

## 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 Liberty, Mississippi**  
**COMPILED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Town of Liberty, Mississippi**  
**Compiled Financial Statements**  
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**September 30, 2023**

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**Town of Liberty**  
**FINANCIAL SECTION**



## LOWERY, PAYN, LEGGETT & BELLIPANNI

CERTIFIED PUBLIC ACCOUNTANTS

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Members of:  
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### INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Mayor and Board of Aldermen  
Town of Liberty, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements – governmental and business-type activities (the “financial statement”) of the Town of Liberty, Mississippi, (the “Town”) for the year ended September 30, 2023, 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 the 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. The financial statement is intended to comply with the requirements of the Mississippi Office of the State Auditor and is not intended to be a presentation in accordance with 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 statements, 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 and other required supplemental information that is required to be presented for purposes of additional analysis. Such missing information, although not a 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 for placing the basic financial statements in an appropriate operational, economic, or historical context.

##### *Supplementary Information*

The supplementary information contained in pages 7 through 11 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been compiled from information that is the responsibility of management. This information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion or conclusion nor provide any assurance on such information.

*Other Information*

In accordance with the provisions of Section 21-35-31, Mississippi Code of 1972, we have issued a report dated September 27, 2024, on the results of our agreed-upon procedures.

*Lowery Payn Leggett & Bellipanni CPAs*

Lowery, Payn, Leggett & Bellipanni, CPAs  
Brookhaven, Mississippi  
September 27, 2024

**LOWERY, PAYN, LEGGETT & BELLIPANNI**

CERTIFIED PUBLIC ACCOUNTANTS

**Town of Liberty**  
**BASIC FINANCIAL STATEMENTS**

TOWN OF LIBERTY, MISSISSIPPI  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Governmental Activities				Business-Type Activities		
	General Fund	Debt Service Fund	Other Non Major Funds	TOTAL	Water & Sewer Fund	Natural Gas Fund	TOTAL
<b>RECEIPTS</b>							
Ad Valorem Taxes	\$ 181,166	\$ -	\$ -	\$ 181,166	\$ -	\$ -	\$ -
Penalties and Interest on Delinquent Taxes	2,281	-	-	2,281	-	-	-
Licenses and Permits:							
Franchise Charges - Utilities	30,904	-	-	30,904	-	-	-
Privilege Licenses	4,703	-	-	4,703	-	-	-
Federal Grants	412,029	-	-	412,029	-	-	-
Federal Payments in Lieu of Taxes	9,335	-	-	9,335	-	-	-
State Grants	39,717	-	-	39,717	41,830	-	41,830
State Shared Revenues:							
Sales Tax	357,972	-	-	357,972	-	-	-
Homestead Exemption Reimbursement	14,246	-	-	14,246	-	-	-
General Municipal Aid	1,995	-	-	1,995	-	-	-
Fire Protection Allocation	9,134	-	-	9,134	-	-	-
Local Sources							
Road Tax	2,094	-	-	2,094	-	-	-
Charges for Services:							
Water and Sewer	-	-	-	-	253,366	-	253,366
Natural Gas	-	-	-	-	-	409,148	409,148
Sanitation	51,021	-	-	51,021	-	-	-
Other Receipts							
Fines and Forfeitures	17,256	-	-	17,256	-	-	-
Interest	1,355	274	273	1,902	868	713	1,581
Other	7,141	-	-	7,141	-	-	-
Total Receipts	\$ 1,142,349	\$ 274	\$ 273	\$ 1,142,896	\$ 296,064	\$ 409,861	\$ 705,925

See accountant's compilation report.



TOWN OF LIBERTY, MISSISSIPPI  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Governmental Activities				Business-Type Activities		
	General Fund	Debt Service Fund	Other Non Major Funds	TOTAL	Water & Sewer Fund	Natural Gas Fund	TOTAL
<b>DISBURSEMENTS</b>							
General Government	\$ 267,247	\$ -	\$ -	\$ 267,247	\$ -	\$ -	\$ -
Public Safety:							
Police	201,998	-	-	201,998	-	-	-
Fire	9,798	-	-	9,798	-	-	-
Court	31,901	-	-	31,901	-	-	-
Highways and Streets	48,634	-	-	48,634	-	-	-
Sanitation	44,652	-	-	44,652	-	-	-
Enterprise:							
Water and Sewer	-	-	-	-	667,209	-	667,209
Natural Gas	-	-	-	-	-	225,542	225,542
Culture and Recreation	52,674	-	-	52,674	-	-	-
Capital Outlay	51,815	-	-	51,815	5,000	-	5,000
Total Disbursements	708,719	-	-	708,719	672,209	225,542	897,751
Excess (deficiency) of receipts over (under) disbursements	433,630	274	273	434,177	(376,145)	184,319	(191,826)
<b>OTHER CASH SOURCES (USES)</b>							
Interfund loans and transfers	(410,029)	-	-	(410,029)	410,029	-	410,029
Net other cash sources (uses)	(410,029)	-	-	(410,029)	410,029	-	410,029
Net change in fund balances	23,601	274	273	24,148	33,884	184,319	218,203
Cash Basis Fund Balance, beginning, as reported	463,150	109,384	3,095	575,629	249,237	186,155	435,392
Prior Period Adjustment	(10,158)	-	70,531	60,373	30,574	44,739	75,313
Cash Basis Fund Balance, ending	\$ 476,593	\$ 109,658	\$ 73,899	\$ 660,150	\$ 313,695	\$ 415,213	\$ 728,908

See accountant's compilation report.

Town of Liberty  
SUPPLEMENTARY INFORMATION

TOWN OF LIBERTY, MISSISSIPPI  
SCHEDULE OF INVESTMENTS  
AS OF SEPTEMBER 30, 2023

	<u>Deposit Amount</u>
Certificate of Deposit - Trustmark National Bank Maturing January 22, 2024, Rate 0.08%	\$ 35,252
Certificate of Deposit - First Bank Maturing May 1, 2024, Rate 1.25%	48,143
Certificate of Deposit - First Bank Maturing August 11, 2024, Rate 1.75%	35,543
Certificate of Deposit - First Bank Maturing May 1, 2024, Rate 1.25%	<u>33,851</u>
	<u><u>\$ 152,789</u></u>
 Fund Recap:	
Perpetual Care Fund	\$ 70,795
Water and Sewer Fund	48,143
Natural Gas Fund	<u>33,851</u>
	<u><u>152,789</u></u>

**TOWN OF LIBERTY, MISSISSIPPI  
SCHEDULE OF CAPITAL ASSETS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
<b><u>GOVERNMENTAL ACTIVITIES</u></b>				
Capital assets:				
Land	\$ 357,527	\$ -	\$ -	\$ 357,527
Buildings and improvements	576,396	-	-	576,396
Vehicles and machinery	824,905	55,715	-	880,620
Infrastructure	487,822	-	-	487,822
	<hr/>	<hr/>	<hr/>	<hr/>
Total governmental activities capital assets	\$ 2,246,650	\$ 55,715	\$ -	\$ 2,302,365
	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>BUSINESS-TYPE ACTIVITIES</u></b>				
Capital assets:				
Vehicles and machinery	\$ 384,887	\$ -	\$ -	\$ 384,887
Water distribution system	2,272,146	-	-	2,272,146
Gas distribution system	185,450	-	-	185,450
	<hr/>	<hr/>	<hr/>	<hr/>
Total business-type activities capital assets	\$ 2,842,483	\$ -	\$ -	\$ 2,842,483
	<hr/>	<hr/>	<hr/>	<hr/>

TOWN OF LIBERTY, MISSISSIPPI  
SCHEDULE OF DEBT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Balance Outstanding October 1, 2022	Issued	Redeemed	Balance Outstanding September 30, 2023
No Long-Term Debt outstanding as of September 30, 2023	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWN OF LIBERTY, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS  
AS OF SEPTEMBER 30, 2023**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Joshua Gurney	Aldersperson	Scott Insurance	\$10,000
Lenora Morgan	Aldersperson	Scott Insurance	10,000
John Shivers	Aldersperson	Scott Insurance	10,000
Curtis Seay	Aldersperson	Scott Insurance	10,000
Greg Walsh	Aldersperson	Scott Insurance	10,000
Pat Talbert	Mayor	Scott Insurance	50,000
Shawn Felder	Town Clerk	Western Surety	50,000
Shawn Felder	Tax Collector	Western Surety	10,000
Sandra Wall	Deputy Clerk	Brierfield	50,000
David Dickinson	Chief of Police	Western Surety	50,000
Shawn Umbrello	Police Officer	Brierfield	25,000
Gregory Shamis	Police Officer	Brierfield	25,000
Kevin Kirk	Police Officer	Brierfield	25,000
Shawn Tyler	Police Officer	Western Surety	25,000
Terry Boss	Police Officer	Brierfield	25,000

Town of Liberty  
SPECIAL REPORTS



## LOWERY, PAYN, LEGGETT & BELLIPANNI

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

To the Mayor and Board of Aldermen  
Town of Liberty, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements – governmental and business-type activities (the “financial statement”) of the Town of Liberty, Mississippi, for the fiscal 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 and have issued our report thereon dated September 27, 2024. 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.

We have performed procedures to test compliance with certain state laws and regulations as described in 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 the compilation of the accompanying financial statement disclosed no instances of noncompliance with state laws and regulations.

This report is intended for the information and use of management, City Council, the State Auditor’s Office and federal awarding agencies and pass-through entities 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.

Lowery, Payn, Leggett & Bellipanni, CPAs  
Brookhaven, Mississippi  
September 27, 2024





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

To the Mayor and Board of Aldermen  
Town of Liberty, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, State of Mississippi (the "State Auditor") and the Town of Liberty, Mississippi, (the "Town") to the accounting records of the Town solely to assist the State Auditor to evaluate the Town's compliance with certain laws and regulations as of September 30, 2023, and for the year then ended. The Town's management is responsible for the aforementioned procedures.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with certain laws and regulations. Additionally, the State Auditor has agreed to and acknowledged that the procedures performed are appropriate for their purposes. 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; as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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:

Bank	Fund	Balance per General Ledger
First Bank	General Fund	442,231
Trustmark	General Fund	33,262
First Bank	Water & Sewer Fund	265,065
Trustmark	Natural Gas Fund	101,972
First Bank	Natural Gas Fund	279,290
First Bank	Payroll Fund	17,411
Trustmark	Debt Service Fund	109,658
Trustmark	Perpetual Care Fund	550
Trustmark	Vance Park Fund	1,410
First Bank	Vance Park Fund	1,144

We found no exceptions as a result of the procedure.

2. 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 held the following

certificates of deposit at September 30, 2023, which are all 12-month certificates of deposit that automatically renew each year:

Bank	Fund	Ending Balance
Trustmark	Perpetual Care Fund	\$35,252
First Bank	Perpetual Care Fund	35,543
First Bank	Natural Gas Fund	33,851
First Bank	Water & Sewer Fund	48,143

We found no exceptions as a result of the procedure.

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Examined uncollected taxes for proper handling, including tax sales;
  - b. Traced distribution of taxes collected to proper funds; and
  - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The uncollected taxes were properly handled which included the tax sale.

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, Miss. Code Ann. (1972).

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

Payment Purpose	Receiving Fund	Amount
Grantor Payments Nontaxable	General Fund	\$412,029
Sales Tax Allocation	General Fund	360,089
Other Aid for Non-State Governmental Entities	Water & Sewer Fund	41,830
Other Aid for Non-State Governmental Entities	General Fund	39,717
Homestead Exemption Reimbursement	General Fund	14,246
Nuclear Plant Payments in Lieu of Taxes	General Fund	9,335
Fire Protection Allocation	General Fund	9,134
Utilities	General Fund	2,353
Gasoline Tax	General Fund	1,715
Liquor Tax	General Fund	1,350
General Municipal Aid	General Fund	280

We found no exceptions as a result of the procedure.

**LOWERY, PAYN, LEGGETT & BELLIPANNI**

CERTIFIED PUBLIC ACCOUNTANTS



5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for 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:	60
Dollar Value of Sample:	\$102,127

We found the municipality's purchasing procedures to be in agreement with the requirements of the above mentioned section.

6. We selected a sample of collections of fines and forfeitures and verified that the municipal court clerk had settled timely 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.

Individual Court Fines:

Number of Sample Items:	3
Dollar Value of Sample:	\$845

Monthly Settlements with DFA:

Number of Sample Items:	12
Dollar Value of Sample:	\$8,933

We found no exceptions as a result of the procedure.

7. We have read the Municipal Compliance Questionnaire completed by the Municipality. The completed survey indicated no instances of noncompliance with state requirements.

We were engaged by the Town to perform the agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. 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 compliance with certain laws and regulations. Accordingly, we do not express 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 and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Town of Liberty, Mississippi, and the Office of the State Auditor, State of Mississippi, and is not intended to be and should not be used by anyone other than those specified parties.



Lowery, Payn, Leggett & Bellipanni, CPAs  
Brookhaven, Mississippi  
September 27, 2024

**LOWERY, PAYN, LEGGETT & BELLIPANNI**

CERTIFIED PUBLIC ACCOUNTANTS