



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. 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, 2009

**TOWN OF TREMONT, MISSISSIPPI**  
**TABLE OF CONTENTS**  
September 30, 2009

---

Accountants' Report on Agreed-Upon Procedures .....	1
Accountants' Compilation Report .....	3
Statement of Cash Receipts and Disbursements - All Fund Types .....	4
Selected Information .....	5
Schedule of Investments .....	6
Schedule of Surety Bonds for Town Officials .....	7
Schedule of Long-Term Debt.....	8



**FRANKS,  
FRANKS &  
JARRELL, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 355

106 S. CLIFTON STREET

FULTON, MISS. 38843-0355

E-MAIL: foffice@ffjcpa.com

PHONE 662.862.4967

FAX 662.862.9702

SHAREHOLDERS:

**RUDOLPH F. FRANKS**

**GARY M. FRANKS**

**P. GREG JARRELL**

**BRYON WILEMON**

JEREMY BISHOP

JONATHAN HAGOOD

MICHAEL LITTLE

MARK THORNTON

OFFICES LOCATED IN

TUPELO & FULTON

MEMBERS OF THE

AICPA, MSCPA & PCPS

**ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES**

Honorable Mayor and Board of Aldermen  
Town of Tremont, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Tremont, Mississippi, as of September 30, 2009, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Tremont, Mississippi, and the Office of the State Auditor and should not be used for any other 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:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Trustmark National Bank	General Fund	\$ 3,062
Trustmark National Bank	General Fund	16,497
Trustmark National Bank	General Fund	25
Trustmark National Bank	General Fund	<u>14,990</u>
Total General Fund		<u>\$ 34,574</u>
Trustmark National Bank	Proprietary Fund	\$ 5,869
Trustmark National Bank	Proprietary Fund	<u>37,194</u>
Total Proprietary Fund		<u>\$ 43,063</u>

2. The Town of Tremont did not levy any real or personal property taxes during the fiscal year.
3. 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 with no exceptions. Payments traced were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 24,362
Gasoline Tax	General Fund	1,074
TVA In Lieu	General Fund	5,003
Municipal Aid	General Fund	203
Fire Protection Allocation	General Fund	2,061

4. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with requirements set forth in Title 31 Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	40
Dollar Value of Sample	\$ 20,899

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

However, we noted five of the forty cash disbursements sampled did not have proper documentation supporting the disbursement.

5. 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 7-7-211 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.

The quarterly report from the State Treasurer's office as of September 30, 2009 did not reflect all accounts of the Town. One bank account of the Town was not reflected on the State Treasurer's report at September 30, 2009. This could result in the Town's deposits not being properly and adequately collateralized by securities or instruments (Sections 27-105-5 and 27-105-6 – Municipal Audit and Accounting Guide).

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the items specified in the proceeding paragraphs should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Tremont, Mississippi, for the year ended September 30, 2009.

*Franks, Franks & Jarrell, P.A.*  
Franks, Franks & Jarrell, P.A.  
August 8, 2010



## ACCOUNTANTS' COMPILATION REPORT

**FRANKS,  
FRANKS &  
JARRELL, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

---

POST OFFICE BOX 355

106 S. CLIFTON STREET

FULTON, MISS. 38843-0355

E-MAIL: [ffoffice@ffjcpa.com](mailto:ffoffice@ffjcpa.com)

PHONE 662.862.4967

FAX 662.862.9702

---

SHAREHOLDERS:

RUDOLPH F. FRANKS

GARY M. FRANKS

P. GREG JARRELL

BRYON WILEMON

---

JEREMY BISHOP

JONATHAN HAGOOD

MICHAEL LITTLE

MARK THORNTON

---

OFFICES LOCATED IN

TUPELO & FULTON

---

MEMBERS OF THE

AICPA, MSCPA & PCPS

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

We have compiled the accompanying statement of cash receipts and disbursements - all fund types of the Town of Tremont, Mississippi, for the year ended September 30, 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the Town's officials. We have not audited or reviewed the accompanying statement of cash receipts and disbursements - all fund types and, accordingly, do not express an opinion or any other form of assurance on it.

The Town's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements - all fund types is not intended to present results of operations, in conformity with generally accepted accounting principles.

The Town's management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. 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, this financial statement is not designed for those who are not informed about such matters.

The supplementary information contained on pages 6 through 8 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of the officials of the Town of Tremont, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

*Franks, Franks & Jarrell, P.A.*

Franks, Franks & Jarrell, P. A.  
August 8, 2010

**TOWN OF TREMONT, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUND TYPES**  
For the year ended September 30, 2009

	Governmental Funds	Proprietary Fund	Totals (Memorandum Only)
<b><u>CASH RECEIPTS</u></b>			
Franchise Tax on Utilities	\$ 7,860	\$ -	\$ 7,860
Intergovernmental Revenues:			
Sales Tax	24,362	-	24,362
Gasoline Tax	1,074	-	1,074
General Municipal Aid	203	-	203
TVA Tax - State	5,003	-	5,003
Fire Protection	2,061	-	2,061
Charges for Services:			
Water System	-	106,811	106,811
Natural Gas	-	95,540	95,540
Other Receipts:			
Interest Income	277	-	277
Other Income	3,917	-	3,917
Total Cash Receipts	44,757	202,351	247,108
Cash Balance - Beginning of Year	51,309	35,654	86,963
TOTAL AMOUNT TO ACCOUNT FOR	\$ 96,066	\$ 238,005	\$ 334,071
<b><u>CASH OPERATING DISBURSEMENTS</u></b>			
General Administration and Finance	\$ 37,437	\$ -	\$ 37,437
Public Safety: Police	3,792	-	3,792
Culture and Recreation: Park	360	-	360
Enterprise: Water	-	97,899	97,899
Enterprise: Gas	-	64,152	64,152
Total Cash Operating Disbursements	41,589	162,051	203,640
Other Disbursements:			
Loans Repaid:			
Farmer's Home Administration:			
Principal	-	9,034	9,034
Interest	-	43,318	43,318
Capital Outlay	442	-	442
Transfers	19,461	(19,461)	0
Total Other Cash Disbursements	19,903	32,891	52,794
Total Cash Disbursements	61,492	194,942	256,434
Cash Balance - End of Year	34,574	43,063	77,637
TOTAL AMOUNT ACCOUNTED FOR	\$ 96,066	\$ 238,005	\$ 334,071

See accompanying selected information and accountants' compilation report

**Town of Tremont, Mississippi**  
**SELECTED INFORMATION-Substantially all disclosures required**  
**by generally accepted accounting principles are not included**  
**September 30, 2009**

**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, 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.

**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, 2009, including interest payments of \$441,919 are as follows:

<u>Fiscal Year Ended</u> <u>September 30,</u>	<u>USDA Rural</u> <u>Development</u>	<u>Interest</u>	<u>Total</u>
2010	21,528	30,825	52,353
2011	21,511	29,736	51,247
2012	22,117	28,652	50,769
2013	17,160	27,677	44,837
2014	15,819	26,813	42,632
2015-2019	91,952	121,210	213,162
2020-2024	117,874	95,288	213,162
2025-2029	151,087	62,075	213,162
2030-2034	160,166	17,863	178,029
2035-2039	<u>24,213</u>	<u>1,780</u>	<u>25,993</u>
	<u>\$ 643,427</u>	<u>\$ 441,919</u>	<u>\$ 1,085,346</u>

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

**TOWN OF TREMONT, MISSISSIPPI**  
**SCHEDULE OF INVESTMENTS**  
September 30, 2009

GOVERNMENTAL FUND TYPES

General Fund - Certificate of Deposit	\$ <u>14,990</u>
Total Governmental Fund Types	\$ <u><u>14,990</u></u>

PROPRIETARY FUND TYPES

Certificate of Deposit	\$ <u>0</u>
Total Proprietary Fund Types	\$ <u><u>0</u></u>

See accountants' compilation report.

**TOWN OF TREMONT, MISSISSIPPI**  
**SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS**  
September 30, 2009

Name	Position	Company	Bond
Glyn Robinson	Mayor	Scott Municipal Insurance	\$ 25,000
Windy Abbott	City Clerk	Fulton Insurance	\$ 50,000
Steve Thrasher	Policeman	Fulton Insurance	\$ 50,000
Ricky Roberts	Water Department Supervisor	Fulton Insurance	\$ 20,000
Robert McCrory, Jr.	Alderman	Scott Municipal Insurance	\$ 10,000
James Cox	Alderman	Scott Municipal Insurance	\$ 10,000
Pamela Dines	Alderman	Scott Municipal Insurance	\$ 10,000
Frankie Keeton	Alderman	Scott Municipal Insurance	\$ 10,000
Everett Cody	Alderman	Scott Municipal Insurance	\$ 10,000

See accountants' compilation report.

**TOWN OF TREMONT, MISSISSIPPI**  
**SCHEDULE OF LONG-TERM DEBT**  
For the year ended September 30, 2009

<u>DEFINITION AND PURPOSE</u>	<u>BALANCE OUTSTANDING September 30, 2008</u>	<u>TRANSACTIONS DURING FISCAL YEAR REDEEMED</u>	<u>TRANSACTIONS DURING FISCAL YEAR ISSUED</u>	<u>BALANCE OUTSTANDING September 30, 2009</u>
Notes Payable:				
Farmer's Home Administration	\$ 31,159	\$ 6,731	\$ -	\$ 24,428
Farmer's Home Administration	0		-	-
Farmer's Home Administration	3,417	1,446	-	1,971
Farmer's Home Administration	43,887	857	-	43,030
Farmer's Home Administration	<u>573,998</u>	<u>-</u>	<u>-</u>	<u>573,998</u>
<b>TOTAL</b>	<b>\$ <u>652,461</u></b>	<b>\$ <u>9,034</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>643,427</u></b>

See accountants' compilation report.