

City of Tupelo, Mississippi

Financial Statements For the year ended September 30, 2024

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September 30, 2024**

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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, 2024, 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, 2024, 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 35 percent and 6 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, 2023 and ending June 30, 2024.

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 pages 77 through 78, and the schedule of the City's contributions on pages 79 through 80 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 May 1, 2025 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
May 1, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplemental Information for the year ended September 30, 2024

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, 2024. 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 \$313,372,884. This compares to the previous year when assets and deferred outflows exceeded liabilities and deferred inflows by \$297,499,912.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$80,547,024, an increase of \$17,472,699 in comparison to the prior year. Approximately 28% of the combined fund balances, \$22,344,787 is considered unassigned and is available for spending at the City's discretion.
- The City's total debt is \$122,906,565. Debt in the amount of \$20,730,325 was issued in the current fiscal year; all of which was used for capital acquisition or capital projects. Debt in the amount of \$7,784,325 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

	Fund Statements		
	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 \$313,372,884 at the close of the most recent fiscal year. This is a \$15,872,972 increase over last year's net position of \$297,499,912. Tables A-1 and A-2 provide a summary of the City's net position at September 30, 2024 and 2023.

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

A large portion, 90.3% and 88.3%, 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, 2024 and 2023, 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	
	2024	2023	2024	2023	2024	2023
Current & Other Assets	\$ 94,459,244	\$ 80,108,957	\$ 27,055,472	\$ 28,785,950	\$ 121,514,716	\$ 108,894,907
Capital Assets	213,008,886	202,773,067	213,606,441	198,438,802	426,615,327	401,211,869
Total Assets	<u>307,468,130</u>	<u>282,882,024</u>	<u>240,661,913</u>	<u>227,224,752</u>	<u>548,130,043</u>	<u>510,106,776</u>
Total Deferred Outflows	<u>9,375,682</u>	<u>13,708,989</u>	<u>2,648,932</u>	<u>2,240,680</u>	<u>12,024,614</u>	<u>15,949,669</u>
Current Liabilities	17,515,902	19,475,196	19,650,221	16,776,486	37,166,123	36,251,682
Noncurrent Liabilities	145,231,577	135,687,414	58,111,089	52,342,640	203,342,666	188,030,054
Total Liabilities	<u>162,747,479</u>	<u>155,162,610</u>	<u>77,761,310</u>	<u>69,119,126</u>	<u>240,508,789</u>	<u>224,281,736</u>
Total Deferred Inflows	<u>5,228,137</u>	<u>3,154,048</u>	<u>1,044,847</u>	<u>1,120,749</u>	<u>6,272,984</u>	<u>4,274,797</u>
Net Position:						
Net Investment in						
Capital Assets	135,805,974	135,113,855	147,239,672	127,573,557	283,045,646	262,687,412
Restricted	31,110,993	22,443,471	20,967,284	30,531,095	52,078,277	52,974,566
Unrestricted (Deficit)	<u>(18,048,771)</u>	<u>(19,282,971)</u>	<u>(3,702,268)</u>	<u>1,120,905</u>	<u>(21,751,039)</u>	<u>(18,162,066)</u>
Total Net Position	<u>\$ 148,868,196</u>	<u>\$ 138,274,355</u>	<u>\$ 164,504,688</u>	<u>\$ 159,225,557</u>	<u>\$ 313,372,884</u>	<u>297,499,912</u>

There is a deficit of \$21,751,039 in unrestricted net position due to recording of unfunded pension liabilities under GASB 68. Please refer to Note 14.

Changes in net position: Approximately 10.6% of the City's total revenues come from property taxes, with 37.8% of all revenue coming from some type of tax. (See Table A-2.) This compares to 10.9% and 39.2% for the fiscal year ended September 30, 2023. Another 48.0% 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 5,202,512	\$ 6,639,823	\$ 80,968,598	\$ 81,750,605	\$ 86,171,110	\$ 88,390,428
Operating Grants & Contributions	1,400,521	1,819,339	-	-	1,400,521	1,819,339
Capital Grants & Contributions	12,376,887	1,013,487	4,523,981	5,784,593	16,900,868	6,798,080
General Revenues:						
Property Taxes	19,114,171	18,263,189	-	-	19,114,171	18,263,189
Other Taxes	48,686,866	47,618,833	-	-	48,686,866	47,618,833
Investment Income (Loss)	3,415,151	1,598,003	1,477,787	(28,849)	4,892,938	1,569,154
Gain on (Loss) Disposal of Assets	(500,386)	130,762	14,700	97,500	(485,686)	228,262
Other	2,894,458	3,483,878	-	-	2,894,458	3,483,878
Total Revenues	92,590,180	80,567,314	86,985,066	87,603,849	179,575,246	168,171,163
Expenses						
General Government	8,765,522	7,735,641	-	-	8,765,522	7,735,641
Public Safety	27,697,923	26,283,025	-	-	27,697,923	26,283,025
Public Works	13,066,894	12,686,177	-	-	13,066,894	12,686,177
Culture & Recreation	13,136,065	14,261,720	-	-	13,136,065	14,261,720
Other Functions	4,794,480	4,637,327	-	-	4,794,480	4,637,327
Capital Projects	8,011,752	6,165,255	-	-	8,011,752	6,165,255
Interest on Long-Term Debt	2,192,133	2,018,274	-	-	2,192,133	2,018,274
Water & Sewer	-	-	13,991,773	14,261,559	13,991,773	14,261,559
Electric	-	-	57,423,357	59,265,625	57,423,357	59,265,625
Solid Waste Management	-	-	4,101,015	4,082,842	4,101,015	4,082,842
N. MS Reg. Water Supp. Dist.	-	-	4,886,093	4,794,390	4,886,093	4,794,390
Total Expenses	77,664,769	73,787,419	80,402,238	82,404,416	158,067,007	156,191,835
Excess of Revenue Over Exp.	14,925,411	6,779,895	6,582,828	5,199,433	21,508,239	11,979,328
Transfers	(4,331,570)	(4,326,121)	(1,303,697)	(1,162,054)	(5,635,267)	(5,488,175)
Change in Net Position	10,593,841	2,453,774	5,279,131	4,037,379	15,872,972	6,491,153
Net Position—Beginning	138,274,355	135,820,581	159,225,557	155,188,178	297,499,912	291,008,759
Net Position—Ending	\$148,868,196	\$138,274,355	\$164,504,688	\$159,225,557	\$313,372,884	\$297,499,912

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Governmental activities increased the City's net position by \$10,593,841. Key elements of this increase are as follows:

- Capital grants totaling \$12,095,523 contributed to the increase in net position.
- Property and sales taxes increased by \$1,136,293 from the prior year.
- Interest income increased by \$1,817,148 from the prior year.
- GASB 68 pension expense decreased net position by \$6,803,090. Please refer to Note 14.

The largest funding sources for the City's governmental activities, as a percent of total revenues, are sales tax 39.7%, property taxes 20.4% and charges for services 5.6%.

The largest expense categories for the City's governmental activities are public safety 35.7% and culture and recreation 16.9%.

Business-type Activities

Business-type activities increased the City's net position by \$5,279,131.

Charges for services are the major revenue categories for the enterprise funds. Total business-type revenues are comprised of \$15,263,769 for water and sewer, \$57,665,314 for electric, \$4,409,408 for solid waste management and \$3,630,107 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 \$22,344,787, which comprised 93.7% 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 59.2% of total fund expenditures. The fund balance of the City's general fund increased by \$396,887 during the current fiscal year.

Debt Service Fund—The debt service fund has a total fund balance of \$7,868,064, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year was \$219,575.

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 \$35,542,843.

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 \$13,297,700, 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 \$164,504,688. Changes in net position, which totaled \$5,279,131, were as follows: the electric fund increased by \$374,441, the water & sewer fund increased by \$285,664, the solid waste management fund increased by \$374,599 and Northeast Mississippi Regional Water Supply District increased by \$4,244,427.

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 2023 – 2024 general fund budget increased by \$7,066,394 and an overall operating budget increased by \$5,923,667. The increase includes the State diverted use tax funds of \$4,500,000 that has never been included in the initial budget until fiscal year 2024. The overall operating budget increased only by \$2,522,894.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City anticipates spending \$62,800,378 in capital projects from fiscal years 2025 – 2028. The sources of revenue include federal grants, G.O. Bonds, State of Mississippi funds and general fund revenues. An intent was issued for \$20 million of G.O. Bonds in July 2023 with the City anticipating issuing \$8 million in fiscal year 2025. The City of Tupelo also anticipates spending remaining ARPA funds in fiscal year 2025 and 2026 for water, sewer and storm water projects.

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, 2024, amounted to \$409,450,772, net of accumulated depreciation of \$324,670,829. 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	
	2024	2023	2024	2023	2024	2023
Land	\$ 14,820,005	\$ 15,267,497	\$ 1,864,705	\$ 1,864,705	\$ 16,684,710	\$ 17,132,202
Infrastructure Plant, Buildings, Improvements	183,697,349	170,099,780	-	-	183,697,349	170,099,780
Sanitary & Sewer Lagoons	-	-	6,896,810	6,896,810	6,896,810	6,896,810
Machinery & Equipment	33,489,680	31,655,590	30,238,091	29,910,461	63,727,771	61,566,051
Construction in Progress	10,799,958	13,884,745	35,550,991	8,210,490	46,350,949	22,095,235
Accumulated Depreciation	(174,835,071)	(164,100,198)	(149,835,758)	(141,213,827)	(324,670,829)	(305,314,025)
Total	\$ 212,938,073	\$ 202,702,253	\$ 196,512,699	\$ 171,660,240	\$ 409,450,772	\$ 374,362,493

CITY OF TUPELO, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt—At year-end, the City had \$122,906,565 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General Obligation Bonds	\$ 31,965,000	\$ 34,970,000	\$ -	\$ -	\$ 31,965,000	\$ 34,970,000
Special Obligation Bonds	-	-	9,925,000	10,780,000	9,925,000	10,780,000
Tax Increment Bonds	500,000	604,000	-	-	500,000	604,000
State Revolving Loans	-	-	-	-	-	-
Special Obligation Bonds	36,695,000	25,000,000	-	-	36,695,000	25,000,000
Notes Payable	2,195,506	2,448,751	34,959,379	29,491,434	37,154,885	31,940,185
Bond Premium	5,776,593	4,565,647	890,087	996,992	6,666,680	5,562,639
Total	\$ 77,132,099	\$ 67,588,398	\$ 45,774,466	\$ 41,268,426	\$122,906,565	\$108,856,824

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Key assumptions for revenue forecasts for fiscal year 2025 are summarized as follows:

1. Sales tax revenues will remain flat
2. Property tax revenue will increase 12.3%
3. Interest rates will slightly decline

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 2025 fiscal year budget. This includes 12.96 mills for the General Fund, 10 mills for the Thoroughfare Fund, .85 mills for the Library fund, 1.61 mills for the Fire and Police Retirement Fund, and 7.05 mills for the City Bond and Interest Fund.
3. Personnel cost will increase due to a recommended cost-of-living increase for all fulltime employees, despite the decrease in the cost of employee health insurance.

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, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Tupelo Airport Authority
ASSETS:				
Current Assets:				
Cash	\$ 80,467,688	\$ 10,824,193	\$ 91,291,881	\$ 1,196,423
Cash - Restricted	-	2,789,459	2,789,459	-
Certificate of Deposit - Restricted	-	50,827	50,827	-
Investments	3,870,171	-	3,870,171	-
General Property Taxes Receivable	755,470	-	755,470	-
Other Receivables	663,610	581,422	1,245,032	6,302
Accounts Receivable, Net	1,376,100	7,503,345	8,879,445	22,222
Accounts Receivable - Restricted	-	354,797	354,797	-
Unbilled Revenue	-	1,990,347	1,990,347	-
Due from Other Funds	1,890,000	12,692	1,902,692	-
Due from Other Governmental Units	4,966,608	1,203,460	6,170,068	1,032,773
Due from Component Units	44,394	-	44,394	-
Inventories	76,462	1,439,222	1,515,684	-
Prepaid Items	348,741	161,867	510,608	1,718
Other Current Assets	-	143,841	143,841	-
TOTAL CURRENT ASSETS	94,459,244	27,055,472	121,514,716	2,259,438
Noncurrent Assets:				
Cash - Restricted	-	3,910,428	3,910,428	-
Investments - Restricted	-	12,926,255	12,926,255	-
Notes Receivable	70,813	6,519	77,332	-
Other Receivables	-	155,531	155,531	-
Other Assets	-	95,009	95,009	-
Capital Assets:				
Land	14,820,005	1,864,705	16,684,710	6,099,049
Plant, Buildings and Improvements	144,966,152	271,797,860	416,764,012	52,414,884
Sanitary and Sewer Lagoons	-	6,896,810	6,896,810	-
Machinery and Equipment	33,489,680	30,238,091	63,727,771	2,655,291
Infrastructure	183,697,349	-	183,697,349	-
Construction in Progress	10,799,958	35,550,991	46,350,949	3,090,860
Accumulated Depreciation	(174,835,071)	(149,835,758)	(324,670,829)	(34,797,254)
TOTAL NONCURRENT ASSETS	213,008,886	213,606,441	426,615,327	29,462,830
TOTAL ASSETS	307,468,130	240,661,913	548,130,043	31,722,268
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pensions	9,375,682	2,648,932	12,024,614	477,213
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 9,375,682	\$ 2,648,932	\$ 12,024,614	\$ 477,213

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF NET POSITION

September 30, 2024

-Continued-

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Tupelo Airport Authority
<u>LIABILITIES:</u>				
Current Liabilities:				
Accounts Payable	\$ 2,877,889	\$ 6,617,344	\$ 9,495,233	\$ 681,544
Equity in Pooled Cash Deficit	1,542,007	1,984,855	3,526,862	-
Accrued Expenses	841,957	295,079	1,137,036	84,028
Accrued Interest Payable	680,079	158,272	838,351	-
Due to Other Funds	-	2,112,593	2,112,593	-
Due to Other Governmental Units and Entities	-	-	-	1,598,797
Unearned Revenues	7,316,505	-	7,316,505	4,144
Long-Term Debt: Due Within One Year	4,228,890	4,196,442	8,425,332	-
Customer and Event Deposits	28,575	4,285,636	4,314,211	-
TOTAL CURRENT LIABILITIES	17,515,902	19,650,221	37,166,123	2,368,513
Noncurrent Liabilities:				
Advances TVA - Home Insulation Loans	-	7,633	7,633	-
Accrued Compensated Absences	1,276,086	140,034	1,416,120	-
Due to Other Funds	-	2,200,834	2,200,834	-
Net Pension Liability	71,052,282	14,184,564	85,236,846	2,063,112
Long-Term Debt: Due in More Than One Year	72,903,209	41,578,024	114,481,233	-
TOTAL NONCURRENT LIABILITIES	145,231,577	58,111,089	203,342,666	2,063,112
TOTAL LIABILITIES	162,747,479	77,761,310	240,508,789	4,431,625
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Inflows Related to Pensions	5,228,137	1,044,847	6,272,984	-
TOTAL DEFERRED INFLOWS OF RESOURCES	5,228,137	1,044,847	6,272,984	-
<u>NET POSITION</u>				
Net Investment in Capital Assets	135,805,974	147,239,672	283,045,646	29,159,185
Restricted for:				
Capital Projects	12,288,533	18,084,110	30,372,643	-
Debt Service	7,868,064	2,883,174	10,751,238	-
Special Revenue	9,813,455	-	9,813,455	-
Water Reserve	600,491	-	600,491	-
Home Grant	540,450	-	540,450	-
Unrestricted (Deficit)	(18,048,771)	(3,702,268)	(21,751,039)	(1,391,329)
TOTAL NET POSITION	\$ 148,868,196	\$ 164,504,688	\$ 313,372,884	\$ 27,767,856

See accompanying notes to financial statements.

CITY OF TUPELO, MISSISSIPPI
STATEMENT OF ACTIVITIES
For the year ended September 30, 2024

FUNCTIONS/ PROGRAMS	PROGRAM REVENUES					Net (Expense) Revenue and Changes in Net Position			COMPONENT UNIT Tupelo Airport Authority
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	PRIMARY GOVERNMENT			
						Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT									
Government Activities:									
General Government	\$ 8,765,522	\$ 678,074	\$ 669,770	\$ -	\$ 1,347,844	\$ (7,417,678)	\$ -	\$ (7,417,678)	\$ -
Public Safety	27,697,923	354,763	20,556	281,364	656,683	(27,041,240)	-	(27,041,240)	-
Public Works	13,066,894	-	-	-	-	(13,066,894)	-	(13,066,894)	-
Culture and Recreation	13,136,065	4,169,675	710,195	-	4,879,870	(8,256,195)	-	(8,256,195)	-
Other Functions	4,794,480	-	-	-	-	(4,794,480)	-	(4,794,480)	-
Capital Projects	8,011,752	-	-	12,095,523	12,095,523	4,083,771	-	4,083,771	-
Interest on Long-Term Debt	2,192,133	-	-	-	-	(2,192,133)	-	(2,192,133)	-
TOTAL GOVERNMENTAL ACTIVITIES	77,664,769	5,202,512	1,400,521	12,376,887	18,979,920	(58,684,849)	-	(58,684,849)	-
Business-Type Activities:									
Water and Sewer	13,991,773	15,263,769	-	219,038	15,482,807	-	1,491,034	1,491,034	-
Electric	57,423,357	57,665,314	-	-	57,665,314	-	241,957	241,957	-
Northeast MS Regional Water Supply Dist.	4,886,093	3,630,107	-	4,304,943	7,935,050	-	3,048,957	3,048,957	-
Solid Waste Management	4,101,015	4,409,408	-	-	4,409,408	-	308,393	308,393	-
TOTAL BUSINESS-TYPE ACTIVITIES	80,402,238	80,968,598	-	4,523,981	85,492,579	-	5,090,341	5,090,341	-
TOTAL PRIMARY GOVERNMENT	\$ 158,067,007	\$ 86,171,110	\$ 1,400,521	\$ 16,900,868	\$ 104,472,499	\$ (58,684,849)	\$ 5,090,341	\$ (53,594,508)	\$ -
COMPONENT UNITS									
Tupelo Airport Authority	\$ 3,737,131	\$ 929,574	\$ 224,743	\$ 2,660,477	\$ 3,814,794	\$ -	\$ -	\$ -	\$ 77,663
GENERAL REVENUES:									
Taxes:									
Property Taxes, Levied for General Purposes						\$ 7,629,923	\$ -	\$ 7,629,923	\$ -
Property Taxes, Levied for Capital Outlay						5,823,989	-	5,823,989	-
Property Taxes, Levied for Special Revenue						1,346,078	-	1,346,078	-
Property Taxes, Levied for Debt Service						4,314,181	-	4,314,181	-
Sales Taxes						36,740,749	-	36,740,749	-
County Pro Rata Taxes						1,433,255	-	1,433,255	-
Franchise Taxes						475,779	-	475,779	-
In Lieu Taxes						4,929,581	-	4,929,581	-
Other Taxes						5,107,502	-	5,107,502	-
Homestead Reimbursement						738,875	-	738,875	-
Fire Protection Allocation						245,010	-	245,010	-
Interest Income and Unrealized Gain (Loss) on Investments						3,415,151	1,477,787	4,892,938	71,428
Gain (Loss) on Disposal of Assets						(500,386)	14,700	(485,686)	-
Miscellaneous						1,910,573	-	1,910,573	-
Transfers (to) from Component Units						(4,331,570)	(1,303,697)	(5,635,267)	-
Transfers						-	-	-	-
TOTAL GENERAL REVENUES AND TRANSFERS						69,278,690	188,790	69,467,480	71,428
CHANGE IN NET POSITION						10,593,841	5,279,131	15,872,972	149,091
NET POSITION--BEGINNING						138,274,355	159,225,557	297,499,912	27,618,765
NET POSITION--ENDING						\$ 148,868,196	\$ 164,504,688	\$ 313,372,884	\$ 27,767,856

See accompanying notes to financial statements.

**CITY OF TUPELO, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024**

	General Fund	City Infrastructure Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>ASSETS:</u>				
Cash	\$ 23,976,877	\$ 29,626,501	\$ 26,864,310	\$ 80,467,688
Investments	-	-	3,870,171	3,870,171
General Property Taxes Receivable	316,949	-	438,521	755,470
Other Receivable	167,261	-	496,349	663,610
Notes Receivable	-	-	70,813	70,813
Due from Other Funds	1,890,000	-	-	1,890,000
Due from Other Government Units	2,679,280	136,378	2,150,950	4,966,608
Due from Component Units	44,394	-	-	44,394
Prepaid Items	325,815	-	22,926	348,741
Inventories	26,874	-	49,588	76,462
TOTAL ASSETS	\$ 29,427,450	\$ 29,762,879	\$ 33,963,628	\$ 93,153,957
<u>LIABILITIES AND FUND BALANCES:</u>				
<u>LIABILITIES:</u>				
Accounts Payable	\$ 666,604	\$ 1,872,779	\$ 338,506	\$ 2,877,889
Equity in Pooled Cash Deficit	-	-	1,542,007	1,542,007
Accrued Expenses	814,549	-	27,408	841,957
Unearned Revenues	4,107,880	-	3,208,625	7,316,505
Event Deposits	-	-	28,575	28,575
TOTAL LIABILITIES	5,589,033	1,872,779	5,145,121	12,606,933
<u>FUND BALANCES:</u>				
Nonspendable				
Prepaid Items	325,815	-	25,752	351,567
Inventory	26,874	-	39,128	66,002
Restricted for				
Library	-	-	-	-
Tourism Promotion	-	-	8,676,546	8,676,546
Public Safety Retirement	-	-	36,464	36,464
Law Enforcement	-	-	1,100,445	1,100,445
Const. Acquisition of Capital Assets	-	5,410,380	6,787,716	12,198,096
Public Safety Equipment	-	-	90,437	90,437
Debt Service	-	-	7,868,064	7,868,064
Home Grant	540,450	-	-	540,450
Water Reserve	600,491	-	-	600,491
Committed to				
Rental Rehabilitation	-	-	72,822	72,822
Fairpark Infrastructure	-	-	710,647	710,647
Const. Acquisition of Capital Assets	-	22,479,720	63,943	22,543,663
Assigned to				
Coliseum Projects	-	-	1,643,025	1,643,025
Coliseum Operations	-	-	1,703,518	1,703,518
Unassigned	22,344,787	-	-	22,344,787
TOTAL FUND BALANCES	23,838,417	27,890,100	28,818,507	80,547,024
TOTAL LIABILITIES AND FUND BALANCES	\$ 29,427,450	\$ 29,762,879	\$ 33,963,628	\$ 93,153,957

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, 2024**

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	80,547,024
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.		212,938,073
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.		(77,812,178)
Accrued compensated absences are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.		(1,276,086)
Net pension liability are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.		(71,052,282)
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		9,375,682
Deferred inflows of resources related to defined benefit pension plan		(5,228,137)
Accrual of court fine revenues to qualify as financial resources.		<u>1,376,100</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>148,868,196</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, 2024

	General Fund	City Infrastructure Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	\$ 9,048,684	\$ -	\$ 11,484,248	\$ 20,532,932
Licenses and Permits	1,153,853	-	-	1,153,853
Intergovernmental Revenues	39,668,114	5,316,378	16,524,534	61,509,026
Charges for Services	731,797	-	3,757,997	4,489,794
Fines and Forfeitures	557,754	-	59,324	617,078
Miscellaneous Revenues	<u>2,107,628</u>	<u>838,175</u>	<u>2,617,849</u>	<u>5,563,652</u>
TOTAL REVENUES	<u>53,267,830</u>	<u>6,154,553</u>	<u>34,443,952</u>	<u>93,866,335</u>
EXPENDITURES:				
Current:				
General Government	6,525,215	-	-	6,525,215
Public Safety	21,311,067	-	1,264,562	22,575,629
Public Works	5,575,101	-	-	5,575,101
Culture and Recreation	5,157,738	-	6,540,802	11,698,540
Other Functions	1,373,079	-	3,482,351	4,855,430
Capital Projects	-	19,482,660	8,720,099	28,202,759
Debt Service	<u>324,855</u>	<u>-</u>	<u>5,902,197</u>	<u>6,227,052</u>
TOTAL EXPENDITURES	<u>40,267,055</u>	<u>19,482,660</u>	<u>25,910,011</u>	<u>85,659,726</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>13,000,775</u>	<u>(13,328,107)</u>	<u>8,533,941</u>	<u>8,206,609</u>
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds	(12,657,010)	-	(4,742,495)	(17,399,505)
Transfers from Other Funds	53,122	12,222,154	5,124,229	17,399,505
Transfers to Component Units	-	-	(4,645,896)	(4,645,896)
Transfers from Component Units	-	-	314,326	314,326
Bond Premium Received	-	1,597,660	-	1,597,660
Proceeds from Debt Issued	<u>-</u>	<u>12,000,000</u>	<u>-</u>	<u>12,000,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(12,603,888)</u>	<u>25,819,814</u>	<u>(3,949,836)</u>	<u>9,266,090</u>
NET CHANGE IN FUND BALANCES	396,887	12,491,707	4,584,105	17,472,699
FUND BALANCES - Beginning	<u>23,441,530</u>	<u>15,398,393</u>	<u>24,234,402</u>	<u>63,074,325</u>
FUND BALANCES - Ending	<u>\$ 23,838,417</u>	<u>\$ 27,890,100</u>	<u>\$ 28,818,507</u>	<u>\$ 80,547,024</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, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 17,472,699
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.	22,673,162
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	177,152
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.	(11,920,773)
Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds.	(582,434)
The amortization of the discounts and premiums are reported as a reduction to expense on the statement of activities.	386,714
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.	(693,721)
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.	(6,803,090)
The change in accrued interest payable is reported as an expense on the statement of activities.	(19,040)
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.	3,667,245
The proceeds of debt are an other financing source on the governmental funds income statement but are not reported on the statement of activities:	
Proceeds from issuance of bonds and notes payable	(12,000,000)
Premium on issuance of bonds	(1,597,660)
Decrease in accrual of compensated absences.	(166,413)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u><u>10,593,841</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, 2024

	Budget		Actual	Variance with Final Budget (Unfavorable)
	Original	Final		
REVENUES:				
Taxes	\$ 8,768,760	\$ 8,768,760	\$ 9,043,352	\$ 274,592
Licenses and Permits	1,075,000	1,075,000	1,153,853	78,853
Intergovernmental Revenues	36,359,138	39,691,089	39,701,163	10,074
Charges for Services	664,000	664,000	731,797	67,797
Fines and Forfeitures	577,000	647,227	557,754	(89,473)
Miscellaneous Revenues	1,117,428	1,599,777	2,102,175	502,398
TOTAL REVENUES	48,561,326	52,445,853	53,290,094	844,241
EXPENDITURES:				
Current:				
General Government	7,158,974	7,190,616	6,525,215	665,401
Public Safety	21,015,283	22,329,440	21,311,067	1,018,373
Public Works	5,941,432	6,138,269	5,575,101	563,168
Culture and Recreation	5,255,340	5,460,808	5,157,738	303,070
Other Functions	1,065,600	1,374,613	1,373,079	1,534
Debt Service	325,480	325,480	324,855	625
TOTAL EXPENDITURES	40,762,109	42,819,226	40,267,055	2,552,171
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,799,217	9,626,627	13,023,039	3,396,412
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	144,209	144,209	53,122	(91,087)
Transfers to Other Funds	(7,225,845)	(13,114,368)	(12,657,010)	457,358
TOTAL OTHER FINANCING SOURCES (USES)	(7,081,636)	(12,970,159)	(12,603,888)	366,271
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	\$ 717,581	\$ (3,343,532)	\$ 419,151	\$ 3,762,683

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, 2024

	Budget		Actual	Variance with Final Budget (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental Revenues:				
Federal Grants	\$ 540,000	\$ 676,378	\$ 216,378	\$ (460,000)
State Grants	1,052,972	1,052,972	5,046,842	3,993,870
Miscellaneous Revenues:				
Interest	22,500	22,500	808,447	785,947
Other	-	19,728	29,728	10,000
TOTAL REVENUES	<u>1,615,472</u>	<u>1,771,578</u>	<u>6,101,395</u>	<u>4,329,817</u>
EXPENDITURES:				
Bond Issue Costs	438,590	438,590	438,590	-
Other Services and Charges	10,225,289	8,924,990	5,790,721	3,134,269
Capital Outlay	24,184,299	26,635,762	13,253,349	13,382,413
TOTAL EXPENDITURES	<u>34,848,178</u>	<u>35,999,342</u>	<u>19,482,660</u>	<u>16,516,682</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(33,232,706)</u>	<u>(34,227,764)</u>	<u>(13,381,265)</u>	<u>20,846,499</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from General Obligation Bonds or Debt Issued	12,000,000	12,000,000	12,000,000	-
Bond Premium Received	1,597,660	1,597,660	1,597,660	-
Transfers from Other Funds	8,410,725	10,706,835	12,222,154	1,515,319
TOTAL OTHER FINANCING SOURCES (USES)	<u>22,008,385</u>	<u>24,304,495</u>	<u>25,819,814</u>	<u>1,515,319</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	<u>\$ (11,224,321)</u>	<u>\$ (9,923,269)</u>	<u>\$ 12,438,549</u>	<u>\$ 22,361,818</u>

See accompanying notes to financial statements.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2024

	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	\$ 7,299,958	\$ 1,290,866	\$ 174	\$ 2,233,195	\$ 10,824,193
Receivables, Net					
Accounts Receivable	7,503,345	-	-	-	7,503,345
Unbilled Revenue	1,668,471	321,876	-	-	1,990,347
Other Receivables	492,069	89,353	-	-	581,422
Due from Other Funds	3,762	7,207	-	1,723	12,692
Inventories	1,287,814	67,278	84,130	-	1,439,222
Prepaid Expenses	92,402	27,810	41,655	-	161,867
Other Current Assets	143,841	-	-	-	143,841
Current Amount of Restricted Assets	-	-	4,398,543	-	4,398,543
Total Current Assets	<u>18,491,662</u>	<u>1,804,390</u>	<u>4,524,502</u>	<u>2,234,918</u>	<u>27,055,472</u>
Restricted Assets					
Cash	-	-	6,699,887	-	6,699,887
Certificate of Deposit	-	-	50,827	-	50,827
Investments	-	-	12,926,255	-	12,926,255
Interest Receivable on Investments	-	-	43,967	-	43,967
Accounts Receivable	-	-	354,797	-	354,797
Intergovernmental Receivable	-	-	1,203,460	-	1,203,460
Total Restricted Assets	-	-	21,279,193	-	21,279,193
Current Amounts Above	-	-	(4,398,543)	-	(4,398,543)
Total Non-Current Restricted Asset:	-	-	16,880,650	-	16,880,650
Capital Assets					
Plant and Equipment	72,764,002	154,815,375	73,388,835	1,067,739	302,035,951
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	2,180,634	13,614,643	19,755,714	-	35,550,991
Total	75,277,649	176,101,937	93,901,132	1,067,739	346,348,457
Less: Accumulated Depreciation	41,251,489	76,841,267	31,143,858	599,144	149,835,758
Net Capital Assets	<u>\$ 34,026,160</u>	<u>\$ 99,260,670</u>	<u>\$ 62,757,274</u>	<u>\$ 468,595</u>	<u>\$ 196,512,699</u>

NOTE -- Amounts for the Electric Fund are at June 30, 2024.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2024

-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	\$ 42,142	\$ -	\$ 51,042
Receivable from Customers for Energy Conservation Loans	6,519	-	-	-	6,519
Receivable from CSA	155,531	-	-	-	155,531
Total Other Assets	<u>162,050</u>	<u>8,900</u>	<u>42,142</u>	<u>-</u>	<u>213,092</u>
Total Assets	<u>52,679,872</u>	<u>101,073,960</u>	<u>84,204,568</u>	<u>2,703,513</u>	<u>240,661,913</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>1,809,276</u>	<u>726,636</u>	<u>36,293</u>	<u>76,727</u>	<u>2,648,932</u>
LIABILITIES					
CURRENT LIABILITIES					
Payable from Unrestricted					
Current Assets:					
Accounts Payable	4,882,591	319,350	-	250,038	5,451,979
Equity in Pooled Cash Deficit	-	1,984,855	-	-	1,984,855
Customer and Other Deposits	3,357,551	928,085	-	-	4,285,636
Accrued Interest	32,334	125,938	-	-	158,272
Accrued Expenses	292,734	-	-	-	292,734
Due to Other Funds	8,467	1,890,376	-	-	1,898,843
Total Payable from Unrestricted Current Assets	<u>8,573,677</u>	<u>5,248,604</u>	<u>-</u>	<u>250,038</u>	<u>14,072,319</u>
Payable from Restricted					
Current Assets:					
Due to City of Tupelo Water					
G.O. Bond Fund	-	-	213,750	-	213,750
Accounts Payable	-	-	81,388	-	81,388
Accrued Payroll and Payroll Taxes	-	-	2,345	-	2,345
Construction / Retainage Payable	-	-	1,083,977	-	1,083,977
Bonds, Notes, and Loans Payable	350,000	3,846,442	-	-	4,196,442
Total Payable from Restricted Current Assets	<u>350,000</u>	<u>3,846,442</u>	<u>1,381,460</u>	<u>-</u>	<u>5,577,902</u>
Total Current Liabilities	<u>\$ 8,923,677</u>	<u>\$ 9,095,046</u>	<u>\$ 1,381,460</u>	<u>\$ 250,038</u>	<u>\$ 19,650,221</u>

NOTE -- Amounts for the Electric Fund are at June 30, 2024.

CITY OF TUPELO
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2024

-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	\$ 7,831,429	\$ 5,510,703	\$ 259,674	\$ 582,758	\$ 14,184,564
Accrued Compensated Absences Due to City of Tupelo	87,753	52,281	-	-	140,034
Water G. O. Bond Fund	-	-	2,200,834	-	2,200,834
Advances from TVA	7,633	-	-	-	7,633
Bonds, Notes, and Loans Payable	<u>3,899,366</u>	<u>37,678,658</u>	<u>-</u>	<u>-</u>	<u>41,578,024</u>
Total Long-Term Liabilities	<u>11,826,181</u>	<u>43,241,642</u>	<u>2,460,508</u>	<u>582,758</u>	<u>58,111,089</u>
Total Liabilities	<u>20,749,858</u>	<u>52,336,688</u>	<u>3,841,968</u>	<u>832,796</u>	<u>77,761,310</u>
DEFERRED INFLOWS OF RESOURCES	<u>581,821</u>	<u>414,338</u>	<u>4,795</u>	<u>43,893</u>	<u>1,044,847</u>
Net Position					
Net Investment in Capital Assets	29,776,794	57,735,570	59,258,713	468,595	147,239,672
Restricted for:					
Capital Projects	-	-	18,084,110	-	18,084,110
Operations and Debt Service	-	-	2,883,174	-	2,883,174
Unrestricted (Deficit)	<u>3,380,675</u>	<u>(8,686,000)</u>	<u>168,101</u>	<u>1,434,956</u>	<u>(3,702,268)</u>
Total Net Position	<u>\$ 33,157,469</u>	<u>\$ 49,049,570</u>	<u>\$ 80,394,098</u>	<u>\$ 1,903,551</u>	<u>\$ 164,504,688</u>

NOTE -- Amounts for the Electric Fund are at June 30, 2024.

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, 2024

	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	\$ 56,614,831	\$ 15,030,362	\$ 3,630,107	\$ 4,167,908	\$ 79,443,208
Rents	399,485	120,446	-	-	519,931
Other Revenues	650,998	112,961	-	241,500	1,005,459
Total Operating Revenues	<u>57,665,314</u>	<u>15,263,769</u>	<u>3,630,107</u>	<u>4,409,408</u>	<u>80,968,598</u>
OPERATING EXPENSES					
General and Administrative	1,673,071	830,146	335,762	-	2,838,979
Power Purchased	46,288,721	-	-	-	46,288,721
Transmission Mains	-	1,571,072	-	-	1,571,072
Water Operations	-	1,641,215	2,958,735	-	4,599,950
Sewer Operations	-	3,613,647	-	-	3,613,647
Electric Operations	853,639	-	-	-	853,639
Sanitation Operations	-	-	-	4,035,391	4,035,391
Customer Accounting and Collecting	495,160	883,340	-	-	1,378,500
Customer Service and Information	35,453	-	-	-	35,453
Maintenance and Repair	1,488,741	-	-	-	1,488,741
Sales Expense	43,400	-	-	-	43,400
Taxes and Equivalents	3,655,490	-	-	-	3,655,490
Amortization and Depreciation	2,723,539	4,674,217	1,484,770	59,348	8,941,874
Total Operating Expenses	<u>57,257,214</u>	<u>13,213,637</u>	<u>4,779,267</u>	<u>4,094,739</u>	<u>79,344,857</u>
Net Operating Income	<u>408,100</u>	<u>2,050,132</u>	<u>(1,149,160)</u>	<u>314,669</u>	<u>1,623,741</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	132,484	83,627	845,515	66,206	1,127,832
Gain (Loss) on Disposal of Capital Assets	-	14,700	-	-	14,700
Bad Debts	-	(17,782)	-	(6,276)	(24,058)
Interest Expense	(166,143)	(760,354)	(106,826)	-	(1,033,323)
Unrealized Gain (Loss) on Investments	-	-	349,955	-	349,955
Total Non-operating Revenues (Expenses)	<u>(33,659)</u>	<u>(679,809)</u>	<u>1,088,644</u>	<u>59,930</u>	<u>435,106</u>
Income (Loss) before Operating Transfers	\$ <u>374,441</u>	\$ <u>1,370,323</u>	\$ <u>(60,516)</u>	\$ <u>374,599</u>	\$ <u>2,058,847</u>

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2024.

CITY OF TUPELO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS
For the year ended September 30, 2024
-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 for Debt Service	\$ -	\$ (1,303,697)	\$ -	\$ -	\$ (1,303,697)
Total Operating Transfers In (Out)	-	(1,303,697)	-	-	(1,303,697)
Increase (Decrease) in Net Assets Before Capital Contributions	374,441	66,626	(60,516)	374,599	755,150
Capital Grants and Contributions	-	219,038	4,304,943	-	4,523,981
Change in Net Position	374,441	285,664	4,244,427	374,599	5,279,131
TOTAL NET POSITION -					
Beginning of Year	32,783,028	48,763,906	76,149,671	1,528,952	159,225,557
TOTAL NET POSITION -					
End of Year	\$ 33,157,469	\$ 49,049,570	\$ 80,394,098	\$ 1,903,551	\$ 164,504,688

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2024.

See accompanying notes to financial statements.

CITY OF TUPELO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the year ended September 30, 2024

	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	\$ 56,910,464	\$ 15,337,788	\$ 3,589,926	\$ 4,403,132	\$ 80,241,310
Payments to Suppliers	(47,926,924)	(6,368,372)	(3,191,299)	(3,728,776)	(61,215,371)
Payments to Employees	(2,255,254)	(1,823,684)	(65,277)	(258,343)	(4,402,558)
Payments for Other Services and Charges	(3,352,698)	-	-	-	(3,352,698)
Other Receipts (Payments)	16,379	(5,773)	-	-	10,606
Net Cash Provided by (Used in) Operating Activities	<u>3,391,967</u>	<u>7,139,959</u>	<u>333,350</u>	<u>416,013</u>	<u>11,281,289</u>
Cash Flows from Noncapital Financing Activities:					
Due To (From) Municipality	(133,504)	(213,935)	-	81	(347,358)
Transfers In (Out)	-	(1,303,697)	-	-	(1,303,697)
Net Cash Provided by (Used In) Noncapital Financing Activities	<u>(133,504)</u>	<u>(1,517,632)</u>	<u>-</u>	<u>81</u>	<u>(1,651,055)</u>
Cash Flows from Capital and Related Financing Activities:					
Capital Contributions	-	781,699	4,227,544	-	5,009,243
Proceeds from Bonds and Notes Payable	-	8,730,325	-	-	8,730,325
Payments to City of Tupelo Water G. O. Bonds Fund	-	-	(207,500)	-	(207,500)
Payments for Debt	(335,000)	(3,782,380)	-	-	(4,117,380)
Purchase of Capital Assets	(2,879,496)	(14,863,112)	(15,085,398)	-	(32,828,006)
Cost of Removal of Fixed Assets, Net of Salvage	(78,521)	-	-	-	(78,521)
Proceeds from Sale of Capital Assets	-	14,700	-	-	14,700
Conservation Advances from TVA	(20,196)	-	-	-	(20,196)
Interest Paid	(210,750)	(836,279)	(106,826)	-	(1,153,855)
Net Cash Provided by (Used In) Capital and Related Financing Activities	<u>(3,523,963)</u>	<u>(9,955,047)</u>	<u>(11,172,180)</u>	<u>-</u>	<u>(24,651,190)</u>
Cash Flows from Investing Activities:					
Receivable from Customers for Energy Conservation Loans	19,023	-	-	-	19,023
(Increase) Decrease in Receivable from CSA	(34,211)	-	-	-	(34,211)
Proceeds from Maturities / Sales of Investments	-	-	9,000,000	-	9,000,000
Purchase of Investments	-	-	(1,741,776)	-	(1,741,776)
Interest and Dividends	132,484	83,627	898,575	66,206	1,180,892
Net Cash Provided by (Used In) Investing Activities	<u>117,296</u>	<u>83,627</u>	<u>8,156,799</u>	<u>66,206</u>	<u>8,423,928</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>(148,204)</u>	<u>(4,249,093)</u>	<u>(2,682,031)</u>	<u>482,300</u>	<u>(6,597,028)</u>
Cash and Cash Equivalents--Beginning	<u>7,448,162</u>	<u>3,555,104</u>	<u>9,382,092</u>	<u>1,750,895</u>	<u>22,136,253</u>
Cash and Cash Equivalents--Ending	<u>\$ 7,299,958</u>	<u>\$ (693,989)</u>	<u>\$ 6,700,061</u>	<u>\$ 2,233,195</u>	<u>\$ 15,539,225</u>

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2024.

CITY OF TUPELO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the year ended September 30, 2024

	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)	\$ 408,100	\$ 2,050,132	\$ (1,149,160)	\$ 314,669	\$ 1,623,741
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation Expense	2,723,539	4,674,217	1,484,770	59,348	8,941,874
Net Pension Expense	547,654	459,179	27,566	32,583	1,066,982
Provision for Uncollectible Accounts	(34,098)	(17,782)	-	(6,276)	(58,156)
Decrease (Increase) in Assets:					
Accounts Receivable	(572,290)	-	(40,181)	-	(612,471)
Unbilled Revenue	(148,404)	26,368	-	-	(122,036)
Other Receivables	(32,981)	(4,637)	-	-	(37,618)
Inventory	124,559	38,670	3,382	-	166,611
Prepaid Expenses	(24,710)	(5,773)	(2,194)	-	(32,677)
Other Current Assets	49,302	-	(1,675)	-	47,627
Increase (Decrease) in Liabilities:					
Accounts Payable	310,824	(158,471)	10,732	15,689	178,774
Customer and Other Deposits	43,085	70,070	-	-	113,155
Accrued Expenses	(2,613)	7,986	110	-	5,483
Total Adjustments	2,983,867	5,089,827	1,482,510	101,344	9,657,548
Net Cash Provided by (Used in) Operating Activities	\$ 3,391,967	\$ 7,139,959	\$ 333,350	\$ 416,013	\$ 11,281,289

NOTE -- Amounts for the Electric Fund are for fiscal year ended June 30, 2024.

See accompanying notes to financial statements.

**CITY OF TUPELO
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
September 30, 2024**

	Agency Funds
	<u> </u>
ASSETS	
Cash	\$ 1,240,607
Investments	<u>500</u>
TOTAL ASSETS	<u>\$ 1,241,107</u>
LIABILITIES	
Accounts Payable	\$ 50,235
Due to Complainants	6,964
Due to Insured Employees	563,303
Seized Money Held	<u>620,605</u>
TOTAL LIABILITIES	<u>\$ 1,241,107</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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, 2024

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, 2024

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, 2024**

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, 2024

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 14 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, 2024

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 CASH EQUIVALENTS

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. The City deposits funds in the financial institutions selected by the City Council in accordance with state statutes. State statutes specify how these depositories are to be selected. For purposes of the proprietary funds statement of cash flows, the City considers all highly liquid investments with an original maturity of three months or less when acquired to be cash equivalents.

INVESTMENTS

Investments in governmental securities are stated at fair value.

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.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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, 2024

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, 2024

NOTE 2 - CASH, CERTIFICATE OF DEPOSIT, AND INVESTMENTS

CASH AND CERTIFICATE OF DEPOSIT

The collateral for public entities' deposits in financial institutions is 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 entity's funds 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 \$98,042,595, and the bank balance was \$98,746,983. The carrying amount for the Tupelo Airport Authority was \$1,196,423, and the bank balance was \$1,306,267.

Custodial credit risk is the risk that in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the City. Deposits above FDIC coverage are collateralized by pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the City.

The certificate of deposit of \$50,827 is held at a local bank as collateral for an irrevocable letter of credit to a utility company to cover a required utility deposit.

INVESTMENTS

Governmental and Fiduciary fund investments held with financial institutions during the fiscal year consisted only of those types of investments held at the end of the fiscal year. Investments made by the City that are included on the balance sheets at September 30, 2024, 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>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U. S. Government Securities Funds*		X		\$ <u>3,870,671</u>	\$ <u>3,870,671</u>
Total				\$ <u>3,870,671</u>	\$ <u>3,870,671</u>

*These funds invest only in U.S. Government securities and are level 1 inputs (see fair value below).

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 2 - CASH, CERTIFICATE OF DEPOSIT, AND INVESTMENTS – continued

During fiscal year 2024, the Northeast Mississippi Regional Water Supply District agreed to invest cash restricted for capital activities in short-term U.S. Treasury securities in order to maximize interest earning potential while maintaining sufficient reserves to cover expected drawdowns for capital projects.

Balances of investments at September 30, 2024, recorded in the proprietary fund, are as follows:

<u>Investment Type</u>	<u>Fair Value Level</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
U.S. Treasury Securities	1	\$ 9,959,369	\$ 9,959,369
Money Market	1	<u>2,966,886</u>	<u>2,966,886</u>
Total		\$ <u>12,926,255</u>	\$ <u>12,926,255</u>

Fair Value - The fair value hierarchy prioritizes the inputs used to measure fair value into three broad Levels (Levels 1, 2 and 3), moving from quoted prices in active markets in Level 1 to unobservable inputs in Level 3.

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable;
- Level 3: Unobservable inputs for an asset or liability.

Interest Rate Risk - Interest Rate Risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk - This is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have a formal policy for custodial credit risk.

Credit Risk - Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - 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, 2024, consist of allocations of general property ad valorem taxes of \$937,665 and homestead exemption reimbursement of \$36,637 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>\$ 4,218,355</u>
Assumed Rate of Return Used in Plan Evaluation	7.55%
Plan Evaluation Date	June 30, 2024
Plan Assets Available for Benefits as of June 30, 2024	<u>\$ 3,961,000</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, 2024

NOTE 4 - 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, 2024

NOTE 4 - 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 5 - 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, 2024 is as follows:

	City	TPSD
Real Property	\$ 393,807,357	\$ 19,796,826
Personal Property - Other Than Motor Vehicles & Mobile Homes	127,473,456	6,588,414
Personal Property - Motor Vehicles & Mobile Homes	70,148,236	4,632,283
	\$ 591,429,049	\$ 31,017,523

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	13.11	0.00
Library Fund	0.70	0.00
City Bond and Interest Fund	7.05	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	0.00	55.00
	32.47	64.10

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 5 - 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 6 - CAPITAL ASSETS

The following is a summary of capital asset activity as of September 30, 2024:

	<u>Balance</u> <u>Oct. 1, 2023</u>	<u>Acquisitions</u>	<u>Capitalized</u> <u>Construction,</u> <u>Sales, or</u> <u>Retirements</u>	<u>Balance</u> <u>Sept. 30, 2024</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 15,267,497	\$ 50,571	\$ (498,063)	\$ 14,820,005
Construction in Progress	<u>13,884,745</u>	<u>17,765,898</u>	<u>(20,850,685)</u>	<u>10,799,958</u>
Total Capital Assets, not being Depreciated:	29,152,242	17,816,469	(21,348,748)	25,619,963
Capital Assets being Depreciated:				
Buildings and Improvements	135,894,839	1,818,197	7,253,116	144,966,152
Machinery and Equipment	31,655,590	3,215,648	(1,381,558)	33,489,680
Infrastructure	<u>170,099,780</u>	<u>-</u>	<u>13,597,569</u>	<u>183,697,349</u>
Total Capital Assets, being Depreciated	337,650,209	5,033,845	19,469,127	362,153,181
Less Accumulated Depreciation for:				
Buildings and Improvements	(41,480,602)	(3,629,938)	-	(45,110,540)
Machinery and Equipment	(22,575,174)	(2,322,369)	1,185,900	(23,711,643)
Infrastructure	<u>(100,044,422)</u>	<u>(5,968,466)</u>	<u>-</u>	<u>(106,012,888)</u>
Total Accumulated Depreciation	<u>(164,100,198)</u>	<u>(11,920,773)</u>	<u>1,185,900</u>	<u>(174,835,071)</u>
Total Governmental Activities				
Capital Assets, net	<u>\$ 202,702,253</u>	<u>\$ 10,929,541</u>	<u>\$ (693,721)</u>	<u>\$ 212,938,073</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 6 - CAPITAL ASSETS – continued

	Balance Oct. 1, 2023	Acquisitions	Capitalized Construction, Sales, or Retirements	Balance Sept. 30, 2024
Business-Type Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,864,705	\$ -	\$ -	\$ 1,864,705
Construction in Progress	8,210,490	31,323,709	(3,983,208)	35,550,991
Total Capital Assets, not being Depreciated:	10,075,195	31,323,709	(3,983,208)	37,415,696
Capital Assets being Depreciated:				
Buildings and Improvements	272,888,409	2,010,484	3,795,777	278,694,760
Machinery and Equipment	29,910,461	488,260	(160,630)	30,238,091
Total Capital Assets, being Depreciated	302,798,870	2,498,744	3,635,147	308,932,761
Less Accumulated Depreciation for:				
Buildings and Improvements	(121,595,550)	(7,141,814)	280,713	(128,456,651)
Machinery and Equipment	(19,618,277)	(1,800,060)	39,230	(21,379,107)
Total Accumulated Depreciation	(141,213,827)	(8,941,874)	319,943	(149,835,758)
Total Business-Type Activities				
Capital Assets, net	\$ 171,660,238	\$ 24,880,579	\$ (28,118)	\$ 196,512,699
Discretely Presented Component Unit:				
Capital Assets, not being Depreciated:				
Land	\$ 6,099,049	\$ -	\$ -	\$ 6,099,049
Construction in Progress	1,413,784	2,595,801	(918,725)	3,090,860
Total Capital Assets, not being Depreciated:	7,512,833	2,595,801	(918,725)	9,189,909
Capital Assets being Depreciated:				
Buildings and Improvements	51,484,259	930,625	-	52,414,884
Machinery and Equipment	2,596,942	76,949	(18,600)	2,655,291
Total Capital Assets, being Depreciated	54,081,201	1,007,574	(18,600)	55,070,175
Less Accumulated Depreciation for:				
Buildings and Improvements	(31,844,058)	(1,316,148)	-	(33,160,206)
Machinery and Equipment	(1,484,148)	(171,500)	18,600	(1,637,048)
Total Accumulated Depreciation	(33,328,206)	(1,487,648)	18,600	(34,797,254)
Total Component Unit				
Capital Assets, net	\$ 28,265,828	\$ 2,115,727	\$ (918,725)	\$ 29,462,830
Total Capital Assets	\$ 402,628,319	\$ 37,925,847	\$ (1,640,564)	\$ 438,913,602

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 6 - CAPITAL ASSETS – continued

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

Governmental Activities:	
General Government	\$ 1,209,740
Public Safety	1,609,958
Public Works	6,856,004
Culture and Recreation	<u>2,245,071</u>
Total Depreciation Expense - Governmental Activities	\$ <u>11,920,773</u>
Business-Type Activities:	
Electric Department	\$ 2,763,853
Water and Sewer	4,673,319
Northeast Mississippi Regional Water Supply District	59,348
Solid Waste	<u>1,484,770</u>
Total Depreciation Expense - Business-Type Activities	\$ <u>8,981,290</u>
Total Depreciation Expense - Discretely Presented Component Unit	\$ <u>1,487,648</u>

NOTE 7 - 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 2024, the City issued special obligation bonds, series 2024, in the amount of \$12,000,000. The purpose of this bond issue is to provide funds for park improvements, sidewalks, and drainage.

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, 2024

NOTE 7 - LONG-TERM DEBT – continued

NOTES PAYABLE AND STATE REVOLVING LOANS

Fifteen different capital improvement revolving loans make up the September 30, 2024 notes payable balance and are included in both governmental activities and business-type activities. Fourteen of the loans are in repayment status with a total outstanding balance of \$28,424,560. The remaining in progress note totals \$8,730,325.

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	\$34,970,000	\$ -	\$ 3,005,000	\$31,965,000	\$3,120,000
Limited Obligations						
Tax Increment	Debt Service	604,000	-	104,000	500,000	46,000
Special Obligation Bonds	Debt Service	25,000,000	12,000,000	305,000	36,695,000	680,000
Notes Payable	General	2,448,751	-	253,245	2,195,506	382,890
Bond Premiums		<u>4,565,647</u>	<u>1,597,660</u>	<u>386,714</u>	<u>5,776,593</u>	<u>-</u>
Total Governmental Activities		<u>\$67,588,398</u>	<u>\$13,597,660</u>	<u>\$ 4,053,959</u>	<u>\$77,132,099</u>	<u>\$4,228,890</u>

	Fund Debt Retired By	Balances Oct. 1,	Additions	Reductions	Balances Sept. 30	Current Portion
Business-Type Activities:						
Special Obligation Bonds	Water/Sewer	\$ 6,565,000	\$ -	\$ 520,000	\$ 6,045,000	\$ 550,000
Special Obligation Bonds	Electric*	4,215,000	-	335,000	3,880,000	350,000
Notes Payable	Water/Sewer	29,491,434	8,730,325	3,262,380	34,959,379	3,296,442
Bond Premiums		<u>996,992</u>	<u>-</u>	<u>106,905</u>	<u>890,087</u>	<u>-</u>
Total Business-Type Activities		<u>\$41,268,426</u>	<u>\$ 8,730,355</u>	<u>\$ 4,224,285</u>	<u>\$45,774,466</u>	<u>\$4,196,442</u>

*Amounts for Electric Fund are at June 30, 2024.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 7 - 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				
2025	\$ 3,120,000	\$ 46,000	\$ 680,000	\$ 382,890	\$ 2,723,708	\$ 6,952,598
2026	3,235,000	48,000	695,000	146,796	2,582,521	6,707,317
2027	3,000,000	50,000	715,000	151,261	2,443,251	6,359,512
2028	3,035,000	53,000	830,000	155,861	2,308,913	6,382,774
2029	2,935,000	56,000	1,010,000	160,602	2,160,702	6,322,304
2030-2034	12,640,000	247,000	8,445,000	706,181	8,502,328	30,540,509
2035-2039	4,000,000	-	13,225,000	458,655	4,670,039	22,353,694
2040-2044	-	-	6,705,000	33,260	1,778,883	8,517,143
2045-2049	-	-	4,390,000	-	588,100	4,978,100
Total	<u>\$ 31,965,000</u>	<u>\$ 500,000</u>	<u>\$36,695,000</u>	<u>\$ 2,195,506</u>	<u>\$ 27,758,445</u>	<u>\$ 99,113,951</u>

Year Ending September 30,	Business-Type Activities			
	Special Obligation	Notes Payable	Interest	Total
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	1,040,000	1,768,334	640,692	3,449,026
2029	1,095,000	1,547,327	560,368	3,202,695
2030-2034	4,950,000	8,171,345	1,489,179	14,610,524
2035-2039	-	5,187,759	189,497	5,377,256
2040-2044	-	100,840	663	101,503
Total	<u>\$ 9,925,000</u>	<u>\$ 26,229,054</u>	<u>\$ 5,393,889</u>	<u>\$ 41,547,943</u>

**CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

NOTE 7 - 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>
2025	\$ 213,750	\$ 99,115	\$ 312,865
2026	225,417	90,564	315,981
2027	235,833	81,548	317,381
2028	247,917	72,115	320,032
2029	258,333	62,198	320,531
2030-2034	<u>1,233,334</u>	<u>143,314</u>	<u>1,376,648</u>
	<u>\$ 2,414,584</u>	<u>\$ 548,854</u>	<u>\$ 2,963,438</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 8 - 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, 2024:

<u>Year Ending September 30,</u>	
2025	\$ 448,571
2026	407,539
2027	401,216
2028	388,388
2029	271,757
2030-2034	971,029
2035-2037	<u>422,586</u>
Total Minimum Future Rentals	<u>\$ 3,311,086</u>

NOTE 9 - TVA HOME INSULATION PROGRAM - ELECTRIC FUND

Other Assets of the Electric Fund include \$7,633 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 10 - 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, 2024 were:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 1,890,000	\$ -
Proprietary Funds:		
Electric Fund	376	8,930
Water and Sewer Fund	7,207	1,890,376
Solid Waste Management Fund	<u>1,723</u>	<u>-</u>
Total	<u>\$ 1,899,306</u>	<u>\$ 1,899,306</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 11 - NONCURRENT ASSETS

The following receivable at September 30, 2024 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>70,813</u>

NOTE 12 - 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.

NOTE 13 - ADOPTION OF NEW ACCOUNTING STANDARDS

The GASB has issued several statements implemented by the City. The Standards which could potentially impact the City in subsequent years are as follows:

GASB Statement No. 87, *Leases*, was adopted by the City beginning with its fiscal year ending September 30, 2023. Statement No. 87 establishes a single approach to accounting for and reporting leases by local governments. Under this statement, a governmental entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must recognize (1) amortization expense for using the asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. For the year ended September 30, 2024, the City did not have any leases that were required to be recorded under Statement No. 87.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was adopted by the City beginning with its fiscal year ending September 30, 2023. Statement No. 96 provides guidance on the accounting and financial reporting for subscription based information technology arrangements for government end users. Under this Statement, a government should recognize a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability. For the year ended September 30, 2024, the City only had short-term contracts of 12 months or less and are excluded from the recognition requirements.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - 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, 2023 was as follows:

Inactive Members or Beneficiaries Currently Receiving Benefits	115,890
Inactive Members Assumed Eligible for a Benefit at Retirement Date	17,191
Inactive Members Assumed Not to Receive Service Retirement Benefits	78,809
Active Members	145,985
Total	357,875

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - 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 17.90% 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, 2024). 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, 2024, the City of Tupelo's total payroll for all employees was \$20,839,221. Total covered payroll was \$20,470,796.

For the year ended September 30, 2024, the Coliseum Project Fund's total payroll for all employees was \$933,000. Total covered payroll was \$906,557.

For the year ended September 30, 2024, the Water District's total payroll for all employees was \$52,124. Total covered payroll was also \$52,124.

For the year ended September 30, 2024, the Tupelo Airport Authority's total payroll for all employees was \$722,902. Total covered payroll was \$646,559.

For the year ended September 30, 2024, the Water and Sewer Fund's total payroll for all employees was \$1,660,875. Total covered payroll was \$1,660,875.

For the year ended June 30, 2024, the Electric Fund's total payroll for all employees was \$2,252,641. Total covered payroll was \$2,252,641.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2024, the City of Tupelo reported a liability of \$68,559,718 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 \$3,075,322 for its proportionate share. The Water District reported \$259,674, the Tupelo Airport Authority reported \$2,063,112, and the Water and Sewer Fund reported \$5,510,703. The Electric Fund as of June 30, 2024, reported a liability of \$7,831,429 for its proportionate share of the net pension liability.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - DEFINED BENEFIT PENSION PLAN – continued

The net pension liability was measured as of June 30, 2024, 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, 2024, the City of Tupelo’s proportion was 0.26402 percent. At June 30, 2024, the proportionate share for the Coliseum Project Fund was 0.011843 percent. At June 30, 2024, the proportionate share for the Water District was 0.0010 percent. At June 30, 2024, the proportionate share for the Tupelo Airport Authority was 0.007945 percent. At June 30, 2024, the proportionate share for the Water and Sewer Fund was 0.021222 percent.

For the Electric Fund, the net pension liability was measured as of June 30, 2023, 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, 2024, the Electric Fund’s proportion was 0.031137 percent.

For the year ended September 30, 2024, the City of Tupelo (including the Solid Waste Fund) recognized pension expense of \$6,568,601. At September 30, 2024, 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	\$ 3,688,783	\$ -
Net Difference Between Projected and Actual Investment Earnings	227,196	-
City Pension Contributions Subsequent to the Measurement Date	864,124	-
Changes of Assumptions	4,246,578	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	5,163,884
Total	\$ 9,026,681	\$ 5,163,884

The \$864,124 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, 2025. 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
2025	\$ 663,416
2026	3,666,849
2027	(774,645)
2028	(556,947)
Total	\$ 2,998,673

For the year ended September 30, 2024, the Coliseum Project Fund recognized pension expense of \$267,072. At September 30, 2024, 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, 2024

NOTE 14 - DEFINED BENEFIT PENSION PLAN – continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 165,464	\$ -
Net Difference Between Projected and Actual Investment Earnings	10,191	-
Coliseum Pension Contributions Subsequent to the Measurement Date	38,473	-
Changes of Assumptions	190,486	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>21,114</u>	<u>108,146</u>
Total	<u>\$ 425,728</u>	<u>\$ 108,146</u>

The \$38,473 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, 2025. 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>
2025	\$ 126,895
2026	198,734
2027	(21,538)
2028	<u>(24,982)</u>
Total	<u>\$ 279,109</u>

For the year ended September 30, 2024, the Water District recognized pension expense of \$36,701. At September 30, 2024, 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	\$ 14,407	\$ -
Net Difference Between Projected and Actual Investment Earnings	861	-
Water District Pension Contributions Subsequent to the Measurement Date	2,394	-
Changes of Assumptions	16,084	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>2,547</u>	<u>4,795</u>
Total	<u>\$ 36,293</u>	<u>\$ 4,795</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - DEFINED BENEFIT PENSION PLAN – continued

The \$2,394 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, 2025. 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>
2025	\$ 11,696
2026	20,162
2027	(644)
2028	<u>(2,110)</u>
Total	<u>\$ 29,104</u>

For the year ended September 30, 2024, the Tupelo Airport Authority recognized pension expense of \$321,582. At September 30, 2024, 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	\$ 111,003	\$ -
Net Difference Between Projected and Actual Investment Earnings	6,837	-
TAA’s Pension Contributions Subsequent to the Measurement Date	30,936	-
Changes of Assumptions	127,789	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	<u>200,648</u>	<u>-</u>
Total	<u>\$ 477,213</u>	<u>\$ -</u>

The \$30,936 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, 2025. 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>
2025	\$ 217,432
2026	217,414
2027	28,190
2028	<u>(16,760)</u>
Total	<u>\$ 446,276</u>

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - DEFINED BENEFIT PENSION PLAN – continued

For the year ended September 30, 2024, the Water and Sewer Fund recognized pension expense of \$459,179. At September 30, 2024, the Water and Sewer Fund 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	\$ 296,498	\$ -
Net Difference Between Projected and Actual Investment Earnings	18,262	-
Water and Sewer Fund Pension Contributions Subsequent to the Measurement Date	70,545	-
Changes of Assumptions	341,331	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	414,338
Total	\$ 726,636	\$ 414,338

The \$70,545 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, 2025. 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
2025	\$ (433)
2026	316,871
2027	(29,917)
2028	(44,768)
Total	\$ 241,753

For the year ended June 30, 2024, the Electric Fund recognized pension expense of \$547,654. At June 30, 2024, 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, 2024

NOTE 14 - DEFINED BENEFIT PENSION PLAN – continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 196,087	\$ -
Net Difference Between Projected and Actual Investment Earnings	306,401	-
Electric Fund's Pension Contributions Subsequent to the Measurement Date	387,231	-
Changes of Assumptions	919,557	-
Changes in Proportion and Differences in Actual Earnings on Pension Plan Assets	-	581,821
Total	\$ 1,809,276	\$ 581,821

The \$387,231 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, 2025. 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
2025	\$ 195,407
2026	128,846
2027	513,644
2028	2,327
Total	\$ 840,224

Actuarial Assumptions - The City of Tupelo total pension liability was determined by an actuarial valuation as of June 30, 2023, 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	7.00%, 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, 2022, 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	7.00%, net of pension plan investment expense, including inflation	

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - 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, 2022 for the City and June 30, 2022 for the Electric Department.

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	25.00 %	5.15 %
International Equity	20.00	5.00
Global Equity	12.00	5.15
Fixed Income	18.00	2.75
Real Estate	10.00	3.50
Private Equity	10.00	6.25
Infrastructure	2.00	3.85
Private Credit	2.00	4.90
Cash Equivalents	1.00	0.50
Total	100.00	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. 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 phased in to 19.90 percent over five fiscal years (17.90% for FYE 2025, 18.40% for FYE 2026, 18.90% for FYE 2027, 19.40% for FYE 2028, 19.90% for FYE 2029 and beyond). 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, 2024

NOTE 14 - 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, 2023 funds proportionate share of the net pension liability using the discount rate of 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>Discount Rate</u>	<u>City of Tupelo's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.00%	\$ 88,863,371
Current Discount Rate	7.00%	68,559,718
1% Increase	8.00%	51,942,714

	<u>Discount Rate</u>	<u>Coliseum Project Fund's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.00%	\$ 3,986,065
Current Discount Rate	7.00%	3,075,322
1% Increase	8.00%	2,329,948

	<u>Discount Rate</u>	<u>Northeast MS Regional Water District's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.00%	\$ 336,576
Current Discount Rate	7.00%	259,674
1% Increase	8.00%	196,736

	<u>Discount Rate</u>	<u>Tupelo Airport Authority's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.00%	\$ 2,674,093
Current Discount Rate	7.00%	2,063,112
1% Increase	8.00%	1,563,070

	<u>Discount Rate</u>	<u>Water and Sewer Fund's Proportionate Share of Net Pension Liability</u>
1% Decrease	6.00%	\$ 7,142,673
Current Discount Rate	7.00%	5,510,703
1% Increase	8.00%	4,175,059

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - 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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	Discount Rate	Electric Fund's Proportionate Share of Net Pension Liability
1% Decrease	6.00%	\$ 10,098,827
Current Discount Rate	7.00%	7,831,429
1% Increase	8.00%	5,970,778

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 15 - TRANSFERS FROM/TO OTHER FUNDS/COMPONENT UNITS/PRIMARY GOVERNMENT

Fund	Transfers to Other Funds	Transfers from Other Funds
General Fund	\$ 13,319,094	\$ 715,206
Special Revenue Funds:		
Library Fund		22,736
CVB Fund	1,830,026	-
Coliseum Project Fund	2,886,373	2,215,120
Coliseum Operating Fund	-	1,891,004
Narcotics Fund	26,096	-
Debt Service Funds:		
Special Obligation Debt Service Fund	-	995,369
Capital Projects Funds:		
City Infrastructure Fund	-	12,222,154
Total	\$ 18,061,589	\$ 18,061,589
	Transfers to Blended Component Unit	Transfers from Blended Component Unit
Debt Service Fund:		
Water G.O. Bond Fund	\$ 4,645,896	\$ 314,326
Enterprise Fund:		
Water and Sewer Fund	1,303,697	-
Total	\$ 5,949,593	\$ 314,326

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 15 - 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	\$ 314,326
Transfers to Water District reported as Water Sales by Water District	(1,303,697)
Transfer to Water District reported as Contributed Capital by Water District	<u>(4,645,896)</u>
Difference	<u>\$ (5,635,267)</u>

NOTE 16 - LIABILITY FOR COMPENSATED ABSENCES

The General Fund did not have any liability at September 30, 2024, 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, 2024, for the Government-Wide Financial Statements, the Combined Water and Sewer Fund, and the Tupelo Airport Authority, and at June 30, 2024, for the Electric Fund and has been reflected in these financial statements.

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 17 - ACCOUNTS RECEIVABLE

Receivables for accounts of the Electric Fund (an Enterprise Fund) have been reduced by \$68,410 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 \$23,114,762 to reflect the provision for uncollectible fines.

NOTE 18 - 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.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 19 - 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 20 - 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.

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, 2024 was \$1,303,697.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 21 - 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.

NOTE 22 - 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 23 - ECONOMIC DEPENDENCY

The Electric Department of the City of Tupelo had sales to one major customer for the year ended June 30, 2024 (its year-end) of \$6,412,559. This represented approximately 11.0% of the Department's revenues for the year.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 24 - 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 14 and Note 17, respectively. It is as least reasonably possible that the significant estimate used will change within the next year.

NOTE 25 - 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).

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)	\$ 419,151	\$ 12,438,549
Increase (Decrease) Net adjustments for revenue accruals	(22,264)	53,158
GAAP Basis	\$ 396,887	\$ 12,491,707

**CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

NOTE 26 - 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, 2024</u>	<u>Remaining Commitment at September 30, 2024</u>
Thoroughfare Fund:	N. Veterans Blvd. Imp.	\$ 1,814,124	\$ 1,820,376	\$ 3,765
Infrastructure Fund:	The Depot	1,907,522	-	1,907,522
	West Bristow Street	1,184,565	-	1,184,565
	Haven Acres Ditch Improv.	903,271	268,917	634,354
	Danielle Cove Drainage	455,794	-	455,794
	Chickasaw Trail Drainage	390,009	-	390,009
	Fairpark Restroom Pavilion	316,648	-	316,648
	Gun Club Road	<u>1,250,588</u>	<u>1,241,963</u>	<u>13,454</u>
		<u>\$ 8,222,521</u>	<u>\$ 3,331,256</u>	<u>\$ 4,906,111</u>

NOTE 27 - 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.

CITY OF TUPELO
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 28 - 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-four tax abatement agreements with twenty-four entities as of September 30, 2024.

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-three entities had tax abatements listed under the above listed statutes.

Category	Amount of taxes abated during the fiscal year
New and expanded industrial enterprises	\$342,541

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 29 - 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 May 1, 2025, (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.

- In March 2025, the City approved a resolution authorizing the issuance of Tax Increment Limited Obligation Bonds, Series 2025, in the amount of \$2,350,000 for various infrastructure improvements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TUPELO, MISSISSIPPI
Schedule of the City's Proportionate
Share of the Net Pension Liability
For the ten years ended September 30, 2024*

	<u>2024</u>		<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>	
City's proportion of net pension liability (%)	0.26402		0.27158	%	0.25909	%	0.26497	%	0.26392	%
City's proportionate share of net pension liability	\$ 68,559,718	\$	68,305,200	\$	53,329,121	\$	39,163,576	\$	51,091,459	
City's covered payroll	\$ 20,470,796	\$	19,435,506	\$	18,620,328	\$	17,547,057	\$	17,694,218	
City's proportionate share of net pension liability as a percentage of its covered payroll (%)	334.92		351.45	%	286.40	%	223.19	%	288.75	%
Coliseum's proportion of net pension liability (%)	0.01184		0.01177	%	0.01087	%	0.00952	%	0.01283	%
Coliseum's proportionate share of net pension liability	\$ 3,075,322	\$	2,959,304	\$	2,237,853	\$	1,406,950	\$	2,484,126	
Coliseum's covered payroll	\$ 906,557	\$	881,253	\$	760,385	\$	665,764	\$	801,408	
Coliseum's proportionate share of net pension liability as a percentage of its covered payroll (%)	339.23		335.81	%	294.31	%	211.33	%	309.97	%
District's proportion of net pension liability (%)	0.00100		0.00100		0.00100	%	0.00100	%	0.00100	%
District's proportionate share of net pension liability	\$ 259,674	\$	251,512	\$	205,835	\$	147,804	\$	193,588	
District's covered payroll	\$ 52,124	\$	49,850	\$	47,342	\$	63,884	\$	65,951	
District's proportionate share of net pension liability as a percentage of its covered payroll (%)	498.19		504.54	%	434.78	%	231.36	%	293.53	%
TAA's proportion of net pension liability (%)	0.00795		0.00705	%	0.00683	%	0.00516	%	0.00532	%
TAA's proportionate share of net pension liability	\$ 2,063,112	\$	1,773,921	\$	1,406,687	\$	762,523	\$	1,030,084	
TAA's covered payroll	\$ 646,559	\$	522,267	\$	515,167	\$	360,190	\$	357,046	
TAA's proportionate share of net pension liability as a percentage of its covered payroll (%)	319.09		339.66	%	273.05	%	211.70	%	288.50	%
W&S's proportion of net pension liability (%)	0.02122		0.02164	%	0.02138	%	0.02198	%	0.02211	%
W&S's proportionate share of net pension liability	\$ 5,510,703	\$	5,442,180	\$	4,400,078	\$	3,248,876	\$	4,279,380	
W&S's covered payroll	\$ 1,660,875	\$	1,623,667	\$	1,425,431	\$	1,314,874	\$	1,409,609	
W&S's proportionate share of net pension liability as a percentage of its covered payroll (%)	331.80		335.18	%	308.68	%	220.47	%	303.59	%
**Electric's proportion of net pension liability (%)	0.03114		0.03076		0.03163	%	0.03181	%	0.03278	%
Electric's proportionate share of net pension liability	\$ 7,831,429	\$	6,331,820	\$	4,675,212	\$	6,158,132	\$	5,766,823	
Electric's covered payroll	\$ 2,252,641	\$	2,227,849	\$	2,187,126	\$	2,127,897	\$	2,118,167	
Electric's proportionate share of net pension liability as a percentage of its covered payroll (%)	347.66		284.21	%	213.76	%	289.40	%	272.26	%
Plan fiduciary net position as a % of total pension liability	56.30		55.70	%	59.93	%	70.44	%	58.97	%

* The amounts presented have a measurement date of June 30. ** Amounts for the Electric Fund are at June 30, 2024.

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

CITY OF TUPELO, MISSISSIPPI
Schedule of the City's Proportionate
Share of the Net Pension Liability
For the ten years ended September 30, 2024*

-Continued-

		2019		2018		2017		2016		2015	
City's proportion of net pension liability (%)	%	0.25816	%	0.26055	%	0.25163	%	0.24688	%	0.24395	%
City's proportionate share of net pension liability	\$	45,415,438		43,336,374	\$	41,829,447	\$	44,099,290	\$	37,934,001	
City's covered payroll	\$	143,766		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 (%)	%	271.29	%	260.46	%	259.13	%	273.57	%	246.52	%
Coliseum's proportion of net pension liability (%)	%	0.01410	%	0.01339	%	0.01201	%	0.01180	%	0.01220	%
Coliseum's proportionate share of net pension liability	\$	2,480,116		2,225,540	\$	1,996,802	\$	2,114,562	\$	1,885,789	
Coliseum's covered payroll	\$	10,342		854,965	\$	770,559	\$	789,663	\$	753,435	
Coliseum's proportionate share of net pension liability as a percentage of its covered payroll (%)	%	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	%
District's proportionate share of net pension liability	\$	175,916		166,326	\$	166,232	\$	178,624	\$	154,580	
District's covered payroll	\$	57,878		61,937	\$	60,311	\$	58,578	\$	57,200	
District's proportionate share of net pension liability as a percentage of its covered payroll (%)	%	274.99	%	268.54	%	275.62	%	304.94	%	270.25	%
TAA's proportion of net pension liability (%)	%	0.00557	%	0.00539	%	0.00565	%	0.00458	%	0.00528	%
TAA's proportionate share of net pension liability	\$	979,345		895,685	\$	938,557	\$	818,460	\$	815,566	
TAA's covered payroll	\$	236,701		348,787	\$	343,048	\$	309,149	\$	314,616	
TAA's proportionate share of net pension liability as a percentage of its covered payroll (%)	%	272.68	%	256.80	%	273.59	%	264.75	%	259.23	%
W&S's proportion of net pension liability (%)	%	0.02278	%	0.02268	%	0.02203	%	0.02119	%	0.02120	%
W&S's proportionate share of net pension liability	\$	4,007,453		3,770,794	\$	3,662,767	\$	3,784,849	\$	3,273,406	
W&S's covered payroll	\$	331,537		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 (%)	%	273.95	%	260.31	%	259.13	%	273.15	%	245.66	%
**Electric's proportion of net pension liability (%)	%	0.03264	%	0.03171	%	0.03049		0.03047	%	0.03201	%
Electric's proportionate share of net pension liability	\$	5,429,391		5,270,811	\$	5,446,490	\$	4,560,118	\$	3,580,761	
Electric's covered payroll	\$	-		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 (%)	%	257.93	%	255.22	%	262.60	%	231.74	%	188.09	%
Plan fiduciary net position as a % of total pension liability	%	61.59	%	62.54	%	61.49	%	57.47	%	61.70	%

* The amounts presented have a measurement date of June 30. ** Amounts for the Electric Fund are at June 30, 2024.

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 ten years ended September 30, 2024*

	2024	2023	2022	2021	2020
City of Tupelo					
Statutorily required contributions	\$ 3,586,056	\$ 3,381,778	\$ 3,239,937	\$ 3,053,188	\$ 3,078,794
Actual contributions	\$ 3,586,056	\$ 3,381,778	\$ 3,239,937	\$ 3,053,188	\$ 3,078,794
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City of Tupelo's covered payroll	\$ 20,470,796	\$ 19,435,506	\$ 18,620,328	\$ 17,547,057	\$ 17,694,218
Contributions as a % of covered payroll	17.53	17.40 %	17.40 %	17.40 %	17.40 %
Coliseum Project Fund					
Statutorily required contributions	\$ 158,816	\$ 153,338	\$ 132,307	\$ 115,843	\$ 139,445
Actual contributions	\$ 158,816	\$ 153,338	\$ 132,307	\$ 115,843	\$ 139,445
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Coliseum's covered payroll	\$ 906,557	\$ 881,253	\$ 760,385	\$ 665,764	\$ 801,408
Contributions as a % of covered payroll	17.53	17.40 %	17.40 %	17.40 %	17.40 %
Water District					
Statutorily required contributions	\$ 9,136	\$ 8,674	\$ 8,237	\$ 11,116	\$ 11,475
Actual contributions	\$ 9,136	\$ 8,674	\$ 8,237	\$ 11,116	\$ 11,475
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Water District's covered payroll	\$ 52,124	\$ 49,850	\$ 47,342	\$ 63,884	\$ 65,951
Contributions as a % of covered payroll	17.53	17.40 %	17.40 %	17.40 %	17.40 %
Tupelo Airport Authority					
Statutorily required contributions	\$ 113,365	\$ 90,874	\$ 89,639	\$ 62,673	\$ 62,126
Actual contributions	\$ 113,365	\$ 90,874	\$ 88,174	\$ 62,673	\$ 62,126
Contribution deficiency (excess)	\$ -	\$ -	\$ 1,465	\$ -	\$ -
TAA's covered payroll	\$ 646,559	\$ 522,267	\$ 515,167	\$ 360,190	\$ 357,046
Contributions as a % of covered payroll	17.53	17.40 %	17.40 %	17.40 %	17.40 %
Water and Sewer Fund					
Statutorily required contributions	\$ 290,963	\$ 282,518	\$ 248,025	\$ 228,788	\$ 245,272
Actual contributions	\$ 290,963	\$ 282,518	\$ 248,025	\$ 228,788	\$ 245,272
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
W&S's covered payroll	\$ 1,660,875	\$ 1,623,667	\$ 1,425,431	\$ 1,314,874	\$ 1,409,609
Contributions as a % of covered payroll	17.53	17.40 %	17.40 %	17.40 %	17.40 %
Electric Fund*					
Statutorily required contributions	\$ 391,960	\$ 387,645	\$ 380,560	\$ 370,254	\$ 368,561
Actual contributions	\$ 391,960	\$ 387,645	\$ 380,560	\$ 370,254	\$ 368,561
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Electric Department's covered payroll	\$ 2,252,641	\$ 2,227,849	\$ 2,187,126	\$ 2,127,897	\$ 2,118,167
Contributions as a % of covered payroll	17.40	17.40 %	17.40 %	17.40 %	17.40 %

Contribution percentage rate went from 17.40% to 17.90% as of July 1, 2024. Contribution rate changed to 17.40% on July 1, 2019. * Amounts for the Electric Fund are at June 30, 2024.

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 ten years ended September 30, 2024*

-Continued-

	2019		2018		2017		2016		2015	
City of Tupelo										
Statutorily required contributions	\$ 2,710,110	\$	2,620,532	\$	2,542,399	\$	2,538,850	\$	2,423,543	
Actual contributions	\$ 2,710,110	\$	2,620,532	\$	2,542,399	\$	2,538,850	\$	2,423,543	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
City of Tupelo's covered payroll	\$ 16,740,741	\$	16,638,298	\$	16,142,216	\$	16,119,683	\$	15,387,575	
Contributions as a % of covered payroll	16.19 %		15.75 %		15.75 %		15.75 %		15.75 %	
Coliseum Project Fund										
Statutorily required contributions	\$ 143,766	\$	134,657	\$	121,363	\$	124,372	\$	118,666	
Actual contributions	\$ 143,766	\$	134,657	\$	121,363	\$	124,372	\$	118,666	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
Coliseum's covered payroll	\$ 890,265	\$	854,965	\$	770,559	\$	789,663	\$	753,435	
Contributions as a % of covered payroll	16.15 %		15.75 %		15.75 %		15.75 %		15.75 %	
Water District										
Statutorily required contributions	\$ 10,342	\$	9,755	\$	9,499	\$	9,226	\$	9,009	
Actual contributions	\$ 10,342	\$	9,755	\$	9,499	\$	9,226	\$	9,009	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
Water District's covered payroll	\$ 63,973	\$	61,937	\$	60,311	\$	58,578	\$	57,200	
Contributions as a % of covered payroll	16.17 %		15.75 %		15.75 %		15.75 %		15.75 %	
Tupelo Airport Authority										
Statutorily required contributions	\$ 57,878	\$	54,934	\$	54,030	\$	48,691	\$	49,552	
Actual contributions	\$ 57,878	\$	54,934	\$	54,030	\$	48,691	\$	49,552	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
TAA's covered payroll	\$ 359,150	\$	348,787	\$	343,048	\$	309,149	\$	314,616	
Contributions as a % of covered payroll	16.12 %		15.75 %		15.75 %		15.75 %		15.75 %	
Water and Sewer Fund										
Statutorily required contributions	\$ 236,701	\$	228,150	\$	222,621	\$	218,238	\$	209,868	
Actual contributions	\$ 236,701	\$	228,150	\$	222,621	\$	218,238	\$	209,868	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
W&S's covered payroll	\$ 1,462,847	\$	1,448,571	\$	1,413,467	\$	1,385,638	\$	1,332,493	
Contributions as a % of covered payroll	16.18 %		15.75 %		15.75 %		15.75 %		15.75 %	
Electric Fund*										
Statutorily required contributions	\$ 331,537	\$	325,275	\$	326,666	\$	309,925	\$	299,846	
Actual contributions	\$ 331,537	\$	325,275	\$	326,666	\$	309,925	\$	299,846	
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	
Electric Department's covered payroll	\$ 2,104,997	\$	2,065,238	\$	2,074,070	\$	1,967,778	\$	1,903,784	
Contributions as a % of covered payroll	15.75 %		15.75 %		15.75 %		15.75 %		15.75 %	

Contribution percentage rate went from 17.40% to 17.90% as of July 1, 2024. Contribution rate changed to 17.40% on July 1, 2019. * Amounts for the Electric Fund are at June 30, 2024.

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, 2024

Changes of Assumptions

2023:

- The investment rate of return assumption was changed from 7.55% to 7.00%.
- The assumed load for administrative expenses was decreased from 0.28% to 0.26% of payroll.
- Withdrawal rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
- The percentage of participants assumed to receive a deferred benefit upon attaining the eligibility requirements for retirement was increased from 60% to 65%.
- For married members, the number of years that a male is assumed to be older than his spouse was changed from 3 years to 2 years.
- The assumed amount of unused sick leave at retirement was increased from 0.50 years to 0.55 years.
- The assumed average number of years of military service that participants will have at retirement was decreased from 0.25 years to 0.20 years.

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 the line of duty was decreased from 6% to 4%.

CITY OF TUPELO, MISSISSIPPI
Notes to the Required Supplementary Information
For the Year Ended September 30, 2024

Changes of Assumptions (continued)

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.
- 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.

CITY OF TUPELO, MISSISSIPPI
Notes to the Required Supplementary Information
For the Year Ended September 30, 2024

Changes of Assumptions 2015 (continued)

- 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, 2024

	Non-Major Special Revenue	Non-Major Capital Projects	Non-Major Debt Service	Total Non-Major Governmental Funds
ASSETS:				
Cash	\$ 15,556,754	\$ 7,467,125	\$ 3,840,431	\$ 26,864,310
Investments	-	-	3,870,171	3,870,171
General Property Taxes Receivable	52,326	226,483	159,712	438,521
Other Receivable	455,133	41,216	-	496,349
Notes Receivable	70,813	-	-	70,813
Due from Other Government Units	527,117	1,623,833	-	2,150,950
Inventories	49,588	-	-	49,588
Prepaid Items	22,926	-	-	22,926
TOTAL ASSETS	\$ 16,734,657	\$ 9,358,657	\$ 7,870,314	\$ 33,963,628
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 156,487	\$ 179,769	\$ 2,250	\$ 338,506
Equity in Pooled Cash Deficit	15,862	1,526,145	-	1,542,007
Accrued Expenses	27,408	-	-	27,408
Unearned Revenues	3,208,625	-	-	3,208,625
Event Deposits	28,575	-	-	28,575
TOTAL LIABILITIES	3,436,957	1,705,914	2,250	5,145,121
FUND BALANCES:				
Nonspendable				
Prepaid Expenses	25,752	-	-	25,752
Inventory	39,128	-	-	39,128
Restricted for				
Library	-	-	-	-
Tourism Promotion	8,676,546	-	-	8,676,546
Public Safety Retirement	36,464	-	-	36,464
Law Enforcement	1,100,445	-	-	1,100,445
Construction Acquisition of Capital Assets	-	6,787,716	-	6,787,716
Public Safety Equipment	-	90,437	-	90,437
Debt Service	-	-	7,868,064	7,868,064
Committed to				
Rental Rehabilitation	72,822	-	-	72,822
Fairpark Infrastructure	-	710,647	-	710,647
Construction Acquisition of Capital Assets	-	63,943	-	63,943
Assigned to				
Coliseum Projects	1,643,025	-	-	1,643,025
Coliseum Operations	1,703,518	-	-	1,703,518
TOTAL FUND BALANCES	13,297,700	7,652,743	7,868,064	28,818,507
TOTAL LIABILITIES AND FUND BALANCE	\$ 16,734,657	\$ 9,358,657	\$ 7,870,314	\$ 33,963,628

CITY OF TUPELO, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended September 30, 2024

	Non-Major Special Revenue	Non-Major Capital Projects	Non-Major Debt Service	Total Non-Major Governmental Funds
REVENUES:				
Taxes	\$ 1,346,078	\$ 5,823,989	\$ 4,314,181	\$ 11,484,248
Intergovernmental Revenues	6,957,561	4,760,650	4,806,323	16,524,534
Fines and Forfeitures	59,324	-	-	59,324
Charges for Services	3,757,997	-	-	3,757,997
Miscellaneous Revenues	1,781,363	499,017	337,469	2,617,849
TOTAL REVENUES	<u>13,902,323</u>	<u>11,083,656</u>	<u>9,457,973</u>	<u>34,443,952</u>
EXPENDITURES:				
Current:				
Public Safety	1,264,562	-	-	1,264,562
Culture and Recreation	6,540,802	-	-	6,540,802
Other Functions	3,482,351	-	-	3,482,351
Capital Projects	-	8,720,099	-	8,720,099
Debt Service	-	-	5,902,197	5,902,197
TOTAL EXPENDITURES	<u>11,287,715</u>	<u>8,720,099</u>	<u>5,902,197</u>	<u>25,910,011</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,614,608</u>	<u>2,363,557</u>	<u>3,555,776</u>	<u>8,533,941</u>
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	4,128,860	-	995,369	5,124,229
Transfers to Other Funds	(4,742,495)	-	-	(4,742,495)
Transfer from Northeast MS Regional Water Supply District	-	-	314,326	314,326
Transfer to Northeast MS Regional Water Supply District	-	-	(4,645,896)	(4,645,896)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(613,635)</u>	<u>-</u>	<u>(3,336,201)</u>	<u>(3,949,836)</u>
NET CHANGE IN FUND BALANCES	2,000,973	2,363,557	219,575	4,584,105
FUND BALANCES - Beginning	<u>11,296,727</u>	<u>5,289,186</u>	<u>7,648,489</u>	<u>24,234,402</u>
FUND BALANCES - Ending	<u>\$ 13,297,700</u>	<u>\$ 7,652,743</u>	<u>\$ 7,868,064</u>	<u>\$ 28,818,507</u>

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

September 30, 2024

With Comparative Totals for September 30, 2023

		Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabilitation Fund	Coliseum Operating Fund	Narcotics Fund	Totals	
									9/30/2024	9/30/2023
ASSETS										
Cash	\$	-	\$ 10,421,372	\$ -	\$ 1,643,025	\$ 2,009	\$ 2,359,054	\$ 1,131,294	\$ 15,556,754	\$ 12,842,173
Receivables:										
Notes		-	-	-	-	70,813	-	-	70,813	70,814
Other		-	1,629	-	-	-	453,504	-	455,133	309,100
General Property Taxes		15,862	-	36,464	-	-	-	-	52,326	60,933
Due from Other										
Governmental Units		-	527,117	-	-	-	-	-	527,117	483,304
Due from Other Funds		-	-	-	-	-	-	-	-	37,302
Inventories		-	-	-	-	-	49,588	-	49,588	39,128
Prepaid Items		-	-	-	-	-	22,926	-	22,926	25,752
TOTAL ASSETS	\$	15,862	\$ 10,950,118	\$ 36,464	\$ 1,643,025	\$ 72,822	\$ 2,885,072	\$ 1,131,294	\$ 16,734,657	\$ 13,868,506
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$	-	\$ 77,777	\$ -	\$ -	\$ -	\$ 47,861	\$ 30,849	\$ 156,487	\$ 145,497
Equity in Pooled Cash Deficit		15,862	-	-	-	-	-	-	15,862	-
Accrued Expenses		-	-	-	-	-	27,408	-	27,408	75,636
Unearned Revenues		-	2,195,795	-	-	-	1,012,830	-	3,208,625	2,324,896
Event Deposits		-	-	-	-	-	28,575	-	28,575	25,750
Total Liabilities		15,862	2,273,572	-	-	-	1,116,674	30,849	3,436,957	2,571,779
Fund Balances:										
Nonspendable										
Prepaid Expenses		-	-	-	-	-	25,752	-	25,752	25,752
Inventory		-	-	-	-	-	39,128	-	39,128	39,128
Restricted for										
Library		-	-	-	-	-	-	-	-	91,826
Tourism Promotion		-	8,676,546	-	-	-	-	-	8,676,546	6,223,667
Public Safety Retirement		-	-	36,464	-	-	-	-	36,464	42,537
Law Enforcement		-	-	-	-	-	-	1,100,445	1,100,445	1,165,941
Committed to										
Rental Rehabilitation		-	-	-	-	72,822	-	-	72,822	72,757
Assigned to										
Coliseum Projects		-	-	-	1,643,025	-	-	-	1,643,025	2,221,929
Coliseum Operations		-	-	-	-	-	1,703,518	-	1,703,518	1,413,190
Total Fund Balances		-	8,676,546	36,464	1,643,025	72,822	1,768,398	1,100,445	13,297,700	11,296,727
TOTAL LIABILITIES AND FUND BALANCES	\$	15,862	\$ 10,950,118	\$ 36,464	\$ 1,643,025	\$ 72,822	\$ 2,885,072	\$ 1,131,294	\$ 16,734,657	\$ 13,868,506

CITY OF TUPELO
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended September 30, 2024
With Comparative Totals for Year Ended September 30, 2023

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Totals	
								9/30/2024	9/30/2023
REVENUES									
Taxes:									
General Property Taxes	\$ 408,413	\$ -	\$ 937,665	\$ -	\$ -	\$ -	\$ -	\$ 1,346,078	\$ 1,384,545
Intergovernmental Revenues:									
Federal Shared Revenues	-	-	-	-	-	-	77,251	77,251	5,460
State Shared Revenues	15,929	6,221,049	36,637	-	-	-	-	6,273,615	6,400,055
Federal Grants	-	606,695	-	-	-	-	-	606,695	862,824
Fines and Forfeitures	-	-	-	-	-	-	59,324	59,324	311,732
Charges for Sales & Services:									
Commissions	-	-	-	-	-	33,338	-	33,338	27,401
Concessions & Other Sales	-	-	-	-	-	783,983	-	783,983	934,285
Direct Show Revenue	-	-	-	-	-	61,579	-	61,579	30,686
Parking	-	-	-	-	-	1,895	-	1,895	1,750
Service Charge	-	-	-	-	-	455,868	-	455,868	649,983
Rental Revenue	-	-	-	-	-	2,194,036	-	2,194,036	2,123,754
Personnel Service Fees	-	-	-	-	-	227,298	-	227,298	406,390
Miscellaneous Revenues:									
Interest	-	383,868	-	92,349	65	62,445	54,024	592,751	125,374
Advertising Agency Fee	-	13,500	-	-	-	577,558	-	591,058	483,146
Donations	-	-	-	-	-	-	-	-	1,500
Other	-	1,240	-	-	-	542,126	54,188	597,554	1,315,349
TOTAL REVENUES	<u>424,342</u>	<u>7,226,352</u>	<u>974,302</u>	<u>92,349</u>	<u>65</u>	<u>4,940,126</u>	<u>244,787</u>	<u>13,902,323</u>	<u>15,064,234</u>

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

Year Ended September 30, 2024
 With Comparative Totals for Year Ended September 30, 2023

-Continued-

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	Totals	
								9/30/2024	9/30/2023
EXPENDITURES									
Public Safety:									
Police Department:									
Personnel Services	\$ -	\$ -	\$ 686,262	\$ -	\$ -	\$ -	\$ -	\$ 686,262	\$ 647,500
Supplies	-	-	-	-	-	-	38,502	38,502	29,728
Other Services & Charges	-	-	-	-	-	-	216,537	216,537	261,419
Capital Outlay	-	-	-	-	-	-	29,148	29,148	28,535
Fire Department:									
Personnel Services	-	-	294,113	-	-	-	-	294,113	277,500
Total Public Safety	-	-	980,375	-	-	-	284,187	1,264,562	1,244,682
Culture and Recreation:									
Tupelo Coliseum:									
Personnel Services	-	-	-	-	-	1,285,167	-	1,285,167	1,289,843
Supplies	-	-	-	-	-	425,268	-	425,268	482,120
Other Services and Charges	-	-	-	-	-	3,208,380	-	3,208,380	4,648,323
Capital Outlay	-	-	-	-	-	1,621,987	-	1,621,987	1,383,920
Total Culture & Recreation	-	-	-	-	-	6,540,802	-	6,540,802	7,804,206
Other Functions:									
Community Services:									
Personnel Services	\$ -	\$ 828,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 828,801	\$ 692,260
Supplies	-	15,665	-	-	-	-	-	15,665	14,549
Other Services and Charges	538,904	2,052,026	-	-	-	-	-	2,590,930	2,061,825
Capital Outlay	-	46,955	-	-	-	-	-	46,955	51,514
Total Other Functions	538,904	2,943,447	-	-	-	-	-	3,482,351	2,820,148
TOTAL EXPENDITURES	538,904	2,943,447	980,375	-	-	6,540,802	284,187	11,287,715	11,869,036

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

Year Ended September 30, 2024
With Comparative Totals for Year Ended September 30, 2023

-Continued-

	Library Fund	Convention and Visitors Bureau Fund	Firemen & Policemen Retirement Fund	Coliseum Project Fund	Rental Rehabil- itation Fund	Coliseum Operating Fund	Narcotics Fund	<u>Totals</u>	
								9/30/2024	9/30/2023
EXCESS OF REVENUES									
REVENUES OVER (UNDER)									
EXPENDITURES	(114,562)	4,282,905	(6,073)	92,349	65	(1,600,676)	(39,400)	2,614,608	3,195,198
OTHER FINANCING									
SOURCES (USES)									
Transfers from Other Funds	\$ 22,736	\$ -	\$ -	\$ 2,215,120	\$ -	\$ 1,891,004	\$ -	\$ 4,128,860	\$ 3,702,510
Transfers to Other Funds	-	(1,830,026)	-	(2,886,373)	-	-	(26,096)	(4,742,495)	(7,094,009)
TOTAL OTHER									
FINANCING									
SOURCES (USES)	22,736	(1,830,026)	-	(671,253)	-	1,891,004	(26,096)	(613,635)	(3,391,499)
EXCESS OF REVENUES OVER									
(UNDER) EXPENDITURES									
AND OTHER									
SOURCES (USES)	(91,826)	2,452,879	(6,073)	(578,904)	65	290,328	(65,496)	2,000,973	(196,301)
FUND BALANCES -									
Beginning of Year	91,826	6,223,667	42,537	2,221,929	72,757	1,478,070	1,165,941	11,296,727	11,493,028
FUND BALANCES -									
End of Year	\$ -	\$ 8,676,546	\$ 36,464	\$ 1,643,025	\$ 72,822	\$ 1,768,398	\$ 1,100,445	\$ 13,297,700	\$ 11,296,727

CITY OF TUPELO
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
September 30, 2024
With Comparative Totals for September 30, 2023

	City Capital Project Fund	Fairgrounds Construction Fund	ARPA Project Fund	Thoroughfare Fund Phase VII	Totals	
					9/30/2024	9/30/2023
ASSETS						
Cash	\$ 154,380	\$ 710,647	\$ -	\$ 6,602,098	\$ 7,467,125	\$ 5,975,375
General Property Taxes Receivable	-	-	-	226,483	226,483	245,658
Other Receivables	-	-	-	41,216	41,216	-
Due from Other Governmental Entities	-	-	1,623,833	-	1,623,833	75,147
Due from Other Funds	-	-	-	-	-	37,302
TOTAL ASSETS	<u>\$ 154,380</u>	<u>\$ 710,647</u>	<u>\$ 1,623,833</u>	<u>\$ 6,869,797</u>	<u>\$ 9,358,657</u>	<u>\$ 6,333,482</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ 97,688	\$ 82,081	\$ 179,769	\$ 969,149
Equity in Pooled Cash Deficit	-	-	1,526,145	-	1,526,145	75,147
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,623,833</u>	<u>82,081</u>	<u>1,705,914</u>	<u>1,044,296</u>
Fund Balances:						
Restricted for						
Construction Acquisition of Capital Assets	-	-	-	6,787,716	6,787,716	4,398,590
Public Safety Equipment	90,437	-	-	-	90,437	166,541
Committed to						
Fairpark Infrastructure	-	710,647	-	-	710,647	680,503
Construction Acquisition of Capital Assets	63,943	-	-	-	63,943	43,552
Total Fund Balances	<u>154,380</u>	<u>710,647</u>	<u>-</u>	<u>6,787,716</u>	<u>7,652,743</u>	<u>5,289,186</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 154,380</u>	<u>\$ 710,647</u>	<u>\$ 1,623,833</u>	<u>\$ 6,869,797</u>	<u>\$ 9,358,657</u>	<u>\$ 6,333,482</u>

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

Year Ended September 30, 2024
With Comparative Totals for Year Ended September 30, 2023

	City Capital Project Fund	Fairgrounds Construction Fund	ARPA Project Fund	Thoroughfare Fund Phase VII	Totals	
					9/30/2024	9/30/2023
REVENUES						
Taxes:						
General Property Taxes	\$ -	\$ -	\$ -	\$ 5,823,989	\$ 5,823,989	\$ 5,582,129
Intergovernmental Revenues:						
State Shared Revenues	-	-	-	227,556	227,556	223,861
Federal Grants	-	-	4,533,094	-	4,533,094	150,294
Miscellaneous Revenues:						
Interest	6,814	24,879	-	321,042	352,735	120,838
Donations	-	175	-	-	175	-
Other	-	146,107	-	-	146,107	233,194
TOTAL REVENUES	<u>6,814</u>	<u>171,161</u>	<u>4,533,094</u>	<u>6,372,587</u>	<u>11,083,656</u>	<u>6,310,316</u>
EXPENDITURES						
Personnel Services	-	-	-	114,728	114,728	110,741
Other Services and Charges	-	102,452	-	1,565,261	1,667,713	1,092,239
Capital Outlay	62,527	38,565	4,533,094	2,303,472	6,937,658	5,728,526
TOTAL EXPENDITURES	<u>62,527</u>	<u>141,017</u>	<u>4,533,094</u>	<u>3,983,461</u>	<u>8,720,099</u>	<u>6,931,506</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(55,713)</u>	<u>30,144</u>	<u>-</u>	<u>2,389,126</u>	<u>2,363,557</u>	<u>(621,190)</u>

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

Year Ended September 30, 2024
With Comparative Totals for Year Ended September 30, 2023
-Continued-

	City Capital Project Fund	Fairgrounds Construction Fund	ARPA Project Fund	Thoroughfare Fund Phase VII	Totals	
					9/30/2024	9/30/2023
OTHER FINANCING SOURCES (USES)						
Transfers from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers to Other Funds	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)						
	(55,713)	30,144	-	2,389,126	2,363,557	(621,190)
FUND BALANCES- Beginning of Year	210,093	680,503	-	4,398,590	5,289,186	5,910,376
FUND BALANCES- End of Year	\$ 154,380	\$ 710,647	\$ -	\$ 6,787,716	\$ 7,652,743	\$ 5,289,186

CITY OF TUPELO
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
September 30, 2024
With Comparative Totals for September 30, 2023

	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	
						9/30/2024	9/30/2023
ASSETS							
Cash	\$ 2,610,062	\$ -	\$ -	\$ 1,230,369	\$ -	\$ 3,840,431	\$ 3,444,431
Investments	6,999	3,861,408	-	-	1,764	3,870,171	4,006,469
Receivables:							
General Property Taxes	<u>159,712</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,712</u>	<u>201,339</u>
TOTAL ASSETS	<u>\$ 2,776,773</u>	<u>\$ 3,861,408</u>	<u>\$ -</u>	<u>\$ 1,230,369</u>	<u>\$ 1,764</u>	<u>\$ 7,870,314</u>	<u>\$ 7,652,239</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>\$ 3,750</u>
Total Liabilities	<u>2,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,250</u>	<u>3,750</u>
Fund Balances:							
Restricted for Debt Service	<u>2,774,523</u>	<u>3,861,408</u>	<u>-</u>	<u>1,230,369</u>	<u>1,764</u>	<u>7,868,064</u>	<u>7,648,489</u>
Total Fund Balances	<u>2,774,523</u>	<u>3,861,408</u>	<u>-</u>	<u>1,230,369</u>	<u>1,764</u>	<u>7,868,064</u>	<u>7,648,489</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,776,773</u>	<u>\$ 3,861,408</u>	<u>\$ -</u>	<u>\$ 1,230,369</u>	<u>\$ 1,764</u>	<u>\$ 7,870,314</u>	<u>\$ 7,652,239</u>

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

Year Ended September 30, 2024

With Comparative Totals for Year Ended September 30, 2023

	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>	
						9/30/2024	9/30/2023
REVENUES							
Taxes:							
General Property Taxes	\$ 4,110,493	\$ -	\$ -	\$ 203,688	\$ -	\$ 4,314,181	\$ 4,715,182
Intergovernmental Revenues:							
State Shared Revenues	160,427	4,645,896	-	-	-	4,806,323	4,508,350
Miscellaneous Revenues:							
Interest	106,370	188,114	-	40,218	2,767	337,469	160,382
TOTAL REVENUES	<u>4,377,290</u>	<u>4,834,010</u>	<u>-</u>	<u>243,906</u>	<u>2,767</u>	<u>9,457,973</u>	<u>9,383,914</u>
EXPENDITURES							
Debt Service:							
General Obligations:							
Bonds Redeemed	2,590,000	415,000	-	104,000	-	3,109,000	2,702,000
Interest	1,515,167	220,363	-	29,900	-	1,765,430	1,581,375
Paying Agent Fees	18,410	11,420	-	850	-	30,680	29,680
Special Obligations:							
Bonds Redeemed	-	-	-	-	305,000	305,000	-
Interest	-	-	-	-	688,837	688,837	688,838
Paying Agent Fees	-	-	-	-	3,250	3,250	2,000
TOTAL EXPENDITURES	<u>4,123,577</u>	<u>646,783</u>	<u>-</u>	<u>134,750</u>	<u>997,087</u>	<u>5,902,197</u>	<u>5,003,893</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>253,713</u>	<u>4,187,227</u>	<u>-</u>	<u>109,156</u>	<u>(994,320)</u>	<u>3,555,776</u>	<u>4,380,021</u>

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

Year Ended September 30, 2024

With Comparative Totals for Year Ended September 30, 2023

-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>	
						9/30/2024	9/30/2023
OTHER FINANCING SOURCES (USES):							
Transfers from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ 995,369	\$ 995,369	\$ 690,212
Transfer from Northeast MS Regional Water Supply District	-	314,326	-	-		314,326	328,031
Transfer to Northeast MS Regional Water Supply District	-	(4,645,896)	-	-	-	(4,645,896)	(4,654,152)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(4,331,570)</u>	<u>-</u>	<u>-</u>	<u>995,369</u>	<u>(3,336,201)</u>	<u>(3,635,909)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	253,713	(144,343)	-	109,156	1,049	219,575	744,112
FUND BALANCES- Beginning of Year	<u>2,520,810</u>	<u>4,005,751</u>	<u>-</u>	<u>1,121,213</u>	<u>715</u>	<u>7,648,489</u>	<u>6,904,377</u>
FUND BALANCES- End of Year	<u>\$ 2,774,523</u>	<u>\$ 3,861,408</u>	<u>\$ -</u>	<u>\$ 1,230,369</u>	<u>\$ 1,764</u>	<u>\$ 7,868,064</u>	<u>\$ 7,648,489</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, 2024 and 2023

	9/30/24	9/30/23
ASSETS		
Cash	\$ 23,976,877	\$ 27,755,208
Receivables:		
General Property Taxes	316,949	311,617
Other	167,261	161,808
Due from Other Government Units	2,679,280	2,725,208
Due from Component Unit	44,394	44,057
Due from Other Funds	1,890,000	2,104,000
Prepaid Items	325,815	357,235
Inventories	<u>26,874</u>	<u>38,398</u>
TOTAL ASSETS	\$ <u>29,427,450</u>	\$ <u>33,497,531</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$ 666,604	\$ 535,046
Unearned Revenues	4,107,880	8,697,358
Due to Other Funds	-	74,604
Accrued Expenses	<u>814,549</u>	<u>748,993</u>
Total Liabilities	<u>5,589,033</u>	<u>10,056,001</u>
Fund Balance:		
Nonspendable		
Prepaid Items	325,815	357,235
Inventory	26,874	38,398
Restricted for		
Home Grant	540,450	540,450
Water Reserve	600,491	580,921
Unassigned	<u>22,344,787</u>	<u>21,924,526</u>
Total Fund Balance	<u>23,838,417</u>	<u>23,441,530</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>29,427,450</u>	\$ <u>33,497,531</u>

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

For the Years Ended September 30, 2024 and 2023

	F.Y.E. 9/30/24	F.Y.E. 9/30/23
REVENUES		
Taxes:		
General Property Taxes	\$ 7,629,923	\$ 6,581,333
Payments in Lieu of Taxes	1,379,581	1,138,414
Penalties and Interest on Delinquent Taxes	39,180	39,847
Total Taxes	<u>9,048,684</u>	<u>7,759,594</u>
Licenses and Permits:		
Privilege License	370,232	315,564
Building Permits	292,722	358,727
Other Permits	15,120	7,745
Franchise Fees	475,779	407,924
Total Licenses and Permits	<u>1,153,853</u>	<u>1,089,960</u>
Intergovernmental Revenues:		
Federal Grants	2,547,796	596,097
State Grants	38,955	239,468
Other Grants	573,466	366,902
State Shared Revenues	31,524,642	31,139,617
Municipality Shared Revenues	3,550,000	3,400,000
County Shared Revenues	1,433,255	1,372,499
Total Intergovernmental Revenues	<u>39,668,114</u>	<u>37,114,583</u>
Charges for Services:		
Public Safety	229,882	217,512
Highways and Streets	67,146	51,687
Crime Lab Fees	23,091	28,618
Culture and Recreation Fees	411,678	412,466
Total Charges for Services	<u>731,797</u>	<u>710,283</u>
Fines and Forfeitures:		
Police Fines and Fees	556,964	462,018
Parking Fines and Fees	790	12,630
Total Fines and Forfeitures	<u>557,754</u>	<u>474,648</u>

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

For the Years Ended September 30, 2024 and 2023

-Continued-

	F.Y.E. 9/30/24	F.Y.E. 9/30/23
REVENUES-Continued		
Miscellaneous Revenues:		
Interest	\$ 1,323,749	\$ 1,185,735
Donations	147,349	162,500
Rents	186,760	197,148
Billings to Other Departments	271,600	312,310
Other	178,170	275,991
	<u>2,107,628</u>	<u>2,133,684</u>
Total Miscellaneous Revenues	<u>2,107,628</u>	<u>2,133,684</u>
TOTAL REVENUES	<u>53,267,830</u>	<u>49,282,752</u>
EXPENDITURES		
General Government:		
Legislative Department:		
Personnel Services	304,895	283,114
Supplies	3,277	4,513
Other Services and Charges	194,895	203,999
	<u>503,067</u>	<u>491,626</u>
Total Legislative Department	<u>503,067</u>	<u>491,626</u>
Executive Department:		
Personnel Services	1,058,731	935,994
Supplies	16,450	22,844
Other Services and Charges	289,124	267,106
	<u>1,364,305</u>	<u>1,225,944</u>
Total Executive Department	<u>1,364,305</u>	<u>1,225,944</u>
City Court:		
Personnel Services	973,802	903,168
Supplies	19,542	24,768
Other Services and Charges	93,864	88,823
	<u>1,087,208</u>	<u>1,016,759</u>
Total City Court	<u>1,087,208</u>	<u>1,016,759</u>
Convention and Visitors Bureau Director:		
Personnel Services	-	135,502
	<u>-</u>	<u>135,502</u>
Total Convention and Visitors Bureau Director	<u>-</u>	<u>135,502</u>

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

For the Years Ended September 30, 2024 and 2023

-Continued-

	F.Y.E. 9/30/24	F.Y.E. 9/30/23
EXPENDITURES-Continued		
Budget and Accounting Department:		
Personnel Services	\$ 776,866	\$ 767,498
Supplies	18,685	15,784
Other Services and Charges	611,967	540,561
Capital Outlay	259,305	173,005
Total Budget and Accounting Department	<u>1,666,823</u>	<u>1,496,848</u>
Personnel Department:		
Personnel Services	221,801	237,929
Supplies	1,462	2,067
Other Services and Charges	130,904	123,931
Total Personnel Department	<u>354,167</u>	<u>363,927</u>
Planning Department:		
Personnel Services	1,278,689	1,256,601
Supplies	36,239	40,754
Other Services and Charges	234,717	114,867
Capital Outlay	-	2,002
Total Community Development Department	<u>1,549,645</u>	<u>1,414,224</u>
Total General Government	<u>6,525,215</u>	<u>6,144,830</u>
Public Safety:		
Police Department:		
Personnel Services	9,287,573	9,157,614
Supplies	722,799	743,471
Other Services and Charges	2,476,045	1,953,920
Capital Outlay	461,537	417,065
Total Police Department	<u>12,947,954</u>	<u>12,272,070</u>
Fire Department:		
Personnel Services	7,523,459	6,864,515
Supplies	418,661	385,916
Other Services and Charges	420,993	347,585
Total Fire Department	<u>8,363,113</u>	<u>7,598,016</u>
Total Public Safety	<u>21,311,067</u>	<u>19,870,086</u>

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

For the Years Ended September 30, 2024 and 2023

-Continued-

	F.Y.E. 9/30/24	F.Y.E. 9/30/23
EXPENDITURES-Continued		
Public Services:		
Public Works Department:		
Personnel Services	\$ 2,841,685	\$ 2,754,720
Supplies	356,275	351,228
Other Services and Charges	2,362,838	2,235,875
Capital Outlay	<u>14,303</u>	<u>33,987</u>
Total Public Works Department	<u>5,575,101</u>	<u>5,375,810</u>
Culture and Recreation:		
Park and Recreation Department:		
Personnel Services	2,222,722	2,082,488
Supplies	462,534	462,361
Other Services and Charges	1,233,506	1,144,997
Capital Outlay	<u>31,546</u>	<u>126,920</u>
Total Park and Recreation Department	<u>3,950,308</u>	<u>3,816,766</u>
Aquatic Center:		
Personnel Services	495,950	455,477
Supplies	103,477	104,625
Other Services and Charges	478,756	461,443
Capital Outlay	<u>17,374</u>	<u>7,565</u>
Total Aquatic Center	<u>1,095,557</u>	<u>1,029,110</u>
Museum Department:		
Personnel Services	76,352	121,841
Supplies	3,705	7,829
Other Services and Charges	31,816	15,354
Capital Outlay	<u>-</u>	<u>3,076</u>
Total Museum Department	<u>111,873</u>	<u>148,100</u>
Total Culture and Recreation	<u>5,157,738</u>	<u>4,993,976</u>
Other Functions:		
Community Services:		
Other Services and Charges	<u>1,373,079</u>	<u>1,051,466</u>
Total Community Services	<u>1,373,079</u>	<u>1,051,466</u>

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

For the Years Ended September 30, 2024 and 2023

-Continued-

	F.Y.E. 9/30/24	F.Y.E. 9/30/23
EXPENDITURES-Continued		
Debt Service:		
Principal on Long Term Debt	\$ 253,245	\$ 245,476
Interest	<u>71,610</u>	<u>79,378</u>
Total Debt Service	<u>324,855</u>	<u>324,854</u>
TOTAL EXPENDITURES	<u>40,267,055</u>	<u>37,761,022</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>13,000,775</u>	<u>11,521,730</u>
OTHER FINANCING SOURCES (USES):		
Transfers Out	(12,657,010)	(13,470,115)
Transfers In	<u>53,122</u>	<u>143,075</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(12,603,888)</u>	<u>(13,327,040)</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>396,887</u>	<u>(1,805,310)</u>
FUND BALANCE - Beginning of year	<u>23,441,530</u>	<u>25,246,840</u>
FUND BALANCE - End of year	<u>\$ 23,838,417</u>	<u>\$ 23,441,530</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.

CITY OF TUPELO
LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2024
With Comparative Totals for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 403,007	\$ 413,933	\$ 10,926	\$ 483,383
Intergovernmental:				
State Shared Revenues	13,733	15,929	2,196	19,476
TOTAL REVENUES	<u>416,740</u>	<u>429,862</u>	<u>13,122</u>	<u>502,859</u>
EXPENDITURES				
Community Services:				
Other Services and Charges	538,904	538,904	-	543,404
TOTAL EXPENDITURES	<u>538,904</u>	<u>538,904</u>	<u>-</u>	<u>543,404</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(122,164)</u>	<u>(109,042)</u>	<u>13,122</u>	<u>(40,545)</u>
OTHER FINANCING SOURCES				
Transfers In	-	22,736	22,736	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>22,736</u>	<u>22,736</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>(122,164)</u>	<u>(86,306)</u>	<u>35,858</u>	<u>(40,545)</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	91,826	91,826	-	129,933
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ (30,338)</u>	5,520	<u>\$ 13,122</u>	89,388
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		(5,520)		2,438
FUND BALANCE (GAAP BASIS) -				
End of Year		<u>\$ 0</u>		<u>\$ 91,826</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	F.Y.E. 9/30/2024			
	Budget	Actual	Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
REVENUES				
Intergovernmental:				
State Shared Revenues	\$ 5,941,848	\$ 6,177,236	\$ 235,388	\$ 6,341,193
Federal Grants	-	606,695	606,695	60,887
Miscellaneous Revenues:				
Interest	81,096	383,868	302,772	121,363
Donations	-	13,500	13,500	1,500
Other	-	1,240	1,240	13,319
TOTAL REVENUES	<u>6,022,944</u>	<u>7,182,539</u>	<u>1,159,595</u>	<u>6,538,262</u>
EXPENDITURES				
Other Functions:				
Community Services:				
Personnel Services	974,070	828,801	145,269	692,260
Supplies	19,500	15,665	3,835	14,549
Other Services and Charges	3,111,252	2,052,026	1,059,226	1,518,421
Capital Expenditures	62,500	46,955	15,545	51,514
Total Community Services	<u>4,167,322</u>	<u>2,943,447</u>	<u>1,223,875</u>	<u>2,276,744</u>
Total Other Functions	<u>4,167,322</u>	<u>2,943,447</u>	<u>1,223,875</u>	<u>2,276,744</u>
TOTAL EXPENDITURES	<u>4,167,322</u>	<u>2,943,447</u>	<u>1,223,875</u>	<u>2,276,744</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,855,622</u>	<u>4,239,092</u>	<u>2,383,470</u>	<u>4,261,518</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, 2024

With Comparative Totals for Year Ended September 30, 2023

-Continued-

	<u>F.Y.E. 9/30/2024</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
	Budget	Actual		
OTHER FINANCING SOURCES (USES):				
Transfers Out	\$ <u>(1,855,622)</u>	\$ <u>(1,830,026)</u>	\$ <u>25,596</u>	\$ <u>(4,893,743)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,855,622)</u>	<u>(1,830,026)</u>	<u>25,596</u>	<u>(4,893,743)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	-	2,409,066	2,409,066	(632,225)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>6,223,667</u>	<u>6,223,667</u>	-	<u>6,852,548</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u><u>6,223,667</u></u>	8,632,733	\$ <u><u>2,409,066</u></u>	6,220,323
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>43,813</u>		<u>3,344</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		\$ <u><u>8,676,546</u></u>		\$ <u><u>6,223,667</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			<u>F.Y.E. 9/30/2023 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	
REVENUES				
Taxes:				
General Property Taxes	\$ 926,918	\$ 940,752	\$ 13,834	\$ 891,944
Intergovernmental Revenues:				
State Shared Revenues	<u>31,585</u>	<u>36,637</u>	<u>5,052</u>	<u>36,042</u>
TOTAL REVENUES	<u>958,503</u>	<u>977,389</u>	<u>18,886</u>	<u>927,986</u>
EXPENDITURES				
Public Safety:				
Police Department:				
Personnel Services	<u>700,000</u>	<u>686,263</u>	<u>13,738</u>	<u>647,500</u>
Total Police Department	<u>700,000</u>	<u>686,263</u>	<u>13,738</u>	<u>647,500</u>
Fire Department:				
Personnel Services	<u>300,000</u>	<u>294,113</u>	<u>5,888</u>	<u>277,500</u>
Total Fire Department	<u>300,000</u>	<u>294,113</u>	<u>5,888</u>	<u>277,500</u>
Total Public Safety	<u>1,000,000</u>	<u>980,375</u>	<u>19,625</u>	<u>925,000</u>
TOTAL EXPENDITURES	<u>1,000,000</u>	<u>980,375</u>	<u>19,625</u>	<u>925,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(41,497)	(2,986)	38,511	2,986
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>42,537</u>	<u>42,537</u>	<u>-</u>	<u>32,771</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u>1,040</u>	39,551	\$ <u>38,511</u>	35,757
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>(3,087)</u>		<u>6,780</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		\$ <u>36,464</u>		\$ <u>42,537</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 92,349	\$ 92,349	\$ 1,416
TOTAL REVENUES	<u>-</u>	<u>92,349</u>	<u>92,349</u>	<u>1,416</u>
EXPENDITURES				
Culture and Recreation:				
Tupelo Coliseum:				
Other Services and Charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Tupelo Coliseum	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Culture and Recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>92,349</u>	<u>92,349</u>	<u>1,416</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, 2024

With Comparative Totals for Year Ended September 30, 2023

-Continued-

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
OTHER FINANCING SOURCES				
(USES):				
Transfers In	\$ 2,215,120	\$ 2,215,120	\$ -	\$ 2,215,120
Transfers Out	<u>(3,468,443)</u>	<u>(2,886,373)</u>	<u>582,070</u>	<u>(2,177,602)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,253,323)</u>	<u>(671,253)</u>	<u>582,070</u>	<u>37,518</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(1,253,323)	(578,904)	674,419	38,934
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>2,221,929</u>	<u>2,221,929</u>	<u>-</u>	<u>2,182,995</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 968,606</u>	1,643,025	<u>\$ 674,419</u>	2,221,929
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		<u>\$ 1,643,025</u>		<u>\$ 2,221,929</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	F.Y.E. 9/30/2024		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
	Budget	Actual		
REVENUES				
Miscellaneous:				
Interest	\$ -	\$ 65	\$ 65	\$ 1
TOTAL REVENUES	<u>-</u>	<u>65</u>	<u>65</u>	<u>1</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>65</u>	<u>12,948</u>	<u>1</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>65</u>	<u>12,948</u>	<u>1</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>72,757</u>	<u>72,757</u>	<u>-</u>	<u>72,756</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u><u>59,874</u></u>	72,822	\$ <u><u>12,948</u></u>	72,757
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u><u>72,822</u></u>		\$ <u><u>72,757</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
	Budget	Actual		
REVENUES				
Intergovernmental Revenues:				
Federal Grants	\$ -	\$ -	\$ -	801,937
Charges for Sales & Services:				
Commissions	37,500	33,338	(4,162)	27,401
Concessions & Other Sales	1,075,000	783,983	(291,017)	934,285
Direct Show Revenue	55,000	61,579	6,579	30,686
Parking	-	1,895	1,895	1,750
Service Charge	510,000	455,868	(54,132)	649,983
Rental Revenue	2,034,500	2,046,926	12,426	2,044,975
Personnel Service Fees	400,000	227,298	(172,702)	406,390
Miscellaneous Revenues:				
Advertising Agency Fee	575,000	577,558	2,558	483,146
Other	475,000	542,126	67,126	1,257,278
Interest	10,000	62,445	52,445	1,462
TOTAL REVENUES	<u>5,172,000</u>	<u>4,793,016</u>	<u>(378,984)</u>	<u>6,639,293</u>
EXPENDITURES				
Culture and Recreation:				
Coliseum Operations:				
Personnel Services	1,617,080	1,285,167	331,913	1,289,843
Supplies	508,000	425,268	82,732	482,120
Other Services and Charges	3,422,750	3,208,380	214,370	4,648,323
Capital Outlay	1,901,000	1,621,987	279,013	1,383,920
Total Coliseum Operations	<u>7,448,830</u>	<u>6,540,802</u>	<u>908,028</u>	<u>7,804,206</u>
TOTAL EXPENDITURES	<u>7,448,830</u>	<u>6,540,802</u>	<u>908,028</u>	<u>7,804,206</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	<u>(2,276,830)</u>	<u>(1,747,786)</u>	<u>529,044</u>	<u>(1,164,913)</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, 2024
With Comparative Totals for Year Ended September 30, 2023
-Continued-

	<u>F.Y.E. 9/30/2024</u>		Variance Favorable (Unfavorable)	F.Y.E.
	Budget	Actual		9/30/2023 Actual
OTHER FINANCING SOURCES (USES):				
Transfer from Coliseum Project	\$ 2,276,830	\$ 1,891,004	\$ (385,826)	\$ 1,487,390
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,276,830</u>	<u>1,891,004</u>	<u>(385,826)</u>	<u>1,487,390</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	-	143,218	143,218	322,477
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>1,478,070</u>	<u>1,478,070</u>	<u>-</u>	<u>1,076,814</u>
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 1,478,070</u>	1,621,288	<u>\$ 143,218</u>	1,399,291
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>147,110</u>		<u>78,779</u>
FUND BALANCE (DEFICIT) (GAAP BASIS)				
End of Year		<u>\$ 1,768,398</u>		<u>\$ 1,478,070</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, 2024
With Comparative Totals for Year Ended September 30, 2023

	F.Y.E. 9/30/2024			F.Y.E.
	Budget	Actual	Variance Favorable (Unfavorable)	9/30/2023 Actual
REVENUES				
Intergovernmental Revenues:				
Federal Shared Revenue	\$ 10,000	\$ 77,251	\$ 67,251	\$ 5,460
Fines and Forfeitures	125,000	59,324	(65,676)	311,732
Miscellaneous Revenues:				
Interest	4,500	54,024	49,524	1,132
Other	70,000	54,188	(15,812)	44,752
TOTAL REVENUES	<u>209,500</u>	<u>244,787</u>	<u>35,287</u>	<u>363,076</u>
EXPENDITURES				
Public Safety:				
Police Department:				
Supplies	69,773	38,502	31,271	29,728
Other Services and Charges	341,500	216,537	124,963	261,419
Capital Outlay	172,000	29,148	142,852	28,535
Total Police Department	<u>583,273</u>	<u>284,187</u>	<u>299,086</u>	<u>319,682</u>
TOTAL EXPENDITURES	<u>583,273</u>	<u>284,187</u>	<u>299,086</u>	<u>319,682</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(373,773)	(39,400)	334,373	43,394
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	<u>(48,087)</u>	<u>(26,096)</u>	<u>21,991</u>	<u>(22,664)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(48,087)</u>	<u>(26,096)</u>	<u>21,991</u>	<u>(22,664)</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, 2024

With Comparative Totals for Year Ended September 30, 2023

-Continued-

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ (421,860)	\$ (65,496)	\$ 356,364	\$ 20,730
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>1,165,941</u>	<u>1,165,941</u>	<u>-</u>	<u>1,145,211</u>
FUND BALANCE (DEFICIT) (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 744,081</u>	1,100,445	<u>\$ 356,364</u>	1,165,941
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS) -				
End of Year		<u>\$ 1,100,445</u>		<u>\$ 1,165,941</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 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.

American Rescue Plan Act Project Fund – This fund accounts for all construction costs for American Rescue Plan Act (ARPA) projects and the State ARPA Matching Program (MWCI).

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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			<u>F.Y.E.</u> <u>9/30/2023</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 6,814	\$ 6,814	\$ 323
TOTAL REVENUES	<u>-</u>	<u>6,814</u>	<u>6,814</u>	<u>323</u>
EXPENDITURES				
Capital Outlay	<u>63,000</u>	<u>62,527</u>	<u>473</u>	<u>414,673</u>
TOTAL EXPENDITURES	<u>63,000</u>	<u>62,527</u>	<u>473</u>	<u>414,673</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(63,000)	(55,713)	7,287	(414,350)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	<u>210,093</u>	<u>210,093</u>	<u>-</u>	<u>624,443</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	\$ <u><u>147,093</u></u>	154,380	\$ <u><u>7,287</u></u>	210,093
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u><u>154,380</u></u>		\$ <u><u>210,093</u></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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 24,879	\$ 24,879	\$ 493
Donations	-	175	175	-
Other	-	146,107	146,107	233,194
TOTAL REVENUES	<u>-</u>	<u>171,161</u>	<u>171,161</u>	<u>233,687</u>
EXPENDITURES				
Other Services and Charges	103,000	102,452	548	57,271
Capital Outlay	40,000	38,565	1,435	274,338
TOTAL EXPENDITURES	<u>143,000</u>	<u>141,017</u>	<u>1,983</u>	<u>331,609</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(143,000)	30,144	173,144	(97,922)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>680,503</u>	<u>680,503</u>	-	<u>778,425</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	\$ <u>537,503</u>	710,647	\$ <u>173,144</u>	680,503
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		-		-
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u>710,647</u>		\$ <u>680,503</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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 5,757,254	\$ 5,843,164	\$ 85,910	\$ 5,540,017
Intergovernmental Revenues:				
State Shared Revenues	196,181	227,556	31,375	223,861
Miscellaneous Revenues:				
Interest	<u>2,687</u>	<u>321,042</u>	<u>318,355</u>	<u>120,022</u>
TOTAL REVENUES	<u>5,956,122</u>	<u>6,391,762</u>	<u>435,640</u>	<u>5,883,900</u>
EXPENDITURES				
Personnel Services	120,322	114,728	5,594	110,741
Other Services and Charges	2,737,860	1,565,261	1,172,599	1,034,968
Capital Outlay	<u>8,749,751</u>	<u>2,303,472</u>	<u>6,446,279</u>	<u>4,889,221</u>
TOTAL EXPENDITURES	<u>11,607,933</u>	<u>3,983,461</u>	<u>7,624,472</u>	<u>6,034,930</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,651,811)</u>	<u>2,408,301</u>	<u>8,060,112</u>	<u>(151,030)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<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)	(5,651,811)	2,408,301	8,060,112	(151,030)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
Beginning of Year	<u>4,398,590</u>	<u>4,398,590</u>	<u>-</u>	<u>4,507,508</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS)-				
End of Year	<u>\$ (1,253,221)</u>	6,806,891	<u>\$ 8,060,112</u>	4,356,478
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>(19,175)</u>		<u>42,112</u>
FUND BALANCE (GAAP BASIS)				
End of Year		<u>\$ 6,787,716</u>		<u>\$ 4,398,590</u>

CITY OF TUPELO
AMERICAN RESCUE PLAN ACT PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
Year Ended September 30, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			<u>F.Y.E. 9/30/2023 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	
REVENUES				
Intergovernmental Revenues:				
Federal Grants	\$ 10,654,545	\$ 2,984,408	\$ (7,670,137)	\$ 75,147
TOTAL REVENUES	<u>10,654,545</u>	<u>2,984,408</u>	<u>(7,670,137)</u>	<u>75,147</u>
EXPENDITURES				
Capital Outlay	<u>10,654,545</u>	<u>4,533,094</u>	<u>6,121,451</u>	<u>150,294</u>
TOTAL EXPENDITURES	<u>10,654,545</u>	<u>4,533,094</u>	<u>6,121,451</u>	<u>150,294</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,548,686)	(1,548,686)	(75,147)
OTHER FINANCING SOURCES (USES):				
Transfers Out	<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>-</u>	<u>(1,548,686)</u>	<u>(1,548,686)</u>	<u>(75,147)</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>	(1,548,686)	\$ <u>(1,548,686)</u>	(75,147)
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>-</u>		<u>75,147</u>
FUND BALANCE (GAAP BASIS)				
End of Year		\$ <u>(1,548,686)</u>		\$ <u>-</u>

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.

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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
	Budget	Actual		
REVENUES				
Taxes:				
General Property Taxes	\$ 4,058,864	\$ 4,152,120	\$ 93,256	\$ 4,542,279
Intergovernmental Revenues:				
State Shared Revenues	138,308	160,427	22,119	183,566
Miscellaneous Revenues:				
Interest	-	106,370	106,370	2,187
TOTAL REVENUES	<u>4,197,172</u>	<u>4,418,917</u>	<u>221,745</u>	<u>4,728,032</u>
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	2,590,000	2,590,000	-	2,210,000
Interest	1,582,172	1,515,167	67,005	1,310,338
Paying Agent Fees	25,000	18,410	6,590	17,410
Total General Obligations	<u>4,197,172</u>	<u>4,123,577</u>	<u>73,595</u>	<u>3,537,748</u>
Total Debt Service	<u>4,197,172</u>	<u>4,123,577</u>	<u>73,595</u>	<u>3,537,748</u>
TOTAL EXPENDITURES	<u>4,197,172</u>	<u>4,123,577</u>	<u>73,595</u>	<u>3,537,748</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	295,340	295,340	1,190,284
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2024
 With Comparative Actual Amounts for Year Ended September 30, 2023
 -Continued-

	F.Y.E. 9/30/2024			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ 295,340	\$ 295,340	\$ 1,190,284
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
Beginning of Year	<u>2,520,810</u>	<u>2,520,810</u>	<u>-</u>	<u>1,295,638</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) -				
End of Year	<u>\$ 2,520,810</u>	2,816,150	<u>\$ 295,340</u>	2,485,922
Adjustments to Generally Accepted Accounting Principles:				
Revenue Accruals		<u>(41,627)</u>		<u>34,888</u>
FUND BALANCE (GAAP-BASIS) -				
End of Year		<u>\$ 2,774,523</u>		<u>\$ 2,520,810</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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Intergovernmental Revenues:				
State Shared Revenues	\$ 4,700,000	\$ 4,645,896	\$ (54,104)	\$ 4,324,784
Miscellaneous Revenues:				
Interest	<u>-</u>	<u>188,114</u>	<u>188,114</u>	<u>156,446</u>
TOTAL REVENUES	<u>4,700,000</u>	<u>4,834,010</u>	<u>134,010</u>	<u>4,481,230</u>
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	415,000	415,000	-	395,000
Interest	220,363	220,363	-	236,562
Paying Agent Fees	<u>15,000</u>	<u>11,420</u>	<u>3,580</u>	<u>11,420</u>
Total Debt Service	<u>650,363</u>	<u>646,783</u>	<u>3,580</u>	<u>642,982</u>
TOTAL EXPENDITURES	<u>650,363</u>	<u>646,783</u>	<u>3,580</u>	<u>642,982</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,049,637</u>	<u>4,187,227</u>	<u>137,590</u>	<u>3,838,248</u>
OTHER FINANCING SOURCES (USES):				
Transfer (to) from Northeast MS Regional Water Supply District to Water G.O. Bonds Fund	<u>(4,374,818)</u>	<u>(4,331,570)</u>	<u>43,248</u>	<u>(4,326,121)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,374,818)</u>	<u>(4,331,570)</u>	<u>43,248</u>	<u>(4,326,121)</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, 2024

With Comparative Actual Amounts for Year Ended September 30, 2023

-Continued-

	<u>F.Y.E. 9/30/2024</u>		Variance Favorable (Unfavorable)	F.Y.E. 9/30/2023 Actual
	Budget	Actual		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ (325,181)	\$ (144,343)	\$ 180,838	\$ (487,873)
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	<u>4,005,751</u>	<u>4,005,751</u>	<u>-</u>	<u>4,493,624</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	<u>\$ 3,680,570</u>	3,861,408	<u>\$ 180,838</u>	4,005,751
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP-BASIS) - End of Year		<u>\$ 3,861,408</u>		<u>\$ 4,005,751</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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	F.Y.E. 9/30/2024			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Taxes:				
General Property Taxes	\$ 138,900	\$ 203,688	\$ 64,788	\$ 138,015
Miscellaneous Revenues:				
Interest	-	40,218	40,218	690
TOTAL REVENUES	138,900	243,906	105,006	138,705
EXPENDITURES				
Debt Service:				
General Obligations:				
Bonds Redeemed	104,000	104,000	-	97,000
Interest	29,900	29,900	-	34,475
Paying Agent Fees	5,000	850	4,150	850
Total Debt Service	138,900	134,750	4,150	132,325
TOTAL EXPENDITURES	138,900	134,750	4,150	132,325
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	109,156	109,156	6,380
OTHER FINANCING SOURCES (USES):				
Transfer to Other Funds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-

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, 2024
 With Comparative Actual Amounts for Year Ended September 30, 2023
 -Continued-

	<u>F.Y.E. 9/30/2024</u>			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ 109,156	\$ 109,156	\$ 6,380
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	<u>1,121,213</u>	<u>1,121,213</u>	<u>-</u>	<u>1,114,833</u>
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	\$ <u><u>1,121,213</u></u>	1,230,369	\$ <u><u>109,156</u></u>	1,121,213
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		<u>-</u>		<u>-</u>
FUND BALANCE (GAAP-BASIS) - End of Year		\$ <u><u>1,230,369</u></u>		\$ <u><u>1,121,213</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, 2024
With Comparative Actual Amounts for Year Ended September 30, 2023

	F.Y.E. 9/30/2024			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES				
Miscellaneous Revenues:				
Interest	\$ -	\$ 2,767	\$ 2,767	\$ 1,059
TOTAL REVENUES	<u>-</u>	<u>2,767</u>	<u>2,767</u>	<u>1,059</u>
EXPENDITURES				
Debt Service:				
Special Obligations:				
Bonds Redeemed	305,000	305,000	-	-
Interest	688,838	688,837	1	688,838
Paying Agent Fees	<u>20,000</u>	<u>3,250</u>	<u>16,750</u>	<u>2,000</u>
Total Debt Service	<u>1,013,838</u>	<u>997,087</u>	<u>16,751</u>	<u>690,838</u>
TOTAL EXPENDITURES	<u>1,013,838</u>	<u>997,087</u>	<u>16,751</u>	<u>690,838</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,013,838)	(994,320)	19,518	(689,779)
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	<u>1,013,838</u>	<u>995,369</u>	<u>(18,469)</u>	<u>690,212</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,013,838</u>	<u>995,369</u>	<u>(18,469)</u>	<u>690,212</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, 2024

With Comparative Actual Amounts for Year Ended September 30, 2023

-Continued-

	F.Y.E. 9/30/2024			F.Y.E. 9/30/2023 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ -	\$ 1,049	\$ 1,049	\$ 433
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - Beginning of Year	715	715	-	282
FUND BALANCE (NON-GAAP BUDGETARY BASIS) - End of Year	\$ 715	1,764	\$ 1,049	715
Adjustments to Generally Accepted Accounting Principles: Revenue Accruals		-		-
FUND BALANCE (GAAP-BASIS) - End of Year		\$ 1,764		\$ 715

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, 2024

With Comparative Totals for September 30, 2023

	Metro Vice Seized Fund	City Court Restitution Fund	Self Insurance Fund	Totals	
				9/30/24	9/30/23
ASSETS					
Cash	\$ 620,605	\$ 6,964	\$ 613,038	\$ 1,240,607	863,509
Investments	-	-	500	500	500
TOTAL ASSETS	\$ 620,605	\$ 6,964	\$ 613,538	\$ 1,241,107	\$ 864,009
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 50,235	\$ 50,235	\$ 50,820
Due to Complainants	-	6,964	-	6,964	6,964
Due to Insured Employees	-	-	563,303	563,303	400,096
Seized Money Held	620,605	-	-	620,605	406,129
TOTAL LIABILITIES	\$ 620,605	\$ 6,964	\$ 613,538	\$ 1,241,107	\$ 864,009

CITY OF TUPELO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended September 30, 2024

	Balance September 30, 2023	Debits	Credits	Balance September 30, 2024
METRO VICE SEIZED FUND				
<u>ASSETS</u>				
Cash	\$ <u>406,129</u>	\$ <u>383,792</u>	\$ <u>169,316</u>	\$ <u>620,605</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 35,714	\$ 35,714	\$ -
Seized Money Held	<u>406,129</u>	<u>98,075</u>	<u>312,551</u>	<u>620,605</u>
Total Liabilities	\$ <u>406,129</u>	\$ <u>133,789</u>	\$ <u>348,265</u>	\$ <u>620,605</u>
CITY COURT RESTITUTION FUND				
<u>ASSETS</u>				
Cash	\$ <u>6,964</u>	\$ <u>437</u>	\$ <u>437</u>	\$ <u>6,964</u>
<u>LIABILITIES</u>				
Due to Complainants	\$ <u>6,964</u>	\$ -	\$ -	\$ <u>6,964</u>

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

Year Ended September 30, 2024

-Continued-

	Balance September 30, 2023	Debits	Credits	Balance September 30, 2024
SELF INSURANCE FUND				
<u>ASSETS</u>				
Cash	\$ 450,416	\$ 366,557	\$ 203,935	\$ 613,038
Investments	500	-	-	500
Total Assets	<u>\$ 450,916</u>	<u>\$ 366,557</u>	<u>\$ 203,935</u>	<u>\$ 613,538</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 50,820	\$ 28,508	\$ 27,923	\$ 50,235
Due to Insured Employees	400,096	27,923	191,130	563,303
Total Liabilities	<u>\$ 450,916</u>	<u>\$ 56,431</u>	<u>\$ 219,053</u>	<u>\$ 613,538</u>
TOTAL ALL AGENCY FUNDS				
<u>ASSETS</u>				
Cash	\$ 863,509	\$ 750,786	\$ 373,688	\$ 1,240,607
Investments	500	-	-	500
Total Assets	<u>\$ 864,009</u>	<u>\$ 750,786</u>	<u>\$ 373,688</u>	<u>\$ 1,241,107</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 50,820	\$ 64,222	\$ 63,637	\$ 50,235
Seized Money Held	406,129	98,075	312,551	620,605
Due to Complainants	6,964	-	-	6,964
Due to Insured Employees	400,096	27,923	191,130	563,303
Total Liabilities	<u>\$ 864,009</u>	<u>\$ 190,220</u>	<u>\$ 567,318</u>	<u>\$ 1,241,107</u>

SUPPLEMENTARY INFORMATION

CITY OF TUPELO
SCHEDULE OF INVESTMENTS
Year Ended September 30, 2024

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	Var	Var	\$ 3,861,408
City Bond and Interest Fund	U.S. Government Securities Fund	Var	Var	Var	6,999
Special Obligation Debt Service Fund	U.S. Government Securities Fund	Var	Var	Var	<u>1,764</u>
Total Investments - Governmental Funds					<u>3,870,171</u>
PROPRIETARY FUNDS:					
Northeast Mississippi Regional Water Supply District					
	U.S. Treasury Securities	Var	Var	Var	9,959,369
	Money Market	Var	N/A	Var	<u>2,966,886</u>
Total Investments - Proprietary Funds					<u>12,926,255</u>
FIDUCIARY FUNDS:					
Agency Funds:					
Deferred Comp. Fund	Self-Insurance Trust Fund	Var	Var	N/A	<u>500</u>
Total Investments - Fiduciary Funds					<u>500</u>
Total Investments - All Funds					<u>\$ 16,796,926</u>

CITY OF TUPELO
SCHEDULE OF LONG-TERM DEBT
Year Ended September 30, 2024

	INTEREST RATE	ISSUE DATE	FINAL MATURITY DATE	BALANCE OUTSTANDING SEPTEMBER 30, 2023	ISSUED	(REDEEMED)	BALANCE OUTSTANDING SEPTEMBER 30, 2024	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	\$ 4,140,000	\$ -	\$ (400,000)	\$ 3,740,000	\$ 400,000	\$ 76,763
G.O. - Series 2013	2.10% - 3.00%	4/10/13	9/30/33	4,140,000	-	(400,000)	3,740,000	400,000	81,076
G.O. - Series 2013	2.50% - 3.25%	9/1/13	9/30/28	1,160,000	-	(220,000)	940,000	225,000	29,113
G.O. - Series 2011	2.10% - 2.875%	12/1/11	12/1/30	2,425,000	-	(265,000)	2,160,000	270,000	51,770
G.O. - Series 2015	1.31% - 3.28%	7/28/15	7/1/29	1,900,000	-	(400,000)	1,500,000	300,000	46,890
G.O. - Series 2016	2.313% - 2.685%	5/12/16	4/1/36	5,100,000	-	(300,000)	4,800,000	300,000	125,293
G.O. Combined Refunding-Series 2016	3.00% - 5.00%	8/4/16	7/1/26	915,000	-	(305,000)	610,000	310,000	18,300
G.O. - Series 2017	2.00% - 5.00%	11/14/17	11/1/37	9,600,000	-	(300,000)	9,300,000	500,000	285,200
G.O. Refunding - Series 2019	4.00%	5/31/19	12/1/32	4,915,000	-	(415,000)	4,500,000	415,000	171,700
Total General City Bonds				<u>34,295,000</u>	<u>-</u>	<u>(3,005,000)</u>	<u>31,290,000</u>	<u>3,120,000</u>	<u>886,105</u>
Water Bonds									
Series 2008- Refunding Bonds	3.91% - 5.51%	12/17/08	12/1/33	<u>675,000</u>	<u>-</u>	<u>-</u>	<u>675,000</u>	<u>-</u>	<u>32,062</u>
Total Water Bonds				<u>675,000</u>	<u>-</u>	<u>-</u>	<u>675,000</u>	<u>-</u>	<u>32,062</u>
TOTAL GENERAL OBLIGATION BONDS				<u>34,970,000</u>	<u>-</u>	<u>(3,005,000)</u>	<u>31,965,000</u>	<u>3,120,000</u>	<u>918,167</u>
OTHER LONG-TERM DEBT:									
General City Notes Payable									
Capital Improvements Revolving Loan	3.00%	8/24/09	2/1/33	804,587	-	(76,175)	728,412	78,493	20,885
Tupelo Airport Authority Capital Acquisition	3.00%	6/22/11	7/1/25	355,415	-	(114,988)	240,427	240,427	7,213
Capital Improvements Revolving Loan	3.00%	4/1/20	4/1/40	<u>1,288,749</u>	<u>-</u>	<u>(62,082)</u>	<u>1,226,667</u>	<u>63,970</u>	<u>35,857</u>
Total General City Notes Payable				<u>2,448,751</u>	<u>-</u>	<u>(253,245)</u>	<u>2,195,506</u>	<u>382,890</u>	<u>63,955</u>

CITY OF TUPELO
SCHEDULE OF LONG-TERM DEBT - Continued
Year Ended September 30, 2024

	INTEREST RATE	ISSUE DATE	FINAL MATURITY DATE	BALANCE OUTSTANDING SEPTEMBER 30, 2023	ISSUED	(REDEEMED)	BALANCE OUTSTANDING SEPTEMBER 30, 2024	CURRENT MATURITIES	CURRENT INTEREST PAYABLE
OTHER LONG-TERM DEBT - Continued:									
Water and Sewer Notes Payable									
Drinking Water Loan	4.00%	09/01/05	05/01/25	\$ 125,705	\$ -	\$ (74,416)	\$ 51,289	\$ 51,289	\$ 772
Drinking Water Loan	1.95%	06/14/06	12/01/27	125,777	-	(28,665)	97,112	29,229	1,633
Capital Improvements Revolving Loan	1.75%	11/19/04	06/01/26	1,081,388	-	(387,229)	694,159	394,060	8,997
Capital Improvements Revolving Loan	1.75%	09/30/04	11/01/27	5,821,369	-	(1,358,692)	4,462,677	1,382,660	67,042
SRF - MDA Revolving Loan	1.95%	06/01/16	12/01/35	2,545,298	-	(185,772)	2,359,526	189,428	44,324
SRF - Annexed Sewer Loan 2014	1.75%	08/01/16	12/01/35	2,993,379	-	(221,045)	2,772,334	224,945	46,717
SRF - Chemical Addition	1.75%	06/01/16	02/01/36	2,349,947	-	(170,944)	2,179,003	173,959	36,742
SRF - Annexed Water	1.95%	09/30/14	02/01/37	3,107,244	-	(204,630)	2,902,614	208,655	54,743
SRF - 2015 Water	1.95%	09/30/15	11/01/37	780,517	-	(48,310)	732,207	49,261	13,839
SRF - Annex Sewer 2014	1.75%	12/01/19	05/01/39	8,361,192	-	(468,000)	7,893,192	476,256	134,323
SRF - Life Station 2020	1.75%	01/01/21	05/01/40	2,199,618	-	(114,677)	2,084,941	116,700	35,553
SRF - Central Pumping Station	In progress			-	8,730,325	-	8,730,325	-	-
Total Water and Sewer Notes Payable				29,491,434	8,730,325	(3,262,380)	34,959,379	3,296,442	444,685
Special Obligation Bonds									
Series 2018 - Water and Sewer Dept.	2.00% - 5.00%	04/12/18	05/01/33	6,565,000	-	(520,000)	6,045,000	550,000	302,250
Series 2018 - Electric Department	2.00% - 5.00%	04/12/18	05/01/33	4,215,000	-	(335,000)	3,880,000	350,000	194,000
Series 2019 - General	4.00% - 5.00%	07/18/19	07/01/49	15,000,000	-	(305,000)	14,695,000	320,000	673,586
Series 2020 - General	3.00% - 5.00%	05/07/20	05/01/40	10,000,000	-	-	10,000,000	300,000	455,000
Series 2024 - General	5.00%	03/14/24	09/01/44	-	12,000,000	-	12,000,000	60,000	588,000
Total Special Obligation Bonds				35,780,000	12,000,000	(1,160,000)	46,620,000	1,580,000	2,212,836
Tax Increment Limited Obligation Bonds									
Series 2009	4.50%	05/13/09	05/01/24	60,000	-	(60,000)	-	-	-
Series 2021	5.00%	06/15/21	06/01/33	544,000	-	(44,000)	500,000	46,000	25,000
Total Special Obligation Bonds				604,000	-	(104,000)	500,000	46,000	25,000
TOTAL OTHER LONG-TERM DEBT				68,324,185	20,730,325	(4,779,625)	84,274,885	5,305,332	2,746,476
Bond Premiums				5,562,639	1,597,660	(493,619)	6,666,680	-	-
TOTAL LONG-TERM DEBT				\$ 108,856,824	\$ 22,327,985	\$ (8,278,244)	\$ 122,906,565	\$ 8,425,332	\$ 3,664,643

CITY OF TUPELO
RECONCILIATION OF ORIGINAL AD VALOREM TAX
ROLLS TO FUND COLLECTIONS
Year Ended September 30, 2024

	MUNICIPAL	SCHOOL	TAX
Adjusted Assessed Valuation:			
Realty	\$ 393,807,357	\$ 19,796,826	
Personal	127,473,456	6,588,414	
Personal - Auto (From County)	70,148,236	4,632,283	
 Total Municipal at 96.57 Mills	 \$ 591,429,049		 \$ 57,114,303
 Total School at 64.10 Mills		 \$ 31,017,523	 1,988,223
Collections Adjustments:			
Add:			
Municipal Homestead Reimbursement		\$ 738,876	
School Homestead Reimbursement		475,450	
Prior Year Tax Collections		409,469	
Penalties and Interest		39,180	
In-Lieu Taxes		1,241,142	
County Portion of TIF		50,174	2,954,291
 Less:			
Cost of Collections		366,711	
School Homestead Loss		783,912	1,150,623
 TOTAL TO BE ACCOUNTED FOR			 \$ 60,906,194

CITY OF TUPELO
RECONCILIATION OF ORIGINAL AD VALOREM TAX
ROLLS TO FUND COLLECTIONS

Year Ended September 30, 2024

-Continued-

	<u>TAXES</u>	<u>HOMESTEAD REIMBURSEMENT</u>	<u>TOTALS</u>
Collection Credits to Funds:			
Municipal General Fund	\$ 8,910,245	\$ 298,327	\$ 9,208,572
Tax Increment Bond Fund	203,688	-	203,688
City Bond & Interest Fund	4,110,493	160,427	4,270,920
Library Fund	408,413	15,929	424,342
Firemen & Policemen Retirement Fund	937,665	36,637	974,302
City Special Levy Street Improvements Fund	5,823,989	227,556	6,051,545
School Maintenance Fund	33,204,791	475,450	33,680,241
School Bond and Interest Fund	3,769,687	-	3,769,687
Tupelo/Lee County Vo-Tech	10	-	10
School Notes - Shortfall Note	1,853,927	-	1,853,927
	<u>1,853,927</u>	<u>-</u>	<u>1,853,927</u>
 Total Collections	 \$ <u>59,222,908</u>	 \$ <u>1,214,326</u>	 60,437,234
 Balance Represented By:			
Unpaid Property Taxes		\$ 468,958	
Unaccounted For (Over)		<u>2</u>	<u>468,960</u>
 TOTAL ACCOUNTED FOR			 \$ <u>60,906,194</u>

CITY OF TUPELO
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS

September 30, 2024

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
John Quaka	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 Barr	Assistant Chief Financial Officer	50,000	Travelers Casualty & Surety Co. of America
Rhonda Cole	Deputy Clerk	50,000	Travelers Casualty & Surety Co. of America
Traci 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, 2024

Federal Grantor/ Pass Through Grantor/ Program Title	Grantor Agency ID Number	Federal Assistance Listing Number	Federal Expenditures
PRIMARY GOVERNMENT:			
U. S. Department of Justice			
Bulletproof Vest Partnership Program		16.607	\$ 6,184
U.S. Treasury	21-NOR-406-AFF/22-NOR-406-AFF	16.738	2,598
U.S. Marshall Service	JLEO-20-0410/MS041053N	16.Ukn	12,686
Total U.S. Department of Justice			\$ 21,468
U. S. Department of Transportation			
Passed through State Office of:			
Mississippi Department of Transportation			
Highway Planning and Construction Grant	CMKLXEA2MNDA	20.205	\$ 80,000
Total U. S. Department of Transportation			\$ 80,000
U. S. Department of the Treasury			
Passed through State Office of:			
Mississippi Department of Finance and Administration:			
American Rescue Plan Act*	RIN1505-AC81	21.027	\$ 7,400
American Rescue Plan Act*	179-2-CW-5.5	21.027	109,519
American Rescue Plan Act*	196-2-SW-5.6	21.027	842,372
American Rescue Plan Act*	198.2-SW-5.6	21.027	248,136
American Rescue Plan Act*	200-2-SW-5.6	21.027	205,179
American Rescue Plan Act*	202-2-SW-5.6	21.027	94,450
American Rescue Plan Act*	203-2-SW-5.6	21.027	190,512
American Rescue Plan Act*	204-2-SW-5.6	21.027	169,449
American Rescue Plan Act*	26-2-SW-5.6	21.027	176,459
American Rescue Plan Act*	27-2-SW-5.6	21.027	136,094
American Rescue Plan Act*	28-2-SW-5.6	21.027	48,844
American Rescue Plan Act*	30-2-SW-5.6	21.027	155,052
American Rescue Plan Act*	SLFR2621/ARPA-0265	21.027	5,221,237
Total U. S. Department of the Treasury			\$ 7,604,703
U. S. Environmental Protection Agency			
Passed through State Office of:			
Mississippi Department of Environmental Quality:			
Water Pollution Control Revolving Loan*	SRF-C280885-08	66.458	\$ 5,110,319
Total U. S. Environmental Protection Agency			\$ 5,110,319

CITY OF TUPELO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2024

Federal Grantor/ Pass Through Grantor/ Program Title	Grantor Agency ID Number	Federal Assistance Listing Number	Federal Expenditures
Executive Office of the President			
DEA State and Local Task Force Agreement	667265901D3D	95.001	\$ <u>5,272</u>
Total Executive Office of the President			\$ <u><u>5,272</u></u>
U. S. Department of Homeland Security			
Passed through State Office of:			
Mississippi Department of Public Safety:			
Homeland Security Grant	21HS366R	97.067	\$ 101,768
Homeland Security Grant	21PS2321	97.067	36,982
Homeland Security Grant	21PS2321	97.067	34,610
Homeland Security Grant	22LE366B	97.067	100,000
Homeland Security Grant	23LE366A	97.067	8,100
Homeland Security Grant	23LE366B	97.067	100,000
Homeland Security Grant	23LE366C	97.067	<u>30,098</u>
Total U. S. Department of Homeland Security			\$ <u><u>411,558</u></u>
TOTAL FEDERAL EXPENDITURES			\$ <u><u>13,233,320</u></u>

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, 2024. 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, 2024, 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 May 1, 2025.

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
May 1, 2025

**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, 2024. 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, 2024.

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
May 1, 2025

**CITY OF TUPELO, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2024**

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>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	U.S. Department of the Treasury – American Rescue Plan Act
66.458	U.S. Environmental Protection Agency – Water Pollution Revolving Loan

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, 2024, and have issued our report thereon dated May 1, 2025. 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
May 1, 2025