

## 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 MEADVILLE, MISSISSIPPI**

**FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen  
Town of Meadville, Mississippi

Management is responsible for the accompanying financial statements of the Town of Meadville, Mississippi for the year ended September 30, 2022, as listed in the Table of Contents, in accordance with accounting principles generally accepted in the United States of America. I 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. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially disclosures required by accounting principles generally accepted in the United States of America, including a statement of cash flows for proprietary funds. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management is also responsible for the Schedules as listed in the Table of Contents as required by the Mississippi Office of State Auditor. I compiled this information from information provided by management but did not audit or review this supplementary information and do not express an opinion, a conclusion, or provide any assurance on the information.



CERTIFIED PUBLIC ACCOUNTANT

Bernell McGehee, CPA  
Liberty, Mississippi

October 28, 2022

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

<u>Assets</u>	<u>Governmental Fund Types</u>	<u>Proprietary Fund Types</u>	<u>Total Memorandum Only</u>	
			<u>2022</u>	<u>2021</u>
Cash	\$553,349	\$428,221	\$981,570	\$918,269
Cash-Reserved	167,280	19,700	186,980	179,158
Accounts Receivable		22,706	22,706	23,704
Due from Water & Sewer	24,121		24,121	35,114
Fixed assets (net of accumulated depreciation)		173,386	173,386	180,015
<b>Total Assets</b>	<b>\$744,750</b>	<b>\$644,013</b>	<b>\$1,388,763</b>	<b>\$1,336,260</b>
 <b><u>Liabilities and Fund Equity</u></b>				
Accounts Payable	\$21,272	\$7,565	28,837	\$40,224
Due to General Fund		24,121	24,121	35,114
Notes Payable		69,526	69,526	114,023
Customer deposits		19,700	19,700	19,010
<b>Total Liabilities</b>	<b>\$21,272</b>	<b>\$120,912</b>	<b>\$142,184</b>	<b>\$208,371</b>
Retained Earnings:				
Unreserved		\$523,101	\$523,101	\$534,026
Fund balance:				
Unreserved	551,337		551,337	433,715
Reserved - Fire Funds	167,280		167,280	155,299
Reserved - unemployment benefits	4,861		4,861	4,849
<b>Total Fund Equity</b>	<b>\$723,478</b>	<b>\$523,101</b>	<b>\$1,246,579</b>	<b>\$1,127,889</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$744,750</b>	<b>\$644,013</b>	<b>\$1,388,763</b>	<b>\$1,336,260</b>

The accompanying compilation report is an integral part of this balance sheet.

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

	<u>2022</u>	<u>2021</u>
Revenue:		
Ad valorem	\$ 147,355	\$147,473
Licenses and Permits	33,455	28,725
Intergovernmental	447,212	269,998
Fines and Forfeits	6,151	6,342
Interest	1,655	2,379
Other	<u>65,632</u>	<u>18,628</u>
Total Revenue	<u>\$ 701,460</u>	<u>\$473,545</u>
Expenditures:		
General government	\$ 341,102	\$149,376
Public safety	99,821	150,684
Streets	<u>130,922</u>	<u>138,255</u>
Total Expenditures	<u>\$ 571,845</u>	<u>\$438,315</u>
Excess (deficiency) of revenues over expenditures	\$ 129,615	\$ 35,230
Fund balance at beginning of year	<u>593,863</u>	<u>558,633</u>
Fund balance at end of year	<u>\$ 723,478</u>	<u>\$593,863</u>

The accompanying compilation report is an integral part of this financial statement

**TOWN OF MEADVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**RETAINED EARNINGS -- ALL PROPRIETARY FUND TYPES**  
**(UNAUDITED)**  
**YEAR ENDED SEPTEMBER 30**

	<u>WATER</u>	<u>SEWER</u>	<u>TOTALS</u>	
			<u>2022</u>	<u>2021</u>
Operating revenues:				
Charges for services	\$ 174,806	\$ 96,641	\$ 271,447	\$ 257,254
Operating expenses:				
Personal services	32,415	32,782	65,197	62,650
Supplies	9,080	11,159	20,239	24,449
Other services and charges	152,249	46,948	199,197	105,200
Depreciation	<u>31,499</u>	<u>20,220</u>	<u>51,719</u>	<u>45,278</u>
Total operating expenses	<u>225,243</u>	<u>111,109</u>	<u>336,352</u>	<u>237,577</u>
Operating income	<u>(50,437)</u>	<u>(14,468)</u>	<u>(64,905)</u>	<u>19,677</u>
Non-operating revenues (expenses):				
ARPA Funds	51,750	-	51,750	51,750
Interest - net	2,228	-	2,228	(643)
Transfers in (out)	<u>(14,468)</u>	<u>14,468</u>	<u>-</u>	<u>-</u>
Total non-operating revenue (expense)	39,510	14,468	53,978	51,107
Net income (loss)	<u>(10,927)</u>	<u>-</u>	<u>(10,927)</u>	<u>70,784</u>
Retained earnings, beginning of year	<u>534,028</u>	<u>-</u>	<u>534,028</u>	<u>463,244</u>
Retained earnings, end of year	<u>\$ 523,101</u>	<u>\$ -</u>	<u>\$ 523,101</u>	<u>\$ 534,028</u>

The accompanying compilation report is an integral part of this financial statement



**TOWN OF MEADVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**Note A: Summary of Significant Accounting Policies**

**General Information**

The town operates under the Mayor/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 is prepared on an accrual basis.

**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.



TOWN OF MEADVILLE, MISSISSIPPI  
STATEMENT OF LONG-TERM DEBT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>DEFINITION AND PURPOSE OF DEBT</u>	<u>BALANCE OUTSTANDING 10/01/2018</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED      REDEEMED</u>	<u>BALANCE OUTSTANDING 09/30/2019</u>
State of Mississippi - Dept. of Environmental Quality Water Pollution Control Emergency Loan Fund 2013 Sewer Lift Station	32,340	-      20,187	12,153
US Department of Agriculture Rural Development	<u>81,681</u>	<u>-      24,308</u>	<u>57,373</u>
Total Long Term Debt	<u>\$      114,021</u>	<u>\$      -      44,495</u>	<u>\$      69,526</u>
Population - 2010 Census	448		

**TOWN OF MEADVILLE, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICERS  
YEAR ENDED SEPTEMBER 30, 2022**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Lane B Reed	Mayor	FCCI Insurance Group	\$50,000
Kay Scott	Alderman	FCCI Insurance Group	\$6,000
William D. Scarbrough	Alderman	FCCI Insurance Group	\$6,000
Joshua Scott	Alderman	FCCI Insurance Group	\$6,000
Arthur B. Jones	Alderman	FCCI Insurance Group	\$6,000
Charles Calcote	Alderman	FCCI Insurance Group	\$6,000
Leslie Thompson	Clerk	Travelers	\$50,000
Vanessa Walker	Asst Clerk	FCCI Insurance Group	\$50,000
Melissa West	Asst Clerk	Travelers	\$50,000
Taylor McMinn	Police Chief	Travelers	\$50,000

**BERNELL McGEHEE, CPA**  
**P. O. BOX 410**  
**LIBERTY, MISSISSIPPI 39645**

Mayor and Board of Aldermen  
Meadville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Meadville, Mississippi as of September 30, 2022 and for the year then ended, as required by the office of the State Auditor. This is solely for the use of the governing body of the Town of Meadville, Mississippi, and the office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. My procedures and findings are as follows:

1. I reconciled cash on deposit with the following banks to balances in the respective fund accounts and obtained confirmation of the related balances from the banks.

<u>BANK</u>	<u>ACCOUNT NAME</u>	<u>BALANCE PER GENERAL LEDGER</u>	
Bank of Franklin	General	\$ 461,353	
Bank of Franklin	Fire Funds	162,419	
Bank of Franklin	Clearing Accounts	34,919	
Bank of Franklin	Employment Insurance Reserve	4,861	
United MS Bank	Certificates of Deposit	57,077	720,629
Bank of Franklin	Water and Sewer Fund	369,075	
Bank of Franklin	Certificates of Deposit	62,476	
United MS Bank	Certificates of Deposit	16,370	447,921
Total			<u>1,168,550</u>

2. As of September 30, 2022 the town held no investment securities.
3. I 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.
  - 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).

Note that the Town of Meadville contracts with Franklin County, Mississippi to collect property taxes on its behalf.

4. I obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposit in banks and recording in the general fund, except one.

#### PAYMENTS TO THE TOWN OF MEADVILLE

<u>PAYMENT PURPOSE</u>	<u>FUND</u>	<u>AMOUNT</u>
Sales Tax	General	\$ 133,460
Internet Sales Tax	General	48,730
Grand Gulf Nuclear Plant	General	7,827
Homestead Exemption Reimbursement	General	7,364
Other Aid (Loans, included)	General	14,248
Police Grants	General	9,499
America Rescue Plan Act	General	51,750
Small Municipalities Grant	General	139,613
		\$ 412,491

5. I 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 Mississippi Code Ann. (1972) if applicable.

The sample consisted of the following:

Number of sample items	8
Dollar value of sample	\$353,645

I found the town's purchasing procedures to be in compliance with the requirements of the above mentioned sections.

6. 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.
7. I have read the Municipal Compliance questionnaire completed by the Town and found noncompliance with Part I-General, Item #6. Code Sections 21-17-5 requires aldermen to have bonds equal to 5% "of the sum of all the municipal taxes shown by the assessment rolls and levies to have been collectible in the municipality for the immediately preceding year." By my calculations bonds should have been approximately \$7,400 but the bonds were \$6,000.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, I do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe that the specified accounts or items should be adjusted. Had I performed additional procedures or had I conducted an audit on the financial statements in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Meadville, taken as a whole.

  
CERTIFIED PUBLIC ACCOUNTANT

October 28, 2022