

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 GLEN, MISSISSIPPI
COMPILATION REPORT
AND
REPORT ON AGREED-UPON PROCEDURES
SEPTEMBER 30, 2022**



Certified Public Accountants

TOWN OF GLEN, MISSISSIPPI
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September 30, 2022

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Honorable Mayor and Board of Alderpersons of the
Town of Glen, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities of the Town of Glen, Mississippi for the year ended September 30, 2022, and the related notes to the financial statement 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 Statement of Cash Receipts and Disbursements – Governmental Activities 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 the Statement of Cash Receipts and Disbursements – Governmental Activities.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The Statement of Cash Receipts and Disbursements – Governmental Activities 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.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statement. Such missing information, although not part of the basic financial statement, 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 operational, economic, or historical context.

Supplementary Information

The supplementary information contained in pages 8 through 12 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.

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Sheffield, Alabama
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Booneville, Mississippi
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Corinth, Mississippi
Phone: (662) 286-7082

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Phone: (662) 423-5057

Other Information

The Statement of Cash Receipts and Disbursements – Governmental Activities and related notes to financial statement are 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 August 31, 2023 on the results of our agreed-upon procedures.

The Sparks CPA Firm, P.C.

The Sparks CPA Firm, P.C.
Certified Public Accountants
Iuka, Mississippi
August 31, 2023

BASIC FINANCIAL STATEMENT

TOWN OF GLEN, MISSISSIPPI
Statement of Cash Receipts and Disbursements -
Governmental Activities
For the Year Ended September 30, 2022

	<u>Governmental Activities</u>
	<u>General</u>
	<u>Fund</u>
RECEIPTS	
ACE Power Assn	\$ (6,304)
Privilege License	(260)
Miscellaneous Receipts	(24,016)
Intergovernmental Revenues:	
MS Code	205
State Shared Revenues:	
Sales taxes	(82,876)
Railcar Tax	(29,341)
Fire Insurance Rebate	(4,828)
Municipal Aide	(3,567)
Federal Revenue:	
CDBG Grant	176,349
Total Receipts	<u>25,363</u>
DISBURSEMENTS	
General Government	(68,787)
CDBG Grant Disbursement	125,459
Total Disbursements	<u>56,672</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,309)</u>
CASH BALANCE - BEGINNING OF YEAR	303,290
CASH BALANCE - END OF YEAR	<u>\$ 271,981</u>

See accompanying notes and independent accountants' compilation report.

TOWN OF GLEN, MISSISSIPPI
Notes to Financial Statement
September 30, 2022

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The financial statement of the Town consists of all the funds of the Town.

The Citizens of Glen have elected to operate under a Code Charter as permitted by Mississippi Statute 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic – but not only – criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no includable or excludable potential component units.

Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into one generic fund type and one broad fund categories as follows:

TOWN OF GLEN, MISSISSIPPI
Notes to Financial Statement
September 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued):

Governmental Funds:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Town uses the cash basis of accounting as prescribed by the Mississippi Office of the State Auditor.

In the fund financial statements, governmental activities are presented using the cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures/expenses when they result from cash transactions with a provision for depreciation in the proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the Town utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Under the modified accrual basis revenues are recognized when measurable and available. Measurable means, being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Under the accrual basis revenues are recognized when earned. Expenses (including depreciation and amortization) are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place.



TOWN OF GLEN, MISSISSIPPI
Notes to Financial Statement
September 30, 2022

Note 2: 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.

SUPPLEMENTARY INFORMATION

TOWN OF GLEN, MISSISSIPPI
Schedule of Investments
September 30, 2022

The Town of Glen did not have any investments during the fiscal year.

See accompanying notes and independent accountants' compilation report.

TOWN OF GLEN, MISSISSIPPI
Schedule of Capital Assets
September 30, 2022

The Town of Glen did not account for capital assets during the fiscal year.

See accompanying notes and independent accountants' compilation report.

TOWN OF GLEN, MISSISSIPPI
Schedule of Long-Term Debt
September 30, 2022

The Town of Glen did not have any long-term debt during the fiscal year.

See accompanying notes and independent accountants' compilation report.

TOWN OF GLEN, MISSISSIPPI
Schedule of Surety Bonds for Municipal Officials
September 30, 2022

Name	Position	Surety	Amount
David J. Derrick	Mayor	Travelers Casualty & Surety Company of America	\$ 25,000
Lynn Fielding	Town Clerk	Fidelity and Deposit Company of Maryland	\$ 50,000
James A. White	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Frances J. Null	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Ruth V. Sellers	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Shirley D. Tutor	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Bryan O. White	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000

See accompanying notes and independent accountants' compilation report.

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
STATE LAWS AND REGULATIONS**



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**INDEPENDENT ACCOUNTANT'S REPORT ON
COMPLIANCE WITH STATE LAWS AND REGULATIONS**

To the Honorable Mayor and Board of Aldermen
and Office of the State Auditor, State of Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Municipal Officials, of the Town of Glen, 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 accounting principles generally accepted 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 items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Municipal Officials of the Town of Glen, Mississippi, for the year ended September 30, 2022 disclosed no material instances of noncompliance with state laws and regulations.

This report is intended solely for the information and use of 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.

The Sparks CPA Firm, P.C.

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Certified Public Accountants
Iuka, Mississippi
August 31, 2023

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SPECIAL REPORT



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Board of Aldermen of the
Town of Glen, 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 Glen, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Glen, Mississippi's compliance with certain laws and regulations as of September 30, 2022, and for the year then ended. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation 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 bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank. No exceptions were noted.

Bank	Fund	Balance per Bank	Balance per General Ledger
Renasant Bank	General Fund	\$ 429,037	430,893
Total All Funds		\$ 429,037	430,893

2. The Town held no securities for investment for the year ended September 30, 2022.
3. The Town collected no taxes on real or personal property (including motor vehicles) during the year ended September 30, 2022.
4. We obtained a statement of payments made by the Department of Finance and Administration to the Town. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

Muscle Shoals, Alabama
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Corinth, Mississippi
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Iuka, Mississippi
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Payment Purpose	Receiving Fund	General Ledger Amount
General Municipal Aid	General	\$ 205
Sales Tax Allocation	General	82,876
CDBG Grant	General	176,349
TVA Payments in Lieu of Taxes	General	2,412
Gasoline Tax	General	1,155
Fire Protection Allocation	General	4,828
	Total	\$ 267,825

5. We selected a sample of purchases made by the Town 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), as applicable.

The sample consisted of the following:

Number of Sample Items	25
Total Dollar Value of Sample	\$8,513

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

6. The Town collected no fines or forfeitures during the year ended September 30, 2022.
7. We have read the Municipality's Compliance Questionnaire completed by the Town. We did not find any noncompliance.
8. We performed procedures to test compliance with certain other state laws and regulations, specifically relating to budgeting, vehicle markings, surety bonds, transfer payments, depositories, investments, debt issuance, privilege taxes, and capital assets. We did not find any noncompliance.

We were not engaged to and did not conduct an examination or review, 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 is intended solely for the use of the Office of the State Auditor, State of Mississippi and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited

The Sparks CPA Firm, P.C.

The Sparks CPA Firm, P.C.
 Certified Public Accountants
 Iuka, Mississippi
 August 31, 2023