General Fund	128
FEMA	General Fund	5,996
Homestead Exemption Reimb.	General Fund	2,377
Modernization Funds	General Fund	22,047
American Rescue Plan Act	General Fund	31,345

4. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated proper approval and 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	27
Dollar Value of Sample	\$ 29,863

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

The Town did not obtain competitive quotes or bids on one purchase from a vendor during the year as required by state statutes.

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, 2021. 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 fiscal year. We also reviewed the detailed general ledger for any fines and forfeitures, which revealed none had been paid for the fiscal 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)).

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. 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, 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. However, this report is a matter of public record, and its distribution is not limited. This report should not be associated with the financial statements of the Town of Marietta, Mississippi, for the year ended September 30, 2021.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P.A.
Tupelo, Mississippi
January 6, 2023