

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, 2023

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CONTENTS

	<u>PAGE</u>
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT.....	3-4
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)-CASH BASIS.....	5-6
SUPPLEMENTARY INFORMATION:	
SCHEDULE OF LONG-TERM DEBT.....	7
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS.....	8
ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS.....	9
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES.....	10-12

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LINDSEY, DAVIS AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 146

1122 CITY AVE. NORTH

RIPLEY, MS 38663

TELEPHONE 662-837-3295

FAX # 662-837-6081

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

STOCKHOLDERS
DEAN CAVINESS, CPA
STEPHANIE CLIFTON, CPA
SHONDA DAVIS

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, 2023 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 February 22, 2024 on the results of our agreed-upon procedures.


Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
February 22, 2024

TOWN OF ASHLAND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS
 YEAR ENDED SEPTEMBER 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
	GENERAL	GAS, SANITATION, SEWER AND WATER	2023	2022
RECEIPTS				
General Property Taxes	\$ 53,738	\$	\$ 53,738	\$ 59,491
Privilege Taxes	2,122		2,122	1,861
Intergovernmental Revenues:				
State Shared Revenue:				
Sales Tax	176,208		176,208	155,456
Gasoline Tax	1,687		1,687	1,693
Fire Protection	9,084		9,084	6,964
Fire Premium Rebate	8,786		8,786	8,051
Homestead Exemption	12,035		12,035	10,065
TVA in Lieu of Taxes	4,416		4,416	4,568
General Municipal Aid	275		275	284
Modernization Use Tax	62,856		62,856	51,950
ARPA Funds				63,797
County Shared Revenue:				
Road Taxes	10,816		10,816	11,091
Fire Protection				20,328
Charges for Services:				
Water Utilities		288,992	288,992	274,152
Sewer Utilities		80,214	80,214	75,436
Gas Utilities		537,933	537,933	598,702
Sanitation Collection Fees		37,883	37,883	38,169
Fines	12,158		12,158	11,721
Interest	2,869	6,464	9,333	2,413
Gross Receipts Tax	313		313	322
Transfers In	74,000		74,000	
Miscellaneous	6,096	804	6,900	9,756
TOTAL RECEIPTS	437,459	952,290	1,389,749	1,406,270

See Accountant's Compilation Report

TOWN OF ASHLAND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS) - CASH BASIS - CONT.
YEAR ENDED SEPTEMBER 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
	GENERAL	GAS, SANITATION, SEWER AND WATER	2023	2022
DISBURSEMENTS				
General Government	\$ 231,118	\$	\$ 231,118	\$ 230,694
Public Safety:				
Police	54,844		54,844	53,051
Fire	15,312		15,312	17,167
Highways and Streets	33,157		33,157	47,819
Enterprise:				
Water Utilities		206,871	206,871	232,071
Sewer Utilities		36,002	36,002	68,057
Gas Utilities		517,329	517,329	560,978
Sanitation		33,000	33,000	33,076
TOTAL DISBURSEMENTS	<u>334,431</u>	<u>793,202</u>	<u>1,127,633</u>	<u>1,242,913</u>
OTHER SOURCES (USES)				
Interest on Bonds, Notes & Leases	(838)	(11,593)	(12,431)	(13,629)
Principal Payments	(4,556)	(33,138)	(37,694)	(36,486)
(Increase)/Decrease in Meter Deposits				
Investment in Fixed Assets	(24,734)	(12,900)	(37,634)	(278,803)
Transfers In (Out)		(74,000)	(74,000)	
TOTAL OTHER SOURCES (USES)	<u>(30,128)</u>	<u>(131,631)</u>	<u>(161,759)</u>	<u>(328,918)</u>
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Uses	72,900	27,457	100,357	(165,561)
Cash Balance - Beginning of Year	<u>335,661</u>	<u>645,800</u>	<u>981,461</u>	<u>1,146,958</u>
Cash Balances - End of Year	<u>\$ 408,561</u>	<u>\$ 673,257</u>	<u>\$ 1,081,818</u>	<u>\$ 981,397</u>

See Accountant's Compilation Report

TOWN OF ASHLAND
SCHEDULE OF LONG-TERM DEBT
YEAR ENDED SEPTEMBER 30, 2023

	Balance Outstanding Oct. 1, 2022	Transactions During Fiscal Year		Balance Outstanding Sept. 30, 2023
		Additions	Reductions	
Rural Development	\$ 166,513	\$	\$ 16,673	\$ 149,840
State of Mississippi - SRF	204,595		16,467	188,128
MS Development Authority	43,380		4,557	38,823
Total	<u>\$ 414,488</u>	<u>\$</u>	<u>\$ 37,697</u>	<u>\$ 376,791</u>

TOWN OF ASHLAND
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
YEAR ENDED SEPTEMBER 30, 2023

<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, 2023, 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, 2023 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
February 22, 2024

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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, 2023. 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	\$ 408,571
	Water	260,706
	Sewer	113,902
	Gas	246,660
	Sanitation	51,989

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, 2023:

Water and Sewer Revenue Fund 2.75% Certificate of Deposit, dated December 11, 2022, maturing on December 11, 2023	\$41,178
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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	\$ 176,208
Fire Protection Allocation	General	9,084
Gasoline Tax	General	1,687
Homestead Exemption	General	12,035
TVA in Lieu of Taxes	General	4,416
Municipal Aid	General	275
Modernization Use Tax	General	62,856

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
February 22, 2024