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.

FINANCIAL STATEMENTS

Town of Tremont, Mississippi

For the Year Ended
September 30, 2025

Franks, Franks, Wilemon & Hagood, P.A.
Certified Public Accountants

TOWN OF TREMONT, MISSISSIPPI
TABLE OF CONTENTS
September 30, 2025

Accountants' Compilation Report 1

Statement of Cash Receipts and Disbursements - All Fund Types 2

Selected Information 3

Schedule of Investments 5

Schedule of Surety Bonds for Town Officials 6

Schedule of Long-Term Debt 7

Accountants' Report on Compliance with State Laws and Regulations 8

Independent Accountants' Report on Applying Agreed-Upon Procedures 9

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Rudolph Franks, CPA (1933-2019)

Honorable Mayor and Board of Aldermen
Town of Tremont
Tremont, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements – all fund types of the Town of Tremont, Mississippi, for the year ended September 30, 2025, in accordance with the cash receipts and disbursements basis of accounting, and for determining that the cash receipts and disbursements 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 – all fund types, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the statement of cash receipts and disbursements – all fund types

The statement of cash receipts and disbursements – all fund types is prepared in accordance with the cash receipts and disbursements basis of accounting, as described in Note A, 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 a financial statement prepared in accordance with the cash receipts and disbursements 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.

Management has elected to omit Management's Discussion and Analysis that is required for 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, which considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The accompanying Schedule of Investments, Schedule of Surety Bonds for Town Officials, and Schedule of Long-Term Debt, on pages 5 through 7, are presented for purposes of additional analysis and are not a required part of the basic financial statement. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

In accordance with the provisions of Section 21-35-31, Mississippi Code Annotated (1972), we have also issued our Accountants' Report on Compliance with State Laws and Regulations and our Independent Accountants' Report on Agreed-Upon Procedures, both dated October 26, 2026.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P. A.
Fulton, Mississippi
October 26, 2026

TOWN OF TREMONT, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS- ALL FUND TYPES
For the year ended September 30, 2025

	Governmental Activities		Business-Type Activities	
	General	Special Revenue Fund	Water & Gas Fund	Total Government-wide
CASH RECEIPTS				
Franchise Tax on Utilities	$ 9,118	$ -	$ -	$ 9,118
Intergovernmental Revenues:				
State Shared Revenues:				
General Municipal Aid	233	-	-	233
Sales Tax	26,389	-	-	26,389
Gasoline Tax	1,430	-	-	1,430
TVA In Lieu of Tax	4,216	-	-	4,216
Fire Protection	8,976	-	-	8,976
Modernization Funds	15,694	-	-	15,694
Charges for Services:				
Water System	-	-	130,111	130,111
Natural Gas	-	-	139,611	139,611
Miscellaneous Receipts:				
Interest Income	382	-	1,086	1,468
Donations	1,137	-	-	1,137
Other Income	5,254	-	-	5,254
Total Cash Receipts	72,829	-	270,808	343,637
CASH OPERATING DISBURSEMENTS				
General Administration and Finance	40,912	-	-	40,912
Public Safety: Police	16,658	-	-	16,658
Enterprise: Water	-	-	118,167	118,167
Enterprise: Gas	-	-	120,790	120,790
Capital Outlay	-	-	39,368	39,368
Farmer's Home Administration Loan:				
Principal	-	-	23,555	23,555
Interest	-	-	18,843	18,843
Total Cash Operating Disbursements	57,570	-	320,723	378,293
Excess (Deficiency) of receipts over disbursements	$ 15,259	-	$ (49,915)	(34,656)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	$ (13,694)	-	$ 13,694	-
Total Other Financing Sources (Uses)	(13,694)	-	13,694	-
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	1,565	-	(36,221)	(34,656)
CASH BASIS FUND BALANCE - BEGINNING OF YEAR	95,323	1,471	117,992	214,786
CASH BASIS FUND BALANCE - END OF YEAR	$ 96,888	$ 1,471	$ 81,771	180,130

See accountants' compilation report

TOWN OF TREMONT, MISSISSIPPI
SELECTED INFORMATION-Substantially All Disclosures Ordinarily Included in Financial Statements Prepared in Accordance with the Cash Receipts and Disbursements Basis of Accounting Are Not Included
For the Year Ended September 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

The Town operates under the mayor/board of aldermen form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the Town includes 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 has been prepared on the cash receipts and disbursements basis of accounting. The Office of the State Auditor permits this reporting option for municipalities with total revenues or expenditures of less than $1,500,000. Under this basis, receipts are recognized when received and disbursements are recognized when paid, rather than when earned or when the obligation is incurred. The cash receipts and disbursements basis is a basis of accounting other than accounting principles generally accepted 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 - LONG-TERM DEBT

The annual requirements to amortize all debt outstanding as of September 30, 2025, including interest payments of $130,211 are as follows:

Fiscal Year Ended September 30	Principal	Interest	Total
2026	$ 23,176	$ 19,456	$ 42,632
2027	25,328	17,304	42,632
2028	26,587	16,046	42,633
2029	27,906	14,727	42,633
2030	29,296	13,336	42,632
2031-2035	169,113	44,049	213,162
2036-2040	71,060	5,293	76,363
	$ 372,466	$ 130,211	$ 502,677

The Town does not maintain any debt service funds to service the above notes.

NOTE D – SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through October 26, 2026, the date on which the financial statement was available to be issued.

TOWN OF TREMONT, MISSISSIPPI
SCHEDULE OF INVESTMENTS
September 30, 2025

Ownership	Type of Investment	Interest Rate	Acquisition Date	Maturity Date	Other Information		Investment Cost/Value
GOVERNMENTAL FUNDS:							
General Fund	Certificate of Deposit	3.537%	04/04/25	01/04/27	Trustmark Bank	$	16,592
Total Investments - Governmental Funds							0
PROPRIETARY FUNDS:							
Water Fund	Certificate of Deposit	4.163%	07/12/25	11/15/25	Trustmark Bank		22,040
Total Investments - Proprietary Funds							22,040
Total Investments - All Funds						$	22,040

See accountants' compilation report.

TOWN OF TREMONT, MISSISSIPPI

SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS

September 30, 2025

Name	Position	Company	Bond
Robert Whitehead Sr.	Mayor	Scott Municipal Insurance	$ 50,000
Beth Garrison	City Clerk	Fulton Insurance	$ 50,000
Billy McDonald	Water Department Supervisor	Fulton Insurance	$ 50,000
Josh Hill	Policeman	Fulton Insurance	$ 50,000
Cindy Rhoades	Alderman	Scott Municipal Insurance	$ 50,000
Anthony Luprete	Alderman	Scott Municipal Insurance	$ 50,000
Harry Stone	Alderman	Scott Municipal Insurance	$ 50,000
Rebecca Northington	Alderman	Scott Municipal Insurance	$ 50,000
Rebecca Steele	Alderman	Scott Municipal Insurance	$ 50,000

See accountants' compilation report.

TOWN OF TREMONT, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the year ended September 30, 2025

DEFINITION AND PURPOSE	BALANCE OUTSTANDING September 30, 2024	TRANSACTIONS DURING FISCAL YEAR REDEEMED	TRANSACTIONS DURING FISCAL YEAR ISSUED	BALANCE OUTSTANDING September 30, 2025
Notes Payable:				
Farmer's Home Administration	$ 24,145	$ 1,770	$ -	$ 22,375
Farmer's Home Administration	371,876	21,785	-	350,091
TOTAL	$ 396,021	$ 23,555	$ -	$ 372,466

See accountants' compilation report.

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ACCOUNTANTS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Alderman
Town of Tremont, Mississippi

We have compiled the accompanying statement of cash receipts and disbursements of the governmental activities and business-type activities of the Town of Tremont, Mississippi, for the year ended September 30, 2025, and have issued our report thereon dated October 26, 2026. We conducted our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

As required by the State legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our engagement and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the statement of cash receipts and disbursements disclosed the following material instances of noncompliance with state laws and regulations.

1. The Town is not in compliance with Part V item 15 of the Municipal Audit and Accounting Guide, as the Town's fixed asset ledger does not contain all information required by guidelines established by the Office of the State Auditor.

2. During our testing of compliance with state purchasing laws, we noted one instance where the town did not obtain competitive quotes for a purchase.

3. During the year ended September 30, 2025, the Town incurred expenditures of $4,900 in the General Fund's General Government: Contractual Services category, for which $3,800 was budgeted and $16,507 in the General Fund's General Government: Other Services and Charges category, for which $15,500 was budgeted. Accordingly, expenditures exceed the final budget appropriation by $1,100 and $1,007, respectively, resulting in noncompliance with Section 21-35-15, Mississippi Code Annotated (1972), as amended.

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's engagement, the finding in this report to ensure that corrective action has been taken.

This report is intended for the information of the Town'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.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P.A.
Tupelo, Mississippi
October 26, 2026

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Tremont, Mississippi

We have performed the procedures enumerated below, which were agreed to by the office of the State Auditor, State of Mississippi (State Auditor), to the accounting records of the Town of Tremont, Mississippi (the Town) as of September 30, 2025, and for the year ended, as required by the State Auditor, under the provisions of Section 21-35-31, Mississippi Code Annotated (1972), as amended. The Town of Tremont's management is responsible for the Town's accounting records.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with laws and regulations under the provisions of Section 21-35-31, Mississippi Code Annotated (1972), as amended. 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 and, 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 banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

Bank	Fund	Balance Per General Ledger
Trustmark National Bank	General Fund	$ 22,995
Trustmark National Bank	General Fund	3,243
Trustmark National Bank	General Fund	25
Trustmark National Bank	General Fund	49,033
Trustmark National Bank CD	General Fund	16,592
Total General Fund		$ 96,888
Trustmark National Bank	Proprietary Fund	$ 22,307
Trustmark National Bank	Proprietary Fund	37,424
Trustmark National Bank CD	Proprietary Fund	22,040
Total Proprietary Fund		$ 81,771
Trustmark National Bank	Special Revenue Fund	$ 1,471
Total Special Revenue Fund		$ 1,471

2. The Town of Tremont, Mississippi has no investments other than Certificates of Deposit which are included in Item 1 above.

3. The Town of Tremont did not levy any real or personal property taxes during the fiscal year.

4. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger. Payments traced were as follows:

Purpose	Receiving Fund	Amount
Sales Tax Allocation	General Fund	$ 26,389
Gasoline Tax	General Fund	1,430
TVA in Lieu	General Fund	4,216
Municipal Aid	General Fund	233
Fire Protection Allocation	General Fund	8,976
Modernization Use Tax	General Fund	5,694

5. We 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, Miss. Code Ann. (1972), if applicable.

   The sample consisted of the following:

Number of Sample Items	26
Dollar Value of Sample	$ 53,059

   We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections (except as follows):

   The Town had one instance where they failed to obtain competitive quotes for a purchase.

6. The Town did not collect any fines or forfeitures during the fiscal year, therefore no testing of their collections was performed.

7. We have read the Municipal Compliance Questionnaire completed by the Town. The following responses to the questionnaire indicate the following noncompliance with state requirements:

   The Town is not in compliance with Section 21-17-5 of the Municipal Audit and Accounting Guide, as the fixed assets are not properly accounted for. The Town does not maintain a fixed asset inventory listing, take a fixed asset inventory, or tag fixed assets.

   During the year ended September 30, 2025, the Town incurred expenditures of $[illegible],900 in the General Fund's General Government: Contractual Services category, for which [illegible]3,800 was budgeted and $16,507 in the General Fund's General Government: Other Services and Charges category, for which $15,500 was budgeted. Accordingly, expenditures exceed the final budget appropriation by $1,100 and $1,007, respectively, resulting in noncompliance with Section 21-35-15, Mississippi Code Annotated (1972), as amended.

We were engaged by the Town to perform this 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 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 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 the information and use of the governing body of the Town of Tremont, Mississippi, and the Office of the State Auditor and is not intended to be and should not be used by anyone other than those specified parties. This report should not be associated with the financial statements of the Town of Tremont, Mississippi, for the year ended September 30, 2025.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P.A.
Fulton, Mississippi
October 26, 2026