

## 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 STATEMENTS

Town of Tishomingo, Mississippi

For the Year Ended  
September 30, 2021

**TOWN OF TISHOMINGO, MISSISSIPPI**  
**TABLE OF CONTENTS**  
September 30, 2021

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Accountants' Compilation Report .....	1
Statement of Cash Receipts and Disbursements - All Fund Types.....	2
Selected Information .....	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 Applying Agreed-Upon Procedures .....	8

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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, 2021, 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 operation, economic, or historical context.

In accordance with provisions of section 21-35-31, Mississippi Code Annotated (1972), we have issued a report dated April 25, 2023, on the results of our agreed upon procedures.

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

Franks, Franks, Wilemon & Hagood, P. A.  
Tupelo, Mississippi  
April 25, 2023

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

	Governmental Activities		Business-Type Activities			Total
	General	Special Revenue Fund	Water Fund	Gas Fund	Garbage Fund	Government-wide
<b>RECEIPTS</b>						
Taxes						
General Property Taxes	\$ 73,635	\$ -	\$ -	\$ -	\$ -	73,635
TRHA In Lieu of Tax	630	-	-	-	-	630
Licenses and Permits						
Privilege Licenses	4,373	-	-	-	-	4,373
Franchise Charges - Utilities	9,013	-	-	-	-	9,013
Intergovernmental Revenues:						
Federal Revenues:						
Grant Income	23,600	-	-	49,600	-	73,200
State Shared Revenues:						
General Municipal Aid	169	-	-	-	-	169
Sales Tax	214,000	-	-	-	-	214,000
Modernization Use Tax	35,671	-	-	-	-	35,671
Gasoline Tax	1,038	-	-	-	-	1,038
TVA In Lieu of Tax	4,491	-	-	-	-	4,491
Homestead Exemption Reimbursement	5,998	-	-	-	-	5,998
ARPA Grant	-	43,760	-	-	-	43,760
MEMA Grant	7,940	-	-	-	-	7,940
BP Grant	-	50,000	-	-	-	50,000
CDBG Grant	-	-	4,000	-	-	4,000
County Shared Revenues:						
County Road Use Tax	18,867	-	-	-	-	18,867
Charges for Services:						
Water System	-	-	135,613	-	-	135,613
Natural Gas	-	-	-	321,639	-	321,639
Garbage	-	-	-	-	27,638	27,638
Fines and Forfeits	10,642	-	-	-	-	10,642
Miscellaneous Receipts:						
Interest Earned	3,289	1	-	1,155	-	4,445
Donations from Private Sources	-	-	-	-	-	-
Other Income	7,181	-	-	-	-	7,181
<b>Total Cash Receipts</b>	<b>\$ 437,975</b>	<b>\$ 93,761</b>	<b>\$ 139,613</b>	<b>\$ 372,394</b>	<b>\$ 27,638</b>	<b>\$ 1,071,381</b>
<b>DISBURSEMENTS</b>						
General Government:						
Executive	\$ 84,083	\$ -	\$ -	\$ -	\$ -	84,083
Judicial	14,448	-	-	-	-	14,448
Public Safety:						
Police	178,710	-	-	-	-	178,710
Fire	712	-	-	-	-	712
Public Works:						
Cemetery	-	-	-	-	-	-
Culture and Recreation:						
Park	580	-	-	-	-	580
Library	12,620	-	-	-	-	12,620
Clinic	15,502	-	-	-	-	15,502
Enterprise:						
Water	-	-	154,173	-	-	154,173
Gas	-	-	-	407,021	-	407,021
Garbage	-	-	-	-	24,285	24,285
<b>Total Cash Operating Disbursements</b>	<b>333,789</b>	<b>-</b>	<b>154,173</b>	<b>407,021</b>	<b>24,285</b>	<b>919,268</b>
Excess (Deficiency) of receipts over disbursements	\$ 104,186	\$ 93,761	\$ (14,560)	\$ (34,627)	\$ 3,353	\$ 152,113



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

	Governmental Activities		Activities			Total Government-wide
	General	Special Revenue Fund	Water Fund	Gas Fund	Garbage Fund	
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from Sale of Capital Assets	\$ 225	\$ -	\$ -	\$ -	\$ -	\$ 225
Principal Retirement	(8,607)	-	-	-	-	(8,607)
Transfers In	-	-	26,582	15,677	-	42,259
Transfers Out	(42,259)	-	-	-	-	(42,259)
 Total Other Financing Sources (Uses)	 (50,641)	 -	 26,582	 15,677	 -	 (8,382)
 Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	 53,545	 93,761	 12,022	 (18,950)	 3,353	 143,731
 CASH BASIS FUND BALANCE - BEGINNING OF YEAR	 174,154	 -	 -	 46,912	 30,852	 251,918
 PRIOR PERIOD ADJUSTMENT	 (21,556)	 -	 -	 -	 -	 (21,556)
 CASH BASIS FUND BALANCE - BEGINNING OF YEAR, AS RESTATED	 152,598	 -	 -	 46,912	 30,852	 230,362
 CASH BASIS FUND BALANCE - END OF YEAR	 \$ 206,143	 \$ 93,761	 \$ 12,022	 \$ 27,962	 \$ 34,205	 \$ 374,093

See accountants' compilation report

**Town of Tishomingo, 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 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 - PRIOR PERIOD ADJUSTMENT**

Prior period adjustments represent proper presentation of prior year cash.

**NOTE D - LONG-TERM DEBT**

The annual requirements to amortize all debt outstanding as of September 30, 2021, including interest payments of \$293 are as follows:

<u>Fiscal Year Ended</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 5,645	\$ 154	\$ 5,799
2023	5,702	98	5,800
2024	5,758	39	5,797
2025	967	2	969
2026	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 18,072</u>	<u>\$ 293</u>	<u>\$ 18,365</u>

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

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

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond</u>
James Tennyson	Mayor	Travelers Casualty & Surety	\$ 50,000
Kimberly Daily	City Clerk	Travelers Casualty & Surety	\$ 50,000
Shirley Turner	Utility Clerk	Western Surety Company	\$ 50,000
Michael Kemp	Police Chief	Travelers Casualty & Surety	\$ 50,000
Anne Taylor	Aldерwoman	Travelers Casualty & Surety	\$ 25,000
Barbara Oaks	Aldерwoman	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
Jamie Reynolds	Police Officer	Travelers Casualty & Surety	\$ 25,000
Terry Jackson	Police Officer	Western Surety Company	\$ 25,000
Albert Duckett	Police Officer	Travelers Casualty & Surety	\$ 25,000
Alvis Durham	Police Officer	Travelers Casualty & Surety	\$ 25,000
Donovan Cain	Police Officer	Travelers Casualty & Surety	\$ 25,000

See accountants' compilation report.



**TOWN OF TISHOMINGO, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
For the year ended September 30, 2021

<u>DEFINITION AND PURPOSE</u>	<u>BALANCE OUTSTANDING October 1, 2020</u>	<u>TRANSACTIONS DURING FISCAL YEAR REDEEMED</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED</u>	<u>BALANCE OUTSTANDING September 30, 2021</u>
Notes Payable:				
CSB- Capital Lease (5014)	\$ 3,017	\$ 3,017	\$ -	\$ -
Tishomingo County- CAP Loan	<u>23,662</u>	<u>5,590</u>	<u>-</u>	<u>18,072</u>
 TOTAL	 \$ <u>26,679</u>	 \$ <u>8,607</u>	 \$ <u>-</u>	 \$ <u>18,072</u>

See accountants' compilation report.

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**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, 2021, and have issued our report thereon dated April 25, 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 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.

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  
April 25, 2023

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**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, 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 Tishomingo'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>
BancorpSouth Bank	General Fund	\$ 176,522
BancorpSouth Bank	General Fund	26,143
BancorpSouth Bank	General Fund	566
BancorpSouth Bank	General Fund	1,309
BancorpSouth Bank	General Fund	1,603
BancorpSouth Bank	General Fund	-
Total General Fund		\$ <u>206,143</u>
BancorpSouth Bank	Special Revenue Fund	\$ 43,761
BancorpSouth Bank	Special Revenue Fund	<u>50,000</u>
Total Special Revenue Fund		\$ <u>93,761</u>
BancorpSouth Bank	Proprietary Fund	\$ 12,022
BancorpSouth Bank	Proprietary Fund	27,962
BancorpSouth Bank	Proprietary Fund	<u>34,205</u>
Total Proprietary Fund		\$ <u>74,189</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).

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 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 with no exceptions. Payments traced were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 214,000
Modernization Use Tax	General Fund	35,671
Homestead Exemption	General Fund	5,998
Gasoline Tax	General Fund	1,038
TVA In Lieu	General Fund	4,491
Municipal Aid	General Fund	169
MEMA Grant	General Fund	7,940
BP Grant	Special Revenue Fund	50,000
ARPA Grant	Special Revenue Fund	43,760
CDBG Grant	Water Fund	4,000

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	28
Total Dollar Value of Sample	\$ 118,450

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

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 and 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 engaged by the Town of Tishomingo, Mississippi, to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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.

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

This report is intended solely for the information and use of the governing body of the Town of Tishomingo, 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 Tishomingo, Mississippi, for the year ended September 30, 2021.

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

Franks, Franks, Wilemon & Hagood, P.A.  
Tupelo, Mississippi  
April 25, 2023