

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.

CITY OF ROLLING FORK, MISSISSIPPI

COMPILATION REPORT
June 30, 2020

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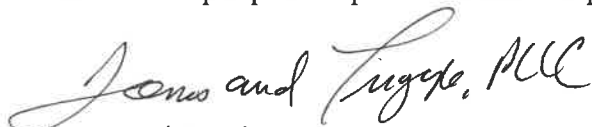
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ACCOUNTANTS' REPORT

To the Board of Directors
of the City of Rolling Fork, Mississippi

Management is responsible for the accompanying financial statements of the City of Rolling Fork, Mississippi which comprise the balance sheet as of September 30, 2020, and the related statement of cash receipts and disbursements for the year then ended, and the related notes to the financial statements in accordance with the cash basis of accounting, described in Note A. 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 statements 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 these financial statements.

A statement of cash flows for the year ended September 30, 2020, has not been presented. Accounting principles generally accepted in the United States of America requires that such a statement be presented when financial statements purport to present financial position and results of operations.



Jones and Tuggle, PLLC
Memphis, TN

April 25, 2024

JONES &
TUGGLE

BALANCE SHEET*September 30, 2020*

	<u>GENERAL FUND</u>	<u>WATER AND SEWER</u>	<u>TOTAL</u>
ASSETS			
Current Assets:			
Cash	\$ 125,815	\$ 43,899	\$ 169,714
Certificate of Deposit	-	485,940	485,940
Due From W/S Fund	89,231	-	89,231
Due From Other Funds	<u>1,225,587</u>	<u>56,577</u>	<u>1,282,164</u>
Total Current Assets	<u>\$ 1,440,633</u>	<u>\$ 586,416</u>	<u>\$ 2,027,049</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable	\$ 172,417	\$ 13,007	\$ 185,424
Contract Payable	9,071	-	9,071
Due to Other Funds	703,096	295,042	998,138
Sales Tax Payable	33,007	-	33,007
Customer Deposits	-	16,308	16,308
Other Payable	<u>9,305</u>	<u>-</u>	<u>9,305</u>
Total Current Liabilities	926,896	324,357	1,251,253
Long-Term Debt			
General Obligation Bond	1,000,000	-	1,000,000
USDA Water System Revenue Bond	<u>-</u>	<u>915,159</u>	<u>915,159</u>
Total Long-Term Debt	1,000,000	915,159	1,915,159
Net Assets			
Net Assets Without Donor Restrictions	(486,263)	(703,100)	(1,189,363)
Net Assets With Donor Restrictions	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Total Net Assets	<u>(486,263)</u>	<u>(653,100)</u>	<u>(1,139,363)</u>
Total Liabilities and Net Assets	<u>\$ 1,440,633</u>	<u>\$ 586,416</u>	<u>\$ 2,027,049</u>

STATEMENT OF CASH RECEIPTS AND DISBURSEMENT**Government and Business-type Activities****For the Year Ended September 30, 2020**

	GOVERNMENTAL FUNDS					Priortrary Fund	Total
	General Fund	Fire Protection	Other Govenmental Funds	G.O. Bond Fund	Total	Water and Sewer	
Receipts:							
Taxes:							
Property taxes	456,621	-	-	60,638	517,259	-	517,259
Automobile taxes	155,888	-	-	-	155,888	-	155,888
Penalty and Interest	13,834	-	-	-	13,834	-	13,834
Utility tax	48,041	-	-	4,947	52,988	-	52,988
Road and Bridge tax	29,388	-	-	-	29,388	-	29,388
In-Lieu-of-taxes	19,804	-	-	-	19,804	-	19,804
Licenses and Permits	14,903	-	-	-	14,903	-	14,903
Intergovernmental Revenue						-	
General Municipal Aid	6,563	-	-	-	6,563	-	6,563
State Shared Revenue					-	3,247	3,247
Sales taxes	401,073	-	-	-	401,073	-	401,073
Gas Tax	4,980	-	-	-	4,980	-	4,980
Homestead Reimbursement	39,443	-	-	-	39,443	-	39,443
Liquor Privelege tax	-	-	-	-	-	-	-
State Fire Rebate and Fire Protection		-	-	-	-	-	-
Police Grant		-	-	-	-	-	-
MEA Drainage Grant	88,998	-	-	-	88,998	-	88,998
County Fire Rebate		17,607	-	-	17,607	-	17,607
County Recreation		-	-	-	-	-	-
Charges for Services							
Water and Sewer Receipts		-	-	-	-	482,381	482,381
Swimming Receipts		-	165	-	165	-	165
Franchise Utilities	51,652	-	-	-	51,652	-	51,652
Rental Income and Leases	14,400	-	-	-	14,400	-	14,400
Miscellaneous Revenue	133,634	-	833	-	134,467	18,759	153,226
Total Receipts	1,479,222	17,607	998	65,585	1,563,412	504,387	2,067,799

STATEMENT OF CASH RECEIPTS AND DISBURSEMENT (Continued)

CITY OF ROLLING FORK, MISSISSIPPI

*Government and Business-type Activities
For the Year Ended September 30, 2020*

	GOVERNMENTAL FUNDS					Priortrary Fund	Total
	General Fund	Fire Protection	Other Govenmental Funds	G.O. Bond Fund	Total	Water and Sewer	
Disbursements:							
General Government:	494,330	-	-	-	494,330	-	494,330
Public Safety			-	-			
Police	588,016	-	-	-	588,016	-	588,016
Fire	10,779	-	-	-	10,779	-	10,779
Public Works							
Streets	350,990	-	-	-	350,990	-	350,990
Health and Walefare							
Public Health	18,755	-	-	-	18,755	-	18,755
Culture and Recreation							
Park	-	-	26,078	-	26,078	-	26,078
Library	-	-	26,357	-	26,357	-	26,357
Vistor Center	-	-	-	-	-	-	-
Enterprise							
Water and Sewer	-	-	-	-	-	531,043	531,043
Capital Projects	-	24,501	-	-	24,501	-	24,501
Debt Service Payment	-	-	-	69,731	69,731	-	69,731
Total Disbursement	<u>1,462,870</u>	<u>24,501</u>	<u>52,435</u>	<u>69,731</u>	<u>1,609,537</u>	<u>531,043</u>	<u>2,140,580</u>
Excess (deficiency) Revenue Over Exexpense	16,352	(6,894)	(51,437)	(4,146)	(46,125)	(26,656)	(72,781)
Cash Balances at Beginning of Year-Reallocated	755,209	127,326	(638,933)	(39,109)	204,493	46,941	251,434
Cash Balance Adjustments	(26,339)	-	(6,214)	-	(32,553)	23,614	(8,939)
Cash Balance at End of Year	<u>\$ 745,222</u>	<u>\$ 120,432</u>	<u>\$ (696,584)</u>	<u>\$ (43,255)</u>	<u>\$ 125,815</u>	<u>\$ 43,899</u>	<u>\$ 169,714</u>

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended September 30, 2020

Note A: Summary of Significant Accounting Policies

General Information

The City of Rolling Fork operates under the Mayor-Board of Aldermen form of government and provides services as authorized by law. City's population on the 2010 census was 2,143. The accounting policies of the City of Rolling Fork conform to the laws of Mississippi for a municipality with a population of less than 3,000. The following is a summary of the more significant policies.

Reporting Entity

The financial statement of the City consists of all the funds of the City. There are no component units or related organizations included in the statement as they do not fit the criteria for such inclusion.

Fund Accounting

The accounts of the City are organized on the basis of the funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on the cash 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. Cash receipts and disbursements is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

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: Defined Benefit Pension Plan

Plan Description

City of Rolling Fork contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended September 30, 2020

Note C: Defined Benefit Pension Plan (Continued)

Plan Description (Continue)

be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

Funding Policy

At September 30, 2020, PERS members were required to contribute 9% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The rate at September 30, 2020 was 15.75% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The City's contributions (employer share only) to PERS for the years ending September 30, 2020, 2019, and 2018, were \$75,029, \$32,505 and \$118,594 respectively, equal to the required contributions for each year.

Note D: Contingencies

Litigation - The City is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the City with respect to the various proceedings. However, the City's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the City.

Note E: Economic Dependency

The City is a rural community located in the Mississippi Delta. It is dependent on property taxes and user fees from its residents to sustain its viability.

Note F: Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued.

CITY OF ROLLING FORK, MISSISSIPPI

SCHEDULE OF INVESTMENTS – ALL FUNDS

September 30, 2020

UNAUDITED

<u>Fund</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Acquisiton Date</u>	<u>Maturity Date</u>	<u>Other Information</u>	<u>Investment Cost Value</u>
Water and Sewer Fund	CD	0.65%	7/26/2016	1/20/2020	Bank of Anquilla	<u>\$ 472,990</u>

*SCHEDULE OF CHANGES IN LONG-TERM DEBT**For the Year Ended September 30, 2020**The following is a summary of changes in long-term liabilities and obligations for the year ended September 30, 2020:*

<u>Description and Purpose</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance 10/1/2019</u>	<u>Principle Payment</u>	<u>Balance 9/30/2020</u>
General Obligation Bond Series 2015 \$1.1 millino	9/29/2015	4/1/2045	3.00%	\$ 1,000,000	\$ -	\$ 1,000,000
Revenue Bond: USDA Water System Revenue Bond	6/5/2009	8/7/2046	3.00%	<u>915,159</u>	<u>21,096</u>	<u>894,063</u>
Total				<u>\$ 1,915,159</u>	<u>\$ 21,096</u>	<u>\$ 1,894,063</u>

The accompanying notes to the Other Information are an integral part of this schedule.

SCHEDULE OF CAPITAL ASSETS

For the Year Ended September 30, 2020

Capital assets were not adequately kept by the City.

*SCHEDULE OF SURETY BONDS**September 30, 2020*

<u>EMPLOYEE</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>AMOUNT</u>
Fred Miller	Mayor	Travelers	\$ 50,000
Ladonna Sial	Alderman	Travelers	\$ 50,000
Calvin Stewart	Alderman	Travelers	\$ 50,000
Charles Russell	Alderman	Travelers	\$ 50,000
Jowilla Secoy	Alderman	Travelers	\$ 50,000
Carolyn Washington	Alderman at large	Travelers	\$ 50,000
Sandra Nichols	City Clerk	Travelers	\$ 50,000
Cardel Hughes	Chief of Police	Travelers	\$ 50,000