

City of Tupelo, Mississippi

Financial Statements For the year ended September 30, 2022

CITY OF TUPELO
TABLE OF CONTENTS
September 30, 2022

INDEPENDENT AUDITORS' REPORT	7
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	11
BASIC FINANCIAL STATEMENTS - OVERVIEW:	
Government-Wide Financial Statements:	
Statement of Net Position	21
Statement of Activities	23
FUND FINANCIAL STATEMENTS:	
Governmental Funds:	
Balance Sheet - Governmental Funds	24
Reconciliation of Governmental Funds Balance Sheet to the Government - Wide Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	26
Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government - Wide Statement of Activities and Changes in Net Position	27
General Fund Statement of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual - Budgetary Basis	28
City Infrastructure Fund Statement of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual - Budgetary Basis	29
Proprietary Funds:	
Statement of Net Position	30
Statement of Revenues, Expenses and Changes in Net Position.....	33
Statement of Cash Flows	35
Fiduciary Funds:	
Statement of Fiduciary Assets and Liabilities.....	37
Notes to Financial Statements	39

**CITY OF TUPELO
TABLE OF CONTENTS
September 30, 2022**

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the City's Proportionate Share of the Net Pension Liability	75
Schedule of the City's Contributions	76
Notes to the Required Supplementary Information	77

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS:

Non-Major Governmental Funds:

Combining Balance Sheet	80
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	81
Combining Balance Sheet - Non-Major Special Revenue Funds.....	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Special Revenue Funds	83
Combining Balance Sheet - Non-Major Capital Projects Funds.....	87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Capital Projects Funds	88
Combining Balance Sheet - Non-Major Debt Service Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Debt Service Funds.....	91

General Fund:

Comparative Balance Sheet	94
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance.....	95

Special Revenue Funds:

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (NON-GAAP Basis) and Actual	
Library Fund	101
Convention and Visitor's Bureau Fund	102
Firemen and Policemen Retirement Fund	104

**CITY OF TUPELO
TABLE OF CONTENTS
September 30, 2022**

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS: - Continued

Special Revenue Funds: - Continued

Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (NON-GAAP Basis) and Actual

Coliseum Project Fund	105
Rental Rehabilitation Fund	107
Coliseum Operating Fund.....	108
Narcotics Fund.....	110
Transportation Fund	112

Capital Projects Funds:

Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (NON-GAAP Basis) and Actual:

City Capital Project Fund	114
Fairgrounds Construction Fund	115
Thoroughfare Fund Phase VI	116
Thoroughfare Fund Phase VII	117
Special Obligation Capital Fund	118

Debt Service Funds:

Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (NON-GAAP Basis) and Actual

City Bond and Interest Fund	120
Water G.O. Bond Fund	122
Special Assessments Bond and Interest Fund	124
City Tax Increment Fund	126
Special Obligation Debt Service Fund	128

CITY OF TUPELO
TABLE OF CONTENTS
September 30, 2022

Agency Funds:

Combining Balance Sheet	131
Agency Funds - Combining Statement of Changes in Assets and Liabilities.....	132

SUPPLEMENTARY INFORMATION:

Schedule of Investments.....	135
Schedule of Long-Term Debt	136
Reconciliation of Original Ad Valorem Tax Rolls to Fund Collections	138
Schedule of Surety Bonds for Municipal Officials.....	140
Schedule of Expenditures of Federal Awards	141

REPORTS ON COMPLIANCE AND INTERNAL CONTROL:

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	144
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	146
Schedule of Findings and Questioned Costs	149
Independent Auditors' Report on Compliance With State Laws and Regulations	150

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council
City of Tupelo, Mississippi

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Tupelo, Mississippi, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Tupelo's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Tupelo, Mississippi, as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Northeast Mississippi Regional Water Supply District, which represent approximately 34 percent and 4 percent, respectively of the assets and revenues of the Proprietary Funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Northeast Mississippi Regional Water Supply District, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Tupelo, Mississippi and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Electric Department's fiscal year ends on June 30th as required by regulatory bodies. Therefore, all statements and information relating to the Electric Department in this report are for the fiscal year beginning July 1, 2021 and ending June 30, 2022.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Tupelo, Mississippi's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Tupelo, Mississippi's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Tupelo, Mississippi's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 19, the schedule of the City's proportionate share of the net pension liability on page 75, and the schedule of the City's contributions on page 76 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Tupelo, Mississippi's basic financial statements. The accompanying combining and individual fund financial statements and supplementary information, listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial

statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023 on our consideration of the City of Tupelo, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Tupelo's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Tupelo's internal control over financial reporting and compliance.

Jarrell Group, PLLC

Jarrell Group, PLLC
Tupelo, Mississippi
March 29, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplemental Information for the year ended September 30, 2022

This section of the City of Tupelo's Financial Report presents our discussion and analysis of the City's financial performance during the fiscal year ending September 30, 2022. Please read it in conjunction with the City of Tupelo financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$291,008,759. This compares to the previous year when assets and deferred outflows exceeded liabilities and deferred inflows by \$280,568,225.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$60,015,196, a decrease of \$1,292,842 in comparison to the prior year. Approximately 40% of the combined fund balances, \$23,697,366 is considered unassigned and is available for spending at the City's discretion.
- The City's total debt is \$116,320,423. No new debt was issued in the current fiscal year. Debt in the amount of \$11,705,422 was repaid during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City's operations in more detail than the government-wide statements.
- The Governmental Funds statements tell how general government services such as public safety were financed in the short-term as well as what remains for future spending. The City has four Governmental Fund types: the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

Proprietary fund statements offer short- and long-term financial information about the activities the government operates in a similar manner as businesses, and include the Electric, Water & Sewer, Solid Waste funds and the Northeast Mississippi Regional Water Supply District.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds, each of which are added together and are presented in single columns in the basic financial statements.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1
Major Features of the City of Tupelo's Government-wide and Fund Financial Statements

	<u>Fund Statements</u>		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City Government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, public works, parks and recreation, debt service, and capital projects	Activities the City operates similar to private businesses: Electric Department, Water & Sewer, and Solid Waste
Required financial statements	Statement of Net Position; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position Statement of Net Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

CITY OF TUPELO, MISSISSIPPI

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred inflows / outflows of resources, with the difference reported as net position. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position—the difference between the City's assets, liabilities, and deferred inflows / outflows—is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, the reader should consider additional non-financial factors such as changes in the City's property tax base, as well as, economic activities and trends at local and regional levels.
- *Governmental activities* – Most of the City's basic services are included here, such as the police, fire, public works, and parks and recreation departments, and general administration. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.
- *Business-type activities* – The City charges fees to customers to help it cover the costs of certain services it provides. The City's garbage pickup, water and sewer systems and electric department services are included here along with the Northeast Mississippi Water Supply District (a blended component unit).
- *Component Unit* – The government-wide financial statements include not only the City itself (known as the primary government), but also the following legally separate entity for which the City is financially accountable: Tupelo Airport Authority. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself. The Tupelo Airport Authority issue separately audited financial statements and may be obtained from the City's Budget and Accounting Department.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds—not the City as a whole. The "fund" level is where the basic unit of financial organization and operation within the City of Tupelo exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

- Some funds are required by State law and by bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Tupelo has two types of funds:

- **Governmental funds**—most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

- **Proprietary funds**—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. The City has only one type of proprietary fund—enterprise funds. The City's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows are all required statements.

Government-wide Financial Analysis

As year-to-year financial information is accumulated on a consistent basis, changes in the net position may be observed and used to discuss the changing financial position of the City as a whole.

The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$291,008,759 at the close of the most recent fiscal year. This is a \$10,440,534 increase over last year's net position of \$280,568,225. Tables A-1 and A-2 provide a summary of the City's net position at September 30, 2022 and 2021.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

A large portion, 86.6% and 86.5%, of the City's net position reflects its investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding for the years ended September 30, 2022 and 2021, respectively. The City uses these capital assets to provide services to citizens; however, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table A-1

City of Tupelo's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current & Other Assets	\$ 74,825,711	\$ 73,716,378	\$ 56,179,852	\$ 51,592,301	\$ 131,005,563	\$ 125,308,679
Capital Assets	199,581,112	199,085,270	171,565,421	175,070,601	371,146,533	374,155,871
Total Assets	<u>274,406,823</u>	<u>272,801,648</u>	<u>227,745,273</u>	<u>226,662,902</u>	<u>502,152,096</u>	<u>499,464,550</u>
Total Deferred Outflows	6,598,650	4,520,028	1,437,979	1,168,306	8,036,629	5,688,334
Current Liabilities	16,770,590	16,013,005	17,382,979	16,484,577	34,153,569	32,497,582
Noncurrent Liabilities	123,871,007	115,168,912	54,033,058	58,760,481	177,904,065	173,929,393
Total Liabilities	<u>140,641,597</u>	<u>131,181,917</u>	<u>71,416,037</u>	<u>75,245,058</u>	<u>212,057,634</u>	<u>206,426,975</u>
Total Deferred Inflows	4,543,295	15,892,395	2,579,037	2,265,289	7,122,332	18,157,684
Net Position:						
Net Investment in						
Capital Assets	128,705,122	120,337,937	123,243,318	122,221,600	251,948,440	242,559,537
Restricted	23,309,990	25,872,878	30,304,496	26,336,902	53,614,486	52,209,780
Unrestricted (Deficit)	(16,194,531)	(15,963,451)	1,640,364	1,762,359	(14,554,167)	(14,201,092)
Total Net Position	<u>\$ 135,820,581</u>	<u>\$ 130,247,364</u>	<u>\$ 155,188,178</u>	<u>\$ 150,320,861</u>	<u>\$ 291,008,759</u>	<u>\$ 280,568,225</u>

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The unrestricted net position of our business-type activities is \$1,640,364. These resources cannot be used to add to the net position surplus in governmental activities. The City generally can only use this net position to finance the continuing operations of the business type activities.

Changes in net position: Approximately 11.1% of the City's total revenues come from property taxes, with 30.2% of all revenue coming from some type of tax. (See Table A-2.) This compares to 12.0% and 40.4% for the fiscal year ended September 30, 2021. Another 52.3% comes from fees charged for services, and the balance is from operating and capital grants and contributions and investment earnings.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Table A-2

Changes in the City of Tupelo's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 5,798,409	\$ 2,994,930	\$ 77,773,466	\$ 71,937,838	\$ 83,571,875	\$ 74,932,768
Operating Grants & Contributions	2,369,192	1,876,935	-	-	2,369,192	1,876,935
Capital Grants & Contributions	2,586,782	1,770,567	4,523,980	4,203,859	7,110,762	5,974,426
General Revenues:						
Property Taxes	17,772,392	17,670,361	-	-	17,772,392	17,670,361
Other Taxes	44,903,490	41,718,213	-	-	44,903,490	41,718,213
Investment Income	374,056	777,185	101,275	254,991	475,331	1,032,176
Gain on (Loss) Disposal of Assets	488,967	(48,648)	201,855	1,494,000	690,822	1,445,352
Other	3,027,032	2,271,046	13,581	76	3,040,613	2,271,122
Total Revenues	77,320,320	69,030,589	82,614,157	77,890,764	159,934,477	146,921,353
Expenses						
General Government	6,351,993	5,569,836	-	-	6,351,993	5,569,836
Public Safety	21,412,951	18,382,957	-	-	21,412,951	18,382,957
Public Works	11,358,696	10,562,805	-	-	11,358,696	10,562,805
Culture & Recreation	11,805,148	7,963,541	-	-	11,805,148	7,963,541
Other Functions	4,996,058	5,025,322	-	-	4,996,058	5,025,322
Capital Projects	9,462,536	2,839,332	-	-	9,462,536	2,839,332
Interest on Long-Term Debt	2,238,440	2,430,105	-	-	2,238,440	2,430,105
Water & Sewer	-	-	13,093,580	12,135,872	13,093,580	12,135,872
Electric	-	-	55,509,592	51,438,354	55,509,592	51,438,354
Solid Waste Management	-	-	3,519,003	3,807,537	3,519,003	3,807,537
N. MS Reg. Water Supp. Dist.	-	-	4,443,736	4,488,102	4,443,736	4,488,102
Total Expenses	67,625,822	52,773,898	76,565,911	71,869,865	144,191,733	124,643,763
Excess of Revenue Over Exp.	9,694,498	16,256,691	6,048,246	6,020,899	15,742,744	22,277,590
Transfers	(4,121,281)	(3,310,448)	(1,180,929)	(1,122,750)	(5,302,210)	(4,433,198)
Change in Net Position	5,573,217	12,946,243	4,867,317	4,898,149	10,440,534	17,844,392
Net Position—Beginning, As Previously Stated	130,247,364	117,901,288	150,320,861	145,422,712	280,568,225	263,324,000
Prior Period Adjustment	-	(600,167)	-	-	-	(600,167)
Net Position—Beginning, As Restated	130,247,364	117,301,121	150,320,861	145,422,712	280,568,225	262,723,833
Net Position—Ending	\$135,820,581	\$130,247,364	\$155,188,178	\$150,320,861	\$291,008,759	\$280,568,225

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Governmental activities increased the City's net position by \$5,573,217. Key elements of this decrease are as follows:

The largest funding sources for the City's governmental activities, as a percent of total revenues, are sales tax 45.3%, property taxes 23.0% and charges for services 7.5%.

The largest expense categories for the City's governmental activities are public safety 31.7% and culture and recreation 17.5%.

Business-type Activities

Business-type activities increased the City's net position by \$4,867,317.

Charges for services are the major revenue categories for the enterprise funds. Total business-type revenues are comprised of \$14,240,200 for water and sewer, \$56,126,437 for electric, \$4,144,523 for solid waste management and \$3,262,306 for the Northeast Mississippi Regional Water Supply District.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds—The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

General Fund—The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$23,697,366, which comprised 93.9% of total general fund balance. As a measure of the general fund's liquidity, it may be useful to compare both the fund balance, assigned and unassigned, to total fund expenditures. Total fund balance represents 65.2% of total fund expenditures. The fund balance of the City's general fund decreased by \$3,435,461 during the current fiscal year.

Debt Service Fund—The debt service fund has a total fund balance of \$6,904,377, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year was \$39,626.

Capital Projects Fund—The capital projects fund accounts for the construction and reconstruction of general public improvements, excluding projects related to business-type activities, which are accounted for elsewhere. At the end of the current fiscal year, the fund balance was \$16,370,951.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Special Revenue Fund—The special revenue fund is used to account for the programs and projects primarily funded by grants or taxes from the federal and state governments. At the end of the current fiscal year, the fund balance was \$11,493,028, which will be used for future expenditures.

Proprietary Funds—The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the proprietary funds at the end of the current fiscal year totaled \$155,188,178. Changes in net position, which totaled \$4,867,317, were as follows: the electric fund increased by \$915,680, the water & sewer fund decreased by \$5,981, the solid waste management fund increased by \$593,895 and Northeast Mississippi Regional Water Supply District increased by \$3,363,723.

Budgetary Highlights

The City's annual budget, which is prepared on an operating basis, includes estimated revenues and annual appropriations for the proprietary funds as well as the governmental funds.

The City's 2021 – 2022 general fund budget increased by \$2,056,537 and an overall operating budget increased by \$5,462,622. The growth puts the City of Tupelo back in line with pre-covid expectations.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City anticipates spending \$40,581,000 in capital projects from fiscal years 2023 – 2026. The sources of revenues include federal grants, G.O. bonds, State of MS Funds, and general fund revenues. The City of Tupelo also anticipates spending an additional \$9.4 million of ARPA funds from fiscal year 2023-2026.

Capital Assets—In accordance with GASB 34, the City has recorded depreciation expense associated with all of its capital assets, including infrastructure. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounted to \$371,146,533, net of accumulated depreciation of \$288,016,282. This investment in capital assets includes land, buildings, improvements other than buildings, machinery & equipment, infrastructure, and construction in progress.

Table A-3

City of Tupelo's Capital Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 14,492,172	\$ 14,360,706	\$ 1,864,705	\$ 1,864,705	\$ 16,356,877	\$ 16,225,411
Infrastructure Plant, Buildings, Improvements	163,929,503	149,336,563	-	-	163,929,503	149,336,563
Sanitary & Sewer Lagoons	134,259,953	113,205,048	260,583,310	256,432,919	394,843,263	369,637,967
Machinery & Equipment	-	-	6,896,810	6,896,810	6,896,810	6,896,810
Construction in Progress	31,574,558	30,725,398	31,411,071	28,742,199	62,985,629	59,467,597
Accumulated Depreciation	10,539,669	37,304,941	3,611,064	6,518,032	14,150,733	43,822,973
Total	<u>(155,214,743)</u>	<u>(145,847,386)</u>	<u>(132,801,539)</u>	<u>(125,384,064)</u>	<u>(288,016,282)</u>	<u>(271,231,450)</u>
	<u>\$ 199,581,112</u>	<u>\$ 199,085,270</u>	<u>\$ 171,565,421</u>	<u>\$ 175,070,601</u>	<u>\$ 371,146,533</u>	<u>\$ 374,155,871</u>

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt—At year-end, the City had \$116,320,423 in bonds and notes outstanding. More detailed information about the City's long-term liabilities is presented in the notes to the financial statements.

Table A-4

City of Tupelo's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
General Obligation Bonds	\$ 37,575,000	\$ 41,560,529	\$ -	\$ 164,471	\$ 37,575,000	\$ 41,725,000
Special Obligation Bonds	-	-	11,610,000	12,415,000	11,610,000	12,415,000
Tax Increment Bonds	701,000	786,000	-	-	701,000	786,000
State Revolving Loans	-	-	-	59,422	-	59,422
Special Obligation Bonds	25,000,000	25,000,000	-	-	25,000,000	25,000,000
Notes Payable	2,694,227	6,154,926	32,694,719	35,840,020	35,388,946	41,994,946
Bond Premium	4,905,763	5,245,878	1,139,714	1,255,573	6,045,477	6,501,451
Total	\$ 70,875,990	\$ 78,747,333	\$ 45,444,433	\$ 49,734,486	\$116,320,423	\$128,481,819

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Key assumptions for revenue forecasts for fiscal year 2023 are summarized as follows:

1. Sales tax revenues will remain flat
2. Property tax revenue will increase 3.7%
3. Interest rates will increase slightly

This contributed to the following projections:

1. Property tax revenue will increase.
2. Millage rates remained the same at 32.47 for the City's 2023 fiscal year budget. This includes 11.79 mills for the General Fund, 10 mills for the Thoroughfare Fund, .87 mills for the Library fund, 1.61 mills for the Fire and Police Retirement Fund, and 8.2 mills for the City Bond and Interest Fund.
3. Personnel cost will increase due to an increase in health insurance. Due to the expected increase, a cost-of-living increase will be reviewed in December for a possible effective date of January 1, 2023.

CONTACTING THE CITY OF TUPELO FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Tupelo's Finance Department, P.O. Drawer 1485 Tupelo, MS 38802.

BASIC FINANCIAL STATEMENTS

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Tupelo Airport Authority
ASSETS:				
Current Assets:				
Cash	\$ 62,146,790	\$ 13,665,130	\$ 75,811,920	\$ 1,593,125
Cash - Restricted	-	2,951,095	2,951,095	-
Certificate of Deposit - Restricted	-	50,000	50,000	-
Investments	4,176,922	-	4,176,922	-
General Property Taxes Receivable	678,405	-	678,405	-
Other Receivables	452,745	777,292	1,230,037	-
Accounts Receivable, Net	1,671,659	7,266,374	8,938,033	23,686
Accounts Receivable - Restricted	-	340,283	340,283	-
Unbilled Revenue	-	2,177,575	2,177,575	-
Due from Other Funds	2,319,000	23,298	2,342,298	-
Due from Other Governmental Units	2,795,897	1,120,940	3,916,837	750,532
Due from Component Units	43,721	-	43,721	-
Inventories	87,726	1,198,744	1,286,470	-
Prepaid Items	382,032	137,822	519,854	1,685
Other Current Assets	-	131,441	131,441	-
TOTAL CURRENT ASSETS	74,754,897	29,839,994	104,594,891	2,369,028
Noncurrent Assets:				
Cash - Restricted	-	26,124,108	26,124,108	-
Notes Receivable	70,814	59,635	130,449	-
Other Receivables	-	96,882	96,882	-
Other Assets	-	59,233	59,233	-
Capital Assets:				
Land	14,492,172	1,864,705	16,356,877	6,099,049
Plant, Buildings and Improvements	134,259,953	260,583,310	394,843,263	51,437,759
Sanitary and Sewer Lagoons	-	6,896,810	6,896,810	-
Machinery and Equipment	31,574,558	31,411,071	62,985,629	2,530,493
Infrastructure	163,929,503	-	163,929,503	-
Construction in Progress	10,539,669	3,611,064	14,150,733	916,195
Accumulated Depreciation	(155,214,743)	(132,801,539)	(288,016,282)	(31,915,472)
TOTAL NONCURRENT ASSETS	199,651,926	197,905,279	397,557,205	29,068,024
TOTAL ASSETS	274,406,823	227,745,273	502,152,096	31,437,052
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pensions	6,598,650	1,437,979	8,036,629	384,339
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 6,598,650	\$ 1,437,979	\$ 8,036,629	\$ 384,339

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF NET POSITION

September 30, 2022

-Continued-

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Tupelo Airport Authority
<u>LIABILITIES:</u>				
Current Liabilities:				
Accounts Payable	\$ 1,385,524	\$ 6,049,226	\$ 7,434,750	\$ 376,047
Accrued Expenses	319,739	346,483	666,222	59,975
Accrued Interest Payable	683,920	179,833	863,753	-
Due to Other Funds	-	2,616,367	2,616,367	-
Due to Other Governmental Units and Entities	-	-	-	1,286,617
Unearned Revenues	11,261,618	-	11,261,618	3,527
Long-Term Debt: Due Within One Year	2,947,814	4,023,286	6,971,100	-
Customer and Event Deposits	171,975	4,167,784	4,339,759	-
TOTAL CURRENT LIABILITIES	16,770,590	17,382,979	34,153,569	1,726,166
Noncurrent Liabilities:				
Advances TVA - Home Insulation Loans	-	63,196	63,196	-
Accrued Compensated Absences	909,148	112,215	1,021,363	-
Due to Other Funds	-	2,622,084	2,622,084	-
Net Pension Liability	55,033,683	9,814,416	64,848,099	1,406,687
Long-Term Debt: Due in More Than One Year	67,928,176	41,421,147	109,349,323	-
TOTAL NONCURRENT LIABILITIES	123,871,007	54,033,058	177,904,065	1,406,687
TOTAL LIABILITIES	140,641,597	71,416,037	212,057,634	3,132,853
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Inflows Related to Pensions	4,543,295	2,579,037	7,122,332	16,709
TOTAL DEFERRED INFLOWS OF RESOURCES	4,543,295	2,579,037	7,122,332	16,709
<u>NET POSITION</u>				
Net Investment in Capital Assets	128,705,122	123,243,318	251,948,440	29,024,054
Restricted for:				
Capital Projects	7,091,586	27,245,048	34,336,634	-
Debt Service	6,904,377	3,059,448	9,963,825	-
Special Revenue	8,160,463	-	8,160,463	-
Water Reserve	580,573	-	580,573	-
Home Grant	572,991	-	572,991	-
Unrestricted (Deficit)	(16,194,531)	1,640,364	(14,554,167)	(352,225)
TOTAL NET POSITION	\$ 135,820,581	\$ 155,188,178	\$ 291,008,759	\$ 28,671,829

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF ACTIVITIES
For the year ended September 30, 2022

FUNCTIONS/ PROGRAMS	Net (Expense) Revenue and Changes in Net Position								COMPONENT UNIT Tupelo Airport Authority
	PROGRAM REVENUES					PRIMARY GOVERNMENT			
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT									
Government Activities:									
General Government	\$ 6,351,993	\$ 580,776	\$ 237,641	\$ -	\$ 818,417	\$ (5,533,576)	\$ -	\$ (5,533,576)	\$ -
Public Safety	21,412,951	824,372	60,818	175,217	1,060,407	(20,352,544)	-	(20,352,544)	-
Public Works	11,358,696	-	-	-	-	(11,358,696)	-	(11,358,696)	-
Culture and Recreation	11,805,148	4,393,261	2,070,733	99,616	6,563,610	(5,241,538)	-	(5,241,538)	-
Other Functions	4,996,058	-	-	-	-	(4,996,058)	-	(4,996,058)	-
Capital Projects	9,462,536	-	-	2,311,949	2,311,949	(7,150,587)	-	(7,150,587)	-
Interest on Long-Term Debt	2,238,440	-	-	-	-	(2,238,440)	-	(2,238,440)	-
TOTAL GOVERNMENTAL ACTIVITIES	67,625,822	5,798,409	2,369,192	2,586,782	10,754,383	(56,871,439)	-	(56,871,439)	-
Business-Type Activities:									
Water and Sewer	13,093,580	14,240,200	-	-	14,240,200	-	1,146,620	1,146,620	-
Electric	55,509,592	56,126,437	-	-	56,126,437	-	616,845	616,845	-
Northeast MS Regional Water Supply Dist.	4,443,736	3,262,306	-	4,523,980	7,786,286	-	3,342,550	3,342,550	-
Solid Waste Management	3,519,003	4,144,523	-	-	4,144,523	-	625,520	625,520	-
TOTAL BUSINESS-TYPE ACTIVITIES	76,565,911	77,773,466	-	4,523,980	82,297,446	-	5,731,535	5,731,535	-
TOTAL PRIMARY GOVERNMENT	\$ 144,191,733	\$ 83,571,875	\$ 2,369,192	\$ 7,110,762	\$ 93,051,829	\$ (56,871,439)	\$ 5,731,535	\$ (51,139,904)	\$ -
COMPONENT UNITS									
Tupelo Airport Authority	\$ 2,987,582	\$ 855,107	\$ 894,900	\$ 178,867	\$ 1,928,874	\$ -	\$ -	\$ -	\$ (1,058,708)
GENERAL REVENUES:									
Taxes:									
Property Taxes, Levied for General Purposes						\$ 6,330,746	\$ -	\$ 6,330,746	\$ -
Property Taxes, Levied for Capital Outlay						5,393,144	-	5,393,144	-
Property Taxes, Levied for Special Revenue						1,369,930	-	1,369,930	-
Property Taxes, Levied for Debt Service						4,678,572	-	4,678,572	-
Sales Taxes						34,996,515	-	34,996,515	-
County Pro Rata Taxes						1,331,208	-	1,331,208	-
Franchise Taxes						472,370	-	472,370	-
In Lieu Taxes						4,526,171	-	4,526,171	-
Other Taxes						3,577,226	-	3,577,226	-
Homestead Reimbursement						637,621	-	637,621	-
Fire Protection Allocation						479,313	-	479,313	-
Investment Earnings						374,056	101,275	475,331	2,974
Gain (Loss) on Disposal of Assets						488,967	201,855	690,822	10,097
Miscellaneous						1,910,098	13,581	1,923,679	-
Transfers (to) from Component Units						(4,121,281)	(1,180,929)	(5,302,210)	-
Transfers						-	-	-	-
TOTAL GENERAL REVENUES AND TRANSFERS						62,444,656	(864,218)	61,580,438	13,071
CHANGE IN NET POSITION						5,573,217	4,867,317	10,440,534	(1,045,637)
NET POSITION--BEGINNING						130,247,364	150,320,861	280,568,225	29,717,466
NET POSITION--ENDING						\$ 135,820,581	\$ 155,188,178	\$ 291,008,759	\$ 28,671,829

See accompanying notes to financial statements.

**CITY OF TUPELO, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022**

	General Fund	City Infrastructure Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>ASSETS:</u>				
Cash	\$ 30,021,142	\$ 10,749,136	\$ 21,376,512	\$ 62,146,790
Investments	-	-	4,176,922	4,176,922
General Property Taxes Receivable	256,693	-	421,712	678,405
Other Receivable	222,555	-	230,190	452,745
Notes Receivable	-	-	70,814	70,814
Due from Other Funds	2,319,000	-	-	2,319,000
Due from Other Government Units	2,315,937	-	479,960	2,795,897
Due from Component Units	43,721	-	-	43,721
Prepaid Items	355,245	-	26,787	382,032
Inventories	40,665	-	47,061	87,726
TOTAL ASSETS	\$ 35,574,958	\$ 10,749,136	\$ 26,829,958	\$ 73,154,052
<u>LIABILITIES AND FUND BALANCES:</u>				
<u>LIABILITIES:</u>				
Accounts Payable	\$ 433,247	\$ 288,561	\$ 663,716	\$ 1,385,524
Accrued Expenses	302,260	-	17,479	319,739
Unearned Revenues	9,592,611	-	1,669,007	11,261,618
Event Deposits	-	-	171,975	171,975
TOTAL LIABILITIES	10,328,118	288,561	2,522,177	13,138,856
<u>FUND BALANCES:</u>				
Nonspendable				
Prepaid Items	355,245	-	26,787	382,032
Inventory	40,665	-	47,061	87,726
Restricted for				
Library	-	-	129,933	129,933
Tourism Promotion	-	-	6,852,548	6,852,548
Public Safety Retirement	-	-	32,771	32,771
Law Enforcement	-	-	1,145,211	1,145,211
Const. Acquisition of Capital Assets	-	2,003,187	4,507,508	6,510,695
Public Safety Equipment	-	-	580,891	580,891
Debt Service	-	-	6,904,377	6,904,377
Home Grant	572,991	-	-	572,991
Water Reserve	580,573	-	-	580,573
Committed to				
Rental Rehabilitation	-	-	72,756	72,756
Fairpark Infrastructure	-	-	778,425	778,425
Const. Acquisition of Capital Assets	-	8,457,388	43,552	8,500,940
Assigned to				
Coliseum Projects	-	-	2,182,995	2,182,995
Coliseum Operations	-	-	1,002,966	1,002,966
Unassigned	23,697,366	-	-	23,697,366
TOTAL FUND BALANCES	25,246,840	10,460,575	24,307,781	60,015,196
TOTAL LIABILITIES AND FUND BALANCES	\$ 35,574,958	\$ 10,749,136	\$ 26,829,958	\$ 73,154,052

See accompanying notes to financial statements.

**CITY OF TUPELO, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
For the year ended September 30, 2022**

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 60,015,196
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	199,581,112
Long-term liabilities, including bonds and accrued interest, are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.	(71,559,910)
Accrued compensated absences are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.	(909,148)
Net pension liability are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.	(55,033,683)
Deferred outflows and inflows related to pensions are applicable to future periods and, therefore are not reported in the Governmental Funds Balance Sheet:	
Deferred outflows of resources related to defined benefit pension plan	6,598,650
Deferred inflows of resources related to defined benefit pension plan	(4,543,295)
Accrual of court fine revenues to qualify as financial resources.	<u>1,671,659</u>
 NET POSITION OF GOVERNMENTAL ACTIVITIES	 <u><u>\$ 135,820,581</u></u>

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
For the year ended September 30, 2022

	General Fund	City Infrastructure Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	\$ 7,500,995	\$ -	\$ 11,441,646	\$ 18,942,641
Licenses and Permits	1,053,146	-	-	1,053,146
Intergovernmental Revenues	34,414,520	2,292,852	12,557,535	49,264,907
Charges for Services	692,983	-	3,963,157	4,656,140
Fines and Forfeitures	552,659	-	56,607	609,266
Miscellaneous Revenues	987,170	221,209	1,706,173	2,914,552
TOTAL REVENUES	<u>45,201,473</u>	<u>2,514,061</u>	<u>29,725,118</u>	<u>77,440,652</u>
EXPENDITURES:				
Current:				
General Government	5,828,814	-	-	5,828,814
Public Safety	18,292,795	-	1,144,497	19,437,292
Public Works	5,306,442	-	-	5,306,442
Culture and Recreation	4,587,363	-	7,160,444	11,747,807
Other Functions	1,038,297	-	3,144,112	4,182,409
Capital Projects	-	13,178,497	4,747,578	17,926,075
Debt Service	3,667,862	-	6,515,512	10,183,374
TOTAL EXPENDITURES	<u>38,721,573</u>	<u>13,178,497</u>	<u>22,712,143</u>	<u>74,612,213</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,479,900</u>	<u>(10,664,436)</u>	<u>7,012,975</u>	<u>2,828,439</u>
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds	(10,097,702)	-	(4,724,756)	(14,822,458)
Transfers from Other Funds	182,341	9,462,376	5,177,741	14,822,458
Transfers to Component Units	-	-	(4,447,146)	(4,447,146)
Transfers from Component Units	-	-	325,865	325,865
TOTAL OTHER FINANCING SOURCES (USES)	<u>(9,915,361)</u>	<u>9,462,376</u>	<u>(3,668,296)</u>	<u>(4,121,281)</u>
NET CHANGE IN FUND BALANCES	(3,435,461)	(1,202,060)	3,344,679	(1,292,842)
FUND BALANCES - Beginning	<u>28,682,301</u>	<u>11,662,635</u>	<u>20,963,102</u>	<u>61,308,038</u>
FUND BALANCES - Ending	<u>\$ 25,246,840</u>	<u>\$ 10,460,575</u>	<u>\$ 24,307,781</u>	<u>\$ 60,015,196</u>

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the year ended September 30, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (1,292,842)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	10,662,412
Depreciation expense on capital assets is reported in the statement of activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(10,094,011)
Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds.	(47,773)
The amortization of the discounts and premiums are reported as a reduction to expense on the statement of activities.	340,115
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the remaining basis of the capital assets sold.	(72,559)
Changes to net pension liability, deferred inflows and deferred outflows are reported in pension expense in the statement of activities but do not provide or require the use of current financial resources; therefore, pension expense related to these changes are not reported as expenditures in the governmental funds.	(1,634,638)
The change in accrued interest payable is reported as an expense on the statement of activities.	73,591
Repayment and refunding of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	7,531,228
Decrease in accrual of compensated absences.	<u>107,694</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u><u>5,573,217</u></u>

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL -
BUDGETARY BASIS
For the year ended September 30, 2022

	Budget		Actual	Variance with Final Budget (Unfavorable)
	Original	Final		
REVENUES:				
Taxes	\$ 7,452,577	\$ 7,452,577	\$ 7,514,628	\$ 62,051
Licenses and Permits	1,105,000	1,105,000	1,053,146	(51,854)
Intergovernmental Revenues	29,147,457	33,902,278	34,186,886	284,608
Charges for Services	558,000	558,000	692,983	134,983
Fines and Forfeitures	725,000	725,000	552,659	(172,341)
Miscellaneous Revenues	852,860	890,260	965,596	75,336
TOTAL REVENUES	39,840,894	44,633,115	44,965,898	332,783
EXPENDITURES:				
Current:				
General Government	6,354,512	6,744,955	5,828,814	916,141
Public Safety	18,677,728	19,305,283	18,292,795	1,012,488
Public Works	5,678,673	5,895,215	5,306,442	588,773
Culture and Recreation	4,646,640	4,944,604	4,587,363	357,241
Other Functions	1,201,404	1,198,904	1,038,297	160,607
Debt Service	664,621	3,667,862	3,667,862	-
TOTAL EXPENDITURES	37,223,578	41,756,823	38,721,573	3,035,250
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,617,316	2,876,292	6,244,325	3,368,033
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	182,341	182,341	182,341	-
Transfers to Other Funds	(2,784,145)	(10,109,896)	(10,097,702)	12,194
TOTAL OTHER FINANCING SOURCES (USES)	(2,601,804)	(9,927,555)	(9,915,361)	12,194
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	\$ 15,512	\$ (7,051,263)	\$ (3,671,036)	\$ 3,380,227

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
CITY INFRASTRUCTURE FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
BUDGETARY BASIS
For the year ended September 30, 2022

	Budget		Actual	Variance with Final Budget (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental Revenues:				
Federal Grants	\$ -	\$ -	\$ 443,236	\$ 443,236
State Grants	920,000	920,000	1,750,000	830,000
Other Grants	-	-	99,616	99,616
Miscellaneous Revenues:				
Interest	-	-	37,339	37,339
Donations	-	-	85,000	85,000
Other	-	-	98,870	98,870
TOTAL REVENUES	<u>920,000</u>	<u>920,000</u>	<u>2,514,061</u>	<u>1,594,061</u>
EXPENDITURES:				
Other Services and Charges	6,929,180	8,983,943	7,504,781	1,479,162
Capital Outlay	<u>12,480,327</u>	<u>12,505,348</u>	<u>5,673,716</u>	<u>6,831,632</u>
TOTAL EXPENDITURES	<u>19,409,507</u>	<u>21,489,291</u>	<u>13,178,497</u>	<u>8,310,794</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(18,489,507)</u>	<u>(20,569,291)</u>	<u>(10,664,436)</u>	<u>9,904,855</u>
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	<u>5,384,685</u>	<u>8,039,354</u>	<u>9,462,376</u>	<u>1,423,022</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,384,685</u>	<u>8,039,354</u>	<u>9,462,376</u>	<u>1,423,022</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	<u>\$ (13,104,822)</u>	<u>\$ (12,529,937)</u>	<u>\$ (1,202,060)</u>	<u>\$ 11,327,877</u>

See accompanying notes to financial statements.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2022

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
ASSETS					
Current Assets - Unrestricted					
Cash	\$ 7,668,742	\$ 4,150,686	\$ 256	\$ 1,845,446	\$ 13,665,130
Receivables, Net					
Accounts Receivable	7,266,374	-	-	-	7,266,374
Unbilled Revenue	1,914,293	263,282	-	-	2,177,575
Other Receivables	665,499	111,793	-	-	777,292
Due from Other Funds	-	-	-	23,298	23,298
Inventories	992,882	65,999	139,863	-	1,198,744
Prepaid Expenses	66,734	29,946	41,142	-	137,822
Other Current Assets	131,441	-	-	-	131,441
Current Amount of Restricted Assets	-	-	4,462,318	-	4,462,318
Total Current Assets	18,705,965	4,621,706	4,643,579	1,868,744	29,839,994
Restricted Assets					
Cash	-	-	29,075,203	-	29,075,203
Certificate of Deposit	-	-	50,000	-	50,000
Accounts Receivable	-	-	340,283	-	340,283
Intergovernmental Receivable	-	-	1,120,940	-	1,120,940
Total Restricted Assets	-	-	30,586,426	-	30,586,426
Current Amounts Above	-	-	(4,462,318)	-	(4,462,318)
Total Non-Current Restricted Assets	-	-	26,124,108	-	26,124,108
Capital Assets					
Plant and Equipment	68,035,177	151,278,396	71,818,569	862,239	291,994,381
Land and Land Rights	333,013	775,109	756,583	-	1,864,705
Sanitary and Sewer Lagoons	-	6,896,810	-	-	6,896,810
Construction in Progress	1,892,535	689,421	1,029,108	-	3,611,064
Total	70,260,725	159,639,736	73,604,260	862,239	304,366,960
Less: Accumulated Depreciation	36,917,142	67,194,731	28,211,776	477,890	132,801,539
Net Capital Assets	\$ 33,343,583	\$ 92,445,005	\$ 45,392,484	\$ 384,349	\$ 171,565,421

NOTE -- Amounts for the Electric Fund are at June 30, 2022.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2022

-Continued-

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
Other Assets					
Other Assets	\$ -	\$ 8,900	\$ 50,333	\$ -	\$ 59,233
Receivable from Customers for Energy Conservation Loans	59,635	-	-	-	59,635
Receivable from CSA	96,882	-	-	-	96,882
Total Other Assets	156,517	8,900	50,333	-	215,750
Total Assets	52,206,065	97,075,611	76,210,504	2,253,093	227,745,273
DEFERRED OUTFLOWS OF RESOURCES	834,916	515,137	24,723	63,203	1,437,979
LIABILITIES					
CURRENT LIABILITIES					
Payable from Unrestricted Current Assets:					
Accounts Payable	5,292,041	392,647	-	219,018	5,903,706
Customer and Other Deposits	3,331,979	835,805	-	-	4,167,784
Accrued Interest	36,750	143,083	-	-	179,833
Accrued Expenses	344,340	-	-	-	344,340
Due to Other Funds	90,406	2,320,128	-	-	2,410,534
Total Payable from Unrestricted Current Assets	9,095,516	3,691,663	-	219,018	13,006,197
Payable from Restricted Current Assets:					
Due to City of Tupelo Water G.O. Bond Fund	-	-	205,833	-	205,833
Accounts Payable	-	-	95,767	-	95,767
Accrued Payroll and Payroll Taxes	-	-	2,143	-	2,143
Construction / Retainage Payable	-	-	49,753	-	49,753
Bonds, Notes, and Loans Payable	315,000	3,708,286	-	-	4,023,286
Total Payable from Restricted Current Assets	315,000	3,708,286	353,496	-	4,376,782
Total Current Liabilities	\$ 9,410,516	\$ 7,399,949	\$ 353,496	\$ 219,018	\$ 17,382,979

NOTE -- Amounts for the Electric Fund are at June 30, 2022.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2022

-Continued-

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
Long-Term Liabilities - Net of Current Maturities					
Net Pension Liability	\$ 4,675,212	\$ 4,400,078	\$ 205,835	\$ 533,291	\$ 9,814,416
Accrued Compensated Absences Due to City of Tupelo	71,919	40,296	-	-	112,215
Water G. O. Bond Fund	-	-	2,622,084	-	2,622,084
Advances from TVA	63,196	-	-	-	63,196
Bonds, Notes, and Loans Payable	<u>4,677,996</u>	<u>36,743,151</u>	<u>-</u>	<u>-</u>	<u>41,421,147</u>
Total Long-Term Liabilities	<u>9,488,323</u>	<u>41,183,525</u>	<u>2,827,919</u>	<u>533,291</u>	<u>54,033,058</u>
Total Liabilities	<u>18,898,839</u>	<u>48,583,474</u>	<u>3,181,415</u>	<u>752,309</u>	<u>71,416,037</u>
DEFERRED INFLOWS OF RESOURCES	<u>2,142,213</u>	<u>392,193</u>	<u>2,908</u>	<u>41,723</u>	<u>2,579,037</u>
Net Position					
Net Investment in Capital Assets	28,350,587	51,993,568	42,514,814	384,349	123,243,318
Restricted for:					
Capital Projects	-	-	27,245,048	-	27,245,048
Operations and Debt Service	-	-	3,059,448	-	3,059,448
Unrestricted (Deficit)	<u>3,649,342</u>	<u>(3,378,487)</u>	<u>231,594</u>	<u>1,137,915</u>	<u>1,640,364</u>
Total Net Position	<u>\$ 31,999,929</u>	<u>\$ 48,615,081</u>	<u>\$ 73,050,904</u>	<u>\$ 1,522,264</u>	<u>\$ 155,188,178</u>

NOTE -- Amounts for the Electric Fund are at June 30, 2022.

See accompanying notes to financial statements.

CITY OF TUPELO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For the year ended September 30, 2022

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
OPERATING REVENUES					
Charges for Services	\$ 55,112,140	\$ 14,015,827	\$ 3,262,306	\$ 3,825,773	\$ 76,216,046
Rents	386,364	146,547	-	-	532,911
Other Revenues	627,933	77,826	-	318,750	1,024,509
Total Operating Revenues	<u>56,126,437</u>	<u>14,240,200</u>	<u>3,262,306</u>	<u>4,144,523</u>	<u>77,773,466</u>
OPERATING EXPENSES					
General and Administrative	1,070,365	649,709	252,445	-	1,972,519
Power Purchased	45,563,355	-	-	-	45,563,355
Transmission Mains	-	1,094,480	-	-	1,094,480
Water Operations	-	1,610,729	2,613,013	-	4,223,742
Sewer Operations	-	3,640,300	-	-	3,640,300
Electric Operations	784,868	-	-	-	784,868
Sanitation Operations	-	-	-	3,471,808	3,471,808
Customer Accounting and Collecting	485,513	671,894	-	-	1,157,407
Customer Service and Information	41,153	-	-	-	41,153
Maintenance and Repair	1,285,287	-	-	-	1,285,287
Sales Expense	38,621	-	-	-	38,621
Taxes and Equivalents	3,537,500	-	-	-	3,537,500
Amortization and Depreciation	2,516,370	4,506,886	1,447,651	43,205	8,514,112
Total Operating Expenses	<u>55,323,032</u>	<u>12,173,998</u>	<u>4,313,109</u>	<u>3,515,013</u>	<u>75,325,152</u>
Net Operating Income	<u>803,405</u>	<u>2,066,202</u>	<u>(1,050,803)</u>	<u>629,510</u>	<u>2,448,314</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	57,085	29,389	7,592	7,209	101,275
Gain (Loss) on Disposal of Capital Assets	241,750	(1,061)	-	(38,834)	201,855
Bad Debts	-	(11,304)	-	(3,990)	(15,294)
Interest Expense	(186,560)	(908,278)	(130,627)	-	(1,225,465)
Miscellaneous Income	-	-	13,581	-	13,581
Total Non-operating Revenues (Expenses)	<u>112,275</u>	<u>(891,254)</u>	<u>(109,454)</u>	<u>(35,615)</u>	<u>(924,048)</u>
Income (Loss) before Operating Transfers	<u>\$ 915,680</u>	<u>\$ 1,174,948</u>	<u>\$ (1,160,257)</u>	<u>\$ 593,895</u>	<u>\$ 1,524,266</u>

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2022.

CITY OF TUPELO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS

For the year ended September 30, 2022

-Continued-

	Business-Type Activities--Enterprise Funds				Total
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	
OPERATING TRANSFERS IN (OUT)					
Transfer (to) from Northeast MS Regional Water Supply District District for Debt Service	\$ -	\$ (1,180,929)	\$ -	\$ -	\$ (1,180,929)
Total Operating Transfers In (Out)	-	(1,180,929)	-	-	(1,180,929)
Increase (Decrease) in Net Assets Before Capital Contributions	915,680	(5,981)	(1,160,257)	593,895	343,337
Capital Grants and Contributions	-	-	4,523,980	-	4,523,980
Change in Net Position	915,680	(5,981)	3,363,723	593,895	4,867,317
TOTAL NET POSITION -					
Beginning of Year	31,084,249	48,621,062	69,687,181	928,369	150,320,861
TOTAL NET POSITION -					
End of Year	\$ 31,999,929	\$ 48,615,081	\$ 73,050,904	\$ 1,522,264	\$ 155,188,178

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2022.

See accompanying notes to financial statements.

CITY OF TUPELO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the year ended September 30, 2022

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
Cash Flows From Operating Activities:					
Receipts from Customers	\$ 54,507,845	\$ 14,275,598	\$ 3,179,124	\$ 4,140,533	\$ 76,103,100
Payments to Suppliers	(44,879,765)	(6,223,313)	(2,869,134)	(3,447,394)	(57,419,606)
Payments to Employees	(2,152,195)	(1,448,320)	(59,260)	(271,497)	(3,931,272)
Payments for Other Services and Charges	(4,755,820)	-	-	-	(4,755,820)
Other Receipts (Payments)	16,728	3,655	-	-	20,383
Net Cash Provided by (Used in) Operating Activities	<u>2,736,793</u>	<u>6,607,620</u>	<u>250,730</u>	<u>421,642</u>	<u>10,016,785</u>
Cash Flows from Noncapital Financing Activities:					
Other Receipts	-	-	13,581	-	13,581
Due To (From) Municipality	81,579	(255,377)	-	(16,334)	(190,132)
Transfers In (Out)	-	(1,180,929)	-	-	(1,180,929)
Net Cash Provided by (Used In) Noncapital Financing Activities	<u>81,579</u>	<u>(1,436,306)</u>	<u>13,581</u>	<u>(16,334)</u>	<u>(1,357,480)</u>
Cash Flows from Capital and Related Financing Activities:					
Capital Contributions	-	-	4,447,146	-	4,447,146
Proceeds from Bonds and Notes Payable	-	-	-	-	-
Payments to City of Tupelo Water G. O. Bonds Fund	-	-	(195,833)	-	(195,833)
Payments for Debt	(315,000)	(3,799,772)	(59,422)	-	(4,174,194)
Purchase of Capital Assets	(2,664,534)	(1,848,652)	(500,434)	-	(5,013,620)
Cost of Removal of Fixed Assets, Net of Salvage	(76,223)	-	-	-	(76,223)
Proceeds from Sale of Capital Assets	241,750	-	-	-	241,750
Conservation Advances from TVA	(45,691)	-	-	-	(45,691)
Interest Paid	(229,950)	(992,478)	(130,627)	-	(1,353,055)
Net Cash Provided by (Used In) Capital and Related Financing Activities	<u>(3,089,648)</u>	<u>(6,640,902)</u>	<u>3,560,830</u>	<u>-</u>	<u>(6,169,720)</u>
Cash Flows from Investing Activities:					
Receivable from Customers for Energy Conservation Loans	43,326	-	-	-	43,326
(Increase) Decrease in Receivable from CSA	(27,342)	-	-	-	(27,342)
Purchase of Certificate of Deposit	-	-	-	-	-
Interest and Dividends	57,085	29,389	7,592	7,209	101,275
Net Cash Provided by (Used In) Investing Activities	<u>73,069</u>	<u>29,389</u>	<u>7,592</u>	<u>7,209</u>	<u>117,259</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>(198,207)</u>	<u>(1,440,199)</u>	<u>3,832,733</u>	<u>412,517</u>	<u>2,606,844</u>
Cash and Cash Equivalents--Beginning	<u>7,866,949</u>	<u>5,590,885</u>	<u>25,242,726</u>	<u>1,432,929</u>	<u>40,133,489</u>
Cash and Cash Equivalents--Ending	<u>\$ 7,668,742</u>	<u>\$ 4,150,686</u>	<u>\$ 29,075,459</u>	<u>\$ 1,845,446</u>	<u>\$ 42,740,333</u>

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2022.

CITY OF TUPELO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the year ended September 30, 2022

	Business-Type Activities--Enterprise Funds				
	Electric Fund	Water and Sewer Fund	Northeast Mississippi Regional Water Supply District	Solid Waste Fund (Non-Major)	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ 803,405	\$ 2,066,202	\$ (1,050,803)	\$ 629,510	\$ 2,448,314
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation Expense	2,516,370	4,506,886	1,447,651	43,205	8,514,112
Net Pension Expense	(126,129)	69,551	10,346	(249,291)	(295,523)
Provision for Uncollectible Accounts	6,955	(11,304)	-	(3,990)	(8,339)
Decrease (Increase) in Assets:					
Accounts Receivable	(722,209)	-	(83,182)	-	(805,391)
Unbilled Revenue	(560,725)	(29,535)	-	-	(590,260)
Other Receivables	(324,729)	51,782	-	-	(272,947)
Due from Other Governments	-	-	-	-	-
Inventory	(137,223)	(13,443)	(69,991)	-	(220,657)
Prepaid Expenses	(5,898)	3,655	(11,098)	-	(13,341)
Other Current Assets	(1,156)	-	(7,102)	-	(8,258)
Increase (Decrease) in Liabilities:					
Accounts Payable	970,348	(51,498)	14,828	2,208	935,886
Customer and Other Deposits	282,853	24,455	-	-	307,308
Accrued Expenses	34,931	(9,131)	81	-	25,881
Total Adjustments	<u>1,933,388</u>	<u>4,541,418</u>	<u>1,301,533</u>	<u>(207,868)</u>	<u>7,568,471</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,736,793</u>	<u>\$ 6,607,620</u>	<u>\$ 250,730</u>	<u>\$ 421,642</u>	<u>\$ 10,016,785</u>

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2022.

See accompanying notes to financial statements.

CITY OF TUPELO
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
September 30, 2022

	Agency Funds
ASSETS	
Cash	\$ 1,304,152
Investments	500
TOTAL ASSETS	\$ 1,304,652
 LIABILITIES	
Accounts Payable	\$ 61,848
Due to Complainants	6,964
Due to Insured Employees	381,969
Seized Money Held	853,871
TOTAL LIABILITIES	\$ 1,304,652

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City operates under a Mayor-Council form of government and provides the following services: public safety (police and fire), public services (streets and sanitation), recreation, economic development, utilities (electricity, water and sewer), community services, urban redevelopment and housing, public improvements, planning and zoning, and general administrative services.

The City has elected to apply all Governmental Accounting Standards Board (GASB) pronouncements, applicable Financial Accounting Standards Board (FASB) pronouncements, and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The accounting policies of the City of Tupelo conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information on all non-fiduciary activities of the primary government and its component units. The statements distinguish between those activities of the City that are governmental, which are normally supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial condition of the governmental and business-type activities for the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods and services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of governmental and enterprise fund financial statements are on major funds. Each major fund is presented in a separate column. Non-major funds, where applicable, are aggregated and presented in a single column. Fiduciary funds are reported by type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Significant revenues considered to be susceptible to accrual in addition to general property taxes include sales tax and various categorical grants. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Types

Governmental Funds

General Fund – The General Fund is used to account for all financial resources of the primary government except those required to be accounted for in another fund. The majority of current operations are financed by this fund. Transfers to other funds and agencies are made from this fund. Monies from other funds may be received unless prohibited by the purpose and object of such funds. This is a major fund.

Debt Service Funds – Debt Service Funds were established to receive and account for resources restricted for the payment of interest and principal on general improvement and school bonds, and notes and capital leases. These are non-major governmental funds.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Capital Projects Funds – Capital Projects Funds are used to account for financial resources such as proceeds from the sale of bonds, bond anticipation notes, capital notes, transfers from governmental funds, and federal and state grants, all provided for the specific purpose of constructing, reconstructing or acquiring permanent or semi-permanent capital improvements. Capital improvements intended for Enterprise Fund use are not included in the Capital Projects Funds. These are non-major governmental funds except for the City Infrastructure Fund, which is considered major.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific federal and state grants that are legally restricted to expenditures for specified purposes. These are non-major governmental funds.

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the proprietary funds are as follows: sale of water for the Water Fund, refuse collection charges for the Solid Waste Fund, and sale of electricity for the Electric Fund. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Electric Fund – This fund is used to account for the City's electric distribution system. This fund is responsible for electric power delivery to the residents of the City of Tupelo.

Combined Water and Sewer Fund – This fund is used to account for the City's water treatment and distribution system. This fund is responsible for water delivery to the residents of the City of Tupelo.

Solid Waste Management Fund – This fund is used to account for the cost of providing solid waste services to the City.

Northeast Mississippi Regional Water Supply District Fund (Water District) – This fund is used to account for the activities of the water supply district as a blended component unit.

Fiduciary Funds

Agency Funds - Agency Funds are used to account for assets held by the City as an agent for employees, other individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Component Units

As required by generally accepted accounting principles, these financial statements present the primary city government and its component units, entities over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships).

Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary city government. The discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the city government.

Component units of the City, except the Tupelo Public Improvement Corporation, issue separately audited financial statements. Separate financial statements for the Water District and the Airport Authority may be obtained from the City's Budget and Accounting Department.

**Blended Component
Unit Presented
with the Primary
Government**

**Description of Activities and
Relationship to the City**

Presented As

Tupelo Public
Improvement
Corporation

This corporation accounts for most of the construction for the coliseum. Certificates of Participation were issued to finance this project with a pay-back period of twenty years.

Debt Service
Fund

Component units are reported in the City's general purpose financial statements as shown in the following table:

Northeast
Mississippi
Regional Water
Supply District
(Water District)

This entity constructs and operates facilities to supply an alternative source of water to Tupelo, Lee County and adjoining areas. The Water District is governed by a Board of Commissioners consisting of eleven (11) members: five (5) appointed by Lee County, Mississippi, five (5) appointed by the City of Tupelo, and one (1) by a consensus of the two governments.

Enterprise
Fund

The Water District is reported as a component unit by the City of Tupelo under the fiscal dependency criterion. The Water District cannot, in substance, issue bonded debt because any bonded debt would be junior and subordinate to City of Tupelo Bonds issued for the project.

**CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

<u>Discretely Presented Component Unit</u>	<u>Description of Activities and Relationship to the City</u>
Tupelo Airport Authority (Airport Authority)	They plan, establish, develop, construct, enlarge, improve, maintain, equip, operate, regulate and protect the Airport and Air Navigation facilities. They also develop and operate an industrial park. The City appoints all members of the governing board and provides a material subsidy primarily for capital improvements.

The general purpose financial statements do not include funds of the Tupelo Public School District because the City does not have financial accountability for the school district.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the statement of financial position will sometimes report a separate section for deferred outflows and deferred inflows of resources. These separate financial statement elements, deferred inflows and deferred outflows, represent a consumption of net position that applies to future periods (deferred outflows) or an acquisition of net position that applies to future periods (deferred inflows). The City has deferred outflows and inflows related to pensions. See Note 12 for further details.

LONG-TERM DEBT AND BOND DISCOUNTS / PREMIUMS

In the government-wide, proprietary, and component unit financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums are capitalized and amortized over the terms of the respective bonds using a straight line method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

CAPITAL ASSETS

The City's property, plant, equipment and infrastructure with useful lives of more than one year are stated at historical cost or estimated historical costs and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund and component unit financial statements. The City generally capitalizes assets with costs of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The estimated useful lives are as follows:

<i>Electric Plant Assets:</i>	
Transmission Plant	33 - 36 years
Electric Distribution Plant	20 - 50 years
General Electric Plant	10 - 50 years
<i>Airport Facilities:</i>	
Equipment	2 - 15 years
Furniture and Fixtures	7 - 10 years
Runways/Taxiway and Lighting	7 - 25 years
<i>City Assets:</i>	
Equipment	3 - 10 years
Buildings	30 - 40 years
Other Improvements	20 years
Infrastructure	20 - 50 years

CASH AND INVESTMENTS

Cash consists of amounts on deposit with financial institutions in demand accounts, savings accounts and certificates of deposit with original maturities of three months or less from the date of acquisition. Cash is valued at cost. Investments consist of US Treasury notes and US government securities funds. The City deposits funds in the financial institutions selected by the City Council in accordance with state statutes. Deposits: custodial credit risk - the collateral for public entities' deposits in financial institutions is now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code Ann. (1972). Under this program, the entities are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation.

The carrying amount of the City's deposits with financial institutions was \$104,937,123, and the bank balance was \$108,705,953. The carrying amount for the Tupelo Airport Authority was \$1,593,125, and the bank balance was \$1,598,385.

Investments: *interest rate risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy is to hold all investments to maturity, thereby reducing any interest rate risk. *Credit risk* - State statutes, city bond ordinances and city resolutions authorize the City's investments. The City is authorized, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the State of Mississippi, or of any county, municipality or school district of this state, when such county, municipal or school district bonds have been properly approved; or in interest-bearing time certificates of deposit with any financial institution approved for the deposit of funds. For reporting purposes, certificates of deposit are classified as investments. Investments are valued at cost or amortized cost except for investments in the Deferred Compensation Fund that are reported at market value.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

INVENTORIES

Inventories for the Electric Fund and Combined Water and Sewer Fund are valued at average cost. Inventories for governmental fund types are valued at actual cost under the first-in, first-out method. The City uses the consumption method for inventories; thus, inventories are recorded as expenditures or expenses when they are used.

The Water District maintains a chemical inventory, which is recorded at cost (calculated on the first-in, first-out basis).

LOANS TO OTHER FUNDS OR OTHER GOVERNMENTAL UNITS

Advances represent the non-current portions (due after one year) of interfund loans or loans to other governmental units. The current portions of loans are reported as "Due From" in the asset accounts and are considered available resources.

CASH EQUIVALENTS

For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with an original maturity of three months or less when acquired to be cash equivalents.

FUND BALANCES / NET POSITION

On the government-wide and proprietary fund statement of net position, the City reports net position in the following three categories:

Net Investment in Capital Assets – consists of capital assets net of accumulated depreciation reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition or construction of those assets.

Restricted Net Position – consists of assets, less any related liabilities, restricted externally by creditors, grantors, contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – consists of net position that is not classified as net investment in capital assets or restricted net position.

GASB Statement No. 54. *Fund Balance Reporting and Governmental Fund Type Definitions* – this statement enhances the usefulness of fund balance information by providing clearer fund balance classifications and clarifying the existing governmental fund type definitions. The fund balance amounts for governmental funds have been reclassified in accordance with this GASB statement. See the below notes for further descriptions of the City's fund balance classifications and policies.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

FUND BALANCES / NET POSITION – continued

On the fund financial statements, the governmental funds balance sheet reports assets in excess of liabilities as fund balances. The fund balances are segregated into the following classifications indicating the extent to which the City is bound to honor constraints on the specific purposes for which those funds can be spent:

Nonspendable – the fund balance is reported as nonspendable when the resources are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted – the fund balance is reported as restricted when constraints placed on the resources are (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – the fund balance is reported as committed for amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the council. Committed amounts cannot be uncommitted except by removing the constraints through the same formal action.

Assigned – the fund balance is reported as assigned for resources that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent can be expressed by the board of aldermen or an official to which the board has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – the unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that is not otherwise reported as restricted or assigned to specific purposes. This classification is also used to report any negative fund balance in other governmental funds.

RESTRICTED ASSETS

Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the combined balance sheet because their use is limited by applicable bond covenants.

The Water District and the Tupelo Airport Authority reports as restricted all assets that are subject to legal, contractual and/or grant restrictions.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Tupelo's participation in the Public Employees' Retirement System of Mississippi (PERS), and additions to/deductions from the City of Tupelo's fiduciary net position have been determined on the same basis as they are reported by the Public Employees' Retirement System of Mississippi (PERS). For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employees' Retirement System of Mississippi (PERS). Investments are reported at fair value.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

RECLASSIFICATIONS

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE 2 - FIREMEN AND POLICEMEN RETIREMENT FUND

The City maintains the Firemen and Policemen Retirement Fund (a Special Revenue Fund) for the purpose of making payments to the Public Employee's Retirement System (PERS) of Mississippi for the funding of pensions of firemen and policemen employed prior to March 1, 1976. During the fiscal year ended September 30, 1987, the PERS assumed control of the Municipal Firemen's and Policemen's Retirement System, under which these employees are covered, and the fund's assets previously held by a bank trustee were transferred to PERS at that time.

Revenues of the fund for the year ended September 30, 2022, consist of allocations of general property ad valorem taxes of \$868,302 and homestead exemption reimbursement of \$31,616 derived from a 1.61 mill levy. Accumulated plan benefit information, as estimated by consulting actuaries, and plan net position for the fund are as follows:

Actuarial Present Value of Accumulated Plan Benefits	<u>\$ 4,698,452</u>
Assumed Rate of Return Used in Plan Evaluation	7.75%
Plan Evaluation Date	June 30, 2022
Plan Assets Available for Benefits as of June 30, 2022	<u>\$ 4,411,000</u>

The legislative act under which the retirement plan was established does not require the City to maintain statutory or actuarial reserves to provide for future requirements. Under the statute, if funds are insufficient to make all payments, the beneficiaries cannot file suit against the City, but amounts available are to be prorated until such time funds generated by the tax levy are sufficient to make all payments for the full amounts allowed. The Mississippi Legislature of 1976 passed House Bill 1471 which provided a new retirement system for uniformed and sworn firemen and policemen at the option of the municipality. The City of Tupelo exercised the option, and firemen and policemen employed subsequent to February 29, 1976, are members of the Public Employees' Retirement System of the State.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 3 - BUDGETARY BASIS

The Mayor and City Council generally follow the following proposed budget calendar of the State Department of Audit in establishing the budgetary data reflected in the financial statements:

- (1) The Mayor and City Council formulate the budget policy at the May board meeting.
- (2) Department budget requests are prepared by the appropriate people and submitted by the July board meeting.
- (3) A proposed budget is presented at the August meeting and a notice of public budget hearings and availability of the budget for inspection is published.
- (4) Between August 15th-30th a public hearing is held and the budget is adopted. The anticipated tax levy is reviewed to determine whether public notice is required on any levy.
- (5) Between September 1st-15th the budget must be adopted and the tax levy set.
- (6) Between September 1st-30th, in accordance with the City's population, the budget must be published in a municipal newspaper.
- (7) And, between September 15th-30th the budget as adopted should be written up, filed with the municipal clerk and public notice given of the availability of the budget for inspection. Expenditures may not legally exceed budgeted appropriations at the activity level. During the year, several supplementary appropriations were necessary.
- (8) Further, budgets are used as management control devices in the General Debt Service and Proprietary Funds. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except the Proprietary Fund recognizes all expenditures for debt as expense and no depreciation expense is recognized.

Section 21-35-25, Miss. Code Ann. (1972), provides for the revision of the final adopted budget. This law allows governing authorities to revise the budget at any time. The only exception is it is limited to one revision during the first three months of a new term of office, and this revision must be made by the last regular meeting in August.

At all other times, governing authorities must revise the budget (at a regular council meeting) to bring it into proper balance at any time a deficit is indicated or when it appears at any time prior to the regular July meeting that budgeted revenues will not materialize.

Public notice must be provided when budget amendments result in a 10 percent increase or decrease in a municipal department's total budget. For purposes of determining if a 10 percent change has occurred, all amendments made to a department's budget since its budget was originally adopted, or since the last adopted published revision, must be added together.

Section 21-35-15, Miss. Code Ann. (1972), provides that expenditures shall not exceed budget estimates, measured at the lowest level adopted in the budget, except for capital outlay, election expenses and payment of emergency warrants.

**CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE 3 - BUDGETARY BASIS – continued

The City budgets its Enterprise Funds as required by state law. However, the budgets were not on the "capital maintenance" measurement focus and were not in a format comparable to the actual reporting format used by the City to maintain its books and the format used to prepare the City's financial statements included in this report; consequently, comparison between budgeted amounts and actual results per the financial statements was not practicable.

NOTE 4 - GENERAL PROPERTY TAXES

General property taxes, other than motor vehicles and mobile homes, attach as an enforceable lien on property as of January 1 for the previous calendar year and are due by February 1 based on the levy set by the City Council the previous September. Taxes on motor vehicles and mobile homes attach as an enforceable lien at various dates throughout the year based on when the property was acquired by the owner and are due in the month of acquisition and annually thereafter based on the annual levy in effect at that time. All property taxes, including motor vehicle taxes, are collected by the Lee County Tax Collector and remitted to the City. The County Tax Collector also collects taxes for the Tupelo Public School District (TPSD), which includes property outside the City limits, but within the School District.

The adjusted assessed valuation of the taxable property of the City and the Tupelo Public School District for which current payment was due during the fiscal year ended September 30, 2022 is as follows:

	City	TPSD
Real Property	\$ 377,393,245	\$ 15,397,845
Personal Property - Other Than Motor Vehicles & Mobile Homes	105,410,661	9,854,551
Personal Property - Motor Vehicles & Mobile Homes	<u>65,631,910</u>	<u>4,568,395</u>
	<u>\$ 548,435,816</u>	<u>\$ 29,820,791</u>

The City levied a tax millage of 32.47 mills and 64.10 mills on the assessed valuation of the City and Tupelo Public School District property, respectively. The millage was allocated as follows:

	City	TPSD
General Fund	11.72	0.00
Library Fund	0.94	0.00
City Bond and Interest Fund	8.20	0.00
Firemen and Policemen Retirement Fund	1.61	0.00
City Thoroughfare Fund	10.00	0.00
School Bonds Payable	0.00	6.10
Short-Term Debt	0.00	3.00
School Maintenance Fund	<u>0.00</u>	<u>55.00</u>
	<u>32.47</u>	<u>64.10</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 4 - GENERAL PROPERTY TAXES – continued

Collections for the School Bonds Payable, School Maintenance Fund, and the Short-Term Debt are remitted by the County and/or the City to the Tupelo Public School District.

NOTE 5 - CAPITAL ASSETS

The following is a summary of capital asset activity as of September 30, 2022:

	<u>Balance</u> <u>Oct. 1, 2021</u>	<u>Acquisitions</u>	<u>Capitalized</u> <u>Construction,</u> <u>Sales, or</u> <u>Retirements</u>	<u>Balance</u> <u>Sept. 30, 2022</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 14,360,706	\$ 142,930	\$ (11,464)	\$ 14,492,172
Construction in Progress	<u>37,304,941</u>	<u>7,554,143</u>	<u>(34,319,415)</u>	<u>10,539,669</u>
Total Capital Assets, not being Depreciated:	51,665,647	7,697,073	(34,330,879)	25,031,841
Capital Assets being Depreciated:				
Buildings and Improvements	113,205,048	1,328,431	19,726,474	134,259,953
Machinery and Equipment	30,725,398	1,636,908	(787,748)	31,574,558
Infrastructure	<u>149,336,563</u>	<u>-</u>	<u>14,592,940</u>	<u>163,929,503</u>
Total Capital Assets, being Depreciated	293,267,009	2,965,339	33,531,666	329,764,014
Less Accumulated Depreciation for:				
Buildings and Improvements	(34,782,300)	(3,148,515)	-	(37,930,815)
Machinery and Equipment	(21,871,946)	(1,872,120)	726,654	(23,017,412)
Infrastructure	<u>(89,193,140)</u>	<u>(5,073,376)</u>	<u>-</u>	<u>(94,266,516)</u>
Total Accumulated Depreciation	<u>(145,847,386)</u>	<u>(10,094,011)</u>	<u>726,654</u>	<u>(155,214,743)</u>
Total Governmental Activities Capital Assets, net	\$ <u>199,085,270</u>	\$ <u>568,401</u>	\$ <u>(72,559)</u>	\$ <u>199,581,112</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 5 - CAPITAL ASSETS – continued

	Balance Oct. 1, 2021	Acquisitions	Capitalized Construction, Sales, or Retirements	Balance Sept. 30, 2022
Business-Type Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,864,705	\$ -	\$ -	\$ 1,864,705
Construction in Progress	6,518,032	1,408,811	(4,315,779)	3,611,064
Total Capital Assets, not being Depreciated:	8,382,737	1,408,811	(4,315,779)	5,475,769
Capital Assets being Depreciated:				
Buildings and Improvements	263,329,729	2,458,822	3,490,134	269,278,685
Machinery and Equipment	28,742,199	1,104,973	(295,566)	29,551,606
Total Capital Assets, being Depreciated	292,071,928	3,563,795	3,194,568	298,830,291
Less Accumulated Depreciation for:				
Buildings and Improvements	(108,522,935)	(6,786,455)	901,868	(114,407,522)
Machinery and Equipment	(16,861,129)	(1,727,657)	255,669	(18,333,117)
Total Accumulated Depreciation	(125,384,064)	(8,514,112)	1,157,537	(132,740,639)
Total Business-Type Activities				
Capital Assets, net	\$ 175,070,601	\$ (3,541,506)	\$ 36,326	\$ 171,565,421
Discretely Presented Component Unit:				
Capital Assets, not being Depreciated:				
Land	\$ 6,099,049	\$ -	\$ -	\$ 6,099,049
Construction in Progress	801,758	205,044	(90,607)	916,195
Total Capital Assets, not being Depreciated:	6,900,807	205,044	(90,607)	7,015,244
Capital Assets being Depreciated:				
Buildings and Improvements	51,354,826	82,933	-	51,437,759
Machinery and Equipment	2,261,418	391,726	(122,651)	2,530,493
Total Capital Assets, being Depreciated	53,616,244	474,659	(122,651)	53,968,252
Less Accumulated Depreciation for:				
Buildings and Improvements	(29,320,246)	(1,263,254)	-	(30,583,500)
Machinery and Equipment	(1,295,062)	(149,294)	112,384	(1,331,972)
Total Accumulated Depreciation	(30,615,308)	(1,412,548)	112,384	(31,915,472)
Total Component Unit				
Capital Assets, net	\$ 29,901,743	\$ (732,845)	\$ (100,874)	\$ 29,068,024
Total Capital Assets	\$ 404,057,614	\$ (3,705,950)	\$ (137,107)	\$ 400,214,557

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 5 - CAPITAL ASSETS – continued

Depreciation expense was charged to functions / programs of the primary government as follows:

Governmental Activities:

General Government	\$ 1,153,479
Public Safety	1,194,013
Public Works	5,904,758
Culture and Recreation	<u>1,841,761</u>

Total Depreciation Expense - Governmental Activities	\$ <u>10,094,011</u>
---	-----------------------------

Business-Type Activities:

Electric Department	\$ 2,516,370
Water and Sewer	4,506,886
Northeast Mississippi Regional Water Supply District	43,205
Solid Waste	<u>1,447,651</u>

Total Depreciation Expense - Business-Type Activities	\$ <u>8,514,112</u>
--	----------------------------

Total Depreciation Expense - Discretely Presented Component Unit	\$ <u>1,412,548</u>
---	----------------------------

NOTE 6 - LONG-TERM DEBT

BONDS PAYABLE

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds include General City Bonds, G. O. Water Bonds, and Special Obligation, and School Bonds.

During 2021, the City issued tax increment limited obligation bonds, series 2021, in the amount of \$616,000. The purpose of this bond issue is to provide funds for Fairpark District development projects.

Special Assessments General Obligation Bonds are secured by an irrevocable pledge of the special assessment ad valorem taxes to be levied annually upon the property benefited by the project. The full faith, credit and resources of the City are irrevocably pledged for the payment of the principal and interest on the bonds.

Limited Obligation Tax Increment Bonds are secured by an irrevocable pledge of the ad valorem taxes to be levied annually upon incremental increase in assessed value of all taxable real property within and forming a part of The Mall at Barnes Crossing Project.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 6 - LONG-TERM DEBT – continued

NOTES PAYABLE AND STATE REVOLVING LOANS

Fifteen different capital improvement revolving loans make up the September 30, 2022 notes payable balance and are included in both governmental activities and business-type activities. All of the loans are in repayment status with a total outstanding balance of \$35,388,946.

Northeast Mississippi Regional Water Supply District has incurred long-term debt with the Drinking Water Systems Improvements Revolving Loan Fund as administered by the Mississippi Department of Health and the Mississippi Department of Environmental Quality in conjunction with three construction projects.

CHANGES IN LONG-TERM LIABILITIES

During the fiscal year, the following changes occurred in long-term debt:

	Fund Debt Retired By	Balances Oct. 1,	Additions	Reductions	Balances Sept. 30	Current Portion
Governmental Activities:						
General Obligation	Debt Service	\$41,560,529	\$ -	\$ 3,985,529	\$37,575,000	\$2,605,000
Limited Obligations						
Tax Increment	Debt Service	786,000	-	85,000	701,000	97,000
Special Obligation Bonds	Debt Service	25,000,000	-	-	25,000,000	-
Notes Payable	General	6,154,926	-	3,460,699	2,694,227	245,814
Bond Premiums		<u>5,245,878</u>	<u>-</u>	<u>340,115</u>	<u>4,905,763</u>	<u>-</u>
Total Governmental Activities		<u>\$78,747,333</u>	<u>\$ -</u>	<u>\$ 7,871,343</u>	<u>\$70,875,990</u>	<u>\$2,947,814</u>

	Fund Debt Retired By	Balances Oct. 1,	Additions	Reductions	Balances Sept. 30	Current Portion
Business-Type Activities:						
General Obligation	Water/Sewer	\$ 164,471	\$ -	\$ 164,471	\$ -	\$ -
Special Obligation Bonds	Water/Sewer	7,560,000	-	490,000	7,070,000	505,000
Special Obligation Bonds	Electric*	4,855,000	-	315,000	4,540,000	325,000
Notes Payable	Water/Sewer	35,840,020	-	3,145,301	32,694,719	3,203,286
State Revolving Loan	NEMSRWSD	59,422	-	59,422	-	-
Bond Premiums		<u>1,255,573</u>	<u>-</u>	<u>115,859</u>	<u>1,139,714</u>	<u>-</u>
Total Business-Type Activities		<u>\$49,734,486</u>	<u>\$ -</u>	<u>\$ 4,290,053</u>	<u>\$45,444,433</u>	<u>\$4,033,286</u>

*Amounts for Electric Fund are at June 30, 2022.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 6 - LONG-TERM DEBT – continued

DEBT SERVICE REQUIREMENTS TO MATURITY

Annual debt service requirements to maturity are as follows:

Year Ending September 30,	Governmental Activities					Total
	General Obligation	Limited Obligations	Special Obligation	Notes Payable	Interest	
		Tax Increment				
2023	\$ 2,605,000	\$ 97,000	\$ -	\$ 245,814	\$ 2,716,767	\$ 5,664,581
2024	3,005,000	104,000	305,000	253,245	2,295,303	5,962,548
2025	3,120,000	46,000	620,000	382,890	2,518,646	6,687,536
2026	3,235,000	48,000	635,000	146,796	2,395,459	6,460,255
2027	3,000,000	50,000	655,000	151,261	2,284,189	6,140,450
2028-2032	14,035,000	290,000	4,850,000	828,177	9,661,717	29,664,894
2033-2037	7,875,000	66,000	6,295,000	461,376	4,591,933	19,289,309
2038-2042	700,000	-	5,760,000	224,668	2,083,255	8,767,923
2043-2047	-	-	4,010,000	-	965,037	4,975,037
2048-2049	-	-	1,870,000	-	122,650	1,992,650
Total	\$ 37,575,000	\$ 701,000	\$25,000,000	\$ 2,694,227	\$ 29,634,956	\$ 95,605,183

Year Ending September 30,	Business-Type Activities			
	Special Obligation	Notes Payable	Interest	Total
2023	\$ 830,000	\$ 3,203,286	\$ 1,127,770	\$ 5,161,056
2024	855,000	3,262,380	1,043,777	5,161,157
2025	900,000	3,296,442	940,935	5,137,377
2026	945,000	3,202,458	837,094	4,984,552
2027	995,000	2,954,549	735,461	4,685,010
2028-2032	5,755,000	8,129,404	2,370,901	16,255,305
2033-2037	1,330,000	7,237,097	484,894	9,051,991
2038-2040	-	1,409,103	25,053	1,434,156
Total	\$ 11,610,000	\$ 32,694,719	\$ 7,565,885	\$ 51,870,604

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 6 - LONG-TERM DEBT – continued

DUE TO CITY OF TUPELO G.O. BONDS FUND

The Water District has pledged proceeds sufficient to pay the principal and interest of and redemption premium, if any, on the proportion of the bonds which are not paid with the proceeds of the Special Sales Tax. The District is required to make monthly deposits of interest and principal with a corporate trustee. The District reflects payments of interest as interest expense and the payment of principal on the refunding bonds as a reduction in Due to City of Tupelo Water G.O. Bonds Fund. One-half of the outstanding Series 2019 refunding bonds are shown as Due to City of Tupelo G.O. Bonds Fund, current and long-term portions.

Scheduled Payments are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 205,833	\$ 115,648	\$ 321,481
2024	207,500	107,415	314,915
2025	213,750	99,115	312,865
2026	225,417	90,564	315,981
2027	235,833	81,548	317,381
2028 - 2032	1,352,917	256,956	1,609,873
2033 - 2034	<u>386,667</u>	<u>20,671</u>	<u>407,338</u>
	<u>\$ 2,827,917</u>	<u>\$ 771,917</u>	<u>\$ 3,599,834</u>

STATE REVOLVING LOANS

Northeast Mississippi Regional Water Supply District has incurred long-term debt with the Drinking Water Systems Improvements Revolving Loan Fund as administered by the Mississippi Department of Health and the Mississippi Department of Environmental Quality in conjunction with two construction projects. The loan balances increase when administrative fees (deferred charges to be amortized over the life of the loan) were charged and project costs were reimbursed. Interest began accruing on the original construction contract completion date at 3%. Interest accrued before the initiation of the repayment schedule will be added to the amount of the loan to be repaid. The loans are payable in 236/237 monthly installments.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 7 - RENTALS UNDER OPERATING LEASES

TUPELO AIRPORT AUTHORITY RENTALS UNDER OPERATING LEASES

The Authority has entered into agreements to lease airport land and facilities to an airline, car rental agencies, fixed base operators and individuals. The following is a schedule by years of minimum future rental payments receivable on non-cancellable operating leases as of September 30, 2022:

<u>Year Ending September 30,</u>	
2023	\$ 417,291
2024	415,372
2025	378,642
2026	380,199
2027	381,775
2028 - 2032	780,985
2033 - 2037	<u>666,960</u>
Total Minimum Future Rentals	<u>\$ 3,421,224</u>

NOTE 8 - TVA HOME INSULATION PROGRAM - ELECTRIC FUND

Other Assets of the Electric Fund include \$63,190 receivable from customers for energy conservation loans and represents unbilled amounts due from customers as a result of their participation in an energy conservation program sponsored by TVA in which customers install energy conservation measures approved by a TVA energy advisor. The installation charges are paid by the Electric Department and billed to the customer over a period of time on the customer's monthly utility bill. TVA reimburses the Electric Department for amounts paid out under the program. Repayments are made to TVA by the Electric Department as collections are made from the customers. Advances from TVA for energy conservation loans represent the amounts advanced by TVA, net of repayments, under this program.

NOTE 9 - DUE FROM/TO OTHER FUNDS AND ADVANCES TO/FROM OTHER FUNDS

Individual fund Due from Other Funds and Due to Other Funds balances as of September 30, 2022 were:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 2,319,000	\$ -
Proprietary Funds:		
Electric Fund	1,128	52,596
Water and Sewer Fund	29,298	2,320,128
Solid Waste Management Fund	<u>23,298</u>	<u>-</u>
Total	<u>\$ 2,372,724</u>	<u>\$ 2,372,724</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 10 - NONCURRENT ASSETS

The following receivable at September 30, 2022 was not received within sixty days after that date and, therefore, are not deemed to constitute available spendable resources and are not a component of net current assets:

Rental Rehabilitation Fund (a Special Revenue Fund)	
Notes Receivables	\$ <u>70,814</u>

NOTE 11 - CONTRIBUTED CAPITAL

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program (AIP) of the Federal Aviation Administration, with certain matching funds provided by the City of Tupelo and State of Mississippi. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred. Grants for capital asset acquisition, facility development and rehabilitation are reported as Capital Contributions in the Statement of Revenues, Expenses and Changes in Net Position.

The Water and Sewer fund recognizes capital grants and contributions in the Statement of Revenues, Expenses, and Changes in Net Position when received by an intermediary governmental entity.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN

Plan Description - Employees of the City of Tupelo and the Tupelo Airport Authority are provided a defined benefit pension plan through the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing agent multiple-employer pension plan. The Public Employees' Retirement System of Mississippi (PERS) was created with the purpose to provide pension benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate in the System, and elected members of the State Legislature and the President of the Senate. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201 or by calling (601) 359-3589 or 1-800-444-PERS.

Benefits Provided - For the cost-sharing plan participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0% of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5% for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less (the actuarial reduction for less than 30 years or below age 65 apply only to those who became members on or after July 1, 2011). Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service.

A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary.

Employee membership data related to the Plan, as of June 30, 2021 was as follows:

Inactive Members or Beneficiaries Currently Receiving Benefits	112,158
Inactive Members Assumed Eligible for a Benefit at Retirement Date	16,887
Inactive Members Assumed Not to Receive Service Retirement Benefits	68,026
Active Members	145,673
Total	342,744

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

Contributions - The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. PERS members are required to contribute 9.00% of their annual covered salary and the City of Tupelo is required to contribute at an actuarially determined rate. The current rate is 17.40% of annual covered payroll. The contributions are deducted from the employees' wages or salary and remitted by the City to PERS on a monthly basis. By law, employer contributions are required to be paid. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

The following detailed analysis of payroll, pension liability, liability percentage, pension expense, deferred outflows, and deferred inflows, will be divided among the City of Tupelo (all funds except the following), the Coliseum Project Fund, Northeast Mississippi Regional Water Supply District (Water District), the Tupelo Airport Authority, the Water and Sewer Fund, and the Electric Fund (as of June 30, 2022). Separate employer contributions and employer allocation percentages are required for each of these entities.

Covered payroll below refers to all compensation paid to active employees covered by the Plan.

For the year ended September 30, 2022, the City of Tupelo's total payroll for all employees was \$18,917,565. Total covered payroll was \$18,620,328.

For the year ended September 30, 2022, the Coliseum Project Fund's total payroll for all employees was \$849,575. Total covered payroll was \$760,385.

For the year ended September 30, 2022, the Water District's total payroll for all employees was \$47,342. Total covered payroll was also \$47,342.

For the year ended September 30, 2022, the Tupelo Airport Authority's total payroll for all employees was \$531,859. Total covered payroll was \$515,167.

For the year ended September 30, 2022, the Water and Sewer Fund's total payroll for all employees was \$1,439,189. Total covered payroll was \$1,425,431.

For the year ended June 30, 2022, the Electric Fund's total payroll for all employees was \$2,187,126. Total covered payroll was \$2,187,126.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2022, the City of Tupelo reported a liability of \$53,329,121 for its proportionate share of the net pension liability. The City of Tupelo share does include the Solid Waste Fund. The Coliseum Project Fund reported a liability of \$2,237,853 for its proportionate share. The Water District reported \$205,835, the Tupelo Airport Authority reported \$1,406,687, and the Water and Sewer Fund reported \$4,400,078. The Electric Fund as of June 30, 2022, reported a liability of \$4,675,212 for its proportionate share of the net pension liability.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

The net pension liability was measured as of June 30, 2022, and the total pension liability percentage used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Tupelo’s proportion of the net pension was based on a projection of the City of Tupelo’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the City of Tupelo’s proportion was 0.259085 percent. At June 30, 2022, the proportionate share for the Coliseum Project Fund was 0.010872 percent. At June 30, 2022, the proportionate share for the Water District was 0.0010 percent. At June 30, 2022, the proportionate share for the Tupelo Airport Authority was 0.006834 percent. At June 30, 2022, the proportionate share for the Water and Sewer Fund was 0.021377 percent.

For the Electric Fund, the net pension liability was measured as of June 30, 2021, and the total pension liability percentage used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2021, the Electric Fund’s proportion was 0.031631 percent.

For the year ended September 30, 2022, the City of Tupelo (including the Solid Waste Fund) recognized pension expense of \$1,435,974. At September 30, 2022, the City of Tupelo reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 755,103	\$ -
Net Difference Between Projected and Actual Investment Earnings	2,801,105	-
City Pension Contributions Subsequent to the Measurement Date	919,611	-
Changes of Assumptions	1,844,450	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	4,172,304
Total	\$ 6,320,269	\$ 4,172,304

The \$919,611 of deferred outflows of resources resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2023	\$ (215,246)
2024	(226,103)
2025	(1,224,081)
2026	2,893,784
Total	\$ 1,228,354

For the year ended September 30, 2022, the Coliseum Project Fund recognized pension expense of (\$50,627). At September 30, 2022, the Coliseum Project Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 31,686	\$ -
Net Difference Between Projected and Actual Investment Earnings	117,543	-
Coliseum Pension Contributions Subsequent to the Measurement Date	35,994	-
Changes of Assumptions	77,399	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>78,962</u>	<u>412,714</u>
Total	<u>\$ 341,584</u>	<u>\$ 412,714</u>

The \$35,994 of deferred outflows of resources resulting from the Coliseum Project Fund's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	<u>Amount</u>
2023	\$ (148,872)
2024	(82,762)
2025	3,078
2026	<u>121,432</u>
Total	<u>\$ (107,124)</u>

For the year ended September 30, 2022, the Water District recognized pension expense of \$18,587. At September 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 2,914	\$ -
Net Difference Between Projected and Actual Investment Earnings	16,096	-
Water District Pension Contributions Subsequent to the Measurement Date	2,101	-
Changes of Assumptions	-	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>3,612</u>	<u>2,908</u>
Total	<u>\$ 24,723</u>	<u>\$ 2,908</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

The \$2,101 of deferred outflows of resources resulting from the Water District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	<u>Amount</u>
2023	\$ 6,532
2024	4,450
2025	(2,436)
2026	<u>11,168</u>
Total	<u>\$ 19,714</u>

For the year ended September 30, 2022, the Tupelo Airport Authority recognized pension expense of \$106,185. At September 30, 2022, the Tupelo Airport Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 19,918	\$ -
Net Difference Between Projected and Actual Investment Earnings	73,886	-
TAA’s Pension Contributions Subsequent to the Measurement Date	23,610	-
Changes of Assumptions	48,652	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>218,273</u>	<u>16,709</u>
Total	<u>\$ 384,339</u>	<u>\$ 16,709</u>

The \$23,610 of deferred outflows of resources resulting from the Tupelo Airport Authority’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	<u>Amount</u>
2023	\$ 114,716
2024	105,944
2025	47,029
2026	<u>76,331</u>
Total	<u>\$ 344,020</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

For the year ended September 30, 2022, the Water and Sewer Fund recognized pension expense of \$69,551. At September 30, 2022, the Water and Sewer Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 62,302	\$ -
Net Difference Between Projected and Actual Investment Earnings	231,114	-
Water and Sewer Fund Pension Contributions Subsequent to the Measurement Date	69,540	-
Changes of Assumptions	152,181	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	392,193
Total	<u>\$ 515,137</u>	<u>\$ 392,193</u>

The \$69,540 of deferred outflows of resources resulting from the Water and Sewer Fund's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	<u>Amount</u>
2023	\$ (68,474)
2024	(9,501)
2025	(107,382)
2026	<u>238,761</u>
Total	<u>\$ 53,404</u>

For the year ended June 30, 2022, the Electric Fund recognized pension expense of (\$126,129). At June 30, 2022, the Electric Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 74,757	\$ -
Net Difference Between Projected and Actual Investment Earnings	-	1,407,974
Electric Fund's Pension Contributions Subsequent to the Measurement Date	400,404	-
Changes of Assumptions	359,755	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	734,239
Total	\$ 834,916	\$ 2,142,213

The \$400,404 of deferred outflows of resources resulting from the Electric Fund's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2023	\$ (528,337)
2024	(441,496)
2025	(318,300)
2026	(419,568)
Total	\$ (1,707,701)

Actuarial Assumptions - The City of Tupelo total pension liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	2.65 - 17.90%, average, including inflation
Investment rate of return	7.55%, net of pension plan investment expense, including inflation

Actuarial Assumptions - The Electric Fund pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	2.65 - 17.90%, average, including inflation
Investment rate of return	7.55%, net of pension plan investment expense, including inflation

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments. For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The actuarial assumptions are based on the experience investigation for the four-year period ending June 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The most recent target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	27.00 %	4.60 %
International Equity	22.00	4.50
Global Equity	12.00	4.80
Fixed Income	20.00	(0.25)
Real Estate	10.00	3.75
Private Equity	8.00	6.00
Cash Equivalents	1.00	(1.00)
Total	100.00	

Discount Rate - The discount rate used to measure the total pension liability was 7.55 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current contribution rate (17.40%). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

Sensitivity of the City of Tupelo's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City of Tupelo's and the additional September 30, 2022 funds proportionate share of the net pension liability using the discount rate of 7.55 percent, as well as what the City of Tupelo's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.55 percent) or 1-percentage-point higher (8.55 percent) than the current rate:

	<u>Discount Rate</u>	<u>City of Tupelo's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.55%	\$ 69,599,949
Current Discount Rate	7.55%	53,329,121
1% Increase	8.55%	39,914,651

	<u>Discount Rate</u>	<u>Coliseum Project Fund's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.55%	\$ 2,920,627
Current Discount Rate	7.55%	2,237,853
1% Increase	8.55%	1,674,941

	<u>Discount Rate</u>	<u>Northeast MS Regional Water District's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.55%	\$ 268,638
Current Discount Rate	7.55%	205,836
1% Increase	8.55%	154,060

	<u>Discount Rate</u>	<u>Tupelo Airport Authority's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.55%	\$ 1,835,869
Current Discount Rate	7.55%	1,406,687
1% Increase	8.55%	1,052,846

	<u>Discount Rate</u>	<u>Water and Sewer Fund's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.55%	\$ 5,742,552
Current Discount Rate	7.55%	4,400,078
1% Increase	8.55%	3,293,277

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLAN – continued

Sensitivity of the Electric Fund's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Electric Fund's proportionate share of the net pension liability using the discount rate of 7.55%, as well as what the Electric Fund's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.55%) or 1-percentage-point higher (8.55%) than the current rate:

	Discount Rate	Electric Fund's Proportionate Share of Net Pension Liability
1% Decrease	6.55%	\$ 6,621,196
Current Discount Rate	7.55%	4,675,212
1% Increase	8.55%	3,071,566

Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in the separately issued Public Employees' Retirement System of Mississippi (PERS) financial report.

NOTE 13 - TRANSFERS FROM/TO OTHER FUNDS/COMPONENT UNITS/PRIMARY GOVERNMENT

Fund	Transfers to Other Funds	Transfers from Other Funds
General Fund	\$ 10,097,702	\$ 182,341
Special Revenue Funds:		
Library Fund	-	12,500
CVB Fund	1,950,103	-
Coliseum Project Fund	1,656,596	2,215,120
Coliseum Operating Fund	-	666,286
Narcotics Fund	52,246	-
Transportation Fund	-	132,706
Debt Service Funds:		
City Bond and Interest Fund	-	726,878
Special Obligation Debt Service Fund	-	681,080
Capital Projects Funds:		
Thoroughfare Fund Phase VI	743,171	-
Thoroughfare Fund Phase VII	-	743,171
Special Obligation Capital Fund	322,640	-
City Infrastructure Fund	-	9,462,376
Total	\$ 14,822,458	\$ 14,822,458
	Transfers to Blended Component Unit	Transfers from Blended Component Unit
Debt Service Fund:		
Water G.O. Bond Fund	\$ 4,447,146	\$ 325,865
Enterprise Fund:		
Water and Sewer Fund	1,180,929	-
Total	\$ 5,628,075	\$ 325,865

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 - TRANSFERS FROM/TO OTHER FUNDS/COMPONENT UNITS/PRIMARY GOVERNMENT – continued

Transfers between the primary government and blended component unit do not balance because the Water District reports differently from the City. The following is a reconciliation of the difference:

Transfers to Water G.O. Bond Fund reported as a reduction in Due to City of Tupelo Water G.O. Bond Fund and Interest Expense by the Water District	\$ 325,865
Transfers to Water District reported as Water Sales by Water District	(1,180,929)
Transfer to Water District reported as Contributed Capital by Water District	<u>(4,447,146)</u>
Difference	<u>\$ (5,302,210)</u>

NOTE 14 - INVESTMENTS WITH FINANCIAL INSTITUTIONS

Investments held during the fiscal year consisted only of the types of investments held at the end of the fiscal year. Investments made by the City that are included on the combined balance sheet at September 30, 2022, are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the categories described below:

- Category 1 - Insured or registered or for which the securities are held by the City or its agent in the City's name.
- Category 2 - Uninsured and unregistered for which the securities are held by the broker or dealers trust department or agent in the City's name.
- Category 3 - Uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

<u>Investment Type</u>	<u>Category</u>			<u>Carrying Amount</u>	<u>Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U. S. Government Securities Funds*		X		\$ <u>4,177,422</u>	\$ <u>4,177,422</u>
Total Investments				\$ <u>4,177,422</u>	\$ <u>4,177,422</u>

*These funds invest only in U.S. Government securities.

NOTE 15 - LIABILITY FOR COMPENSATED ABSENCES

The General Fund did not have any liability at September 30, 2022, for vested, but unused, vacation or overtime since none of the City's liability at that date applicable to employees whose compensation is reflected as an expenditure in its governmental funds is expected to be liquidated with expendable available financial resources.

A liability for vested, but unused, vacation and overtime did exist at September 30, 2022, for the General Long-Term Debt Account Group, the Combined Water and Sewer Fund, and the Tupelo Airport Authority, and at June 30, 2022, for the Electric Fund and has been reflected in these financial statements.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 15 - LIABILITY FOR COMPENSATED ABSENCES – continued

As provided by Statement No. 16 of the Governmental Accounting Standards Board, *Accounting for Compensated Absences*, the primary government and the Airport Authority do not have any liability for unused sick leave accumulated by its employees since the employees do not have a vested right to receive sick pay benefits; i.e., the employees' rights to receive compensation for future absences for sick leave is contingent on the absences being caused by the employee's future illness resulting prior to termination of his/her employment with the City or the Airport Authority.

NOTE 16 - ACCOUNTS RECEIVABLE

Receivables for accounts of the Electric Fund (an Enterprise Fund) have been reduced by \$95,460 to reflect the provision for uncollectible accounts. The accrual amount of court fine receivables on the Statement of Net Position – Government – Wide has been reduced by \$23,358,211 to reflect the provision for uncollectible fines.

NOTE 17 - SOLID WASTE DISPOSAL SERVICE AGREEMENT

The City is party to a service agreement with Three Rivers Solid Waste Management Authority (Authority). The Authority agreed to construct and operate facilities for the disposal of solid waste. The City agreed to deliver all acceptable solid waste over which it has legal authority to control to the Authority for disposal. By reason of the incorporation agreement of the Authority and the service agreement between the City and the Authority, the City is a voting member of the Authority. In addition, the City remains obligated to pay its pro rata share of the Authority's bonded indebtedness incurred during the City's membership in the Authority. Financial statements of the Authority are available.

NOTE 18 - SOLID WASTE MANAGEMENT FUND

Pursuant to Section 17-17-347, Mississippi Code Annotated (1972), the City of Tupelo has established a solid waste management system accounted for through an enterprise fund to determine the full and complete cost for solid waste management within the service area.

NOTE 19 - GENERAL OBLIGATION WATER BONDS

In 1988, the State of Mississippi authorized through legislation the issuance of general obligation bonds by the City of Tupelo for the construction and acquisition of alternative source water supply facilities and payment of interest on bonds, establishment of reserves to secure such bonds and payment of expenses incident to the issuance of such bonds. The act also provided for the imposition of a specific sales tax, at the rate of one-quarter of one percent upon all sales and services within the City of Tupelo which are subject to the general rate of state sales tax, the proceeds of which are to be used to pay for fifty percent (50%) of the cost of construction and financing of the project.

Pursuant to this act, the City of Tupelo, on February 2, 1989, issued \$21,000,000 in general obligation bonds and transferred the proceeds to the Northeast Mississippi Regional Water Supply District. The full faith, credit and resources of the City of Tupelo are irrevocably pledged for the payment of the principal and interest on the bonds. On August 1, 1996, the City refunded a portion of the Series 1989 bonds as more fully explained in Note 6. On December 17, 2008 the Series 1989 bonds were refunded in their entirety and City of Tupelo issued \$9,995,000 in General Obligation Water Bonds Series 2008. On May 31, 2019, the City refunded the remaining portion of the 2008 Water Refunding Bonds with the 2019 \$6,385,000 General Obligation Water Refunding Bonds. Although refunded, the bond covenants and agreements from the Series 1989 issue remain in effect.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 19 - GENERAL OBLIGATION WATER BONDS – continued

In connection with the issuance of the above bonds, a trust indenture involving the City of Tupelo, the Northeast Mississippi Regional Water Supply District, and Hancock Bank was executed. As per the terms of this trust indenture, various agreements were reached and trust accounts were established as follows:

1. The bond proceeds were placed in the "Water Construction Fund" trust account and are an asset of the Water District, which shall own and manage the system.
2. The debt service on the bonds is to be handled through the "Water Supply Bond Fund" trust account. The assets in this trust account and its two subaccounts, the "Special Sales Tax Subaccount" trust account and the "Water Revenue Subaccount" trust account, are assets of the City of Tupelo and are reflected in its Water G. O. Bonds Fund (a Debt Service Fund).

The assets of the "Special Sales Tax Subaccount" can only be used to pay up to 50% of each debt service disbursement; the remainder must come from the other subaccount or other sources. The Water District, which owns the system, has pledged a sufficient portion of its revenues to the payment of the principal and interest on the bonds as they come due to the extent not paid with the proceeds of the special sales tax.

The Water District's billings for water include an amount to pay the remaining 50% of each debt service disbursement. The City of Tupelo treats this amount as a transfer to the Water District for debt service. The Water District reflects these payments as water revenues. Total water fees reported by the City as debt service transfers to the Water District for the year ended September 30, 2022 was \$1,180,929.

NOTE 20 - RISK MANAGEMENT

The City of Tupelo is exposed to various risks of losses related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs of the City except for certain employment practices liabilities, certain environmental liabilities, workers' compensation liabilities funded through a public entity risk pool, and catastrophic natural disasters that may exceed insurance coverages for which the City retains the risk of loss.

Risk of loss related to workers compensation for injuries to City employees is covered through the Mississippi Municipal Workers Compensation Group, a public entity risk pool. The pool was formed on March 28, 1989, by the Mississippi Nonprofit Corporation Act, pursuant to Section 71-3-75, Mississippi Code Annotated (1972), to provide public entities within the State of Mississippi workers compensation and employers liability coverage. The City pays premiums to the pool for its workers' compensation insurance coverage based on total payroll. The participation agreement provides that the pool will be self-sustaining through member premiums. The risk of loss is remote for claims exceeding the pool's retention liability. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. For insured programs there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 21 - CONTINGENT LIABILITIES

Litigation

The City is a defendant in various litigations arising out of normal business activities. Although the City carries commercial insurance to protect itself against damage claims, it is possible that the ultimate resolution of cases may exceed the City's insured limits. Management, with the advice of legal counsel, is of the opinion that the ultimate resolution of these matters will not have a material adverse effect on the financial statements.

Federally Assisted Programs – Compliance Audits

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 22 - ECONOMIC DEPENDENCY

The Electric Department of the City of Tupelo had sales to one major customer for the year ended June 30, 2022 (its year-end) of \$6,605,679 This represented approximately 11.5% of the Department's revenues for the year.

NOTE 23 - USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in preparing these financial statements include those assumed in computing the net pension liability and the provision for uncollectible court fines as mentioned in Note 12 and Note 16, respectively. It is as least reasonably possible that the significant estimate used will change within the next year.

NOTE 24 - BUDGET / GAAP RECONCILIATION

The major difference between the budgetary basis and the GAAP basis is:

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 24 - BUDGET / GAAP RECONCILIATION – continued

The following schedule reconciles the budgetary basis schedules to the GAAP basis financial statements for the General Fund and the major fund.

	Governmental Fund Types	
	General Fund	City Infrastructure Fund
Budget (Cash Basis)	\$ (3,671,036)	\$ (1,202,060)
Increase (Decrease) Net adjustments for revenue accruals	235,575	-
GAAP Basis	\$ (3,435,461)	\$ (1,202,060)

NOTE 25 - CONSTRUCTION AND OTHER COMMITMENTS

The City of Tupelo and its components units have entered in the following commitments:

<u>To Be Paid By</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Expended through September 30, 2022</u>	<u>Remaining Commitment at September 30, 2022</u>
General City:	Underground Utilities	\$ 912,571	\$ 912,571	\$ -
	Coliseum Site Improvements	2,099,656	2,099,656	-
	Coliseum General Works	1,807,682	1,807,682	-
Thoroughfare Fund:	Jackson Extension	4,047,754	3,863,465	184,289
	Jackson Street Widening	2,753,693	2,751,923	1,770
	Jackson St. Widening Utilities	5,742,563	5,656,724	85,839
Infrastructure Fund:	Fire Station No. 2	1,896,125	1,760,603	135,522
	Chiller Upgrade Project	2,851,000	2,151,845	699,155
	Gun Club Road Improvements	1,250,587	794,340	456,247
	City Street Micro-Resurfacing	157,535	103,953	53,582
	Air Park Road Scrub Seal	113,900	79,597	34,303
	Court Street Parking Lot	406,520	386,194	20,326
	Eason Blvd Improvements	4,086,369	1,976,002	2,110,367
		\$ 23,125,955	\$ 24,344,555	\$ 3,781,400

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 26 - INTERFUND TRANSACTIONS

Interfund transactions are either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services, deemed to be reasonably equivalent in value, are treated as revenues and expenditures / expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are presented as transfers. Transfers within governmental activities or within business-type activities are eliminated upon consolidations in the government-wide statements.

NOTE 27 - TAX ABATEMENTS

The City enters into property tax abatement agreements with local businesses for economic development purposes. The abatements may be granted to any business located within or promising to locate within the city limits. The abatements are negotiated on an individual basis. Each abatement is for 10 years. The City had fifty-nine tax abatement agreements with twenty-four entities as of September 30, 2022.

The City had three types of abatements, none of which provides for the abatement of school or state tax levies:

- Section 27-31-101 – New enterprise exemptions
- Section 27-31-105 – Expanded enterprise exemptions
- Section 27-31-104 – Fee in lieu of tax agreements

All twenty-four entities had tax abatements listed under the above listed statutes.

Category	Amount of taxes abated during the fiscal year
New and expanded industrial enterprises	\$341,654

The companies were not required to comply with any special provisions in order to receive the abatements and the City made no commitments as part of the agreements other than to reduce taxes. Abatements may be voided pursuant to state law in the event of a cessation of company operations.

NOTE 28 - SUBSEQUENT EVENTS

Events that occur after the statement of net position date, but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date require recognition in the financial statements. Subsequent events that provide evidence about conditions that existed after the statement of net position date require disclosure in the notes to the financial statements. Management evaluated the activity of the City through March 29, 2023, (the date the financial statements were available to be issued) and noted the following items which require disclosure in the notes to the financial statements.

A Water Pollution Control Revolving Loan Fund (SRF-C280885-08) loan for \$18,000,000 was approved for the Central Pumping Station renovation and installation of a high pressure sewer line for the Tupelo-Lee Industrial Park sewer improvements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TUPELO, MISSISSIPPI
Schedule of the City's Proportionate
Share of the Net Pension Liability
For the eight years ended September 30, 2022*

	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of net pension liability (%)	0.25909	0.26497	0.26392	0.25816	0.26055	0.25163	0.24688	0.24395
City's proportionate share of net pension liability	\$ 53,329,121	\$ 39,163,576	\$ 51,091,459	\$ 45,415,438	\$ 43,336,374	\$ 41,829,447	\$ 44,099,290	\$ 37,934,001
City's covered payroll	\$ 18,620,328	\$ 17,547,057	\$ 17,694,218	\$ 16,740,741	\$ 16,638,298	\$ 16,142,216	\$ 16,119,683	\$ 15,387,575
City's proportionate share of net pension liability as a percentage of its covered payroll (%)	286.40	223.19	288.75	271.29	260.46	259.13	273.57	246.52
Coliseum's proportion of net pension liability (%)	0.01087	0.00952	0.01283	0.01410	0.01339	0.01201	0.01180	0.01220
Coliseum's proportionate share of net pension liability	\$ 2,237,853	\$ 1,406,950	\$ 2,484,126	\$ 2,480,116	\$ 2,225,540	\$ 1,996,802	\$ 2,114,562	\$ 1,885,789
Coliseum's covered payroll	\$ 760,385	\$ 665,764	\$ 801,408	\$ 890,265	\$ 854,965	\$ 770,559	\$ 789,663	\$ 753,435
Coliseum's proportionate share of net pension liability as a percentage of its covered payroll (%)	294.31	211.33	309.97	278.58	260.31	259.14	267.78	250.30
District's proportion of net pension liability (%)	0.00100	0.00100	0.00100	0.00100	0.00100	0.00100	0.00100	0.00100
District's proportionate share of net pension liability	\$ 205,835	\$ 147,804	\$ 193,588	\$ 175,916	\$ 166,326	\$ 166,232	\$ 178,624	\$ 154,580
District's covered payroll	\$ 47,342	\$ 63,884	\$ 65,951	\$ 63,973	\$ 61,937	\$ 60,311	\$ 58,578	\$ 57,200
District's proportionate share of net pension liability as a percentage of its covered payroll (%)	434.78	231.36	293.53	274.99	268.54	275.62	304.94	270.25
TAA's proportion of net pension liability (%)	0.00683	0.00516	0.00532	0.00557	0.00539	0.00565	0.00458	0.00528
TAA's proportionate share of net pension liability	\$ 1,406,687	\$ 762,523	\$ 1,030,084	\$ 979,345	\$ 895,685	\$ 938,557	\$ 818,460	\$ 815,566
TAA's covered payroll	\$ 515,167	\$ 360,190	\$ 357,046	\$ 359,150	\$ 348,787	\$ 343,048	\$ 309,149	\$ 314,616
TAA's proportionate share of net pension liability as a percentage of its covered payroll (%)	273.05	211.70	288.50	272.68	256.80	273.59	264.75	259.23
W&S's proportion of net pension liability (%)	0.02138	0.02198	0.02211	0.02278	0.02268	0.02203	0.02119	0.02120
W&S's proportionate share of net pension liability	\$ 4,400,078	\$ 3,248,876	\$ 4,279,380	\$ 4,007,453	\$ 3,770,794	\$ 3,662,767	\$ 3,784,849	\$ 3,273,406
W&S's covered payroll	\$ 1,425,431	\$ 1,314,874	\$ 1,409,609	\$ 1,462,847	\$ 1,448,571	\$ 1,413,467	\$ 1,385,638	\$ 1,332,497
W&S's proportionate share of net pension liability as a percentage of its covered payroll (%)	308.68	220.47	303.59	273.95	260.31	259.13	273.15	245.66
**Electric's proportion of net pension liability (%)	0.03163	0.03181	0.03278	0.03264	0.03171	0.03049	0.03047	0.03201
Electric's proportionate share of net pension liability	\$ 4,675,212	\$ 6,158,132	\$ 5,766,823	\$ 5,429,391	\$ 5,270,811	\$ 5,446,490	\$ 4,560,118	\$ 3,580,761
Electric's covered payroll	\$ 2,187,126	\$ 2,127,897	\$ 2,118,167	\$ 2,104,997	\$ 2,065,238	\$ 2,074,070	\$ 1,967,778	\$ 1,903,784
Electric's proportionate share of net pension liability as a percentage of its covered payroll (%)	213.76	289.40	272.26	257.93	255.22	262.60	231.74	188.09
Plan fiduciary net position as a % of total pension liability	59.93	70.44	58.97	61.59	62.54	61.49	57.47	61.70

Schedule is intended to show information for 10 years. Additional years will be available as they become available.

* The amounts presented have a measurement date of June 30. ** Amounts for the Electric Fund are at June 30, 2022.

The accompanying notes to the required supplementary information are an integral part of this schedule.

CITY OF TUPELO, MISSISSIPPI
Schedule of the City's Contributions
For the nine years ended September 30, 2022*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Tupelo									
Statutorily required contributions	\$ 3,239,937	\$ 3,053,188	\$ 3,078,794	\$ 2,710,110	\$ 2,620,532	\$ 2,542,399	\$ 2,538,850	\$ 2,423,543	\$ 2,377,252
Actual contributions	\$ 3,239,937	\$ 3,053,188	\$ 3,078,794	\$ 2,710,110	\$ 2,620,532	\$ 2,542,399	\$ 2,538,850	\$ 2,423,543	\$ 2,377,252
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Tupelo's covered payroll	\$ 18,620,328	\$ 17,547,057	\$ 17,694,218	\$ 16,740,741	\$ 16,638,298	\$ 16,142,216	\$ 16,119,683	\$ 15,387,575	\$ 15,093,663
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	16.19 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %
Coliseum Project Fund									
Statutorily required contributions	\$ 132,307	\$ 115,843	\$ 139,445	\$ 143,766	\$ 134,657	\$ 121,363	\$ 124,372	\$ 118,666	\$ 122,403
Actual contributions	\$ 132,307	\$ 115,843	\$ 139,445	\$ 143,766	\$ 134,657	\$ 121,363	\$ 124,372	\$ 118,666	\$ 122,403
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Coliseum's covered payroll	\$ 760,385	\$ 665,764	\$ 801,408	\$ 890,265	\$ 854,965	\$ 770,559	\$ 789,663	\$ 753,435	\$ 777,162
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	16.15 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %
Water District									
Statutorily required contributions	\$ 8,237	\$ 11,116	\$ 11,475	\$ 10,342	\$ 9,755	\$ 9,499	\$ 9,226	\$ 9,009	\$ 8,947
Actual contributions	\$ 8,237	\$ 11,116	\$ 11,475	\$ 10,342	\$ 9,755	\$ 9,499	\$ 9,226	\$ 9,009	\$ 8,947
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water District's covered payroll	\$ 47,342	\$ 63,884	\$ 65,951	\$ 63,973	\$ 61,937	\$ 60,311	\$ 58,578	\$ 57,200	\$ 56,610
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	16.17 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %
Tupelo Airport Authority									
Statutorily required contributions	\$ 89,639	\$ 62,673	\$ 62,126	\$ 57,878	\$ 54,934	\$ 54,030	\$ 48,691	\$ 49,552	\$ 54,201
Actual contributions	\$ 88,174	\$ 62,673	\$ 62,126	\$ 57,878	\$ 54,934	\$ 54,030	\$ 48,691	\$ 49,552	\$ 54,201
Contribution deficiency (excess)	\$ 1,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TAA's covered payroll	\$ 515,167	\$ 360,190	\$ 357,046	\$ 359,150	\$ 348,787	\$ 343,048	\$ 309,149	\$ 314,616	\$ 344,133
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	16.12 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %
Water and Sewer Fund									
Statutorily required contributions	\$ 248,025	\$ 228,788	\$ 245,272	\$ 236,701	\$ 228,150	\$ 222,621	\$ 218,238	\$ 209,868	\$ 213,692
Actual contributions	\$ 248,025	\$ 228,788	\$ 245,272	\$ 236,701	\$ 228,150	\$ 222,621	\$ 218,238	\$ 209,868	\$ 213,692
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
W&S's covered payroll	\$ 1,425,431	\$ 1,314,874	\$ 1,409,609	\$ 1,462,847	\$ 1,448,571	\$ 1,413,467	\$ 1,385,638	\$ 1,332,493	\$ 1,356,775
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	16.18 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %
Electric Fund*									
Statutorily required contributions	\$ 380,560	\$ 370,254	\$ 368,561	\$ 331,537	\$ 325,275	\$ 326,666	\$ 309,925	\$ 299,846	\$ 308,146
Actual contributions	\$ 380,560	\$ 370,254	\$ 368,561	\$ 331,537	\$ 325,275	\$ 326,666	\$ 309,925	\$ 299,846	\$ 308,146
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Electric Department's covered payroll	\$ 2,187,126	\$ 2,127,897	\$ 2,118,167	\$ 2,104,997	\$ 2,065,238	\$ 2,074,070	\$ 1,967,778	\$ 1,903,784	\$ 1,956,483
Contributions as a % of covered payroll	17.40 %	17.40 %	17.40 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %	15.75 %

Schedule is intended to show information for 10 years. Additional years will be available as they become available.

Contribution rate changed to 17.40% on July 1, 2019. * Amounts for the Electric Fund are at June 30, 2022.

The accompanying notes to the required supplementary information are an integral part of this schedule.

CITY OF TUPELO, MISSISSIPPI
Notes to the Required Supplementary Information
For the Year Ended September 30, 2022

Changes of Assumptions

2021:

- The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments:
 - For males, 134% of male rates at all ages.
 - For females, 121% of female rates at all ages.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The expectation of disabled mortality was changed to PubG.H-2010 Disabled Table for disabled retirees with the following adjustments:
 - For males, 134% of male rates at all ages.
 - For females, 121% of female rates at all ages.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The expectation of contingent annuitant mortality was based on the PubS.H-2010(B) Contingent Annuitant Table with the following adjustments:
 - For males, 97% of male rates at all ages.
 - For females, 110% of female rates at all ages.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The price inflation assumption was reduced from 2.75% to 2.40%.
- The wage inflation assumption was reduced from 3.00% to 2.65%.
- The investment rate of return assumption was changed from 7.75% to 7.55%.
- The assumed load for administrative expenses was increased from 0.25% to 0.28% of payroll.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to reflect actual experience more closely.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 9% to 12%.
- The percentage of active member deaths assumed to be in in the line of duty was decrease from 6% to 4%.

2019:

- The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments:
 - For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119.
 - For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119.
 - Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.
- The expectation of disabled mortality was changed to PubT.H-2010 Disabled Retiree Table for disabled retirees with the following adjustments:
 - For males, 137% of male rates at all ages.
 - For females, 115% of female rates at all ages.
 - Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

CITY OF TUPELO, MISSISSIPPI
Notes to the Required Supplementary Information
For the Year Ended September 30, 2022

Changes of Assumptions 2019 (continued)

- The price inflation assumption was reduced from 3.00% to 2.75%.
- The wage inflation assumption was reduced from 3.25% to 3.00%.
- Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.

2017:

- The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.
- The wage inflation assumption was reduced from 3.75% to 3.25%.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

2016:

- The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

2015:

- The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.
- The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
- Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
- The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

Changes of Benefit Provisions

2016:

- Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

CITY OF TUPELO, MISSISSIPPI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Non-Major Special Revenue	Non-Major Capital Projects	Non-Major Debt Service	Total Non-Major Governmental Funds
<u>ASSETS:</u>				
Cash	\$ 12,850,991	\$ 5,962,267	\$ 2,563,254	\$ 21,376,512
Investments	-	-	4,176,922	4,176,922
General Property Taxes Receivable	51,715	203,546	166,451	421,712
Other Receivable	230,190	-	-	230,190
Notes Receivable	70,814	-	-	70,814
Due from Other Government Units	479,960	-	-	479,960
Inventories	47,061	-	-	47,061
Prepaid Items	26,787	-	-	26,787
TOTAL ASSETS	\$ 13,757,518	\$ 6,165,813	\$ 6,906,627	\$ 26,829,958
<u>LIABILITIES AND FUND BALANCES:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 406,029	\$ 255,437	\$ 2,250	\$ 663,716
Accrued Expenses	17,479	-	-	17,479
Unearned Revenues	1,669,007	-	-	1,669,007
Event Deposits	171,975	-	-	171,975
TOTAL LIABILITIES	2,264,490	255,437	2,250	2,522,177
<u>FUND BALANCES:</u>				
Nonspendable				
Prepaid Expenses	26,787	-	-	26,787
Inventory	47,061	-	-	47,061
Restricted for				
Library	129,933	-	-	129,933
Tourism Promotion	6,852,548	-	-	6,852,548
Public Safety Retirement	32,771	-	-	32,771
Law Enforcement	1,145,211	-	-	1,145,211
Construction Acquisition of Capital Assets	-	4,507,508	-	4,507,508
Public Safety Equipment	-	580,891	-	580,891
Debt Service	-	-	6,904,377	6,904,377
Committed to				
Rental Rehabilitation	72,756	-	-	72,756
Fairpark Infrastructure	-	778,425	-	778,425
Construction Acquisition of Capital Assets	-	43,552	-	43,552
Assigned to				
Coliseum Projects	2,182,995	-	-	2,182,995
Coliseum Operations	1,002,966	-	-	1,002,966
TOTAL FUND BALANCES	11,493,028	5,910,376	6,904,377	24,307,781
TOTAL LIABILITIES AND FUND BALANCE	\$ 13,757,518	\$ 6,165,813	\$ 6,906,627	\$ 26,829,958

CITY OF TUPELO, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended September 30, 2022

	Non-Major Special Revenue	Non-Major Capital Projects	Non-Major Debt Service	Total Non-Major Governmental Funds
REVENUES:				
Taxes	\$ 1,369,930	\$ 5,393,144	\$ 4,678,572	\$ 11,441,646
Intergovernmental Revenues	7,759,930	230,085	4,567,520	12,557,535
Fines and Forfeitures	56,607	-	-	56,607
Charges for Services	3,963,157	-	-	3,963,157
Miscellaneous Revenues	1,266,447	417,357	22,369	1,706,173
TOTAL REVENUES	<u>14,416,071</u>	<u>6,040,586</u>	<u>9,268,461</u>	<u>29,725,118</u>
EXPENDITURES:				
Current:				
Public Safety	1,144,497	-	-	1,144,497
Culture and Recreation	7,160,444	-	-	7,160,444
Other Functions	3,144,112	-	-	3,144,112
Capital Projects	-	4,747,578	-	4,747,578
Debt Service	-	-	6,515,512	6,515,512
TOTAL EXPENDITURES	<u>11,449,053</u>	<u>4,747,578</u>	<u>6,515,512</u>	<u>22,712,143</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,967,018</u>	<u>1,293,008</u>	<u>2,752,949</u>	<u>7,012,975</u>
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	3,026,612	743,171	1,407,958	5,177,741
Transfers to Other Funds	(3,658,945)	(1,065,811)	-	(4,724,756)
Transfer from Northeast MS Regional Water Supply District	-	-	325,865	325,865
Transfer to Northeast MS Regional Water Supply District	-	-	-	-
	-	-	(4,447,146)	(4,447,146)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(632,333)</u>	<u>(322,640)</u>	<u>(2,713,323)</u>	<u>(3,668,296)</u>
NET CHANGE IN FUND BALANCES	2,334,685	970,368	39,626	3,344,679
FUND BALANCES - Beginning	<u>9,158,343</u>	<u>4,940,008</u>	<u>6,864,751</u>	<u>20,963,102</u>
FUND BALANCES - Ending	<u>\$ 11,493,028</u>	<u>\$ 5,910,376</u>	<u>\$ 6,904,377</u>	<u>\$ 24,307,781</u>

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2022
With Comparative Totals for September 30, 2021

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Transportation Fund	Totals	
									9/30/2022	9/30/2021
ASSETS										
Cash	\$ 110,989	\$ 6,402,133	\$ -	\$ 2,182,995	\$ 1,942	\$ 2,990,253	\$ 1,150,604	\$ 12,075	\$ 12,850,991	\$ 12,326,603
Receivables:										
Notes	-	-	-	-	70,814	-	-	-	70,814	70,814
Other	-	2,575	-	-	-	227,615	-	-	230,190	183,569
General Property Taxes	18,944	-	32,771	-	-	-	-	-	51,715	49,900
Due from Other										
Governmental Units	-	479,960	-	-	-	-	-	-	479,960	415,292
Inventories	-	-	-	-	-	47,061	-	-	47,061	51,984
Prepaid Items	-	-	-	-	-	26,787	-	-	26,787	31,252
TOTAL ASSETS	\$ 129,933	\$ 6,884,668	\$ 32,771	\$ 2,182,995	\$ 72,756	\$ 3,291,716	\$ 1,150,604	\$ 12,075	\$ 13,757,518	\$ 13,129,414
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ 32,120	\$ -	\$ -	\$ -	\$ 356,441	\$ 5,393	\$ 12,075	\$ 406,029	\$ 131,727
Accrued Expenses	-	-	-	-	-	17,479	-	-	17,479	20,575
Unearned Revenues	-	-	-	-	-	1,669,007	-	-	1,669,007	3,778,416
Event Deposits	-	-	-	-	-	171,975	-	-	171,975	40,353
Total Liabilities	-	32,120	-	-	-	2,214,902	5,393	12,075	2,264,490	3,971,071
Fund Balances:										
Nonspendable										
Prepaid Expenses	-	-	-	-	-	26,787	-	-	26,787	31,252
Inventory	-	-	-	-	-	47,061	-	-	47,061	51,984
Restricted for										
Library	129,933	-	-	-	-	-	-	-	129,933	108,314
Tourism Promotion	-	6,852,548	-	-	-	-	-	-	6,852,548	5,581,185
Public Safety Retirement	-	-	32,771	-	-	-	-	-	32,771	31,504
Law Enforcement	-	-	-	-	-	-	1,145,211	-	1,145,211	1,309,126
Committed to										
Rental Rehabilitation	-	-	-	-	72,756	-	-	-	72,756	72,747
Assigned to										
Coliseum Projects	-	-	-	2,182,995	-	-	-	-	2,182,995	1,614,948
Coliseum Operations	-	-	-	-	-	1,002,966	-	-	1,002,966	345,089
Transportation	-	-	-	-	-	-	-	-	-	12,194
Total Fund Balances	129,933	6,852,548	32,771	2,182,995	72,756	1,076,814	1,145,211	-	11,493,028	9,158,343
TOTAL LIABILITIES AND FUND BALANCES	\$ 129,933	\$ 6,884,668	\$ 32,771	\$ 2,182,995	\$ 72,756	\$ 3,291,716	\$ 1,150,604	\$ 12,075	\$ 13,757,518	\$ 13,129,414

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
 With Comparative Totals for Year Ended September 30, 2021

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Transportation Fund	Totals	
									9/30/2022	9/30/2021
REVENUES										
Taxes:										
General Property Taxes	\$ 501,628	\$ -	\$ 868,302	\$ -	\$ -	\$ -	\$ -	\$ -	1,369,930	\$ 1,364,479
Intergovernmental Revenues:										
Federal Shared Revenues	-	-	-	-	-	-	-	-	-	933
State Shared Revenues	18,263	5,682,402	31,616	-	-	-	-	-	5,732,281	5,085,941
Federal Grants	-	-	-	-	-	2,027,649	-	-	2,027,649	600,167
Fines and Forfeitures	-	-	-	-	-	-	56,607	-	56,607	92,776
Charges for Sales and Services:										
Commissions	-	-	-	-	-	53,705	-	-	53,705	7,495
Concessions & Other Sales	-	-	-	-	-	1,142,665	-	-	1,142,665	237,746
Direct Show Revenue	-	-	-	-	-	69,323	-	-	69,323	40,109
Parking	-	-	-	-	-	1,015	-	-	1,015	1,080
Service Charge	-	-	-	-	-	713,044	-	-	713,044	205,626
Rental Revenue	-	-	-	-	-	1,576,337	-	-	1,576,337	524,677
Personnel Service Fees	-	-	-	-	-	407,068	-	-	407,068	73,635
Miscellaneous Revenues:										
Interest	132	25,940	-	9,523	9	17,278	7,886	-	60,768	122,646
Advertising Agency Fee	-	-	-	-	-	491,698	-	-	491,698	326,863
Other	-	1,432	-	-	-	642,865	69,684	-	713,981	555,291
TOTAL REVENUES	<u>520,023</u>	<u>5,709,774</u>	<u>899,918</u>	<u>9,523</u>	<u>9</u>	<u>7,142,647</u>	<u>134,177</u>	<u>-</u>	<u>14,416,071</u>	<u>9,239,464</u>

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
 With Comparative Totals for Year Ended September 30, 2021
 -Continued-

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Transportation Fund	Totals	
									9/30/2022	9/30/2021
EXPENDITURES										
Public Safety:										
Police Department:										
Personnel Services	\$ -	\$ -	\$ 629,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 629,056	\$ 622,817
Supplies	-	-	-	-	-	-	36,137	-	36,137	30,002
Other Services and Charges	-	-	-	-	-	-	177,369	-	177,369	183,621
Capital Outlay	-	-	-	-	-	-	32,340	-	32,340	63,388
Fire Department:										
Personnel Services	-	-	269,595	-	-	-	-	-	269,595	266,921
Total Public Safety	-	-	898,651	-	-	-	245,846	-	1,144,497	1,166,749
Culture and Recreation:										
Tupelo Coliseum:										
Personnel Services	-	-	-	-	-	1,148,582	-	-	1,148,582	1,026,723
Supplies	-	-	-	-	-	575,445	-	-	575,445	196,483
Other Services and Charges	-	-	-	-	-	3,612,198	-	-	3,612,198	1,380,923
Capital Outlay	-	-	-	-	-	1,824,219	-	-	1,824,219	13,057
Total Culture and Recreation	-	-	-	-	-	7,160,444	-	-	7,160,444	2,617,186

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
 With Comparative Totals for Year Ended September 30, 2021

-Continued-

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Transportation Fund	Totals	
									9/30/2022	9/30/2021
EXPENDITURES										
- Continued										
Other Functions:										
Community Services:										
Personnel Services	\$ -	\$ 667,456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 667,456	\$ 650,270
Supplies	-	14,307	-	-	-	-	-	-	14,307	12,783
Other Services and Charges	510,904	1,801,505	-	-	-	-	-	144,900	2,457,309	2,505,641
Capital Outlay	-	5,040	-	-	-	-	-	-	5,040	4,636
Total Other Functions	510,904	2,488,308	-	-	-	-	-	144,900	3,144,112	3,173,330
TOTAL EXPENDITURES	510,904	2,488,308	898,651	-	-	7,160,444	245,846	144,900	11,449,053	6,957,265
EXCESS OF REVENUES REVENUES OVER (UNDER) EXPENDITURES										
	9,119	3,221,466	1,267	9,523	9	(17,797)	(111,669)	(144,900)	2,967,018	2,282,199

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
 With Comparative Totals for Year Ended September 30, 2021
 -Continued-

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabilitation Fund	Coliseum Operating Fund	Narcotics Fund	Transportation Fund	Totals	
									9/30/2022	9/30/2021
OTHER FINANCING SOURCES (USES)										
Transfers from Other Funds	\$ 12,500	\$ -	\$ -	\$ 2,215,120	\$ -	\$ 666,286	\$ -	\$ 132,706	\$ 3,026,612	\$ 2,778,950
Transfers to Other Funds	-	(1,950,103)	-	(1,656,596)	-	-	(52,246)	-	(3,658,945)	(2,899,331)
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,500</u>	<u>(1,950,103)</u>	<u>-</u>	<u>558,524</u>	<u>-</u>	<u>666,286</u>	<u>(52,246)</u>	<u>132,706</u>	<u>(632,333)</u>	<u>(120,381)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)										
	21,619	1,271,363	1,267	568,047	9	648,489	(163,915)	(12,194)	2,334,685	2,161,818
FUND BALANCES - Beginning of Year, as previously stated										
	108,314	5,581,185	31,504	1,614,948	72,747	428,325	1,309,126	12,194	9,158,343	7,596,692
Prior Period Adjustment										
	-	-	-	-	-	-	-	-	-	(600,167)
FUND BALANCES- Beginning of Year, as restated										
	<u>108,314</u>	<u>5,581,185</u>	<u>31,504</u>	<u>1,614,948</u>	<u>72,747</u>	<u>428,325</u>	<u>1,309,126</u>	<u>12,194</u>	<u>9,158,343</u>	<u>6,996,525</u>
FUND BALANCES - End of Year										
	<u>\$ 129,933</u>	<u>\$ 6,852,548</u>	<u>\$ 32,771</u>	<u>\$ 2,182,995</u>	<u>\$ 72,756</u>	<u>\$ 1,076,814</u>	<u>\$ 1,145,211</u>	<u>\$ -</u>	<u>\$ 11,493,028</u>	<u>\$ 9,158,343</u>

CITY OF TUPELO
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
September 30, 2022
With Comparative Totals for September 30, 2021

	City Capital Project Fund	Fairgrounds Construction Fund	Thoroughfare Fund Phase VI	Thoroughfare Fund Phase VII	Special Obligation Capital Fund	Totals	
						9/30/2022	9/30/2021
ASSETS							
Cash	\$ 624,443	\$ 797,667	\$ 236,195	\$ 4,303,962	\$ -	\$ 5,962,267	\$ 5,346,107
General Property Taxes Receivable				203,546		203,546	195,669
Due from Other Governmental Entities	-	-	-	-	-	-	170,798
TOTAL ASSETS	\$ 624,443	\$ 797,667	\$ 236,195	\$ 4,507,508	-	\$ 6,165,813	\$ 5,712,574
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ -	\$ 19,242	\$ 236,195	\$ -	\$ -	\$ 255,437	\$ 772,566
Total Liabilities	-	19,242	236,195	-	-	255,437	772,566
Fund Balances:							
Restricted for							
Construction Acquisition of Capital Assets	-	-	-	4,507,508	-	4,507,508	3,745,982
Public Safety Equipment	580,891	-	-	-	-	580,891	618,154
Committed to							
Fairpark Infrastructure	-	778,425	-	-	-	778,425	453,942
Construction Acquisition of Capital Assets	43,552	-	-	-	-	43,552	121,930
Total Fund Balances	624,443	778,425	-	4,507,508	-	5,910,376	4,940,008
TOTAL LIABILITIES AND FUND BALANCES	\$ 624,443	\$ 797,667	\$ 236,195	\$ 4,507,508	-	\$ 6,165,813	\$ 5,712,574

CITY OF TUPELO
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	City Capital Project Fund	Fairgrounds Construction Fund	Thoroughfare Fund Phase VI	Thoroughfare Fund Phase VII	Special Obligation Capital Fund	Totals	
						9/30/2022	9/30/2021
REVENUES							
Taxes:							
General Property Taxes	\$ -	\$ -	\$ -	\$ 5,393,144	\$ -	\$ 5,393,144	\$ 5,349,082
Intergovernmental Revenues:							
Federal Shared Revenues	-	-	-	-	-	-	364,334
State Shared Revenues	-	-	-	196,372	-	196,372	193,211
State Grants	-	-	33,713	-	-	33,713	1,216,287
Miscellaneous Revenues:							
Interest	3,545	2,271	11,452	1,648	2,841	21,757	121,063
Other	-	395,600	-	-	-	395,600	129,276
TOTAL REVENUES	<u>3,545</u>	<u>397,871</u>	<u>45,165</u>	<u>5,591,164</u>	<u>2,841</u>	<u>6,040,586</u>	<u>7,373,253</u>
EXPENDITURES							
Personnel Services	-	-	-	106,710	-	106,710	103,436
Other Services and Charges	-	39,112	1,222,982	588,949	-	1,851,043	1,453,218
Capital Outlay	119,186	34,276	1,242,008	1,131,168	263,187	2,789,825	11,475,112
TOTAL EXPENDITURES	<u>119,186</u>	<u>73,388</u>	<u>2,464,990</u>	<u>1,826,827</u>	<u>263,187</u>	<u>4,747,578</u>	<u>13,031,766</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(115,641)</u>	<u>324,483</u>	<u>(2,419,825)</u>	<u>3,764,337</u>	<u>(260,346)</u>	<u>1,293,008</u>	<u>(5,658,513)</u>

CITY OF TUPELO
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
 With Comparative Totals for Year Ended September 30, 2021
 -Continued-

	City Capital Project Fund	Fairgrounds Construction Fund	Thoroughfare Fund Phase VI	Thoroughfare Fund Phase VII	Special Obligation Capital Fund	Totals	
						9/30/2022	9/30/2021
OTHER FINANCING SOURCES (USES)							
Transfers from Other Funds	\$ -	\$ -	\$ -	\$ 743,171	\$ -	\$ 743,171	\$ -
Transfers to Other Funds	<u>-</u>	<u>-</u>	<u>(743,171)</u>	<u>-</u>	<u>(322,640)</u>	<u>(1,065,811)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(743,171)</u>	<u>743,171</u>	<u>(322,640)</u>	<u>(322,640)</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)							
	(115,641)	324,483	(3,162,996)	4,507,508	(582,986)	970,368	(5,658,513)
FUND BALANCE							
Beginning of Year	<u>740,084</u>	<u>453,942</u>	<u>3,162,996</u>	<u>-</u>	<u>582,986</u>	<u>4,940,008</u>	<u>10,598,521</u>
FUND BALANCE							
End of Year	<u>\$ 624,443</u>	<u>\$ 778,425</u>	<u>\$ -</u>	<u>\$ 4,507,508</u>	<u>\$ -</u>	<u>\$ 5,910,376</u>	<u>\$ 4,940,008</u>

CITY OF TUPELO
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
September 30, 2022
With Comparative Totals for September 30, 2021

	City Bond and Interest Fund	Water G. O. Bonds Fund	Special Assessments Bond and Interest Fund	City Tax Increment Debt Fund	Special Obligation Debt Service Fund	Totals	
						9/30/2022	9/30/2021
ASSETS							
Cash	\$ 1,119,053	\$ 329,368	\$ -	\$ 1,114,833	\$ -	\$ 2,563,254	\$ 2,014,041
Investments	12,384	4,164,256	-	-	282	4,176,922	4,716,986
Receivables:							
General Property Taxes	<u>166,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,451</u>	<u>135,974</u>
TOTAL ASSETS	<u>\$ 1,297,888</u>	<u>\$ 4,493,624</u>	<u>\$ -</u>	<u>\$ 1,114,833</u>	<u>\$ 282</u>	<u>\$ 6,906,627</u>	<u>\$ 6,867,001</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	<u>\$ 2,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,250</u>	<u>\$ 2,250</u>
Total Liabilities	<u>2,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,250</u>	<u>2,250</u>
Fund Balances:							
Restricted for Debt Service	<u>1,295,638</u>	<u>4,493,624</u>	<u>-</u>	<u>1,114,833</u>	<u>282</u>	<u>6,904,377</u>	<u>6,864,751</u>
Total Fund Balances	<u>1,295,638</u>	<u>4,493,624</u>	<u>-</u>	<u>1,114,833</u>	<u>282</u>	<u>6,904,377</u>	<u>6,864,751</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,297,888</u>	<u>\$ 4,493,624</u>	<u>\$ -</u>	<u>\$ 1,114,833</u>	<u>\$ 282</u>	<u>\$ 6,906,627</u>	<u>\$ 6,867,001</u>

CITY OF TUPELO
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	City Bond and Interest Fund	Water G. O. Bonds Fund	Special Assessments Bond and Interest Fund	City Tax Increment Debt Fund	Special Obligation Debt Service Fund	<u>Totals</u>	
						9/30/2022	9/30/2021
REVENUES							
Taxes:							
General Property Taxes	\$ 4,417,716	\$ -	\$ -	\$ 260,856	\$ -	\$ 4,678,572	\$ 4,019,240
Intergovernmental Revenues:							
State Shared Revenues	161,025	4,406,495	-	-	-	4,567,520	4,140,656
Miscellaneous Revenues:							
Interest	1,965	15,308	-	4,765	331	22,369	24,623
TOTAL REVENUES	<u>4,580,706</u>	<u>4,421,803</u>	<u>-</u>	<u>265,621</u>	<u>331</u>	<u>9,268,461</u>	<u>8,184,519</u>
EXPENDITURES							
Debt Service:							
General Obligations:							
Bonds Redeemed	3,610,529	375,000	-	85,000	-	4,070,529	3,826,936
Interest	1,430,250	251,963	-	37,252	-	1,719,465	1,815,443
Paying Agent Fees	21,410	11,420	-	850	-	33,680	29,917
Special Obligations:							
Interest	-	-	-	-	688,838	688,838	688,838
Paying Agent Fees	-	-	-	-	3,000	3,000	2,000
TOTAL EXPENDITURES	<u>5,062,189</u>	<u>638,383</u>	<u>-</u>	<u>123,102</u>	<u>691,838</u>	<u>6,515,512</u>	<u>6,363,134</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(481,483)</u>	<u>3,783,420</u>	<u>-</u>	<u>142,519</u>	<u>(691,507)</u>	<u>2,752,949</u>	<u>1,821,385</u>

CITY OF TUPELO
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021
-Continued-

	City Bond and Interest Fund	Water G. O. Bonds Fund	Special Assessments Bond and Interest Fund	City Tax Increment Debt Fund	Special Obligation Debt Service Fund	<u>Totals</u>	
						9/30/2022	9/30/2021
OTHER FINANCING SOURCES (USES):							
Transfers from Other Funds	\$ 726,878	\$ -	\$ -	\$ -	\$ 681,080	\$ 1,407,958	\$ 1,013,814
Transfers to Other Funds	-	-	-	-	-	-	(183,215)
Transfer from Northeast MS Regional Water Supply District	-	325,865	-	-	-	325,865	295,872
Transfer to Northeast MS Regional Water Supply District	-	(4,447,146)	-	-	-	(4,447,146)	(3,606,320)
TOTAL OTHER FINANCING SOURCES (USES)	<u>726,878</u>	<u>(4,121,281)</u>	<u>-</u>	<u>-</u>	<u>681,080</u>	<u>(2,713,323)</u>	<u>(2,479,849)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	245,395	(337,861)	-	142,519	(10,427)	39,626	(658,464)
FUND BALANCES- Beginning of Year	<u>1,050,243</u>	<u>4,831,485</u>	<u>-</u>	<u>972,314</u>	<u>10,709</u>	<u>6,864,751</u>	<u>7,523,215</u>
FUND BALANCES- End of Year	<u>\$ 1,295,638</u>	<u>\$ 4,493,624</u>	<u>\$ -</u>	<u>\$ 1,114,833</u>	<u>\$ 282</u>	<u>\$ 6,904,377</u>	<u>\$ 6,864,751</u>

GENERAL FUND

General Fund – This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

CITY OF TUPELO
GENERAL FUND
COMPARATIVE BALANCE SHEET
September 30, 2022 and 2021

	9/30/22	9/30/21
ASSETS		
Cash	\$ 30,021,142	\$ 28,637,600
Receivables:		
General Property Taxes	256,693	270,326
Home Grant Receivable	-	-
Other	222,555	200,981
Due from Other Government Units	2,315,937	2,080,831
Due from Component Unit	43,721	43,393
Due from Other Funds	2,319,000	2,574,000
Prepaid Items	355,245	453,705
Inventories	40,665	45,236
	<u>35,574,958</u>	<u>34,306,072</u>
TOTAL ASSETS	\$ <u>35,574,958</u>	\$ <u>34,306,072</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$ 433,247	\$ 204,394
Unearned Revenues	9,592,611	4,870,032
Due to Other Entities	-	-
Due to Other Funds	-	-
Accrued Expenses	302,260	549,345
	<u>10,328,118</u>	<u>5,623,771</u>
Total Liabilities	<u>10,328,118</u>	<u>5,623,771</u>
Fund Balance:		
Nonspendable		
Prepaid Items	355,245	453,705
Inventory	40,665	45,236
Restricted for		
Home Grant	572,991	572,991
Water Reserve	580,573	577,770
Unassigned	23,697,366	27,032,599
	<u>25,246,840</u>	<u>28,682,301</u>
Total Fund Balance	<u>25,246,840</u>	<u>28,682,301</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>35,574,958</u>	\$ <u>34,306,072</u>

**CITY OF TUPELO
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Years Ended September 30, 2022 and 2021

	F.Y.E. 9/30/22	F.Y.E. 9/30/21
REVENUES		
Taxes:		
General Property Taxes	\$ 6,330,746	\$ 6,937,560
Payments in Lieu of Taxes	1,126,171	1,196,393
Penalties and Interest on Delinquent Taxes	44,078	40,363
Total Taxes	<u>7,500,995</u>	<u>8,174,316</u>
Licenses and Permits:		
Privilege License	308,163	308,444
Building Permits	259,762	338,904
Other Permits	12,851	13,455
Franchise Fees	472,370	444,209
Total Licenses and Permits	<u>1,053,146</u>	<u>1,105,012</u>
Intergovernmental Revenues:		
Federal Grants	236,035	1,009,254
State Grants	19,932	33,254
Other Grants	232,843	279,759
State Shared Revenues	29,194,502	26,559,983
Municipality Shared Revenues	3,400,000	3,400,000
County Shared Revenues	1,331,208	1,325,177
Total Intergovernmental Revenues	<u>34,414,520</u>	<u>32,607,427</u>
Charges for Services:		
Public Safety	159,880	175,320
Highways and Streets	73,575	13,447
Crime Lab Fees	29,424	40,803
Culture and Recreation Fees	430,104	331,327
Total Charges for Services	<u>692,983</u>	<u>560,897</u>
Fines and Forfeitures:		
Police Fines and Fees	538,429	586,711
Parking Fines and Fees	14,230	2,760
Total Fines and Forfeitures	<u>552,659</u>	<u>589,471</u>

**CITY OF TUPELO
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Years Ended September 30, 2022 and 2021

-Continued-

	F.Y.E. 9/30/22	F.Y.E. 9/30/21
REVENUES-Continued		
Miscellaneous Revenues:		
Interest	\$ 231,823	\$ 336,221
Donations	27,950	4,500
Rents	210,942	199,008
Billings to Other Departments	323,706	260,303
Other	192,749	168,837
	<u>987,170</u>	<u>968,869</u>
Total Miscellaneous Revenues	<u>987,170</u>	<u>968,869</u>
TOTAL REVENUES	<u>45,201,473</u>	<u>44,005,992</u>
EXPENDITURES		
General Government:		
Legislative Department:		
Personnel Services	275,501	261,964
Supplies	4,046	2,610
Other Services and Charges	193,243	297,318
	<u>472,790</u>	<u>561,892</u>
Total Legislative Department	<u>472,790</u>	<u>561,892</u>
Executive Department:		
Personnel Services	857,241	757,798
Supplies	20,856	18,465
Other Services and Charges	270,823	276,721
	<u>1,148,920</u>	<u>1,052,984</u>
Total Executive Department	<u>1,148,920</u>	<u>1,052,984</u>
City Court:		
Personnel Services	861,614	824,621
Supplies	24,957	24,580
Other Services and Charges	97,808	75,569
Capital Outlay	-	1,213
	<u>984,379</u>	<u>925,983</u>
Total City Court	<u>984,379</u>	<u>925,983</u>
Convention and Visitors Bureau Director:		
Personnel Services	147,784	143,422
	<u>147,784</u>	<u>143,422</u>
Total Convention and Visitors Bureau Director	<u>147,784</u>	<u>143,422</u>

**CITY OF TUPELO
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Years Ended September 30, 2022 and 2021

-Continued-

	F.Y.E. 9/30/22	F.Y.E. 9/30/21
EXPENDITURES-Continued		
Budget and Accounting Department:		
Personnel Services	\$ 729,735	\$ 745,934
Supplies	15,067	67,398
Other Services and Charges	542,074	427,207
Capital Outlay	127,930	36,873
Total Budget and Accounting Department	<u>1,414,806</u>	<u>1,277,412</u>
Personnel Department:		
Personnel Services	212,163	153,980
Supplies	1,561	2,411
Other Services and Charges	106,324	80,487
Total Personnel Department	<u>320,048</u>	<u>236,878</u>
Planning Department:		
Personnel Services	1,210,994	1,180,998
Supplies	37,613	31,618
Other Services and Charges	91,480	60,925
Capital Outlay	-	317
Total Community Development Department	<u>1,340,087</u>	<u>1,273,858</u>
Total General Government	<u>5,828,814</u>	<u>5,472,429</u>
Public Safety:		
Police Department:		
Personnel Services	8,807,918	8,350,642
Supplies	620,058	542,939
Other Services and Charges	1,503,521	1,492,654
Capital Outlay	157,364	192,283
Total Police Department	<u>11,088,861</u>	<u>10,578,518</u>
Fire Department:		
Personnel Services	6,547,054	5,826,533
Supplies	367,042	288,479
Other Services and Charges	279,517	281,517
Capital Outlay	10,321	-
Total Fire Department	<u>7,203,934</u>	<u>6,396,529</u>
Total Public Safety	<u>18,292,795</u>	<u>16,975,047</u>

CITY OF TUPELO
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended September 30, 2022 and 2021

-Continued-

	F.Y.E. 9/30/22	F.Y.E. 9/30/21
EXPENDITURES-Continued		
Public Services:		
Public Works Department:		
Personnel Services	\$ 2,611,282	\$ 2,458,259
Supplies	356,890	331,906
Other Services and Charges	2,330,805	2,063,030
Capital Outlay	<u>7,465</u>	<u>14,829</u>
Total Public Works Department	<u>5,306,442</u>	<u>4,868,024</u>
Culture and Recreation:		
Park and Recreation Department:		
Personnel Services	1,883,195	1,752,006
Supplies	411,189	338,532
Other Services and Charges	1,111,343	896,639
Capital Outlay	<u>21,353</u>	<u>23,886</u>
Total Park and Recreation Department	<u>3,427,080</u>	<u>3,011,063</u>
Aquatic Center:		
Personnel Services	456,596	366,901
Supplies	100,967	95,088
Other Services and Charges	435,359	386,503
Capital Outlay	<u>6,144</u>	<u>5,499</u>
Total Aquatic Center	<u>999,066</u>	<u>853,991</u>
Museum Department:		
Personnel Services	128,087	123,593
Supplies	6,477	5,006
Other Services and Charges	19,956	24,690
Capital Outlay	<u>6,697</u>	<u>0</u>
Total Museum Department	<u>161,217</u>	<u>153,289</u>
Total Culture and Recreation	<u>4,587,363</u>	<u>4,018,343</u>
Other Functions:		
Community Services:		
Other Services and Charges	<u>1,038,297</u>	<u>1,093,852</u>
Total Community Services	<u>1,038,297</u>	<u>1,093,852</u>

**CITY OF TUPELO
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Years Ended September 30, 2022 and 2021

-Continued-

	F.Y.E. 9/30/22	F.Y.E. 9/30/21
EXPENDITURES-Continued		
Debt Service:		
Principal on Long Term Debt	\$ 3,460,700	\$ 494,275
Interest	<u>207,162</u>	<u>169,721</u>
Total Debt Service	<u>3,667,862</u>	<u>663,996</u>
TOTAL EXPENDITURES	<u>38,721,573</u>	<u>33,091,691</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>6,479,900</u>	<u>10,914,301</u>
OTHER FINANCING SOURCES (USES):		
Transfers Out	(10,097,702)	(7,779,703)
Transfers In	<u>182,341</u>	<u>650,616</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(9,915,361)</u>	<u>(7,129,087)</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>(3,435,461)</u>	<u>3,785,214</u>
FUND BALANCE - Beginning of year	<u>28,682,301</u>	<u>24,897,087</u>
FUND BALANCE - End of year	<u>\$ 25,246,840</u>	<u>\$ 28,682,301</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted for specific expenditure purposes.

Library Fund – This fund is used to account for the revenues that are legally restricted to support the municipal library.

Convention and Visitors Bureau Fund – This fund is used to account for the revenues that are legally restricted to the promotion of tourism.

Firemen and Policemen Retirement Fund – This fund is used to account for the revenues that are legally restricted to payment to the MS Public Employees Retirement System (PERS) to finance the retirement benefits of firemen and policemen employed prior to March 1, 1976, who are covered by the Municipal Firemen's and Policemen's Retirement System.

Coliseum Project Fund – This fund is used to account for the revenues that are restricted or assigned for use on the coliseum project.

Rental Rehabilitation Fund – This fund is used to account for the revenues that are legally restricted to housing rehabilitation projects.

Coliseum Operating Fund – This fund is used to account for the operating revenues and expenditures of the Tupelo Coliseum.

Narcotics Fund – This fund is used to account for the revenues that are legally restricted to the narcotics division.

Transportation Fund – This fund is used to account for all funds committed to public provided transportation with the intent to transition from a pilot program to an ongoing municipal service.

CITY OF TUPELO
LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 490,178	\$ 501,080	\$ 10,902	\$ 502,139
Intergovernmental:				
State Shared Revenues	17,844	18,263	419	18,162
Miscellaneous Revenues:				
Interest	-	132	132	1,271
TOTAL REVENUES	<u>508,022</u>	<u>519,475</u>	<u>11,453</u>	<u>521,572</u>
EXPENDITURES				
Community Services:				
Other Services and Charges	523,404	510,904	12,500.00	502,904
TOTAL EXPENDITURES	<u>523,404</u>	<u>510,904</u>	<u>12,500.00</u>	<u>502,904</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(15,382)</u>	<u>8,571</u>	<u>23,953</u>	<u>18,668</u>
OTHER FINANCING SOURCES				
Transfers In	12,500	12,500	-	-
TOTAL OTHER FINANCING SOURCES	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>(2,882)</u>	<u>21,071</u>	<u>23,953</u>	<u>18,668</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	108,314	108,314	-	88,596
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 92,932</u>	129,385	<u>\$ 23,953</u>	107,264
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		548		1,050
FUND BALANCE (GAAP BASIS) -				
End of Year		<u>\$ 129,933</u>		<u>\$ 108,314</u>

CITY OF TUPELO
CONVENTION AND VISITOR'S BUREAU FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	F.Y.E. 9/30/2022		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
REVENUES				
Intergovernmental:				
State Shared Revenues	\$ 4,582,745	\$ 5,617,734	\$ 1,034,989	\$ 4,976,982
Federal Grants	-	-	-	600,167
Miscellaneous Revenues:				
Interest	40,621	25,940	(14,681)	57,543
Other	-	1,432	1,432	1,469
TOTAL REVENUES	<u>4,623,366</u>	<u>5,645,106</u>	<u>1,021,740</u>	<u>5,636,161</u>
EXPENDITURES				
Other Functions:				
Community Services:				
Personnel Services	745,375	667,456	77,919	650,270
Supplies	16,000	14,307	1,693	12,783
Other Services and Charges	2,204,388	1,801,505	402,883	1,864,737
Capital Expenditures	7,500	5,040	2,460	4,636
Total Community Services	<u>2,973,263</u>	<u>2,488,308</u>	<u>484,955</u>	<u>2,532,426</u>
Total Other Functions	<u>2,973,263</u>	<u>2,488,308</u>	<u>484,955</u>	<u>2,532,426</u>
TOTAL EXPENDITURES	<u>2,973,263</u>	<u>2,488,308</u>	<u>484,955</u>	<u>2,532,426</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,650,103</u>	<u>3,156,798</u>	<u>1,506,695</u>	<u>3,103,735</u>

CITY OF TUPELO
CONVENTION AND VISITOR'S BUREAU FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Totals for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
OTHER FINANCING SOURCES				
(USES):				
Transfers Out	\$ <u>(2,800,103)</u>	\$ <u>(1,950,103)</u>	\$ <u>850,000</u>	\$ <u>(1,525,901)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,800,103)</u>	<u>(1,950,103)</u>	<u>850,000</u>	<u>(1,525,901)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(1,150,000)	1,206,695	2,356,695	1,577,834
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year, as previously stated	4,543,828	4,543,828	-	4,543,828
PRIOR PERIOD ADJUSTMENT	<u>(600,167)</u>	<u>(600,167)</u>	<u>-</u>	<u>(600,167)</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year, as restated	<u>5,581,185</u>	<u>5,581,185</u>	<u>-</u>	<u>3,943,661</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u><u>4,431,185</u></u>	6,787,880	\$ <u><u>2,356,695</u></u>	5,521,495
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>64,668</u>		<u>59,690</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		\$ <u><u>6,852,548</u></u>		\$ <u><u>5,581,185</u></u>

CITY OF TUPELO
FIREMEN & POLICEMEN RETIREMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			<u>F.Y.E. 9/30/2021 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	
REVENUES				
Taxes:				
General Property Taxes	\$ 848,589	\$ 867,035	\$ 18,446	\$ 858,577
Intergovernmental Revenues:				
State Shared Revenues	30,891	31,616	725	31,107
Miscellaneous Revenues:				
Interest Income	-	-	-	1
TOTAL REVENUES	<u>879,480</u>	<u>898,651</u>	<u>19,171</u>	<u>889,685</u>
EXPENDITURES				
Public Safety:				
Police Department:				
Personnel Services	<u>640,500</u>	<u>629,056</u>	<u>11,444</u>	<u>622,817</u>
Total Police Department	<u>640,500</u>	<u>629,056</u>	<u>11,444</u>	<u>622,817</u>
Fire Department:				
Personnel Services	<u>274,500</u>	<u>269,595</u>	<u>4,905</u>	<u>266,921</u>
Total Fire Department	<u>274,500</u>	<u>269,595</u>	<u>4,905</u>	<u>266,921</u>
Total Public Safety	<u>915,000</u>	<u>898,651</u>	<u>16,349</u>	<u>889,738</u>
TOTAL EXPENDITURES	<u>915,000</u>	<u>898,651</u>	<u>16,349</u>	<u>889,738</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(35,520)	-	35,520	(53)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>31,504</u>	<u>31,504</u>	<u>-</u>	<u>28,844</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ (4,016)</u>	31,504	<u>\$ 35,520</u>	28,791
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>1,267</u>		<u>2,713</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		<u>\$ 32,771</u>		<u>\$ 31,504</u>

CITY OF TUPELO
COLISEUM PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ 15,000	\$ 9,523	\$ (5,477)	\$ 20,415
TOTAL REVENUES	<u>15,000</u>	<u>9,523</u>	<u>(5,477)</u>	<u>20,415</u>
EXPENDITURES				
Culture and Recreation:				
Tupelo Coliseum:				
Other Services and Charges	-	-	-	-
Total Tupelo Coliseum	-	-	-	-
Total Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>15,000</u>	<u>9,523</u>	<u>(5,477)</u>	<u>20,415</u>

CITY OF TUPELO
COLISEUM PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Totals for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
OTHER FINANCING SOURCES				
(USES):				
Transfers In	\$ 2,215,120	\$ 2,215,120	\$ -	\$ 2,215,120
Transfers Out	<u>(4,328,958)</u>	<u>(1,656,596)</u>	<u>2,672,362</u>	<u>(1,324,330)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,113,838)</u>	<u>558,524</u>	<u>2,672,362</u>	<u>890,790</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(2,098,838)	568,047	2,666,885	911,205
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>1,614,948</u>	<u>1,614,948</u>	<u>-</u>	<u>703,743</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u><u>(483,890)</u></u>	2,182,995	\$ <u><u>2,666,885</u></u>	1,614,948
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u><u>2,182,995</u></u>		\$ <u><u>1,614,948</u></u>

CITY OF TUPELO
RENTAL REHABILITATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	F.Y.E. 9/30/2022		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
REVENUES				
Miscellaneous:				
Interest	\$ -	\$ 9	\$ 9	\$ 303
TOTAL REVENUES	<u>-</u>	<u>9</u>	<u>9</u>	<u>303</u>
EXPENDITURES				
Other Services and Charges	<u>12,883</u>	<u>-</u>	<u>12,883</u>	<u>-</u>
TOTAL EXPENDITURES	<u>12,883</u>	<u>-</u>	<u>12,883</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(12,883)</u>	<u>9</u>	<u>12,892</u>	<u>303</u>
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>(12,883)</u>	<u>9</u>	<u>12,892</u>	<u>303</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>72,747</u>	<u>72,747</u>	<u>-</u>	<u>72,444</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u><u>59,864</u></u>	72,756	\$ <u><u>12,892</u></u>	72,747
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u><u>72,756</u></u>		\$ <u><u>72,747</u></u>

CITY OF TUPELO
COLISEUM OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>F.Y.E. 9/30/2021 Actual</u>
REVENUES				
Intergovernmental Revenues:				
Federal Grants	\$ 956,452	\$ 2,027,649	\$ 1,071,197	\$ -
Charges for Sales & Services:				
Commissions	32,500	53,705	21,205	7,495
Concessions & Other Sales	520,000	1,142,665	622,665	237,746
Direct Show Revenue	60,000	69,323	9,323	40,109
Parking	1,200	1,015	(185)	1,080
Service Charge	470,000	713,044	243,044	205,626
Rental Revenue	1,656,500	1,527,525	(128,975)	441,528
Personnel Service Fees	370,000	407,068	37,068	73,635
Miscellaneous Revenues:				
Advertising Agency Fee	450,000	491,698	41,698	326,863
Other	279,238	642,865	363,627	466,585
Interest	9,500	17,278	7,778	20,433
TOTAL REVENUES	<u>4,805,390</u>	<u>7,093,835</u>	<u>2,288,445</u>	<u>1,821,100</u>
EXPENDITURES				
Culture and Recreation:				
Coliseum Operations:				
Personnel Services	1,315,768	1,148,582	167,186	1,026,723
Supplies	649,293	575,445	73,848	196,483
Other Services and Charges	3,904,063	3,612,198	291,865	1,380,923
Capital Outlay	3,097,640	1,824,219	1,273,421	13,057
Total Coliseum Operations	<u>8,966,764</u>	<u>7,160,444</u>	<u>1,806,320</u>	<u>2,617,186</u>
TOTAL EXPENDITURES	<u>8,966,764</u>	<u>7,160,444</u>	<u>1,806,320</u>	<u>2,617,186</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	<u>(4,161,374)</u>	<u>(66,609)</u>	<u>4,094,765</u>	<u>(796,086)</u>

CITY OF TUPELO
COLISEUM OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021
-Continued-

	<u>F.Y.E. 9/30/2022</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>F.Y.E. 9/30/2021 Actual</u>
OTHER FINANCING SOURCES (USES):				
Transfer from Coliseum Project	\$ 2,248,470	\$ 666,286	\$ (1,582,184)	\$ 425,830
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,248,470</u>	<u>666,286</u>	<u>(1,582,184)</u>	<u>425,830</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(1,912,904)	599,677	2,512,581	(370,256)
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>428,325</u>	<u>428,325</u>	<u>-</u>	<u>715,432</u>
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u><u>\$ (1,484,579)</u></u>	1,028,002	<u><u>\$ 2,512,581</u></u>	345,176
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>48,812</u>		<u>83,149</u>
FUND BALANCE (DEFICIT) (GAAP BASIS)				
End of Year		<u><u>\$ 1,076,814</u></u>		<u><u>\$ 428,325</u></u>

CITY OF TUPELO
NARCOTICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E.
	Budget	Actual	Variance Favorable (Unfavorable)	9/30/2021 Actual
REVENUES				
Intergovernmental Revenues:				
Federal Shared Revenue	\$ 10,000	\$ -	\$ (10,000)	\$ 933
Fines and Forfeitures	100,000	56,607	(43,393)	92,776
Miscellaneous Revenues:				
Interest	20,000	7,886	(12,114)	22,359
Other	105,000	69,684	(35,316)	87,237
TOTAL REVENUES	<u>235,000</u>	<u>134,177</u>	<u>(100,823)</u>	<u>203,305</u>
EXPENDITURES				
Public Safety:				
Police Department:				
Supplies	87,500	36,137	51,363	30,002
Other Services and Charges	423,500	177,369	246,131	183,621
Capital Outlay	172,000	32,340	139,660	63,388
Total Police Department	<u>683,000</u>	<u>245,846</u>	<u>437,154</u>	<u>277,011</u>
TOTAL EXPENDITURES	<u>683,000</u>	<u>245,846</u>	<u>437,154</u>	<u>277,011</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(448,000)	(111,669)	336,331	(73,706)
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	<u>(52,246)</u>	<u>(52,246)</u>	<u>-</u>	<u>(49,100)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(52,246)</u>	<u>(52,246)</u>	<u>-</u>	<u>(49,100)</u>

CITY OF TUPELO
NARCOTICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Totals for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>			F.Y.E.
	Budget	Actual	Variance Favorable (Unfavorable)	9/30/2021 Actual
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ (500,246)	\$ (163,915)	\$ 336,331	\$ (122,806)
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>1,309,126</u>	<u>1,309,126</u>	<u>-</u>	<u>1,431,932</u>
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 808,880</u>	1,145,211	<u>\$ 336,331</u>	1,309,126
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		<u>\$ 1,145,211</u>		<u>\$ 1,309,126</u>

CITY OF TUPELO
TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Totals for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ -	\$ -	\$ 321
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>321</u>
EXPENDITURES				
Other Functions:				
Community Services:				
Other Services and Charges	144,900	144,900	-	138,000
TOTAL EXPENDITURES	<u>144,900</u>	<u>144,900</u>	<u>-</u>	<u>138,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(144,900)</u>	<u>(144,900)</u>	<u>-</u>	<u>(137,679)</u>
OTHER FINANCING SOURCES (USES):				
Transfer from General Fund	144,900	132,706	(12,194)	138,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>132,706</u>	<u>(12,194)</u>	<u>138,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>(144,900)</u>	<u>(12,194)</u>	<u>(12,194)</u>	<u>321</u>
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	12,194	12,194	-	11,873
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u>(132,706)</u>	-	\$ <u>(12,194)</u>	12,194
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		-		-
FUND BALANCE (GAAP BASIS) -				
End of Year		\$ <u>-</u>		\$ <u>12,194</u>

CAPITAL PROJECTS FUND

Capital Projects are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

City Capital Project Fund – This fund is used to account for general construction for the City of Tupelo that is not specifically accounted for in any other capital project fund.

Fairgrounds Construction Fund – This fund is used to account for the costs of constructing the Fairgrounds Redevelopment Project.

City Infrastructure Fund – This fund is used to account for projects approved in the City of Tupelo's 5 year capital plan. The funding for these projects will include G.O. Bonds, general fund money, and grants. This is a major fund.

Thoroughfare Fund Phase VI – These funds are used to account for the cost of constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land for these purposes.

Thoroughfare Fund Phase VII – These funds are used to account for the cost of constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land for these purposes. A 10.00 mill special property tax will be levied for the next five years to finance this project.

Special Obligation Capital Fund – This fund is used to account for the projects approved by Council and funded with Special Obligation Bond proceeds.

CITY OF TUPELO
CITY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Intergovernmental Revenues:				
Federal Shared Revenues	\$ -	\$ -	\$ -	364,334
Miscellaneous Revenues:				
Interest	-	3,545	3,545	5,894
TOTAL REVENUES	<u>-</u>	<u>3,545</u>	<u>3,545</u>	<u>370,228</u>
EXPENDITURES				
Supplies	-	-	-	-
Capital Outlay	220,000	119,186	100,814	41,300
TOTAL EXPENDITURES	<u>220,000</u>	<u>119,186</u>	<u>100,814</u>	<u>41,300</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(220,000)	(115,641)	104,359	328,928
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	<u>740,084</u>	<u>740,084</u>	<u>-</u>	<u>411,156</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	<u>\$ 520,084</u>	624,443	<u>\$ 104,359</u>	740,084
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		<u>\$ 624,443</u>		<u>\$ 740,084</u>

CITY OF TUPELO
FAIRGROUNDS CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 2,271	\$ 2,271	\$ 6,210
Other	-	395,600	395,600	129,276
TOTAL REVENUES	<u>-</u>	<u>397,871</u>	<u>397,871</u>	<u>135,486</u>
EXPENDITURES				
Other Services and Charges	50,000	39,112	10,888	9,267
Capital Outlay	423,346	34,276	389,070	277,209
TOTAL EXPENDITURES	<u>473,346</u>	<u>73,388</u>	<u>399,958</u>	<u>286,476</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(473,346)	324,483	797,829	(150,990)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	453,942	453,942	-	604,932
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u>(19,404)</u>	778,425	\$ <u>797,829</u>	453,942
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		-		-
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u>778,425</u>		\$ <u>453,942</u>

CITY OF TUPELO
THOROUGHFARE FUND PHASE VI
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 5,182,793	\$ 195,669	\$ (4,987,124)	\$ 5,332,237
Intergovernmental Revenues:				
State Shared Revenues	-	-	-	193,211
State Grants	200,000	204,511	4,511	545,489
Miscellaneous Revenues:				
Interest	-	11,452	11,452	77,600
TOTAL REVENUES	<u>5,382,793</u>	<u>411,632</u>	<u>(4,971,161)</u>	<u>6,148,537</u>
EXPENDITURES				
Personnel Services	-	-	-	103,436
Other Services and Charges	1,229,411	1,222,982	6,429	1,443,951
Capital Outlay	2,262,714	1,242,008	1,020,706	7,082,740
TOTAL EXPENDITURES	<u>3,492,125</u>	<u>2,464,990</u>	<u>1,027,135</u>	<u>8,630,127</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,890,668</u>	<u>(2,053,358)</u>	<u>(3,944,026)</u>	<u>(2,481,590)</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(937,773)	(743,171)	194,602	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(937,773)</u>	<u>(743,171)</u>	<u>194,602</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	952,895	(2,796,529)	(3,749,424)	(2,481,590)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	3,162,996	3,162,996	-	5,456,943
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	\$ <u>4,115,891</u>	366,467	\$ <u>(3,749,424)</u>	2,975,353
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		(366,467)		187,643
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u>-</u>		\$ <u>3,162,996</u>

CITY OF TUPELO
THOROUGHFARE FUND PHASE VII
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 5,270,739	\$ 5,189,598	\$ (81,141)	\$ -
Intergovernmental Revenues:				
State Shared Revenues	191,869	196,372	4,503	-
Miscellaneous Revenues:				
Interest	<u>12,914</u>	<u>1,648</u>	<u>(11,266)</u>	<u>-</u>
TOTAL REVENUES	<u>5,475,522</u>	<u>5,387,618</u>	<u>(87,904)</u>	<u>-</u>
EXPENDITURES				
Personnel Services	111,980	106,710	5,270	-
Other Services and Charges	1,365,652	588,949	776,703	-
Capital Outlay	<u>3,997,890</u>	<u>1,131,168</u>	<u>2,866,722</u>	<u>-</u>
TOTAL EXPENDITURES	<u>5,475,522</u>	<u>1,826,827</u>	<u>3,648,695</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>3,560,791</u>	<u>3,560,791</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>-</u>	<u>743,171</u>	<u>743,171</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>743,171</u>	<u>743,171</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>4,303,962</u>	<u>4,303,962</u>	<u>-</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	<u>\$ -</u>	<u>4,303,962</u>	<u>\$ 4,303,962</u>	<u>-</u>
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>203,546</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		<u>\$ 4,507,508</u>		<u>\$ -</u>

CITY OF TUPELO
SPECIAL OBLIGATION CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	F.Y.E. 9/30/2022			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Intergovernmental Revenues:				
State Grants	\$ -	\$ -	\$ -	500,000
Miscellaneous Revenues:				
Interest	-	2,841	2,841	31,359
TOTAL REVENUES	-	2,841	2,841	531,359
EXPENDITURES				
Capital Outlay	487,896	263,187	224,709	4,073,863
TOTAL EXPENDITURES	487,896	263,187	224,709	4,073,863
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(487,896)	(260,346)	227,550	(3,542,504)
OTHER FINANCING SOURCES (USES):				
Transfers Out	(322,640)	(322,640)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(322,640)	(322,640)	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(810,536)	(582,986)	227,550	(3,542,504)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	582,986	582,986	-	4,125,490
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	\$ (227,550)	-	\$ 227,550	582,986
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		-		-
FUND BALANCE (GAAP BASIS)				
End of Year		\$ -		\$ 582,986

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

City Bond and Interest Fund – This fund is used to account for the accumulation of resources for, and payment of, principal, interest and related costs of General City Bonds.

Water G. O. Bonds Fund – This fund is used to account for the accumulation of resources for, and payment of, principal, interest and related costs of G. O. Water Bonds.

Special Assessments Bond and Interest Fund – This fund is used to account for the accumulation of resources for, and payment of, principal, interest and related costs of Special Assessments Bonds.

City Tax Increment Fund – This fund is used to account for the accumulation of resources for, and payment of, principal, interest and related costs of Tax Increment Bonds.

Special Obligation Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of principal, interest and related costs of Special Obligation Bonds.

CITY OF TUPELO
CITY BOND AND INTEREST FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
REVENUES				
Taxes:				
General Property Taxes	\$ 4,322,006	\$ 4,387,239	\$ 65,233	\$ 3,705,656
Intergovernmental Revenues:				
State Shared Revenues	157,333	161,025	3,692	134,282
Miscellaneous Revenues:				
Interest	-	1,965	1,965	10,836
Other	-	-	-	-
TOTAL REVENUES	<u>4,479,339</u>	<u>4,550,229</u>	<u>70,890</u>	<u>3,850,774</u>
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	3,610,529	3,610,529	-	3,416,936
Interest	1,443,285	1,430,250	13,035	1,538,880
Paying Agent Fees	25,000	21,410	3,590	17,647
Total General Obligations	<u>5,078,814</u>	<u>5,062,189</u>	<u>16,625</u>	<u>4,973,463</u>
Total Debt Service	<u>5,078,814</u>	<u>5,062,189</u>	<u>16,625</u>	<u>4,973,463</u>
TOTAL EXPENDITURES	<u>5,078,814</u>	<u>5,062,189</u>	<u>16,625</u>	<u>4,973,463</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(599,475)	(511,960)	87,515	(1,122,689)
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	<u>591,204</u>	<u>726,878</u>	<u>135,674</u>	<u>1,013,814</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>591,204</u>	<u>726,878</u>	<u>135,674</u>	<u>1,013,814</u>

CITY OF TUPELO
CITY BOND AND INTEREST FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Actual Amounts for Year Ended September 30, 2021

-Continued-

	F.Y.E. 9/30/2022		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ (8,271)	\$ 214,918	\$ 223,189	\$ (108,875)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>1,050,243</u>	<u>1,050,243</u>	<u>-</u>	<u>1,147,427</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u>1,041,972</u>	1,265,161	\$ <u>223,189</u>	1,038,552
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>30,477</u>		<u>11,691</u>
FUND BALANCE (GAAP-BASIS) -				
End of Year		\$ <u>1,295,638</u>		\$ <u>1,050,243</u>

CITY OF TUPELO
WATER G.O. BONDS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			<u>F.Y.E. 9/30/2021 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	
REVENUES				
Intergovernmental Revenues:				
State Shared Revenues	\$ 4,450,000	\$ 4,406,495	\$ (43,505)	\$ 4,006,374
Miscellaneous Revenues:				
Interest	<u>-</u>	<u>15,308</u>	<u>15,308</u>	<u>822</u>
TOTAL REVENUES	<u>4,450,000</u>	<u>4,421,803</u>	<u>(28,197)</u>	<u>4,007,196</u>
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	375,000	375,000	-	360,000
Interest	251,963	251,963	-	266,663
Paying Agent Fees	<u>15,000</u>	<u>11,420</u>	<u>3,580</u>	<u>11,420</u>
Total Debt Service	<u>641,963</u>	<u>638,383</u>	<u>3,580</u>	<u>638,083</u>
TOTAL EXPENDITURES	<u>641,963</u>	<u>638,383</u>	<u>3,580</u>	<u>638,083</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,808,037</u>	<u>3,783,420</u>	<u>(24,617)</u>	<u>3,369,113</u>
OTHER FINANCING SOURCES (USES):				
Transfer (to) from Northeast MS Regional Water Supply District to Water G.O. Bonds Fund	<u>(4,129,018)</u>	<u>(4,121,281)</u>	<u>7,737</u>	<u>(3,310,448)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,129,018)</u>	<u>(4,121,281)</u>	<u>7,737</u>	<u>(3,310,448)</u>

CITY OF TUPELO
WATER G.O. BONDS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Actual Amounts for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2021 Actual
	Budget	Actual		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ (320,981)	\$ (337,861)	\$ (16,880)	\$ 58,665
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	<u>4,831,485</u>	<u>4,831,485</u>	<u>-</u>	<u>4,772,820</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	<u>\$ 4,510,504</u>	4,493,624	<u>\$ (16,880)</u>	4,831,485
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP-BASIS) - End of Year		<u>\$ 4,493,624</u>		<u>\$ 4,831,485</u>

CITY OF TUPELO
SPECIAL ASSESSMENTS BOND AND INTEREST FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ -	\$ -	\$ -	\$ 31,587
Miscellaneous Revenues:				
Interest	-	-	-	645
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,232</u>
EXPENDITURES				
Debt Service:				
Special Assessment General Obligations:				
Bonds Redeemed	-	-	-	-
Interest	-	-	-	-
Paying Agent Fees	-	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	32,232
OTHER FINANCING SOURCES (USES):				
Transfer to Other Funds	-	-	-	(97,421)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,421)</u>

CITY OF TUPELO
SPECIAL ASSESSMENTS BOND AND INTEREST FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Actual Amounts for Year Ended September 30, 2021

-Continued-

	F.Y.E. 9/30/2022			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ -	\$ -	(65,189)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	-	-	-	65,189
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ -	-	-	-
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		-		-
FUND BALANCE (GAAP-BASIS) -				
End of Year		\$ -		\$ -

CITY OF TUPELO
CITY TAX INCREMENT DEBT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	<u>F.Y.E. 9/30/2022</u>			<u>F.Y.E.</u> <u>9/30/2021</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	
REVENUES				
Taxes:				
General Property Taxes	\$ 127,252	\$ 260,856	\$ 133,604	\$ 270,306
Miscellaneous Revenues:				
Interest	-	4,765	4,765	12,280
TOTAL REVENUES	<u>127,252</u>	<u>265,621</u>	<u>138,369</u>	<u>282,586</u>
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	85,000	85,000	-	50,000
Interest	37,252	37,252	-	9,900
Paying Agent Fees	5,000	850	4,150	850
Total Debt Service	<u>127,252</u>	<u>123,102</u>	<u>4,150</u>	<u>60,750</u>
TOTAL EXPENDITURES	<u>127,252</u>	<u>123,102</u>	<u>4,150</u>	<u>60,750</u>
EXCESS OF REVENUES OVER				
(UNDER) EXPENDITURES	-	142,519	142,519	221,836
OTHER FINANCING SOURCES (USES):				
Transfer to Other Funds	-	-	-	(85,794)
TOTAL OTHER FINANCING				
SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(85,794)</u>

CITY OF TUPELO
CITY TAX INCREMENT DEBT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Actual Amounts for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ 142,519	\$ 142,519	\$ 136,042
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	<u>972,314</u>	<u>972,314</u>	<u>-</u>	<u>836,272</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	\$ <u>972,314</u>	1,114,833	\$ <u>142,519</u>	972,314
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP-BASIS) - End of Year		\$ <u>1,114,833</u>		\$ <u>972,314</u>

CITY OF TUPELO
SPECIAL OBLIGATION DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2022
With Comparative Actual Amounts for Year Ended September 30, 2021

	F.Y.E. 9/30/2022			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 331	\$ 331	\$ 40
TOTAL REVENUES	<u>-</u>	<u>331</u>	<u>331</u>	<u>40</u>
EXPENDITURES				
Debt Service:				
Special Obligations:				
Interest	688,838	688,838	-	688,838
Paying Agent Fees	<u>10,000</u>	<u>3,000</u>	<u>7,000</u>	<u>2,000</u>
Total Debt Service	<u>698,838</u>	<u>691,838</u>	<u>7,000</u>	<u>690,838</u>
TOTAL EXPENDITURES	<u>698,838</u>	<u>691,838</u>	<u>7,000</u>	<u>690,838</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(698,838)	(691,507)	7,331	(690,798)
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	<u>698,838</u>	<u>681,080</u>	<u>(17,758)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>698,838</u>	<u>681,080</u>	<u>(17,758)</u>	<u>-</u>

CITY OF TUPELO
SPECIAL OBLIGATION DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL

Year Ended September 30, 2022

With Comparative Actual Amounts for Year Ended September 30, 2021

-Continued-

	<u>F.Y.E. 9/30/2022</u>			F.Y.E. 9/30/2021 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ (10,427)	\$ (10,427)	\$ (690,798)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	<u>10,709</u>	<u>10,709</u>	<u>-</u>	<u>701,507</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	\$ <u><u>10,709</u></u>	282	\$ <u><u>(10,427)</u></u>	10,709
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP-BASIS) - End of Year		\$ <u><u>282</u></u>		\$ <u><u>10,709</u></u>

AGENCY FUNDS

Agency Funds are used to account for assets held by the City as an agent for employees, other individuals, private organizations, other governments and/or other funds.

Metro Vice Seized Fund – This fund is used to account for assets seized by the narcotics unit and held in escrow pending distribution to applicable parties.

City Court Restitution Fund – This fund is used to account for assets held for complainants as restitution to them.

Flexible Spending Fund – This fund is used to account for assets held for employees in accordance with provisions of Internal Revenue Code Section 125.

Self Insurance Fund – This fund is used to account for assets held to fund self insurance claims.

Arts Committee Fund – This fund is used to account for assets held by the Art Committee which evaluates and selects local works of art to be placed on display in City Hall.

**CITY OF TUPELO
AGENCY FUNDS
COMBINING BALANCE SHEET**

September 30, 2022

With Comparative Totals for September 30, 2021

	Metro Vice Seized Fund	City Court Restitution Fund	Self Insurance Fund	Arts Committee Fund	Totals	
					9/30/22	9/30/21
ASSETS						
Cash	\$ 853,871	\$ 6,964	\$ 443,317	-	\$ 1,304,152	794,577
Investments	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>	<u>500</u>
TOTAL ASSETS	\$ <u>853,871</u>	\$ <u>6,964</u>	\$ <u>443,817</u>	\$ <u>-</u>	\$ <u>1,304,652</u>	\$ <u>795,077</u>
LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ 61,848	\$ -	\$ 61,848	\$ 50,412
Due to Complainants	-	6,964	-	-	6,964	6,964
Due to Arts Committee	-	-	-	-	-	774
Due to Insured Employees	-	-	381,969	-	381,969	426,215
Seized Money Held	<u>853,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>853,871</u>	<u>310,712</u>
TOTAL LIABILITIES	\$ <u>853,871</u>	\$ <u>6,964</u>	\$ <u>443,817</u>	\$ <u>-</u>	\$ <u>1,304,652</u>	\$ <u>795,077</u>

CITY OF TUPELO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended September 30, 2022

	Balance September 30, 2021	Debits	Credits	Balance September 30, 2022
METRO VICE SEIZED FUND				
<u>ASSETS</u>				
Cash	\$ 310,712	\$ 1,498,674	\$ 955,515	\$ 853,871
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 44,926	\$ 44,926	\$ -
Seized Money Held	310,712	187,192	730,351	853,871
Total Liabilities	\$ 310,712	\$ 232,118	\$ 775,277	\$ 853,871
CITY COURT RESTITUTION FUND				
<u>ASSETS</u>				
Cash	\$ 6,964	\$ 14,023	\$ 14,023	\$ 6,964
<u>LIABILITIES</u>				
Due to Complainants	\$ 6,964	\$ -	\$ -	\$ 6,964
TUPELO ARTS COMMITTEE				
<u>ASSETS</u>				
Cash	\$ 774	\$ 1,560	\$ 2,334	\$ -
<u>LIABILITIES</u>				
Deposits - Arts Committee	\$ 774	\$ 779	\$ 5	\$ -

CITY OF TUPELO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended September 30, 2022

-Continued-

	Balance September 30, 2021	Debits	Credits	Balance September 30, 2022
SELF INSURANCE FUND				
<u>ASSETS</u>				
Cash	\$ 476,127	\$ 1,042,230	\$ 1,075,040	\$ 443,317
Investments	500	-	-	500
Total Assets	<u>\$ 476,627</u>	<u>\$ 1,042,230</u>	<u>\$ 1,075,040</u>	<u>\$ 443,817</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 50,412	\$ 65,438	\$ 76,874	\$ 61,848
Due to Insured Employees	426,215	94,018	49,772	381,969
Total Liabilities	<u>\$ 476,627</u>	<u>\$ 159,456</u>	<u>\$ 126,646</u>	<u>\$ 443,817</u>
TOTAL ALL AGENCY FUNDS				
<u>ASSETS</u>				
Cash	\$ 794,577	\$ 2,556,487	\$ 2,046,912	\$ 1,304,152
Investments	500	-	-	500
Total Assets	<u>\$ 795,077</u>	<u>\$ 2,556,487</u>	<u>\$ 2,046,912</u>	<u>\$ 1,304,652</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 50,412	\$ 110,364	\$ 121,800	\$ 61,848
Seized Money Held	310,712	187,192	730,351	853,871
Deposits - Arts Committee	774	779	5	-
Due to Complainants	6,964	-	-	6,964
Due to Insured Employees	426,215	94,018	49,772	381,969
Total Liabilities	<u>\$ 795,077</u>	<u>\$ 392,353</u>	<u>\$ 901,928</u>	<u>\$ 1,304,652</u>

SUPPLEMENTARY INFORMATION

CITY OF TUPELO
SCHEDULE OF INVESTMENTS
Year Ended September 30, 2022

INVESTMENT OWNED BY	TYPE OF INVESTMENT	DATE ACQ'D	MATURITY DATE	INTEREST RATE	CARRYING VALUE
GOVERNMENTAL FUNDS:					
Debt Service Funds:					
Water G. O. Bonds Fund	U.S. Government Securities Fund	Var	N/A	Var	\$ 4,164,256
City Bond and Interest Fund	U.S. Government Securities Fund	Var	N/A	Var	12,384
Special Obligation Debt Service Fund	U.S. Government Securities Fund	Var	N/A	Var	<u>282</u>
	Total Investments - Debt Service Funds				<u>4,176,922</u>
	Total Investments - Governmental Funds				<u>4,176,922</u>
FIDUCIARY FUNDS:					
Agency Funds:					
Deferred Comp. Fund	Self-Insurance Trust Fund	Var	N/A	N/A	<u>500</u>
	Total Investments - Agency Funds				<u>500</u>
	Total Investments - Fiduciary Funds				<u>500</u>
	Total Investments - All Funds				<u>\$ 4,177,422</u>

CITY OF TUPELO
SCHEDULE OF LONG-TERM DEBT
Year Ended September 30, 2022

	INTEREST RATE	ISSUE DATE	FINAL MATURITY DATE	BALANCE OUTSTANDING SEPTEMBER 30, 2021	ISSUED	(REDEEMED)	BALANCE OUTSTANDING SEPTEMBER 30, 2022	CURRENT MATURITIES	CURRENT INTEREST PAYABLE
GENERAL OBLIGATION BONDS:									
General City Bonds									
G.O. - Series 2012	2.00% - 2.375%	5/1/12	11/1/32	\$ 4,670,000	\$ -	\$ (260,000)	\$ 4,410,000	\$ 270,000	\$ 91,463
G.O. - Series 2013	2.10% - 3.00%	4/10/13	9/30/33	4,670,000	-	(260,000)	4,410,000	270,000	98,489
G.O. - Series 2013	2.50% - 3.25%	9/1/13	9/30/28	1,575,000	-	(205,000)	1,370,000	210,000	40,675
G.O. - Series 2011	2.10% - 2.875%	12/1/11	12/1/30	2,850,000	-	(165,000)	2,685,000	260,000	62,934
G.O. - Series 2015	1.31% - 3.28%	7/28/15	7/1/29	2,700,000	-	(400,000)	2,300,000	400,000	69,210
G.O. Refunding - Series 2016	1.10% - 1.97%	1/28/16	2/1/22	715,000	-	(715,000)	-	-	-
G.O. - Series 2016	2.313% - 2.685%	5/12/16	4/1/36	5,500,000	-	(100,000)	5,400,000	300,000	139,993
G.O. Combined Refunding-Series 2016	3.00% - 5.00%	8/4/16	7/1/26	2,685,000	-	(1,470,000)	1,215,000	300,000	39,450
G.O. - Series 2017	2.00% - 5.00%	11/14/17	11/1/37	10,000,000	-	(200,000)	9,800,000	200,000	317,700
G.O. Refunding - Series 2019	4.00%	5/31/19	12/1/32	5,685,000	-	(375,000)	5,310,000	395,000	599,500
Total General City Bonds				41,050,000	-	(4,150,000)	36,900,000	2,605,000	1,459,414
Water Bonds									
Series 2008- Refunding Bonds	3.91% - 5.51%	12/17/08	12/1/33	675,000	-	-	675,000	-	-
Total Water Bonds				675,000	-	-	675,000	-	-
TOTAL GENERAL OBLIGATION BONDS				41,725,000	-	(4,150,000)	37,575,000	2,605,000	1,459,414
OTHER LONG-TERM DEBT:									
General City Notes Payable									
Capital Improvements Revolving Loan	3.00%	8/24/09	2/1/33	950,258	-	(71,745)	878,513	73,927	25,450
Tupelo Airport Authority Capital Acquisition	3.00%	6/22/11	7/1/25	575,439	-	(108,386)	467,053	111,638	14,012
Bank of America ESCO	2.62%	10/9/15	4/9/32	3,222,931	-	(3,222,931)	-	-	-
Capital Improvements Revolving Loan	3.00%	4/1/20	4/1/40	1,406,298	-	(57,637)	1,348,661	60,249	39,578
Total General City Notes Payable				6,154,926	-	(3,460,699)	2,694,227	245,814	79,040

CITY OF TUPELO
SCHEDULE OF LONG-TERM DEBT - Continued
Year Ended September 30, 2022

	INTEREST RATE	ISSUE DATE	FINAL MATURITY DATE	BALANCE OUTSTANDING SEPTEMBER 30, 2021	ISSUED	(REDEEMED)	BALANCE OUTSTANDING SEPTEMBER 30, 2022	CURRENT MATURITIES	CURRENT INTEREST PAYABLE
OTHER LONG-TERM DEBT - Continued:									
Water and Sewer Notes Payable									
Drinking Water Loan	4.00%	9/1/05	5/1/25	\$ 265,913	\$ -	\$ (68,705)	\$ 197,208	\$ 71,503	\$ 6,587
Drinking Water Loan	1.95%	6/14/06	12/1/27	181,458	-	(27,570)	153,888	28,112	2,750
Capital Improvements Revolving Loan	1.75%	11/19/04	6/1/26	1,835,824	-	(373,920)	1,461,904	380,516	22,541
Capital Improvements Revolving Loan	1.75%	9/30/04	11/1/27	8,468,501	-	(1,311,994)	7,156,507	1,335,139	114,564
SRF - MDA Revolving Loan	1.95%	6/1/16	12/1/35	2,906,158	-	(178,672)	2,727,486	182,188	51,563
SRF - Annexed Sewer Loan 2014	1.75%	8/1/16	12/1/35	3,424,041	-	(213,448)	3,210,593	217,213	54,449
SRF - Chemical Addition	1.75%	6/1/16	2/1/36	2,682,995	-	(165,068)	2,517,927	167,980	42,721
SRF - Annexed Water	1.95%	9/30/14	2/1/37	3,504,733	-	(196,809)	3,307,924	200,681	62,717
SRF - 2015 Water	1.95%	9/30/15	11/1/37	874,359	-	(46,464)	827,895	47,378	15,722
SRF - Annex Sewer 2014	1.75%	12/1/19	5/1/39	9,272,995	-	(451,915)	8,821,080	459,887	150,692
SRF - Life Station 2020	1.75%	1/1/21	5/1/40	2,423,043	-	(110,736)	2,312,307	112,689	39,564
Total Water and Sewer Notes Payable				<u>35,840,020</u>	<u>-</u>	<u>(3,145,301)</u>	<u>32,694,719</u>	<u>3,203,286</u>	<u>563,870</u>
Special Obligation Bonds									
Series 2018 - Water and Sewer Dept.	2.00% - 5.00%	4/12/18	5/1/33	7,560,000	-	(490,000)	7,070,000	505,000	343,400
Series 2018 - Electric Department	2.00% - 5.00%	4/12/18	5/1/33	4,855,000	-	(315,000)	4,540,000	325,000	220,500
Series 2019 - General	4.00% - 5.00%	7/18/19	7/1/49	15,000,000	-	-	15,000,000	-	688,838
Series 2020 - General	3.00% - 5.00%	5/7/20	5/1/40	10,000,000	-	-	10,000,000	-	455,000
Total Special Obligation Bonds				<u>37,415,000</u>	<u>-</u>	<u>(805,000)</u>	<u>36,610,000</u>	<u>830,000</u>	<u>1,707,738</u>
Tax Increment Limited Obligation Bonds									
Series 2009	4.50%	5/13/09	5/1/24	170,000	-	(55,000)	115,000	55,000	5,175
Series 2021	5.00%	6/15/21	6/1/33	616,000	-	(30,000)	586,000	42,000	29,300
Total Special Obligation Bonds				<u>786,000</u>	<u>-</u>	<u>(85,000)</u>	<u>701,000</u>	<u>97,000</u>	<u>34,475</u>
Northeast MS Regional Water Supply District									
State Revolving Loan	3.00%	9/1/98	8/1/22	59,422	-	(59,422)	-	-	-
TOTAL OTHER LONG-TERM DEBT				<u>74,100,442</u>	<u>-</u>	<u>(4,094,723)</u>	<u>70,005,719</u>	<u>4,130,286</u>	<u>2,306,083</u>
Bond Premiums				<u>6,501,451</u>	<u>-</u>	<u>(455,974)</u>	<u>6,045,477</u>	<u>-</u>	<u>-</u>
TOTAL LONG-TERM DEBT				<u>\$ 128,481,819</u>	<u>\$ -</u>	<u>\$ (12,161,396)</u>	<u>\$ 116,320,423</u>	<u>\$ 6,981,100</u>	<u>\$ 3,844,537</u>

CITY OF TUPELO
RECONCILIATION OF ORIGINAL AD VALOREM TAX
ROLLS TO FUND COLLECTIONS
Year Ended September 30, 2022

	<u>MUNICIPAL</u>	<u>SCHOOL</u>	<u>TAX</u>
Adjusted Assessed Valuation:			
Realty	\$ 377,393,245	\$ 15,397,845	
Personal	105,410,661	9,854,551	
Personal - Auto (From County)	<u>65,631,910</u>	<u>4,568,395</u>	
 Total Municipal at 96.57 Mills	 \$ <u><u>548,435,816</u></u>		 \$ 52,962,447
 Total School at 64.10 Mills		 \$ <u><u>29,820,791</u></u>	 1,911,513
Collections Adjustments:			
Add:			
Municipal Homestead Reimbursement		\$ 637,621	
School Homestead Reimbursement		414,537	
Prior Year Tax Collections		374,554	
Penalties and Interest		44,078	
In-Lieu Taxes		1,126,171	
County Portion of TIF		<u>22,394</u>	2,619,355
 Less:			
Cost of Collections		342,745	
School Homestead Loss		<u>791,711</u>	<u>1,134,456</u>
 TOTAL TO BE ACCOUNTED FOR			 \$ <u><u>56,358,858</u></u>

CITY OF TUPELO
RECONCILIATION OF ORIGINAL AD VALOREM TAX
ROLLS TO FUND COLLECTIONS
Year Ended September 30, 2022
-Continued-

	TAXES	HOMESTEAD REIMBURSEMENT	TOTALS
Collection Credits to Funds:			
Municipal General Fund	\$ 7,500,995	\$ 230,345	\$ 7,731,340
Tax Increment Bond Fund	260,856	-	260,856
City Bond & Interest Fund	4,417,716	161,025	4,578,741
Library Fund	501,628	18,263	519,891
Firemen & Policemen Retirement Fund	868,302	31,616	899,918
City Special Levy Street Improvements Fund	5,393,144	196,372	5,589,516
School Maintenance Fund	30,905,633	414,537	31,320,170
School Bond and Interest Fund	3,515,534	-	3,515,534
Tupelo/Lee County Vo-Tech	34	-	34
School Notes - Shortfall Note	1,728,971	-	1,728,971
Total Collections	\$ <u>55,092,813</u>	\$ <u>1,052,158</u>	56,144,971
 Balance Represented By:			
Unpaid Property Taxes		\$ 213,879	
Unaccounted For (Over)		<u>8</u>	<u>213,887</u>
TOTAL ACCOUNTED FOR		\$	<u><u>56,358,858</u></u>

CITY OF TUPELO
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2022

NAME	POSITION	BOND	INSURANCE COMPANY
Todd Jordan	Mayor	\$ 100,000	Travelers Casualty & Surety Co. of America
Kim Hanna	City Clerk	50,000	Travelers Casualty & Surety Co. of America
Jackie Clayton	Chief of Police	75,000	Western Surety Company
City of Tupelo	Blanket Policy	50,000	Western Surety Company
City of Tupelo	Per Councilman	100,000	Travelers Casualty & Surety Co. of America
Rosiland H. Barr	Assistant Chief Financ	50,000	Travelers Casualty & Surety Co. of America
Rhonda Cole	Deputy Clerk	50,000	Travelers Casualty & Surety Co. of America
Traci Carlock Dillard	Deputy Clerk	50,000	Western Surety Company
Carol Botts	Office Manager TW&L	50,000	Travelers Casualty & Surety Co. of America

CITY OF TUPELO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Grantor Agency ID Number	Federal Assistance Listing Number	Federal Expenditures
PRIMARY GOVERNMENT:			
U.S. Department of Agriculture			
Natural Resources Conservation Service Grant	NR194423XXXC091	10.932	\$ <u>431,213</u>
Total U.S. Department of Agriculture			\$ <u>431,213</u>
U. S. Department of Justice			
Passed through State Office of: Mississippi Emergency Management Agency:			
Hot Spot Award	20HS2321	16.738	\$ 12,023
Bulletproof Vest Partnership Program		16.607	7,050
U.S. Treasury	21-NOR-406-AFF/22-NOR-406-AFF	16.738	10,113
OCDETF	SE-MSN-0104	16.738	9,392
U.S. Marshall Service	JLEO-20-0410/MS041053N	16.Ukn	12,771
U.S. Marshall Service	M-22-A34-O-001377	16.Ukn	<u>9,796</u>
Total U.S. Department of Justice			\$ <u>61,145</u>
U. S. Small Business Administration			
Shuttered Venue Operations Grant*	SBAHQ21SV008148	59.075	\$ <u>2,027,649</u>
Total U. S. Small Business Administration			\$ <u>2,027,649</u>
Executive Office of the President			
DEA State and Local Task Force Agreement	667265901D3D	95.001	\$ <u>18,746</u>
Total Executive Office of the President			\$ <u>18,746</u>
U. S. Department of Homeland Security			
Passed through State Office of: Mississippi Emergency Management Agency:			
Homeland Security Grant	20HS366R	97.067	\$ 97,217
Homeland Security Grant	A20HS366	97.067	9,240
Homeland Security Grant	HS-N20LE366BPD	97.067	<u>61,710</u>
Total U. S. Department of Homeland Security			\$ <u>168,167</u>
TOTAL FEDERAL EXPENDITURES			\$ <u>2,706,920</u>

CITY OF TUPELO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Grantor Agency ID Number	Federal Assistance Listing Number	Federal Expenditures
---	---	--	---------------------------------

SIGNIFICANT ACCOUNTING POLICIES:

The accompanying Schedule of expenditures of federal awards includes the federal award activity of the City of Tupelo, Mississippi under programs of the federal government for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

* - Major Program

REPORTS ON COMPLIANCE AND INTERNAL CONTROL



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and City Council
City of Tupelo, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tupelo, Mississippi as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Tupelo, Mississippi's basic financial statements, and have issued our report thereon dated March 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Tupelo, Mississippi's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Tupelo, Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Tupelo, Mississippi's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Tupelo, Mississippi's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Jarrell Group, PLLC

Jarrell Group, PLLC
Tupelo, Mississippi
March 29, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
City of Tupelo, Mississippi

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Tupelo, Mississippi's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Tupelo, Mississippi's major federal programs for the year ended September 30, 2022. The City of Tupelo, Mississippi's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Tupelo, Mississippi, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Tupelo, Mississippi and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Tupelo, Mississippi's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Tupelo, Mississippi's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Tupelo, Mississippi's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Tupelo, Mississippi's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Tupelo, Mississippi's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Tupelo, Mississippi's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Tupelo, Mississippi's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jarrell Group, PLLC

Jarrell Group, PLLC
Tupelo, Mississippi
March 29, 2023

**CITY OF TUPELO, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2022**

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued: Unmodified
Internal control over financial reporting:
Material weakness identified? Yes X No
Significant deficiency identified
not considered to be a material weakness? Yes X None reported
Noncompliance material to financial statements
noted? Yes X No

Federal Awards

Internal Control over major programs:
Material weakness identified? Yes X No
Significant deficiency identified
not considered to be a material weakness? Yes X None reported

Type of auditors’ report issued on compliance
for major programs: Unmodified
Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)? Yes X No

Identification of major program:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>59.075</u>	<u>U.S. Small Business Administration – Shuttered Venue Operations Grant</u>

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 750,000
Auditee qualified as low-risk auditee? X Yes No

SECTION 2 – FINANCIAL STATEMENT FINDINGS:

None

SECTION 3 – FEDERAL AWARD FINDINGS:

None

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and City Council
City of Tupelo, Mississippi

We have audited the financial statements of the City of Tupelo, Mississippi, as of and for the year ended September 30, 2022, and have issued our report thereon dated March 29, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*.

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 audit and, accordingly, we do not express such an opinion.

The results of those procedures and our audit of the general purpose financial statements disclosed no material instances of noncompliance with state laws and regulations.

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

Jarrell Group, PLLC

Jarrell Group, PLLC
Tupelo, Mississippi
March 29, 2023