

## 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.

TOWN OF ASHLAND

FINANCIAL STATEMENT

ASHLAND, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2022

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# LINDSEY, DAVIS AND ASSOCIATES

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen  
Town of Ashland  
Ashland, MS 38603

Management is responsible for the accompanying financial statement of the Town of Ashland, Mississippi, which comprise the statement of cash receipts and disbursements (all funds) - cash basis as of September 30, 2022 and for the year then ended in accordance with the cash 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 financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on this financial statement.

The financial statement is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash 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.

### **Other Matters**

#### *Required Supplementary Information*

Management has omitted the management's discussion and analysis information that the Governmental Accounting Standards Board 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 7 and 8 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 required 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 (all funds)-cash basis is 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.

In accordance with the provisions of § 21-35-31, Miss. Code Ann. (1972), we have issued a report dated May 8, 2023 on the results of our agreed-upon procedures.

  
Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 8, 2023

TOWN OF ASHLAND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS  
YEAR ENDED SEPTEMBER 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
	GENERAL	GAS, SANITATION, SEWER AND WATER	2022	2021
RECEIPTS				
General Property Taxes	\$ 59,491	\$	\$ 59,491	\$ 58,337
Privilege Taxes	1,861		1,861	2,171
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	155,456		155,456	149,137
Gasoline Tax	1,693		1,693	1,743
Fire Protection	6,964		6,964	
Fire Premium Rebate	8,051		8,051	
Homestead Exemption	10,065		10,065	9,524
TVA in Lieu of Taxes	4,568		4,568	13,120
General Municipal Aid	284		284	284
Modernization Use Tax	51,950		51,950	37,304
ARPA Funds	63,797		63,797	63,797
Grant Funds				170,827
County Shared Revenue:				
Road Taxes	11,091		11,091	13,751
Fire Protection	20,328		20,328	
Charges for Services:				
Water Utilities		274,152	274,152	265,522
Sewer Utilities		75,436	75,436	65,123
Gas Utilities		598,702	598,702	449,040
Sanitation Collection Fees		38,169	38,169	38,530
Fines	11,721		11,721	7,692
Interest	1,036	1,377	2,413	3,175
Gross Receipts Tax	322		322	351
Miscellaneous	4,120	5,636	9,756	8,334
TOTAL RECEIPTS	412,798	993,472	1,406,270	1,357,762

See Accountant's Compilation Report

TOWN OF ASHLAND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS - CONT.  
YEAR ENDED SEPTEMBER 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
	GENERAL	GAS, SANITATION, SEWER AND WATER	2022	2021
DISBURSEMENTS				
General Government	\$ 230,694	\$ .	\$ 230,694	\$ 197,217
Public Safety:				
Police	53,051		53,051	51,763
Fire	17,167		17,167	11,801
Highways and Streets	47,819		47,819	50,350
Enterprise:				
Water Utilities		232,071	232,071	207,073
Sewer Utilities		68,057	68,057	31,672
Gas Utilities		560,978	560,978	360,172
Sanitation		33,076	33,076	36,005
TOTAL DISBURSEMENTS	<u>348,731</u>	<u>894,182</u>	<u>1,242,913</u>	<u>946,053</u>
OTHER SOURCES (USES)				
Interest on Bonds, Notes & Leases	(918)	(12,711)	(13,629)	(14,710)
Principal Payments	(4,466)	(32,020)	(36,486)	(35,405)
(Increase)/Decrease in Meter Deposits				
Investment in Fixed Assets	(277,223)	(1,580)	(278,803)	(55,774)
Transfers In (Out)	149,000	(149,000)		
TOTAL OTHER SOURCES (USES)	<u>(133,607)</u>	<u>(195,311)</u>	<u>(328,918)</u>	<u>(105,889)</u>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Uses	(69,540)	(96,021)	(165,561)	305,820
Cash Balance - Beginning of Year	<u>405,137</u>	<u>741,821</u>	<u>1,146,958</u>	<u>841,138</u>
Cash Balances - End of Year	<u>\$ 335,597</u>	<u>\$ 645,800</u>	<u>\$ 981,397</u>	<u>\$ 1,146,958</u>

See Accountant's Compilation Report

TOWN OF ASHLAND  
SCHEDULE OF LONG-TERM DEBT  
SEPTEMBER 30, 2022

	Balance Outstanding <u>Oct. 1, 2021</u>	Transactions During Fiscal Year		Balance Outstanding <u>Sept. 30, 2022</u>
		<u>Additions</u>	<u>Reductions</u>	
Rural Development	\$ 182,352	\$	\$ 15,839	\$ 166,513
State of Mississippi - SRF	220,776		16,181	204,595
MS Development Authority	47,846		4,466	43,380
Total	<u>\$ 450,974</u>	<u>\$</u>	<u>\$ 36,486</u>	<u>\$ 414,488</u>



TOWN OF ASHLAND  
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS  
 SEPTEMBER 30, 2022

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Mitchell Carroll	Mayor	USF&G	\$ 50,000
Trina Thompson	Town Clerk	USF&G	50,000
Margaret Faulkenbery	Deputy Clerk	USF&G	50,000
Sandra Gresham	Alderwoman	USF&G	25,000
Mark Ehrie	Alderman	USF&G	25,000
Greg Thompson	Alderman	USF&G	25,000
Brian Jeanes	Alderman	USF&G	25,000
Don Daniel	Alderman	USF&G	25,000
Randy Hobson	Police Chief	USF&G	50,000
Derek Hobson	Police Officer	USF&G	25,000

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## ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and Board of Aldermen  
Town of Ashland  
Ashland, MS 38603

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis, schedule of long-term debt, and schedule of surety bonds of the Town of Ashland, Mississippi, as of and for the year ended September 30, 2022, 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 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 these 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 (all funds)-cash basis, schedule of long-term debt, and schedule of surety bonds, for the Town of Ashland, Mississippi, for the year ended September 30, 2022 disclosed no material instances of noncompliance with the state laws and regulations.

This report is intended for the information of the Town of Ashland, 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.

  
Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 8, 2023

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen  
Town of Ashland  
Ashland, MS 38603

We have performed the procedures enumerated below on the cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire in accordance with the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated of the Town of Ashland for the year ended September 30, 2022. The Town of Ashland's management is responsible for the cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire in accordance with the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated.

The Mayor and Board of Aldermen of the Town of Ashland has agreed to acknowledge that the procedures performed are appropriate to meet the intended purpose of applying agreed-upon procedures required by the Office of the State Auditor of Mississippi. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### A. Cash

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 General Ledger</u>
Unity Bank of Mississippi	General	\$ 335,597
	Water	190,928
	Sewer	138,513
	Gas	264,405
	Sanitation	51,954

### B. Investments

We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Miss. Code Ann. (1972).

The Town of Ashland had the following securities held for investment at September 30, 2022:

Water and Sewer Revenue Fund .35% Certificate of Deposit, dated December 10, 2021, maturing on December 11, 2022	\$41,034
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C. Ad Valorem Taxes

We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

1. Verified use of certified county assessment rolls and traced levies to governing body minutes;
2. Examined uncollected taxes for proper handling, including tax sales;
3. Traced distribution of taxes collected to proper funds; and
4. Analyzed increase in taxes for the most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Mississippi Code, 1972, Annotated.

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Mississippi Code, 1972, Annotated.

D. State Receipts

We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the municipality. The payments were traced to deposits in the bank 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	\$ 155,456
Fire Protection Allocation	General	6,964
Gasoline Tax	General	1,693
Homestead Exemption	General	10,065
TVA in Lieu of Taxes	General	4,568
Municipal Aid	General	284
Modernization Use Tax	General	51,950
Grantor Payments	General	63,797

E. Disbursements

We selected a sample of purchases made by the municipality during the year. Each sample item was evaluated for compliance with public purchasing requirements set forth in Sections 31-7-1, 31-7-13, 31-7-49, and 33-7-57, Mississippi Code, 1972, Annotated, as applicable.

The sample consisted of the following:

Number of sample items	74
Dollar value of sample	\$ 711,133

We found the Town's purchasing procedures to be in compliance with the above sections.

F. State Court Fine Assessments

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.

G. Municipal Compliance Questionnaire

We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of non compliance with state requirements.

We were engaged by the Mayor and Board of Aldermen of the Town of Ashland 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 cash, investments, ad valorem taxes, state receipts, disbursements, state court fine assessments, and the municipal compliance questionnaire in accordance with the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated. 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 Ashland 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 information and use of the Mayor and Board of Aldermen of the Town of Ashland 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.

  
Lindsey, Davis and Associates  
Certified Public Accountants

Ripley, Mississippi  
May 8, 2023