

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

CITY OF BRANDON, MISSISSIPPI
REPORT ON AUDIT
OF
BASIC FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

BARLOW & COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
BRANDON, MISSISSIPPI

CITY OF BRANDON
TABLE OF CONTENTS
For the year ended September 30, 2023

Title Page	
Table of Contents	
Financial Audit Report	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-12
Basic Financial Statements:	
Statement of Net Position	13-14
Statement of Activities	15
Balance Sheet - Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet To the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities	19
Statement of Net Position - Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22-23
Notes to the Financial Statements	24-45
Required Supplementary Information:	
Budgetary Comparison Schedule - General Fund	46-50
Schedule of the City's Proportionate Share of the Net Pension Liability	51
Schedule of City Contributions	52
Notes to the Required Supplementary Information	53
Other Supplementary Information:	
Schedule of Surety Bonds for Municipal Officials	54
Combining Balance Sheet - Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	56
Comparison Schedules of Revenues, Expenditures and Changes in Fund Balance:	
General Fund	57-67
Capital Projects Fund	68
Debt Service Fund	69
Amphitheater Fund	70
Drug Seizure Fund	71
Infrastructure Fund	72
2022 GO Note Fund	73
Comparison Schedules of Revenues, Expenses and Changes in Net Position:	
Water and Sewer Fund	74-75
Sanitation Fund	76
Compliance Reports:	
Independent Auditor's Report on Compliance With State Laws and Regulations	77
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Governmental Auditing Standards</i>	78-79
Uniform Guidance Audit Section:	
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance	80-82
Schedule of Expenditures of Federal Awards	83
Schedule of Findings and Questioned Costs	84-85

Barlow & Company, PLLC

Certified Public Accountants

Charles S. Barlow, CPA
Kristi G. Thompson, CPA
Rose L. Williamson, CPA
Hogan E. Allen, CPA
R. Greg Vaughn, CPA

Lauren M. LaPrade, CPA
Kelly L. Smith, CPA

Members of:
American Institute of CPA's
Mississippi Society of CPA's

282 Maxey Drive
Brandon, Mississippi 39042 or
P.O. Box 150
Brandon, Mississippi 39043
(601) 825-1310
(601) 825-1326 Fax
Web Address: www.brandoncpas.com
Emails: sandy@brandoncpas.com
kthompson@brandoncpas.com
rwilliamson@brandoncpas.com
hallen@brandoncpas.com
gvaughn@brandoncpas.com

Independent Auditor's Report

Honorable Mayor and Members of the Board of Aldermen
City of Brandon, Mississippi

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brandon, Mississippi, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brandon, Mississippi, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Brandon, 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Brandon, 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.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on 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 Brandon, 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 Brandon, 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 and budgetary comparison information on pages 4-13 and 46-49 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brandon, Mississippi's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S.

Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of surety bonds for municipal officials and other comparison schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2024, on our consideration of the City of Brandon, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 Brandon, Mississippi'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 City of Brandon, Mississippi's City of Brandon, Mississippi's internal control over financial reporting and compliance.



Brandon, Mississippi
May 21, 2024

**CITY OF BRANDON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED September 30, 2023**

The Discussion and Analysis of the City of Brandon financial performance provides an overall review of the City's financial activities for the year ended September 30, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Please read it in conjunction with the City of Brandon's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 were as follows:

Total net position for 2023 decreased \$2,313,587 or 3.7% from 2022. Total net position for 2022 increased \$12,229,552 or 24.4% from fiscal year 2021. The decrease in 2023 resulted primarily from the increase in current and long-term liabilities in governmental activities and business-type activities.

General revenues accounted for \$18,599,780 and \$22,222,512 in revenue, or 60% and 57% of all revenues for fiscal years 2023 and 2022 respectively. Program specific revenues in the form of charges for services and grants and contributions accounted for \$12,523,779 or 40% for 2023 and \$16,691,821 or 43% of total revenues for 2022. Transfers out to business-type activities totaling \$3,832,781 were made in 2023.

In the business-type activity of sanitation, sanitation expenses were \$1,926,540 while charges for sanitation services were \$2,023,934. Water and sewer charges for services were \$12,341,553 with expenses of \$13,007,343. Investment income was \$10,123 for 2023. The City received \$381,788 in capital grants and contributions. Transfers in from governmental activities totaling \$3,835,762 were made in 2023.

Long-term debt decreased by \$3,815,606 for fiscal year 2023 and increased by \$950,021 for fiscal year 2022. The decrease in 2023 was due to a decrease in general and special obligation bonds and other long-term liabilities in governmental activities, and 2022 the increase was due to increase in governmental activities long-term liabilities. Additionally, the liability for compensated absences increased by \$45,274 in 2023 and decreased by \$51,601 in 2022. The net pension liability was \$26,605,065 and \$21,317,034 for 2023 and 2022 respectively.

Overall, the book value of capital assets increased \$6,527,777 in 2023 and increased by \$4,589,226 for 2022. The changes were due to new construction in progress in 2023 and 2022.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements are prepared using the accrual basis of accounting and include all assets and liabilities.

The statement of net position presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

The government-wide financial statements outline functions of the City that are principally supported by property taxes and intergovernmental revenues (governmental activities) and water, sewer, and sanitation charges (proprietary activities). The governmental activities of the City include general government, public safety, public works, and interest on long-term debt.

The government-wide financial statements are included in this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's current financing requirements. Governmental funds are reported using modified accrual accounting. This method of accounting measures cash and other assets that can be easily converted to cash. The Governmental Funds Statements provide a detailed short-term view of the City's operations.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's current financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations are presented elsewhere in the auditor's report.

The basic governmental fund financial statements can be found in this report.

Proprietary funds. The City of Brandon maintains one type of proprietary fund, the enterprise fund. The Enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its Water and Sewer operations as well as sanitation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget process. The City adopts an annual operating budget for all governmental funds and proprietary funds. Budgetary comparison statements have been provided for the General Fund and the Enterprise Fund. This required supplementary information is included elsewhere in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net position and the Statement of Activities report information about the City as a whole and about its activities and may serve over time as a useful indicator of the City's financial position. These statements include all of the City's assets and liabilities resulting from the use of the accrual basis of accounting and economic resources focus of measurement.

Net position. The City's combined net position, on the accrual basis of accounting and economic resources measurement focus, decreased from \$62,420,476 to \$60,106,889 between fiscal years 2022 and 2023. This decrease is the result of the change in net position from operations of \$2,313,587.

Table 1 reflects condensed information on the City's net position.

Table 1							
Net Position							
2023							
	Governmental Activities		Business-type Activities		Total		Percent
	2023	2022	2023	2022	2023	2022	Change
Assets:							
Cash and other assets	\$ 26,094,083	28,707,286	6,194,613	4,887,504	32,288,696	33,594,790	-3.89%
Capital assets, net	78,957,333	75,077,056	34,730,089	31,968,764	113,687,422	107,045,820	6.20%
Total Assets	105,051,416	103,784,342	40,924,702	36,856,268	145,976,118	140,640,610	3.79%
Deferred Outflows of Resources:							
Deferred outflows	53,530				53,530	0	100.00%
Deferred outflows related to bond refunding	811,345	892,921			811,345	892,921	-9.14%
Deferred outflows related to pensions	4,449,669	5,602,465	709,438	1,015,757	5,159,107	6,618,222	-22.05%
Total Deferred Outflows of Resources	5,314,544	6,495,386	709,438	1,015,757	6,023,982	7,511,143	-19.80%
Liabilities:							
Current and other liabilities	5,187,261	4,028,271	2,597,196	2,221,248	7,784,457	6,249,519	24.56%
Long-term liabilities	61,381,797	59,978,395	12,326,508	12,880,338	73,708,305	72,858,733	1.17%
Total Liabilities	66,569,058	64,006,666	14,923,704	15,101,586	81,492,762	79,108,252	3.01%
Deferred Inflows of Resources:							
Deferred inflows related to pensions	7,709,349	5,231,113	1,229,149	948,429	8,938,498	6,179,542	44.65%
Developer construction advances	31,509	31,509			31,509	31,509	0.00%
Deferred inflows - unearned revenues	1,430,442	411,974			1,430,442	411,974	247.22%
Total Deferred Inflows of Resources	9,171,300	5,674,596	1,229,149	948,429	10,400,449	6,623,025	57.03%
Net Position							
Net investment in capital assets	39,235,760	32,725,542	26,745,127	23,359,822	65,980,887	56,085,364	17.64%
Restricted	15,465,959	19,716,389			15,465,959	19,716,389	-21.56%
Unrestricted	-20,076,117	-11,843,465	-1,263,840	-1,537,812	-21,339,957	-13,381,277	59.48%
Total Net Position	\$ 34,625,602	40,598,466	25,481,287	21,822,010	60,106,889	62,420,476	-3.71%
<p>The City's total assets increased \$5,335,508 during 2023 with governmental activities showing an increase of \$1,267,074 and business-type activities showing an increase of \$4,068,434. The increase was primarily due to an increase in capital assets, net in governmental activities and business-type activities. Deferred outflows in governmental activities increased \$53,530, deferred outflows related to bond refunding decreased \$81,576 and deferred outflows related to pensions decreased \$1,459,115.</p> <p>The City's total liabilities increased \$2,384,510, due mainly to the increase in long-term liabilities in governmental activities in 2023. Deferred inflows for developer construction advances was unchanged, deferred inflows related to pension increased \$2,758,956, and unearned revenues increased \$1,018,468 in 2023.</p> <p>The City's net position decreased \$2,313,587 due mainly to net increase in deferred inflows of resources.</p>							

Table 2 shows the Changes in Net Position for the September 30, 2023 year end.
 A comparative analysis of government-wide data is as follows:

Table 2							
Changes in Net Position							
2023							
	Governmental Activities		Business-type Activities		Total		Percent
	2023	2022	2023	2022	2023	2022	Change
Revenues:							
Program revenues:							
Charges for services	\$ 8,170,789	10,353,777	14,365,487	13,615,232	22,536,276	23,969,009	-5.98%
Operating grants	30,105	35,347		600,000	30,105	635,347	-95.26%
Capital grants	4,322,885	6,302,697	381,788		4,704,673	6,302,697	-25.35%
General revenues:							
Sales and use taxes	10,614,366	9,713,918			10,614,366	9,713,918	9.27%
Property taxes	8,552,413	8,321,349			8,552,413	8,321,349	2.78%
Other	-566,999	4,187,248	3,845,885	1,961,434	3,278,886	6,148,682	-46.67%
Total Revenues	31,123,559	38,914,336	18,593,160	16,176,666	49,716,719	55,091,002	-9.76%
Program Expenses:							
General government	4,020,294	2,293,162			4,020,294	2,293,162	75.32%
Public safety	14,769,288	6,783,455			14,769,288	6,783,455	117.73%
Public services	5,493,330	4,003,018			5,493,330	4,003,018	37.23%
Culture and recreation	11,412,154	13,793,667			11,412,154	13,793,667	-17.27%
Water and sewer			13,007,343	12,474,319	13,007,343	12,474,319	4.27%
Sanitation			1,926,540	1,697,678	1,926,540	1,697,678	13.48%
Interest and fiscal charges	1,401,357	1,816,151			1,401,357	1,816,151	-22.84%
Total Expenses	37,096,423	28,689,453	14,933,883	14,171,997	52,030,306	42,861,450	21.39%
Change in Net Position	\$ -5,972,864	10,224,883	3,659,277	2,004,669	-2,313,587	12,229,552	-118.92%
Net Position, beginning	40,598,466	30,373,583	21,822,010	19,817,341	62,420,476	50,190,924	24.37%
Net Position, ending	\$ 34,625,602	40,598,466	25,481,287	21,822,010	60,106,889	62,420,476	-3.71%

Governmental Activities. Revenues for the City's governmental activities for the year ended September 30, 2023 were \$31,123,559 compared to \$38,914,336 in 2022. Program revenues decreased 25% primarily as a result of a decrease in charges for services in culture and recreation programs and capital grants in public safety. General revenues are, for the most part, comprised of sales and use taxes and property taxes (85%).

The cost of providing all governmental activities for 2023 was \$37,096,423 and for 2022 was \$28,689,453, a decrease of \$8,406,970 for 2023 and an increase of \$1,615,730 for 2022. Of this amount, general government expenses increased \$1,727,132 in 2023 and decreased \$566,949 in 2022; public safety expenses increased \$7,985,833 for 2023 and decreased \$4,531,824 for 2022; public services expenses increased \$1,490,312 in 2023 and increased \$517,207 in 2022; culture and recreation expenses decreased \$2,381,513 in 2023 and increased \$5,932,800 in 2022; and interest on long-term debt expenses increased \$414,794 in 2023 and increased \$264,496 in 2022.

The City's largest programs are public safety, culture and recreation, public services, and general government. Expenses exceeding revenues are offset by general revenues generated by taxes, investment income and other general revenues.

Business-type Activities. Revenues for business-type activities are primarily comprised of charges for services (77%). Charges for services for the City's business-type activities were \$14,365,487 for 2023 and \$13,615,232 for 2022, an increase of \$750,255 in 2023 and an increase of \$2,068,370 for 2022. Revenue from capital grants was \$600,000 in 2022 compared to \$0 for 2023.

The costs of these business-type activities were \$14,933,883 and \$14,171,997 for 2023 and 2022 respectively, an increase of \$761,886 in 2023 due to increases in water and sewer costs and sanitation costs; and an increase of \$2,487,200 in 2022 due to increases in water and sewer costs and sanitation costs.

FINANCIAL ANALYSIS OF THE CITY'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 current 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.

The financial performance of the City as a whole is reflected in its governmental funds. As the City completed the year, its governmental funds reported a combined fund balance of \$23,172,488, a decrease of \$4,484,508. The fund balance consists of \$15,977,751 or 68.95% which is restricted for specific purposes which are externally imposed. At the end of the year, the amount of fund balance unassigned, which is available for spending for any purpose, is \$7,194,737 or 31.05%.

BUDGETARY HIGHLIGHTS

The City's budget is prepared according to Mississippi law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the City revised the annual operating budget. Schedules showing the original and final budget amounts compared to the City's actual financial activity for the General Fund and Enterprise Fund are provided in this report as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. As of September 30, 2023, the City's total capital assets were \$187,903,798 including land, city buildings, infrastructure, vehicles and furniture and equipment. This amount represents an increase of \$12,250,364 for 2022 to 2023. The accumulated depreciation as of September 30, 2023 was \$74,330,201 and total depreciation expense for the year was \$6,109,144.

Table 3								
Capital Assets at September 30, 2023								
(Net of Depreciation)								
	Governmental Activities		Business-type Activities		Total		Percent Change	
	2023	2022	2023	2022	2023	2022		
Land	\$ 3,209,035	3,209,035	130,377	130,377	3,339,412	3,339,412	0.00%	
Construction in Progress	4,865,318	5,755,258	6,426,028	2,155,720	11,291,346	7,910,978	42.73%	
Buildings	30,856,125	31,929,083	607,945	629,187	31,464,070	32,558,270	-3.36%	
Improvements other than bldg.	37,372,666	31,694,375	26,398,201	28,007,200	63,770,867	59,701,575	6.82%	
Machinery, equipment, vehicles	2,540,065	2,489,305	1,167,837	1,046,280	3,707,902	3,535,585	4.87%	
Total	\$ 78,843,209	75,077,056	34,730,388	31,968,764	113,573,597	107,045,820	6.10%	

Additional information on the City's capital assets can be found in the notes to the financial statements included in this report.

Debt Administration. At September 30, 2023, the City had \$49,775,712 in general obligation bonds and other long-term debt outstanding as shown in the following table.

Table 4								
Outstanding Notes and Long Term Obligations at September 30, 2023								
		Governmental Activities		Business-type Activities		Total		Percent
		2023	2022	2023	2022	2023	2022	Change
General obligation bonds	\$	19,760,000	21,822,000			19,760,000	21,822,000	-9.45%
Special obligation bonds		18,077,000	18,568,000			18,077,000	18,568,000	-2.64%
Revenue bonds				1,440,000	1,560,000	1,440,000	1,560,000	-7.69%
Other long-term liabilities		1,875,000	2,500,000			1,875,000	2,500,000	-25.00%
Capital loans				7,859,972	8,348,007	7,859,972	8,348,007	-5.85%
Compensated absences		360,242	323,712	90,717	81,973	450,959	405,685	11.16%
Capital leases		171,847	107,508	140,934	280,118	312,781	387,626	-19.31%
Total	\$	40,244,089	43,321,220	9,531,623	10,270,098	49,775,712	53,591,318	-7.12%

Additional information on the City's long-term debt can be found in the notes to the financial statements included in this report.

CURRENT ISSUES

New Water Well

The test well is complete and the City will be moving forward with drilling a water well to service Cornerstone Subdivision and surrounding areas. The new well should be complete within 12 - 18 months after the project is bid.

2024 Asphalt Program

An asphalt plan continues in 2024 with milling and overlay of approximately 18 miles.

Orleans Way TIF Project

This Tax Increment Financing Plan for Orleans Way, City of Brandon, Mississippi will be an undertaking of the City of Brandon authorized pursuant to Sections 21-45-1, et. Seq., MS Code 1972 as amended. The Orleans Way project being built off I-20E at exit 54 is underway with a bridge and waterline already complete. Once the remaining infrastructure is contracted, the development will proceed with the construction of a grocery store, a multi-family dwelling and several restaurants.

Brandon Heights

A development adjacent to the Brandon Municipal Complex is in process and will consist of 92 luxury lofts, 18,000 square feet of retail space, including an upscale restaurant, and an 82-room full-service boutique hotel. The Thrash Group plans to begin construction at the end of 2024.

Sewer Extension Project

The Grants Ferry Parkway sewer extension project is in its final stages of construction. This will provide services for future development on the east side of Brandon.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City of Brandon's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Angela Bean, City Clerk at (601) 825-5021.

CITY OF BRANDON
STATEMENT OF NET POSITION
September 30, 2023

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and cash equivalents	\$ 4,907,188	\$ 3,057,158	\$ 7,964,346
Receivables:			
Accounts receivable, net of allowance for uncollectible accounts	-	2,051,738	2,051,738
Ad valorem	295,508	-	295,508
Current sales tax	1,760,640	-	1,760,640
Franchise tax	268,130	-	268,130
Other receivables	281,085	-	281,085
Due from other governments	-	-	-
Investments	3,059,740	-	3,059,740
Inventory	-	251,640	251,640
Internal balances	24,324	(24,324)	-
Restricted cash and cash equivalents	15,497,468	858,401	16,355,869
Capital assets, net	78,957,333	34,730,089	113,687,422
Total assets	<u>105,051,416</u>	<u>40,924,702</u>	<u>145,976,118</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows	53,530	-	53,530
Deferred outflows related to bond refunding	811,345	-	811,345
Deferred outflows related to pensions	4,449,669	709,438	5,159,107
Total deferred inflows of resources	<u>\$ 5,314,544</u>	<u>\$ 709,438</u>	<u>\$ 6,023,982</u>

See accompanying notes to financial statements.

CITY OF BRANDON
STATEMENT OF NET POSITION
September 30, 2023

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Accounts payable	\$ 461,379	\$ 809,129	\$ 1,270,508
Accrued payroll liabilities	420,771	56,126	476,897
Deposits payable	-	858,392	858,392
Liabilities payable from restricted assets:			
Accounts payable	456,534	-	456,534
Accrued interest payable	327,000	9,928	336,928
Long-term liabilities, due within one year:			
Capital improvement loan	-	597,686	597,686
Obligation under capital lease	171,577	140,935	312,512
Bonds payable	3,350,000	125,000	3,475,000
Due in more than one year:			
Capital improvement loan	-	7,262,285	7,262,285
Obligation under capital lease	270	-	270
Bonds payable	36,199,726	1,315,000	37,514,726
Other long-term liabilities	1,875,000	-	1,875,000
Compensated absences	360,242	90,717	450,959
Net pension liability	22,946,559	3,658,506	26,605,065
Total liabilities	<u>66,569,058</u>	<u>14,923,704</u>	<u>81,492,762</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	7,709,349	1,229,149	8,938,498
Developer construction advances	31,509	-	31,509
Deferred inflows - unearned revenues	1,430,442	-	1,430,442
Total deferred inflows of resources	<u>9,171,300</u>	<u>1,229,149</u>	<u>10,400,449</u>
NET POSITION			
Net investment in capital assets	39,235,760	26,745,127	65,980,887
Restricted			
Debt service	4,570,696	-	4,570,696
Capital activities	4,759,467	-	4,759,467
Other	6,135,796	-	6,135,796
Unrestricted	<u>(20,076,117)</u>	<u>(1,263,840)</u>	<u>(21,339,957)</u>
Total net position	<u>\$ 34,625,602</u>	<u>\$ 25,481,287</u>	<u>\$ 60,106,889</u>

See accompanying notes to financial statements.

CITY OF BRANDON
STATEMENT OF ACTIVITIES
For the year ended September 30, 2023

Function / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Totals
					Governmental Activities	Business-Type Activities	
Primary Government							
Governmental activities							
General government	\$ 4,020,294	\$ 79,303	\$ -	\$ -	\$ (3,940,991)	\$ -	\$ (3,940,991)
Public safety	14,769,288	359,573	30,105	669,169	(13,710,441)	-	(13,710,441)
Public services	5,493,330	244,554	-	3,653,716	(1,595,060)	-	(1,595,060)
Culture and recreation	11,412,154	7,487,359	-	-	(3,924,795)	-	(3,924,795)
Debt service - interest and fiscal charges	1,401,357	-	-	-	(1,401,357)	-	(1,401,357)
Total governmental activities	37,096,423	8,170,789	30,105	4,322,885	(24,572,644)	-	(24,572,644)
Business-type activities							
Water and sewer	13,007,343	12,341,553	-	381,788	-	(284,002)	(284,002)
Sanitation	1,926,540	2,023,934	-	-	-	97,394	97,394
Total business-type activities	14,933,883	14,365,487	-	381,788	-	(186,608)	(186,608)
Total primary government	\$ 52,030,306	\$ 22,536,276	\$ 30,105	\$ 4,704,673	(24,572,644)	(186,608)	(24,759,252)
General revenues							
Taxes							
Sales and use taxes				10,614,366			10,614,366
Property taxes				8,552,413			8,552,413
Franchise fees				1,018,703			1,018,703
Other taxes and shared revenue				1,401,938			1,401,938
Investment income				83,808		10,123	93,931
Gain (loss) on sale of assets				36,706		-	36,706
Other				727,608		-	727,608
Transfers				(3,835,762)		3,835,762	-
Total general revenues and other				18,599,780		3,845,885	22,445,665
Change in net position				(5,972,864)		3,659,277	(2,313,587)
Net Position, September 30, 2022				40,598,466		21,822,010	62,420,476
Net Position, September 30, 2023				\$ 34,625,602		\$ 25,481,287	\$ 60,106,889

See accompanying notes to financial statements.

**CITY OF BRANDON
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023**

	General Fund	Debt Service Fund	Capital Projects Fund	Amphitheater Fund	2% Sales Tax Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 3,365,754	\$ 3,940,211	\$ 4,216,002	\$ 2,631,203	1,543,457	\$ 2,031,183	\$ 17,727,810
Receivables							
Ad valorem and road taxes	149,366	106,314	-	-	-	-	255,680
Current sales tax	1,622,368	-	-	-	138,272	-	1,760,640
Franchise tax	101,957	-	-	-	-	-	101,957
Other receivables	7,482	-	-	273,602	-	-	281,084
Investments	2,039,827	-	-	-	-	1,019,913	3,059,740
Deferred outflows				53,530			53,530
Restricted cash	2,676,846	-	-	-	-	-	2,676,846
Internal Balances - due from other funds	93	-	1,000,000	-	-	-	1,000,093
Total Assets	<u>9,963,693</u>	<u>4,046,525</u>	<u>5,216,002</u>	<u>2,958,335</u>	<u>1,681,729</u>	<u>3,051,096</u>	<u>26,917,380</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	395,135	-	456,535	66,239	-	-	917,909
Accrued wages payable	407,199	-	-	13,573	-	-	420,772
Internal Balances - due to other funds	971,499	-	-	4,270	-	-	975,769
Deferred inflows - Unearned revenues	-	-	-	1,430,442	-	-	1,430,442
Total Liabilities	<u>1,773,833</u>	<u>-</u>	<u>456,535</u>	<u>1,514,524</u>	<u>-</u>	<u>-</u>	<u>3,744,892</u>
Fund Balance							
Restricted	995,123	4,046,525	4,759,467	1,443,811	1,681,729	3,051,096	15,977,751
Unassigned	7,194,737	-	-	-	-	-	7,194,737
Total Fund Balances	<u>8,189,860</u>	<u>4,046,525</u>	<u>4,759,467</u>	<u>1,443,811</u>	<u>1,681,729</u>	<u>3,051,096</u>	<u>23,172,488</u>
Total Liabilities and Fund Balances	<u>\$ 9,963,693</u>	<u>\$ 4,046,525</u>	<u>\$ 5,216,002</u>	<u>\$ 2,958,335</u>	<u>1,681,729</u>	<u>\$ 3,051,096</u>	<u>\$ 26,917,380</u>

See accompanying notes to financial statements.

CITY OF BRANDON
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
September 30, 2023

Total fund balances - governmental funds \$ 23,172,488

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Governmental capital assets	121,339,662	
Less accumulated depreciation	<u>(42,382,329)</u>	78,957,333

Certain items are not available to pay for current period expenditures and, therefore, are either deferred or not applicable to funds.

Deferred outflows		53,530
Deferred outflows and inflows related to pensions		(3,259,680)
Deferred outflows related to bond refunding		811,345
Receivable on franchise taxes		166,173

Certain items are not due and payable in the current period and, therefore, are either deferred or not reported in the governmental funds.

Interest payable		(340,702)
Deferred inflows for developer construction advances		(31,509)

Long-term liabilities (including current portion due) are not due and payable in the current period and accordingly are not reported in the governmental funds.

(64,903,376)

Net position of governmental activities \$ 34,625,602

CITY OF BRANDON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended September 30, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Amphitheater Fund	2% Sales Tax Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues							
Property tax	\$ 5,409,475	\$ 3,471,599	\$ -	\$ -	\$ -	\$ -	\$ 8,881,074
Sales tax	8,635,582	-	-	-	-	-	8,635,582
Sales tax - restaurants & hotels	-	-	-	-	1,742,787	-	1,742,787
Franchise tax	983,773	-	-	-	-	-	983,773
Licenses and permits	275,298	-	-	-	-	-	275,298
State shared revenues	949,519	-	1,000,000	-	-	1,994,855	3,944,374
County shared revenues	1,717,214	-	-	-	-	-	1,717,214
Charges for services	173,364	-	-	7,362,553	-	-	7,535,917
Fines and forfeitures	359,573	-	-	-	-	-	359,573
Other revenues	512,308	9,655	17,047	138,324	-	25,721	703,055
Total Revenues	19,016,106	3,481,254	1,017,047	7,500,877	1,742,787	2,020,576	34,778,647
Expenditures							
Current (operating)							
General government	2,330,643	-	-	-	24,737	-	2,355,380
Public safety	7,883,732	-	-	-	-	175,459	8,059,191
Public services	3,328,457	-	-	-	-	-	3,328,457
Culture and recreation	2,310,387	-	-	6,694,335	94,240	-	9,098,962
Capital outlay	4,915,553	-	4,088,472	125,052	790,511	2,003,768	11,923,356
Debt service							
Principal	67,632	3,122,000	-	-	-	-	3,189,632
Interest and fiscal charges	-	1,262,541	-	-	-	39,661	1,302,202
Total Expenditures	20,836,404	4,384,541	4,088,472	6,819,387	909,488	2,218,888	39,257,180
Excess of revenues over (under) expenditures	(1,820,298)	(903,287)	(3,071,425)	681,490	833,299	(198,312)	(4,478,533)
Other financing sources and uses, including transfers							
Payments to bond escrow agent	-	(62,000)	-	-	-	-	(62,000)
Proceeds from sale of assets	49,706	-	-	-	-	6,319	56,025
Transfers in (out)	933,888	1,621,560	-	11,597	(1,806,482)	(760,563)	-
Total other financing sources and (uses)	983,594	1,559,560	-	11,597	(1,806,482)	(754,244)	(5,975)
Net change in fund balances	(836,704)	656,273	(3,071,425)	693,087	(973,183)	(952,556)	(4,484,508)
Fund Balances, September 30, 2022	9,026,564	3,390,252	7,830,892	750,724	2,654,912	4,003,652	27,656,996
Fund Balances, September 30, 2023	\$ 8,189,860	\$ 4,046,525	\$ 4,759,467	\$ 1,443,811	\$ 1,681,729	\$ 3,051,096	\$ 23,172,488

See accompanying notes to financial statements.

CITY OF BRANDON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the year ended September 30, 2023

Net change in fund balances - governmental funds \$ (4,484,508)

Amounts reported for governmental activities in Statement of
 Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of capital assets is depreciated over their estimated useful lives. In the current period, these amounts are:

Capital outlay	\$ 7,887,189	
Depreciation expense	<u>(3,974,291)</u>	3,912,898

Some revenues and expenses reported in the statement of activities are not available for spending or do not require the use of current resources, and, therefore are not reported as revenues or expenditures in the governmental funds.

Change in compensated absences		(36,530)
Pension expense for the current period		(8,532,269)
Interest expense and deferred charge amortization		(89,008)
Change in Long Term Receivables		34,930
Other revenues (expenses)		<u>93,293</u>

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt issuance proceeds	51,199	
Retirement of debt	<u>3,077,131</u>	<u>3,128,330</u>

Change in net position - governmental funds \$ (5,972,864)

See accompanying notes to financial statements.

CITY OF BRANDON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

	Business-Type Activities		Totals
	Enterprise Funds		
	Water & Sewer Fund	Sanitation Fund	
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,883,067	\$ 174,091	\$ 3,057,158
Receivables			
Accounts receivable, net of allowance for uncollectible accounts	1,726,575	325,163	2,051,738
Due from other governments	-	-	-
Internal Balances - due from other funds	-	-	-
Inventory	251,640	-	251,640
Total current assets	<u>4,861,282</u>	<u>499,254</u>	<u>5,360,536</u>
Noncurrent assets			
Restricted cash	858,401	-	858,401
Capital assets, net	34,390,693	339,396	34,730,089
Total noncurrent assets	<u>35,249,094</u>	<u>339,396</u>	<u>35,588,490</u>
Total assets	<u>40,110,376</u>	<u>838,650</u>	<u>40,949,026</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pensions	702,198	7,240	709,438
Total deferred outflows of resources	<u>702,198</u>	<u>7,240</u>	<u>709,438</u>
LIABILITIES			
Current liabilities			
Accounts payable	808,665	464	809,129
Accrued payroll liabilities	55,463	663	56,126
Accrued interest payable	9,928	-	9,928
Internal Balances - due to other funds	24,324	-	24,324
Meter deposits payable	858,392	-	858,392
Current portion of capital improvement loan	597,686	-	597,686
Current portion of capital lease payable	-	140,935	140,935
Current portion of revenue bonds	125,000	-	125,000
Total current liabilities	<u>2,479,458</u>	<u>142,062</u>	<u>2,621,520</u>
Noncurrent liabilities			
Compensated absences	87,414	3,303	90,717
Net pension liability	3,621,171	37,335	3,658,506
Capital improvement loan	7,262,285	-	7,262,285
Revenue bonds	1,315,000	-	1,315,000
Total noncurrent liabilities	<u>12,285,870</u>	<u>40,638</u>	<u>12,326,508</u>
Total liabilities	<u>14,765,328</u>	<u>182,700</u>	<u>14,948,028</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	1,216,605	12,544	1,229,149
Total deferred inflows of resources	<u>1,216,605</u>	<u>12,544</u>	<u>1,229,149</u>
NET POSITION			
Net investment in capital assets	26,405,722	339,396	26,745,118
Unrestricted	(1,575,090)	311,250	(1,263,840)
Total net position	<u>\$ 24,830,641</u>	<u>\$ 650,646</u>	<u>\$ 25,481,287</u>

See accompanying notes to financial statements.

CITY OF BRANDON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended September 30, 2023

	Business-Type Activities Enterprise Funds		
	Water & Sewer Fund	Sanitation Fund	Totals
Operating Revenues			
Charges for services	\$ 12,341,553	\$ 2,023,934	\$ 14,365,487
Total operating revenues	<u>12,341,553</u>	<u>2,023,934</u>	<u>14,365,487</u>
Operating Expenses			
Personnel services	2,504,729	28,755	2,533,484
Supplies, services and other charges	8,168,268	1,853,257	10,021,525
Depreciation and amortization	<u>2,093,054</u>	<u>41,800</u>	<u>2,134,854</u>
Total operating expenses	<u>12,766,051</u>	<u>1,923,812</u>	<u>14,689,863</u>
Operating income (loss)	<u>(424,498)</u>	<u>100,122</u>	<u>(324,376)</u>
Nonoperating revenues (expenses)			
Capital grant	381,788	-	381,788
Interest income	9,816	307	10,123
Interest expense and bond fees	<u>(241,292)</u>	<u>(2,728)</u>	<u>(244,020)</u>
Total nonoperating revenues (expenses)	<u>150,312</u>	<u>(2,421)</u>	<u>147,891</u>
Income (loss) before transfers	<u>(274,186)</u>	<u>97,701</u>	<u>(176,485)</u>
Transfers	<u>3,835,762</u>	<u>-</u>	<u>3,835,762</u>
Change in net position	3,561,576	97,701	3,659,277
Net Position, September 30, 2022	<u>21,269,065</u>	<u>552,945</u>	<u>21,822,010</u>
Net Position, September 30, 2023	<u>\$ 24,830,641</u>	<u>\$ 650,646</u>	<u>\$ 25,481,287</u>

See accompanying notes to financial statements.

**CITY OF BRANDON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2023**

	Business-Type Activities		
	Enterprise Funds		
	Water & Sewer Fund	Sanitation Fund	Totals
Cash flows from operating activities			
Cash received from customers	\$ 12,003,171	\$ 1,982,975	\$ 13,986,146
Cash payments for goods and services	(8,060,849)	(1,853,553)	(9,914,402)
Cash payments for personnel services	(1,485,493)	(18,181)	(1,503,674)
Net cash provided by operating activities	<u>2,456,829</u>	<u>111,241</u>	<u>2,568,070</u>
Cash flows from non-capital financing activities			
Operating transfers (to) from other funds	<u>3,835,762</u>	-	<u>3,835,762</u>
Net cash provided (used) by non-capital financing activities	<u>3,841,912</u>	-	<u>3,841,912</u>
Cash flows from capital and related financing activities			
Proceeds from capital loan and leases	51,199	-	51,199
Principal paid on notes payable and capital leases	(659,234)	(139,184)	(798,418)
Interest paid on notes and capital leases	(241,292)	(2,728)	(244,020)
Acquisition and construction of capital assets	(4,896,479)	-	(4,896,479)
Proceeds from capital grants	<u>381,788</u>	-	<u>381,788</u>
Net cash used for capital and related financing activities	<u>(5,364,018)</u>	<u>(141,912)</u>	<u>(5,505,930)</u>
Cash flows from investing activities			
Interest on investments	<u>11,061</u>	<u>307</u>	<u>11,368</u>
Net cash provided (used) by investing activities	<u>11,061</u>	<u>307</u>	<u>11,368</u>
Net increase (decrease) in cash and cash equivalents	945,784	(30,364)	915,420
Cash and cash equivalents, October 1, 2022	<u>2,795,684</u>	<u>204,455</u>	<u>3,000,139</u>
Cash and cash equivalents, September 30, 2023	<u>\$ 3,741,468</u>	<u>\$ 174,091</u>	<u>\$ 3,915,559</u>
Cash and cash equivalents consists of the following statement of net position amounts			
Cash and cash equivalents	\$ 2,883,067	\$ 174,091	\$ 3,057,158
Restricted cash	<u>858,401</u>	-	<u>858,401</u>
Total cash and cash equivalents	<u>\$ 3,741,468</u>	<u>\$ 174,091</u>	<u>\$ 3,915,559</u>

See accompanying notes to financial statements.

CITY OF BRANDON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2023

	Business-Type Activities Enterprise Funds		Totals
	Water & Sewer Fund	Sanitation Fund	
Reconciliation of operating income to net cash provided by operating activities			
Operating income (loss)	\$ (424,498)	\$ 100,122	\$ (324,376)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	2,093,054	41,800	2,134,854
Changes in assets and liabilities			
(Increase) decrease in accounts receivable, net	(351,022)	(40,959)	(391,981)
(Increase) decrease in inventory	(9,033)	-	(9,033)
(Increase) deferred outflow of resources	302,925	3,394	306,319
Increase (decrease) in accounts payable	116,452	(296)	116,156
Increase (decrease) in customer meter deposits	12,640	-	12,640
Increase (decrease) in payroll liabilities	46,677	558	47,235
Increase (decrease) in compensated absences	7,821	923	8,744
Increase (decrease) in pension liability	383,709	3,085	386,794
Increase (decrease) in deferred inflows of resources	278,104	2,615	280,719
Net cash provided (used) by operating activities	\$ <u>2,456,829</u>	\$ <u>111,241</u>	\$ <u>2,568,070</u>

See accompanying notes to financial statements.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

The City of Brandon was incorporated on December 19, 1831. The city operates under a mayor-board of aldermen form of government (also known as "code charter form") that provides all of the rights and privileges provided by statute for municipalities. The accounting policies of the City of Brandon conform to generally accepted accounting principles as applicable to governments.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its own budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

Based on the application of the criteria above, no component units of the City of Brandon were identified.

Financial Statement Presentation

The basic financial statements are prepared in conformity with GAAP, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities on the statement of net position and statement of activities. The City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Management's Discussion and Analysis provides an analytical overview of the City's financial activities. In addition, a budgetary comparison schedule is presented that compares the original adopted and final amended General Fund budget with actual results.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for services.

The statement of net position is designed to display the financial position of the primary government (governmental and business-type activities) and its component units. Governments will report all capital assets, including infrastructure, in the government-wide statement of net position and will report depreciation expense in the statement of activities.

The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. Direct expenses are those that are clearly identifiable with a specific activity or program. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given activity

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

or program, and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular activity or program. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund financial statements display the financial transactions and accounts of the City based on funds. The operation of each fund is considered to be an independent accounting entity. The fund financial statements also include reconcilements to the government-wide statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial treatment applied to a fund is determined by its measurement focus. The government-wide financial statements, proprietary fund financial statements, and the fiduciary fund financial statements are all reported using the *economic resources measurement focus* and the accrual basis of accounting. Under this focus and basis, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the cash is received or expended.

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received.

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year; taxpayer assessed income and sales taxes are considered "measurable" when received by intermediary collecting governments and are recognized as revenue at that time. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable, except for principal and interest payments on general long-term debt, which are recognized when due.

Major Governmental Funds

The General 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.

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

The Capital Projects Fund accounts for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

The Amphitheater Fund is a special revenue fund which is used to account for revenues generated from and expenditures related to the operation of the Amphitheater.

The 2% expenditures is used to account for the receipts and expenditures of the 2% additional sales tax on restaurants.

Non-Major Governmental Fund Types

In addition to the major funds listed above, the City reports on the non-major governmental funds:

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

The Drug Seizure Fund is a special revenue fund which is used to account for revenues generated from sources such as grants, contributions and drug forfeitures. This fund expends those revenues for drug trafficking prevention.

The Infrastructure Fund accounts for financial resources provided by the State of Mississippi through the Infrastructure Modernization Act.

The 2022 GO Note Fund accounts for financial resources provided by issuance of the 2022 general obligation note payable.

Major Proprietary Fund

The Water and Sewer Fund and the Sanitation Fund are used to account for the operations of the City's water and wastewater systems and waste disposal respectively, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 of the Water and Sewer Fund and the Sanitation Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fund Balance

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. When both restricted and unrestricted fund balance is available for use, it is the City's policy to use restricted fund balance first. When expenditures qualify for more than one unrestricted fund balance classification, it is the City's policy to use resources in the following order: Committed, assigned, and then unassigned.

Nonspendable fund balance - amounts that are not in nonspendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority, the Board of Alderman. To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts the City intends to use for a specific purpose. Intent can be expressed by the Board of Alderman or by an official to which the Board delegates this responsibility.

Unassigned fund balance - amounts that are available for any purpose.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

For purposes of the Statement of Cash Flows, the Proprietary Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Interfund loans or transactions between funds that are representative of lending/borrowing arrangements are reported as "advances from and to other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Interfund receivables and payables between funds are eliminated in the government-wide financial statements on the Statement of Net Position.

Receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is estimated based on professional judgment and historical information.

Property Tax

As of January 1 of each calendar year, property taxes attach as an enforceable lien on property. Taxes are levied as of January 1 and are payable on or before February 1. All property taxes are collected and remitted to the city by the county tax collector. The millage rate for the city for January through December 31, 2023, was 33 mills. Of that amount, 20 mills were for general fund and 13 mills for the debt service fund. The taxes were distributed to funds in accordance with prescribed tax levies. Remaining uncollected taxes were not accrued. An annual tax sale is held for uncollected taxes.

Inventory

No inventories are maintained in the General Fund. Supplies are recorded as expenditures when purchased. Inventories in the proprietary funds consist of supplies, which are recorded at cost (calculated on the first-in, first-out basis).

Restricted Assets

Certain resources of the City are classified as restricted assets on the balance sheet. These funds are maintained in separate accounts and their use is limited by applicable law, bond covenants or agreement.

Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. The City defines capital assets as assets with an estimated useful life in excess of two years and an initial cost of more than \$5,000. The cost of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight line method over the following useful lives:

Buildings	40 years
Building improvements	10-40 years

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Computer Equipment and Peripherals	3 years
Heavy Equipment	10 years
Furniture and Fixtures	7 years
Improvements other than Buildings	10-20 years
Infrastructure	20-50 years
Vehicles and Equipment	5 years

Compensated Absences

The City records the vested portion of accumulated unused compensated absences at year-end based on each employee's accumulated unused hours and rate of pay. All compensated absences are accrued when incurred in the governmental-wide and proprietary fund financial statements. Compensated absences expected to be liquidated with expendable available financial resources are reported as expenditures and fund liabilities of the governmental fund that will make the payments.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Long-term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond Discounts, Premiums and Issuance Costs

In the fund financial statements, bond premiums, discounts and issuance costs are recognized as revenues/expenditures in the period incurred. In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds payable using the straight-line method. Bond premiums and discounts are presented as additions/reductions to the face amount of the bonds payable. Bond issuance costs are recognized as an expense as incurred.

Pensions

Financial reporting information pertaining to the City's participation in the Public Employees' Retirement System of Mississippi ("PERS") is prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of PERS have been determined on the same basis as they are reported by PERS. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

statutes governing PERS. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the City's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Data

Comparative total data for the prior year have been presented in the supplementary comparison schedules in order to provide an understanding of changes in the respective funds' financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make statements unduly complex and difficult to understand.

Reclassifications

Certain prior year amounts have been reclassified in the financial statements to conform to current year presentation.

(2) Budget and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to September 1, the Mayor submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- During September, the budget must be published in a newspaper published in the city (or the county if none is published by the city).
- Prior to the adoption of the budget, at least one public hearing is held by the Board of Aldermen to provide the general public with an opportunity to comment on the taxing and spending plan incorporated in the proposed budget. The public hearing must be held at least one week prior to the adoption of the budget with advance notice and held outside normal working hours.
- Prior to September 15, the budget is legally enacted through passage of an ordinance.
- Routine budget revisions may be made by the Board as often as necessary. However, when a department's total budget has been revised up or down by ten percent (10%) or more, public notice must be given of the change. Also, during the first three months of office, while operating under the prior Board's budget, the new Board is limited to one revision if a deficit is evident.
- It is the City's policy for the Board to approve all budget transfers between departments and/or funds.
- Formal budgetary integration is employed as a management control device during the year for the various funds. Budgeting data presented is as originally adopted or amended by the

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Board of Aldermen.

- Budgets for the various funds are not adopted on a basis consistent with generally accepted accounting principles (GAAP) but rather on a modified cash basis as required by State statutes.

(3) Deposits and Investments

Mississippi Code Section 21-33-323 allows municipalities to maintain deposits in banks and savings and loan associations insured by the Federal Deposit Insurance Corporation. Municipalities may also invest in obligations of the United States of America or the State of Mississippi, or of any county, school district or municipal bonds that have been approved by a reputable bond attorney or have been validated by decree of the chancery court, or in obligations issued or guaranteed in full as to principal and interest by the United States of America which are subject to a repurchase agreement with a qualified depository.

Custodial Credit Risk

State statute requires that all deposits in financial institutions be collateralized in an amount at least equal to 105% of the amount not insured by the Federal Deposit Insurance Corporation (FDIC). The City participates in the State Treasurer's collateral pool. The City's deposits were fully insured or collateralized with securities held by this pool at September 30, 2023.

At September 30, 2023, the carrying amount of the City's deposits was \$24,320,215 and the bank balance was \$25,706,623.

(4) Receivables

Receivables of the proprietary funds are recorded net of uncollectible amounts.

Allowances for doubtful accounts are as follows:

Allowances related to Water and Sewer Fund receivables	\$ 873,464
Allowances related to Sanitation Fund receivables	67,500
Total	\$ <u>940,964</u>

(5) Interfund Advances and Transfers

1. Individual fund interfund receivable and payable balances at September 30, 2023 were:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Water & Sewer Fund	\$ <u>24,324</u>
Net Internal Balances		\$ <u>24,324</u>

Due from and due to balances result from interfund loans and are recorded as current assets and liabilities in the financial statements. The difference between the fund statement balances for due from/due to balances and the internal balances on the government-wide statements consolidates the amount due from the Sanitation Fund to the General Fund with the amount due from the General Fund to the Water and Sewer Fund.

2. Interfund transfers between the Capital Projects Fund, the Water and Sewer Fund and the Sanitation Fund reflect the transfer of assets and accumulated depreciation between the funds.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Interfund transfers from the General Fund to the Debt Service Fund were made for the payment of debt service.

(6) Capital Assets

A summary of changes in Capital Assets at September 30, 2023 follows:

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

	Balance 09/30/22	Increases	Decreases	CIP Completed	Balance 09/30/23
Governmental Activities					
Non-depreciable					
Land	\$ 3,209,035	\$ -	\$ -	\$ -	3,209,035
Construction in progress	5,755,259	6,822,011	-	(7,711,952)	4,865,318
Total	<u>8,964,294</u>	<u>6,822,011</u>	<u>-</u>	<u>(7,711,952)</u>	<u>8,074,353</u>
Depreciable					
Buildings	40,788,738	17,211	-	-	40,805,949
Improvement other than bldg.	52,982,350	186,595	-	7,711,952	60,880,897
Machinery, equip. & vehicles	11,136,273	868,072	(425,880)	-	11,578,465
Total	<u>104,907,361</u>	<u>1,071,878</u>	<u>(425,880)</u>	<u>7,711,952</u>	<u>113,265,311</u>
Less accum. depreciation					
Buildings	8,859,655	1,090,169	-	-	9,949,824
Improvement other than bldg.	21,287,977	2,220,254	-	-	23,508,231
Machinery, equip. & vehicles	8,646,968	663,868	(386,560)	-	8,924,276
Total	<u>38,794,600</u>	<u>3,974,291</u>	<u>(386,560)</u>	<u>-</u>	<u>42,382,331</u>
Governmental Activities, net	<u>\$ 75,077,055</u>	<u>\$ 3,919,598</u>	<u>\$ (39,320)</u>	<u>\$ -</u>	<u>\$ 78,957,333</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 271,652
Public safety	466,271
Public service	1,333,591
Culture and recreation	1,902,776
	<u>\$ 3,974,290</u>

Business-type Activities					
Non-depreciable					
Land	\$ 130,377	\$ -	\$ -	\$ -	130,377
Construction in progress	2,155,719	4,278,319	-	(8,010)	6,426,028
Total	<u>2,286,096</u>	<u>4,278,319</u>	<u>-</u>	<u>(8,010)</u>	<u>6,556,405</u>
Depreciable					
Buildings	1,109,514	-	-	-	1,109,514
Improvement other than bldg.	55,302,961	288,488	-	8,010	55,599,459
Machinery, equip. & vehicles	3,083,208	329,672	-	-	3,412,880
Total	<u>59,495,683</u>	<u>618,160</u>	<u>-</u>	<u>8,010</u>	<u>60,121,853</u>
Less accum. depreciation					
Buildings	480,327	21,242	-	-	501,569
Improvement other than bldg.	27,295,762	1,905,795	-	-	29,201,557
Machinery, equip. & vehicles	2,036,927	208,116	-	-	2,245,043
Total	<u>29,813,016</u>	<u>2,135,153</u>	<u>-</u>	<u>-</u>	<u>31,948,169</u>
Business-type Activities, net	<u>\$ 31,968,763</u>	<u>\$ 2,761,326</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,730,089</u>

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Obligations under capital lease

The City has entered into the following lease agreements as of September 30, 2023, which qualify as capital leases for accounting purposes:

	Governmental Activities	Business-type Activities
Lease dated May 11, 2021 with PriorityOne for the acquisition of equipment in the amount of \$191,687 payable in 36 monthly payments of \$5,456	64,424	-
Lease dated October 4, 2021, with Bancorpsouth Leasing for the acquisition of equipment in the amount of \$418,000 payable in 36 monthly payments of \$11,826.	\$ -	140,934
Total obligations under capital leases	\$ <u>64,424</u>	\$ <u>140,934</u>

As of September 30, 2023, the City had future minimum payments under capital leases as follows:

	Governmental Activities	Business-type Activities
September 30: 2024	\$ 64,424	\$ 140,934
Total	<u>64,424</u>	<u>140,934</u>
Less amount representing interest	<u>268</u>	<u>977</u>
Present value of future minimum lease payments	\$ <u>64,156</u>	\$ <u>139,957</u>
Cost of equipment	\$ <u>191,687</u>	\$ <u>418,000</u>
Accumulated depreciation	\$ <u>57,504</u>	\$ <u>83,600</u>

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

(7) Long-Term Debt

Transactions for the fiscal year ended September 30, 2023, are summarized as follows:

<u>Governmental Activities</u>	Balance 09/30/22	Additions	Payments	Balance 09/30/23
General obligation bonds	\$ 21,822,000	\$ -	\$ 2,062,000	\$ 19,760,000
Special obligation bonds	18,568,000	-	491,000	18,077,000
Other long-term liabilities	2,500,000	-	625,000	1,875,000
Obligations under capital lease	107,508	-	(64,339)	171,847
Compensated absences	323,712	-	(36,530)	360,242
Total governmental activities	<u>43,321,220</u>	<u>-</u>	<u>3,077,131</u>	<u>40,244,089</u>
 <u>Business-type Activities</u>				
Capital improvement loans	8,348,007	51,199	539,234	7,859,972
Obligations under capital lease	280,118	-	139,184	140,934
Revenue bonds	1,560,000	-	120,000	1,440,000
Compensated absences	81,973	-	(8,744)	90,717
Total business-type activities	<u>10,270,098</u>	<u>51,199</u>	<u>789,674</u>	<u>9,531,623</u>
Total government-wide	<u>\$ 53,591,318</u>	<u>\$ 51,199</u>	<u>\$ 3,866,805</u>	<u>\$ 49,775,712</u>

For governmental activities, compensated absences and capital loans and leases payable are liquidated by the general fund. Bonds are liquidated by the debt service fund.

The annual requirements to amortize loans and bonds outstanding as of September 30, 2023, including interest payments are as follows:

Year Ended 30-Sep	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ 3,350,000	\$ 1,336,596	\$ 722,687	\$ 192,556	\$ 5,601,839
2025	3,843,000	1,255,255	741,409	177,150	6,016,814
2026	3,065,000	998,647	755,457	160,163	4,979,267
2027	2,265,000	918,891	768,374	140,730	4,092,995
2028	2,319,000	863,038	715,908	62,847	3,960,793
2029-2033	11,302,000	3,354,370	2,855,263	446,651	17,958,284
2034-2038	6,683,000	1,796,309	1,936,132	202,108	10,617,549
2039-2043	3,900,000	1,079,465	804,742	44,212	5,828,419
2043-2047	2,985,000	243,599	-	-	3,228,599
Total	<u>\$ 39,712,000</u>	<u>\$ 11,846,170</u>	<u>\$ 9,299,972</u>	<u>\$ 1,426,417</u>	<u>\$ 62,284,559</u>

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Capital Improvement Loans

Capital improvement loans are funds provided to municipalities from state agencies for the improvement of public facilities and infrastructure to assist with business locations and expansions with community-based projects.

<u>Description</u>	<u>Governmental Activities</u>	<u>Business- type</u>
\$1,200,551 Water Pollution Control Revolving Loan for pollution control improvements through the Mississippi Department of Environmental Quality. Monthly payments of \$6,466 for a period of 235 months through 08/01/27. Interest is 2.5% APR.	\$ -	\$ 289,217
\$3,014,742 Water Pollution Control Revolving Loan for pollution control improvements through the Mississippi Department of Environmental Quality. Monthly payments of \$17,660 for a period of 236 months through 10/01/28. Interest is 2.75% APR.	-	970,016
\$800,000 Capital Improvement Revolving Loan for water and sewer improvements through the Mississippi Department of Economic and Community Development. Payments are \$4,047 monthly for 20 years through 11/1/2033. Interest is 2% APR.	-	438,243
\$500,000 Water Pollution Control Revolving Loan for pollution control improvements through the Mississippi Department of Environmental Quality. Monthly payments of \$2,773 for a period of 240 months through 04/01/37. Interest is 3% APR.	-	371,286
\$1,425,843 Water Pollution Control Revolving Loan for pollution control improvements through the Mississippi Department of Environmental Quality. Monthly payments of \$6,280 for a period of 234 months through 09/01/38. Interest is 1.75% APR.	-	993,526
\$990,384 Drinking Water State Revolving Loan for drinking water improvements through the Mississippi State Department of Health. Monthly payments of \$5,056 for a period of 236 months through 09/01/38. Interest is 1.95% APR.	-	788,496
\$5,213,285 Drinking Water State Revolving Loan for drinking water improvements through the Mississippi State Department of Health. Monthly payments of \$26,521 for a period of 237 months through 03/01/32. Interest is 1.95% APR.	-	4,009,188
Total Capital Improvement Loans	\$ -	\$ 7,859,972

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

General Obligation Bonds

General obligation bonds are directed unlimited obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City.

Special Obligation Bonds

Special obligation bonds issued under Mississippi Code Section 31-25-28, the Mississippi Development Bank Act (Bank Act) do not constitute a general obligation of the City. Neither the full faith and credit nor the taxing power of the City has been pledged for the repayment of these bonds. Payments are to be paid from the City revenues. In addition, the Bank Act provides for the intercept of monies owed to the City and held by the Mississippi Department of Revenue or other agencies of the State if the City is deficient in its payments due under the note.

Bonds payable at September 30, 2023, are comprised of the following:

<u>General Obligation Bonds</u>	<u>Governmental Activities</u>	<u>Business- type Activities</u>
\$2,355,000 2015 Refunding Bonds due in annual installments ranging from \$20,000 to \$760,000 for 9 years through September 2024, with interest ranging from 2.0% to 3.0%.	760,000	-
\$13,680,000 2014 Public Improvement Bonds, due in annual installments ranging from \$590,000 to \$940,000 for 10 years through November 2031 with interest ranging from 2.0% to 5.0%.	6,695,000	-
\$5,255,000 2020 Refunding Bonds due in annual installments ranging from \$193,616 to \$1,069,805 for 15 years through September 2035, with interest of 1.85%.	4,930,000	
\$6,000,000 2016 Special Obligation Bonds, Series A (General Obligation Bond), due in annual installments ranging from \$0 to \$900,000 for 15 years through 2031, with interest ranging from 3.0% to 4.0%.	5,700,000	-
\$4,000,000 2020 General Obligation Bonds due in annual installments ranging from \$750,000 to \$850,000 for five years through 2025, with interest ranking from 1.10% to 1.25%.	1,675,000	
	<u>19,760,000</u>	<u>-</u>
Total General Obligation Bonds		

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

<u>Special Obligation Bonds</u>	<u>Governmental Activities</u>	<u>Business- type Activities</u>
\$14,000,000 2016 Special Obligation Bonds, Series B, due in annual installments ranging from \$130,000 to \$6,200,000 for 30 years through 2046, with interest ranging from 3.0% to 4.0%	13,000,000	
\$4,618,000 Special Obligation Refunding Bonds due in semiannual installments ranging from \$56,000 to \$355,000 for 15 years through March 2038, with interest ranging from 1.69% to 2.14%	4,562,000	
\$2,000,000 Water and Sewer Revenue Bonds Sr 2017, due in semi-annual installments ranging from \$105,000 to \$170,000 for 15 years through 2033, with interest ranging from 1.9% to 2.7%.	-	1,440,000
\$6,000,000 2018 Special Obligation Bonds due in annual installments ranging from \$245,000 to \$260,000 for 3 years through 2025, with interest ranging from 2% to 3%.	515,000	-
Total Special Obligation Bonds	18,077,000	1,440,000
Total before premiums/(discounts), net	37,837,000	1,440,000
Premiums/(discounts), net	1,712,726	-
Total Bonds Payable	\$ 39,549,726	\$ 1,440,000

<u>Other Long-Term Liabilities</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
\$2,500,000 General Obligation Note Payable to Bancorpsouth Bank, a division of Cadence Bank, for construction and maintenance of streets and sidewalks, due in 5 annual installments of \$625,000 through June 2026, with an interest rate of 2.66%.	\$ 1,875,000	\$ -
Total Long-Term Liabilities	\$ 1,875,000	\$ -

Limitation of Indebtedness

Mississippi Code Section 21-33-303 prohibits any municipality from issuing bonds secured by a pledge of its full faith and credit for the purposes authorized by law in an amount which, when added to the then outstanding bonded indebtedness of such municipality shall exceed fifteen percent (15%) of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation.

In computing such indebtedness, there may be deducted all bonds or other evidence of indebtedness, heretofore or hereafter issued, for school, water, sewer systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying the municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case shall any municipality contract any indebtedness which, when added to all of the outstanding general obligation indebtedness, both

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

bonded and floating, shall exceed twenty percent (20%) of the assessed value of all taxable property within such municipality according to the last completed assessment for taxation.

Any loan made pursuant to the provisions of Mississippi Code Section 31-25-28 shall not constitute an indebtedness of the local governmental unit within the meaning of any constitutional or statutory limitation or restriction.

The following is a schedule of limitations on the indebtedness of the City as of September 30, 2023:

Authorized Debt Limit:	15 Percent	20 Percent
Assessed valuation for the fiscal year ended September 30, 2023 - \$ 265,569,084	\$ 39,835,363	\$ 53,113,817
Total long-term debt - governmental activities	40,244,089	40,244,089
Less amounts not subject to statutory limitation	(20,484,089)	(18,437,242)
Present debt subject to debt limitation	19,760,000	21,806,847
Margin for further general indebtedness	\$ 20,075,363	\$ 31,306,970

(8) Fund Balances and Restricted Net Position

In 2013, legislation was passed providing for a 2% sales tax of restaurant and bar food and beverage sales to be used by the City to fund the promotion of tourism, parks and recreation, which is set to be repealed after July 1, 2027. At September 30, 2023, the government-wide statement of net position reports \$19,716,389 of restricted net position, of which \$1,543,457 is restricted by this enabling legislation.

(9) Defined Benefit Pension Plan

Plan Description

The City contributes to the Public Employees' Retirement System of Mississippi ("PERS"). 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 PERS, and elected members of the State Legislature and the President of the Senate. PERS administers a cost-sharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*.

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 2.00% 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 2.50% 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. 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

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary.

Contributions

The contributions 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% of their annual covered compensation and employers are required to contribute at an actuarially determined rate. The contributions are deducted from the employee's wages or salary and remitted by the City to PERS. The employer's contractually required contribution rate for the year ended September 30, 2023 was 17.4% of annual covered payroll, and when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to PERS for the years ended September 30, 2023, 2022, and 2021 was \$1,346,361, \$1,240,547, and \$1,246,566, respectively, which was 100% of the required contribution for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2023, the City reported a liability of \$26,605,065 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the City's proportion was 0.105780 percent, which was an increase of .0022 percent from its proportion measured as of June 30, 2022.

Changes in net pension liability are recognized in pension expense with the following exceptions:

Differences Between Expected and Actual Experience.

Differences between actual and expected experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over the average of the expected remaining service lives of active and inactive members. For 2023, this was 3.59 years, which was a decrease of .14 years from the prior year average of 3.73.

Changes in 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.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

- 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, 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, 100% for ages above 76.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The expectation of disabled mortality was changed to PubG.H-2010 Disabled Table for disabled retirees with the following adjustments:
 - For males, 134% of male rates at all ages.
 - For females, 121% of female rates at all ages.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The expectation of contingent annuitant mortality was based on the PubS.H-2010(B) Contingent Annuitant Table with the following adjustments:
 - For males, 97% of male rates at all ages.
 - For females, 110% of female rates at all ages.
 - Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.
- The price inflation assumption was reduced from 2.75% to 2.40%.
- The wage inflation assumption was reduced from 3.00% to 2.65%.
- The investment rate of return assumption was changed from 7.75% to 7.55%.
- The assumed load for administrative expenses was increased from 0.25% to 0.28% of payroll.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to reflect actual experience more closely.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 9% to 12%.
- The percentage of active member deaths assumed to be in in the line of duty was decrease from 6% to 4%.

2019

- The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments:
 - For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

- 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.
- The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Changes in 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.

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions were recognized in pension expense using a straight-line amortization method over the average of the expected remaining service lives of active and inactive members.

For the year ended September 30, 2023, the City recognized pension expense of \$9,506,102 which included net amortization of deferred outflows and deferred inflows. Of this amount, \$8,532,269 was allocated to governmental activities and \$973,833 was allocated to business-type activities.

At September 30, 2023, the City reported \$5,159,107 in deferred outflows of resources and \$8,938,498 in deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 666,152	\$ -
Net difference between projected and actual earnings on pension plan investments	1,040,911	-
Change of assumptions	3,123,934	-
City contributions subsequent to the measurement date	328,110	-
Differences between City contributions and proportionate share of contributions	-	8,938,498
Total	\$ 5,159,107	\$ 8,938,498

The \$328,110 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date and the net difference between expected and actual plan experience and changes in assumptions will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. The \$8,938,498 of deferred inflows resulting from the City's difference between projected and actual investment earnings and from differences between city contributions and proportionate share of contributions will be recognized as an increase in the net pension liability in the year ending September 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense in future years.

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined 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 BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

Mortality rates for service retirees 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 for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants were based on the PubS.H-2010(B) Contingent Annuitant Table, adjusted 97% for males and 110% for females. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2016–June 30, 2020. The experience report is dated April 21, 2023.

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 target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	27%	4.75%
International equity	22%	4.75%
Global	12%	4.95%
Fixed Income	20%	1.75%
Real Estate	10%	3.25%
Private equity	8%	6.00%
Cash	1%	0.25%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00 percent) and that employer contributions will be phased in to 22.40 percent over three fiscal years (17.40 percent for FYE 2024, 19.40 percent for FYE 2025, 21.40 percent for FYE 2026, and 22.40 percent for FYE 2027). 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.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability of the cost-sharing plan, calculated using the discount rate of 7.00%, as well as what the plan’s net pension liability would be if it were calculated

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

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		
	1% Decrease 6.00 %	Current 7.00 %	1% Increase 8.00 %
City's proportional share of the net pension liability	\$ 34,307,908	\$ 26,605,066	\$ 20,284,029

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 financial report. That information may be obtained by going to the PERS website, 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.

(10) Commitments and contingencies

Operating Leases

The City has entered into several operating lease agreements in the conduct of its day-to-day operations to provide for facilities and/or services. None of these operating leases are considered to be significant commitments. The City has also entered into 3 Sixteenth Section land leases with the Rankin County School District as detailed below:

1. Old Brandon Memorial Cemetery – 40 years at \$1,000 per year due each January through 2034.
2. Water tower on Highway 471 – 7 years at \$2,000 per year due each July.
3. Lights of Liberty Cemetery – 25 years at \$200 per year due each July through 2040.

Contingent Liabilities

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Various claims and lawsuits are pending against the City. In the opinion of City management, after consultation with legal counsel, there are no material unfavorable dispositions anticipated against the City.

Construction and Other Significant Commitments

The remaining payments of construction contracts relating to construction or major repairs in progress aggregated approximately \$1,027,349. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds remaining from past bond issues, operating revenues, federal grants and tax receipts to be received.

The City has executed Development and Reimbursement Agreements with developers related to future Tax Increment Financing (TIF) for the ongoing Crossgates Crossing and Grants Ferry Parkway projects. The amount financed will be determined when the projects are completed. The TIF debt will be paid from future revenues generated in the respective project areas. Crossgates Crossing TIF debt

CITY OF BRANDON
NOTES TO FINANCIAL STATEMENTS
For the year ended September 30, 2023

will be paid from future ad valorem receipts. Grants Ferry Parkway TIF debt will be paid with a combination of future ad valorem revenue and sales tax revenue (50%).

The City has approved tax abatements for which the amounts have not yet been established. The abatement of property taxes will be determined based on the difference in unimproved and improved property values upon completion of ongoing construction projects in the Downtown Historic District.

(11) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except as described below, the City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Participation in Public Entity Risk Pool

The City is a member of the Mississippi Municipal Workers' Compensation Group (MMWCG) and the Mississippi Municipal Liability Plan (MMLP), both of which are administered by Municipal Services, Inc. Both groups are risk-sharing pools; such a pool is frequently referred to as a self-insurance pool.

MMWCG covers risks of loss arising from injuries to the city's employees. The Mississippi Workers' Compensation Commission requires that an indemnity agreement be executed by each member in a workers' compensation self-insurance pool for the purpose of jointly and severally binding the pool and each of the employers comprising the group to meet the workers' compensation obligations of each member.

Each member of the MMWCG contributes quarterly to a fund held in trust. The funds in the trust account are used to pay any employee claim. If total claims during a year were to deplete the trust account, then the pool members would be required to pay for the deficiencies. The City has not had an additional assessment for excess losses incurred by the pool.

MMLP covers the risk of loss related to torts and other liability claims. The general policy limit is \$500,000 per occurrence, but the policy also tracks the Mississippi tort claims law for municipalities which limits the City's liability to \$250,000 per occurrence. The policy also covers up to \$1,000,000 in federal claims. As with the MMWCG, pool members would be required to pay for the deficiency should total claims for the year exceed member contributions. The City has received no assessments for excess losses incurred by the pool.

Group Health Insurance

Fox Everett Insurance Company is the claims administrator for the City's health plan. The City self-funds the health plan, but purchases specific stop loss coverage. The specific stop loss insurance assumes the risk for claims on any individual in excess of \$60,000 paid during a calendar year. There was no change in the level of this coverage during the fiscal year.

(12) Subsequent Events

The City evaluated subsequent events through May 21, 2024, the date on which the financial statements were available to be issued and noted no subsequent events to be disclosed.

CITY OF BRANDON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023

	Original Budget	Budget as Amended	Actual	Variance from Final Amended Budget Over (under)
Revenues:				
Taxes	\$ 5,147,073	\$ 5,147,073	\$ 5,453,412	\$ 306,339
Licenses and permits	1,114,321	1,114,321	1,252,123	137,802
State shared revenues	9,413,920	9,413,920	8,938,077	(475,843)
Grants	959,142	959,142	620,845	(338,297)
County shared revenues	876,079	876,079	1,699,356	823,277
Charges for services	154,572	154,572	182,818	28,246
Fines and forfeits	281,094	281,094	359,673	78,579
Other	113,057	113,057	509,802	396,745
Total Revenues	18,059,258	18,059,258	19,016,106	956,848
Expenditures:				
City court				
Personnel costs	264,917	264,917	261,644	(3,273)
Supplies	3,500	9,500	3,352	(6,148)
Charges for services	9,640	11,640	11,132	(508)
Capital expenditures	500	500	-	(500)
Total city court	278,557	286,557	276,128	(10,429)
Elections				
Personnel costs	-	-	-	-
Supplies	300	300	65	(235)
Charges for services	7,000	7,000	638	(6,362)
Capital expenditures	-	-	0	-
Total election	7,300	7,300	703	(6,597)
Executive / Administrative				
Personnel cost	607,359	607,359	619,359	12,000
Supplies	3,000	9,000	7,097	(1,903)
Charges for services	47,940	59,940	56,838	(3,102)
Capital expenditures	5,200	5,200	-	(5,200)
Total executive / administrative	663,499	681,499	683,294	1,795
General Government				
Personnel cost	677,261	677,261	650,049	(27,212)
Supplies	22,495	22,495	19,230	(3,265)
Charges for services	753,044	774,044	704,616	(69,428)
Capital expenditures	489,764	489,764	134,666	(355,098)

**CITY OF BRANDON
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 For the Year Ended September 30, 2023**

	<u>Original Budget</u>	<u>Budget as Amended</u>	<u>Actual</u>	Variance from Final Amended Budget Over (under) <u>(455,003)</u>
Total general government	<u>1,942,564</u>	<u>1,963,564</u>	<u>1,508,561</u>	<u>(455,003)</u>

CITY OF BRANDON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023

	Original Budget	Budget as Amended	Actual	Variance from Final Amended Budget Over (under)
Police Department				
Personnel cost	3,098,259	3,378,259	3,343,506	(34,753)
Supplies	271,241	316,241	302,812	(13,429)
Charges for services	354,130	391,130	344,803	(46,327)
Capital expenditures	61,115	61,115	19,631	(41,484)
Total police department	<u>3,784,745</u>	<u>4,146,745</u>	<u>4,010,752</u>	<u>(135,993)</u>
Fire Department				
Personnel cost	3,913,087	3,913,087	3,380,838	(532,249)
Supplies	155,195	155,195	110,857	(44,338)
Charges for services	360,932	395,932	393,823	(2,109)
Capital expenditures	240,626	2,596,126	383,415	(2,212,711)
Total fire department	<u>4,669,840</u>	<u>7,060,340</u>	<u>4,268,933</u>	<u>(2,791,407)</u>
Street Department				
Personnel cost	266,855	266,855	208,740	(58,115)
Supplies	89,410	89,410	61,183	(28,227)
Charges for services	1,817,539	2,664,000	2,457,379	(206,621)
Capital expenditures	1,611,877	4,934,877	4,062,146	(872,731)
Total street department	<u>3,785,681</u>	<u>7,955,142</u>	<u>6,789,448</u>	<u>(1,165,694)</u>
Community development				
Personnel cost	508,124	508,124	383,699	(124,425)
Supplies	12,900	12,900	8,291	(4,609)
Charges for services	225,549	225,549	104,665	(120,884)
Capital expenditures	26,645	46,645	42,227	(4,418)
Total community development	<u>773,218</u>	<u>793,218</u>	<u>538,882</u>	<u>(254,336)</u>

CITY OF BRANDON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023

	Original Budget	Budget as Amended	Actual	Variance from Final Amended Budget Over (under)
Cemetery Maintenance				
Charges for services	98,772	148,772	94,223	(54,549)
Total cemetery maintenance	98,772	148,772	94,223	(54,549)
Parks Department (includes Senior Citizens)				
Personnel cost	973,940	973,940	878,747	(95,193)
Supplies	183,385	474,000	49,289	(424,711)
Charges for services	817,372	1,817,372	910,311	(907,061)
Capital expenditures	594,946	594,946	228,146	(366,800)
Debt service	65,435	68,435	67,632	(803)
Total parks department	2,635,078	3,928,693	2,134,125	(1,794,568)
Library				
Supplies	3,300	3,300	2,824	(476)
Charges for services	220,338	220,338	128,246	(92,092)
Capital expenditures	185,000	185,000	35,183	(149,817)
Total library	408,638	408,638	166,253	(242,385)
Conference Center				
Personnel cost	127,929	153,929	149,399	(4,530)
Supplies	11,300	12,300	9,917	(2,383)
Charges for services	75,693	200,693	177,942	(22,751)
Capital expenditures	200	14,200	10,139	(4,061)
Total conference center	215,122	381,122	347,397	(33,725)
Total Expenditures	19,263,014	27,761,590	20,818,699	(6,942,891)
Excess of revenues over (under) expenditures	(1,203,756)	(9,702,332)	(1,802,593)	7,899,739

CITY OF BRANDON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023

	Original Budget	Budget as Amended	Actual	Variance from Final Amended Budget Over (under)
Other financing sources (uses):				
Non-revenue receipts	7,000	7,000	49,706	42,706
Operating transfers out	(683,875)	(683,875)	937,263	1,621,138
Total other financing sources (uses)	(676,875)	(676,875)	986,969	1,663,844
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	\$ (1,880,631)	\$ (10,379,207)	(815,624)	\$ 9,563,583
Fund Balance, September 30, 2022			9,026,564	
Adjustments to GAAP Basis:				
Change in accruals			(21,080)	
Fund Balance, September 30, 2023			\$ 8,189,860	

CITY OF BRANDON
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 Mississippi Public Employees' Retirement System
 Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	\$ 26,605,065	\$ 21,317,034	\$ 16,194,334	\$ 18,157,028	\$ 17,510,858	\$ 17,059,260	\$ 17,722,991	\$ 14,431,151
City's proportionate share of the net pension liability	0.105780%	0.103563%	0.109560%	0.103212%	0.105278%	0.102622%	0.099219%	0.092190%
City's covered - employee payroll	7,841,155	7,129,580	7,161,316	6,721,943	6,723,029	6,583,257	6,347,257	5,832,419
City's proportionate share of the net pension liability as a percentage of its covered - employee payroll	339.30%	298.99%	226.14%	270.12%	260.46%	259.13%	279.22%	247.43%
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	62.54%	61.49%	57.47%	61.70%

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

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

CITY OF BRANDON
SCHEDULE OF CITY'S CONTRIBUTIONS
Mississippi Public Employees' Retirement System
Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 1,364,361	\$ 1,240,547	\$ 1,267,600	\$ 1,250,773	\$ 1,110,145	\$ 1,058,605	\$ 1,044,539
Contributions in relation to the contractually required contribution	1,364,361	1,240,547	1,267,600	1,250,773	1,110,145	1,058,605	1,044,539
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered - employee payroll	7,841,155	7,129,580	7,161,316	6,723,029	6,583,257	6,347,257	5,832,419
Contributions as a percentage of covered - employee payroll	17.40%	17.40%	15.75%	15.75%	15.75%	15.75%	15.75%

(1) Increased from 15.75% to 17.4% effective July 1, 2019

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

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

CITY OF BRANDON
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 For the Year Ended September 30, 2023

Budgetary Comparison Schedule

Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

Pension Schedules

Measurement Date

The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the year prior to the fiscal year presented.

Data Available and Presented

The required supplementary schedules are presented to illustrate the requirement to show information for 10 years, as required by GASB 68. GASB 68 was implemented during the fiscal year ended September 30, 2015 and only reflects data for years for which trend information is available.

Change of Benefit Terms

There were no changes in benefit terms during the year ended September 30, 2023.

Change 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 .5 to .55 years.
 The assumed average number of years of military service that participants will have at retirement was decreased from 25 years to 2 years.

2021

The expectation of retired life mortality was changed to 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, 100% for ages above 76.
 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 BRANDON
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2023

Position	Name	Surety	Amount
Mayor	Lee, Butch	St Paul	\$ 100,000
Alderman	Craine, Jarrod	St Paul	\$ 100,000
Alderman	Vinson, Cris	St Paul	\$ 100,000
Alderman	Williams, Harry	St Paul	\$ 100,000
Alderman	Coker, Lu	St Paul	\$ 100,000
Alderman	Farris, David	St Paul	\$ 100,000
Alderman	Sharon Womack	St Paul	\$ 100,000
Alderman	Middleton, Dwight	St Paul	\$ 100,000
Police Chief	Dearman, Wayne	St Paul	\$ 50,000
City Clerk/Tax Collector	Bean, Angela	St Paul	\$ 50,000
Communications Officer	Alexander, Lauren	Western Surety Company	\$ 50,000
Code Enforcement/Inspector/Water	Barnes, Randy	Western Surety Company	\$ 50,000
Communications Officer	Berry, Sherion Dianne	Western Surety Company	\$ 50,000
Utility Billing Supervisor	Blackwell, Tonya	Western Surety Company	\$ 50,000
Code Enforcement/Inspector/Water	Burnette, Cassie	Western Surety Company	\$ 50,000
Assistant Events Coordinator	Cook, Carley	Western Surety Company	\$ 50,000
Accountant	Dear, Rebecca	Western Surety Company	\$ 50,000
PW Operations Coordinator	Dearman, Carly	Western Surety Company	\$ 50,000
Community Development Director	Dodd, Matthew	Western Surety Company	\$ 50,000
Deputy Court Clerk	Easley, Lydia	Western Surety Company	\$ 50,000
Communications Officer	Byran Edmondson	Western Surety Company	\$ 50,000
Communications Officer	Errington, Ashlenn	Western Surety Company	\$ 50,000
Assistant Box Office Manager	Farrar, Lori	Western Surety Company	\$ 50,000
Utility Clerk I	Fayette, Chrystal	Western Surety Company	\$ 50,000
Utility Billing Clerk	Gandy, Quarntina	Western Surety Company	\$ 50,000
Accountant Bond/Amphitheater/General Gov	Gasson, Earl	Western Surety Company	\$ 50,000
Building Official/Community Dev	Green, Jesse	Western Surety Company	\$ 50,000
Accountant	Greenwood, Elizabeth	Western Surety Company	\$ 50,000
Deputy Court Clerk	Gould, Shelby	Western Surety Company	\$ 50,000
Utility Clerk I	Grayer, Mary Lisa	Western Surety Company	\$ 50,000
Community Development Director	Hawkins, Sam	Western Surety Company	\$ 50,000
Utility Billing Clerk	Heckard, Latoya	Western Surety Company	\$ 50,000
Communications Officer	Hill, Sanaa	Western Surety Company	\$ 50,000
Deputy Court Clerk	Hunley, Candance	Western Surety Company	\$ 50,000
Payroll Clerk/Gen Gov	Jobe, Niki	Western Surety Company	\$ 50,000
Receptionist/ Gen. Gov	Johnson, Elizabeth	Western Surety Company	\$ 50,000
Deputy Court Clerk	Leeper, Jordan	Western Surety Company	\$ 50,000
Constituent Services Manager	Kennum, Georganna	Western Surety Company	\$ 50,000
Event Coordinator	Keyes, Carley	Western Surety Company	\$ 50,000
Communications Officer/Deputy Court Clerk	Lewis, Valora	Western Surety Company	\$ 50,000
Communications Officers	Lukins, Hayden	Western Surety Company	\$ 50,000
Communications Officer	Maldonado, Perla Garcia	Western Surety Company	\$ 50,000
Deputy Clerk	Mayers, Sheron	Western Surety Company	\$ 50,000
Communications Officers	Myers, Auries	Western Surety Company	\$ 50,000
Administrative Assistant/Fire	Palmer, Carolyn	Western Surety Company	\$ 50,000
Special Assistant to the Mayor	Pryor, Angelia	Western Surety Company	\$ 50,000
Deputy Court Clerk	Elarton Parker, Cristin	Western Surety Company	\$ 50,000
Public Works Administrative Assistant	Sarver, Lori	Western Surety Company	\$ 50,000
Public Works Director	Brannon, Paul	Western Surety Company	\$ 50,000
Code Enforcement Officer/Inspector	Stapp, Justin	Western Surety Company	\$ 50,000
Communications Officer	Stodghill, Elizabeth	Western Surety Company	\$ 50,000
Thurman, Jr., Emmanuel	Communications Officer	Western Surety Company	\$ 50,000
Accounts Payable Clerk	Tribotich, Theresa	Western Surety Company	\$ 50,000
Utility Clerk I	Weathers, Debora Diane	Western Surety Company	\$ 50,000
Code Enforcement Officer	Webb, Taylor	Western Surety Company	\$ 50,000
Communications Officer	Wynn, Kelsie	Western Surety Company	\$ 50,000
Court Clerk/Court Services	Yates, Tara	Western Surety Company	\$ 50,000
Amphitheater - Box Office Manager	Young, Grace	Western Surety Company	\$ 50,000
Communications Officer	Ypya, Kevin	Western Surety Company	\$ 50,000
Public Employees Blanket Bond (Faithful Performance Blanket position)	Covers 150 Employees Including Police Officers	Western Surety Company	\$ 50,000
Amphitheater Blanket Ticket Agent	Covers 4 Employees	Western Surety Company	\$ 10,000

**CITY OF BRANDON
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2023**

	<u>Drug Seizure Fund</u>	<u>Infrastructure Fund</u>	<u>2022 GO Note Fund</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 181,017	\$ 1,850,135	\$ 31	\$ 2,031,183
Investments	<u>1,019,913</u>	<u>-</u>	<u>-</u>	<u>1,019,913</u>
Total Assets	<u><u>1,200,930</u></u>	<u><u>1,850,135</u></u>	<u><u>31</u></u>	<u><u>3,051,096</u></u>
LIABILITIES AND FUND BALANCES				
Fund Balance				
Spendable				
Restricted	<u>1,200,930</u>	<u>1,850,135</u>	<u>31</u>	<u>3,051,096</u>
Total Fund Balances	<u>1,200,930</u>	<u>1,850,135</u>	<u>31</u>	<u>3,051,096</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,200,930</u></u>	<u><u>\$ 1,850,135</u></u>	<u><u>\$ 31</u></u>	<u><u>\$ 3,051,096</u></u>

CITY OF BRANDON
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the year ended September 30, 2023

	Drug Seizure Fund	Infrastructure Fund	2022 GO Note Fund	Total Nonmajor Governmental Funds
Revenues				
State shared revenues	\$ -	\$ 1,994,855	\$ -	\$ 1,994,855
Other revenues	21,451	3,633	637	25,721
Total Revenues	<u>21,451</u>	<u>1,998,488</u>	<u>637</u>	<u>2,020,576</u>
Expenditures				
Current (operating)				
Public safety	175,459	-	-	175,459
Capital outlay	142,851	-	1,860,917	2,003,768
Interest and fiscal charges	-	39,661	-	39,661
Total Expenditures	<u>318,310</u>	<u>39,661</u>	<u>1,860,917</u>	<u>2,218,888</u>
Excess of revenues over (under) expenditures	<u>(296,859)</u>	<u>1,958,827</u>	<u>(1,860,280)</u>	<u>(198,312)</u>
Other financing sources and uses, including transfers				
Proceeds from sale of assets	6,319	-	-	6,319
Transfers in (out)	-	(815,078)	54,515	(760,563)
Total other financing sources and (uses)	<u>6,319</u>	<u>(815,078)</u>	<u>54,515</u>	<u>(754,244)</u>
Net change in fund balances	<u>(290,540)</u>	<u>1,143,749</u>	<u>(1,805,765)</u>	<u>(952,556)</u>
Fund Balances, September 30, 2022	1,491,470	706,386	1,805,796	4,003,652
Fund Balances, September 30, 2023	<u>\$ 1,200,930</u>	<u>\$ 1,850,135</u>	<u>\$ 31</u>	<u>\$ 3,051,096</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	2023	2022
<u>Revenues</u>		
Taxes		
Property tax	\$ 5,409,475	\$ 5,727,461
Sales tax	8,635,582	7,915,838
Sales tax - restaurants	-	1,518,126
Sales tax - hotels	-	35,725
Franchise tax	983,773	807,615
	15,028,830	16,004,765
Licenses and Permits		
Privilege licenses	63,631	61,500
Building permits	189,047	121,540
Other licenses	22,620	25,081
Total Licenses and Permits	275,298	208,121
State Shared Revenues		
Payment in lieu of taxes - Grand Gulf	157,101	158,685
Fire protection	643,790	1,056,136
Municipal aid	12,565	18,075
Gasoline tax	22,394	14,052
Emergency disaster funds	58,861	-
Department of Transportation grant	-	599,540
Department of Public Safety funds	39,478	12,517
Other grant funds	15,330	315,330
Total State Shared Revenue	949,519	2,174,335
County Shared Revenues		
Pro-rata county road tax	882,033	857,312
Auto rental and rail tax	102,583	91,257
Tourism tax	32,598	42,251
County reimbursements	700,000	100,000
Total County Shared Revenues	1,717,214	1,090,820
Service Charges		
Facility rental fees	112,869	83,865
Park sales and fees	11,936	63,157
Plan review and inspection fees	41,509	25,581
Zoning & development fees	7,051	5,476
Total Service Charges	173,365	178,079
Court Fines and Forfeits	359,573	315,947
Other revenues	512,307	359,656
Total Revenues	19,016,106	20,331,723

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	2023	2022
<u>Expenditures</u>		
General Government and Administration		
City Court		
Salaries		
Salaries	185,859	165,172
Employer costs	75,784	68,631
Total Salaries	261,643	233,803
Supplies, Services and Other Charges		
Office supplies	3,352	2,471
Professional fees	11,132	7,055
Total Supplies, Services and Other Charges	14,484	9,526
Total City Court	276,127	243,329
Election		
Operating supplies	703	-
Total Election Costs	703	-
Executive / Administration		
Salaries		
Salaries	449,389	422,430
Employer costs	169,970	168,397
Total Salaries	619,359	590,827
Supplies, Services and Other Charges		
Advertising	13,974	10,000
Bond fees and expenses	1,751	1,750
Cleaning and janitorial	70	-
Conventions	6,107	5,020
Dues and subscriptions	11,493	9,558
Exhibitions and promotions	2,871	1,950
Insurance	5,475	5,092
Miscellaneous	(5)	24
Operating supplies	6,432	5,523
Printing and binding	1,453	1,664
Professional fees	6,806	19,192
Rentals	174	-
Repairs - Vehicles	-	2,399
Telephone and communication	6,737	1,193
Training	-	773
Transportation	598	548
Total Supplies, Services and Other Charges	63,936	64,686

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Capital Outlay		
Buildings	-	71,162
Total Capital Outlay	-	71,162
Total Executive / Administrative Department	<u>683,295</u>	<u>726,675</u>
General Government Department		
Salaries		
Salaries	474,102	370,554
Employer costs	<u>175,946</u>	<u>174,943</u>
Total Salaries	<u>650,048</u>	<u>545,497</u>
Supplies, Services and Other Charges		
Advertising	2,196	3,000
Bond fees and expenses	1,980	1,455
Cleaning and janitorial	2,901	6,606
Contract labor	16,590	1,400
Dues and subscriptions	113,650	104,035
Insurance	17,557	16,552
Land leases	12,075	8,320
Miscellaneous	4,045	8,805
Office supplies	5,812	4,230
Operating supplies	5,462	8,783
Postage	2,364	3,211
Printing and binding	2,559	4,343
Professional fees	189,497	218,673
Rentals	13,204	13,876
Repairs - equipment	10,650	17,272
Repairs - other	54,684	40,761
Repairs - vehicles	1,666	3,477
Telephone and communication	161,570	164,432
Training	1,133	-
Transportation	3,933	1,930
Utilities	<u>87,576</u>	<u>78,617</u>
Total Supplies, Services and Other Charges	<u>711,104</u>	<u>709,778</u>
Capital Outlay		
Machinery and equipment	<u>106,477</u>	<u>44,407</u>
Total Capital Outlay	<u>106,477</u>	<u>44,407</u>
Total General Government Department	<u>1,467,629</u>	<u>1,299,682</u>
Total General Government and Administration	<u>2,427,754</u>	<u>2,269,686</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Public Services		
Street Department		
Salaries		
Wages	153,495	127,077
Employer costs	<u>55,246</u>	<u>48,514</u>
Total Salaries	<u>208,741</u>	<u>175,591</u>
Supplies, Services and Other Charges		
Advertising	813	1,186
Contract labor	328,590	380,694
Insurance	26,681	35,768
Miscellaneous	133	-
Operating supplies	37,347	57,778
Professional fees	594,979	510,793
Rentals	66,158	47,269
Repairs - equipment	52,600	75,896
Repairs - vehicles	17,646	29,037
Repairs - other	881,335	353,167
Telephone and communications	2,985	2,646
Transportation	18,312	26,621
Uniforms	5,524	2,711
Utilities - street lights	<u>589,960</u>	<u>530,755</u>
Total Supplies, Services and Other Charges	<u>2,623,063</u>	<u>2,054,321</u>
Capital Outlay		
Improvements other than buildings	4,852,118	3,653,307
Machinery and equipment	<u>539</u>	<u>1,404</u>
Total Capital Outlay	<u>4,852,657</u>	<u>3,654,711</u>
Total Street Department	<u>7,684,461</u>	<u>5,884,623</u>
Community Development Department		
Salaries		
Salaries	288,154	275,530
Employer costs	<u>95,545</u>	<u>97,189</u>
Total Salaries	<u>383,699</u>	<u>372,719</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Supplies, Services and Other Charges		
Advertising	2,838	1,191
Contract labor	4,976	102
Convention	2,187	383
Dues and subscriptions	1,648	1,377
Insurance	4,665	3,454
Miscellaneous expenses	5,482	4,877
Office supplies	857	637
Operating supplies	831	494
Printing and binding	816	108
Professional fees	73,845	73,413
Repairs - vehicles	1,083	2,321
Communications	5,551	4,739
Training	1,562	1,298
Transportation	6,013	8,418
Uniforms	602	741
Total Supplies, Services and Other Charges	<u>112,956</u>	<u>103,553</u>
Capital Outlay		
Machinery and equipment	11,892	472
Vehicles	30,335	29,520
Total Capital Outlay	<u>42,227</u>	<u>29,992</u>
Total Community Development Department	<u>538,882</u>	<u>506,264</u>
Total Public Services	<u>8,223,343</u>	<u>6,390,887</u>
Public Safety		
Police Department		
Salaries		
Salaries	2,502,748	2,096,953
Employer costs	847,851	778,848
Total Salaries	<u>3,350,599</u>	<u>2,875,801</u>
Supplies, Services and Other Charges		
Advertising	-	198
Bond fees and expenses	2,550	700
Cleaning and janitorial	5,175	2,533
Dues and subscriptions	1,918	1,991
Insurance	47,886	46,720
Miscellaneous	12,989	7,384
Office supplies	5,897	4,332
Operating supplies	13,183	5,294
Printing and binding	848	1,504
Prisoners expense	25,832	20,429

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Professional fees	82,998	75,777
Repairs - equipment	8,401	7,526
Repairs - other	10,497	5,185
Repairs - vehicles	68,206	63,279
SRT expenses	13,235	6,840
Telephone and communications	33,488	32,971
Training	21,462	24,783
Transportation	149,722	133,161
Uniforms	89,769	19,970
Utilities	<u>53,560</u>	<u>40,467</u>
Total Supplies, Services and Other Charges	<u>647,616</u>	<u>501,044</u>
Capital Outlay		
Machinery and equipment	<u>11,728</u>	<u>-</u>
Total Capital Outlay	<u>11,728</u>	<u>-</u>
Total Police Department	<u>4,009,943</u>	<u>3,376,845</u>
Fire Department		
Salaries		
Salaries	2,532,082	2,174,587
Employer costs	<u>848,756</u>	<u>779,754</u>
Total Salaries	<u>3,380,838</u>	<u>2,954,341</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Supplies, Services and Other Charges		
Bond fees and expenses	175	175
Cleaning	7,863	7,089
Communications	5,303	4,089
Conventions	2,447	4,390
Data processing	94	71
Dues and subscriptions	5,499	5,202
Exhibitions and promotions	975	769
Insurance	46,443	46,764
Miscellaneous	53,221	12,537
Office supplies	2,164	1,139
Operating supplies	18,758	15,404
Professional fees	25,028	5,267
Rentals	2,576	2,412
Repairs - vehicles	117,081	66,760
Repairs - equipment	32,791	32,970
Repairs - other	16,595	16,468
Storm Team	10,642	7,488
Training	40,297	29,335
Transportation	41,787	51,101
Uniforms	32,631	33,348
Utilities	42,311	39,396
Total Supplies, Services and Other Charges	<u>504,681</u>	<u>382,174</u>
Capital Outlay		
Buildings and land	-	40,280
Machinery and equipment	179,958	141,072
Vehicles	199,591	51,270
Furniture and fixtures	3,866	16,039
Total Capital Outlay	<u>383,415</u>	<u>248,661</u>
Total Fire Department	<u>4,268,934</u>	<u>3,585,176</u>
Total Public Safety	<u>8,278,877</u>	<u>6,962,021</u>
Culture and Recreation		
Cemetery Department		
Supplies, Services and Other Charges		
Contract labor	93,186	67,377
Miscellaneous expenses	52	-
Utilities	985	867
Total Supplies, Services and Other Charges	<u>94,223</u>	<u>68,244</u>
Total Cemetery Department	<u>94,223</u>	<u>68,244</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Parks Department		
Salaries		
Salaries	-	536,541
Wages	-	31,715
Employer costs	<u>6,295</u>	<u>30,903</u>
Total Salaries	<u>6,295</u>	<u>599,159</u>
Supplies, Services and Other Charges		
Advertising	51	102
Chemicals	-	5,176
Cleaning and janitorial	1,155	113,623
Contract labor	54,894	71,846
Dues and subscriptions	220	-
Insurance	33,565	26,708
Miscellaneous expenses	64	32
Office supplies	-	239
Operational supplies	1,437	25,739
Professional fees	927,713	1,000,041
Rental	7,955	45,605
Repairs - equipment	5,591	5,209
Repairs - other	36,302	36,060
Repairs - vehicles	-	291
Telephone and communications	2,053	2,261
Transportation	46,697	45,959
Utilities	<u>-</u>	<u>83,151</u>
Total Supplies, Services and Other Charges	<u>1,117,697</u>	<u>1,462,042</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Capital Outlay		
Improvements other than buildings	120,908	67,728
Machinery and equipment	<u>83,335</u>	<u>4,174</u>
Total Capital Outlay	<u>209,193</u>	<u>71,902</u>
Debt Service		
Debt service principal	<u>-</u>	<u>59,982</u>
Total Debt Service	<u>-</u>	<u>59,982</u>
Total Parks Department	<u>1,333,185</u>	<u>2,193,085</u>
Senior Citizens Department		
Salaries		
Wages	-	7,376
Employer costs	<u>-</u>	<u>2,532</u>
Total Salaries	<u>-</u>	<u>9,908</u>
Supplies, Services and Other Charges		
Cleaning and janitorial	1,011	3,678
Contract labor	-	1,125
Dues and subscriptions	285	573
Insurance	665	1,830
Miscellaneous expenses	-	3
Office supplies	-	66
Operational supplies	-	1,410
Rental	-	892
Repairs - equipment	1,768	-
Telephone and communications	<u>-</u>	<u>697</u>
Total Supplies, Services and Other Charges	<u>3,729</u>	<u>10,274</u>
Total Senior Citizens Department	<u>3,729</u>	<u>20,182</u>

**CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Library		
Supplies, Services and Other Charges		
Cleaning and janitorial	2,781	2,565
Insurance	4,424	4,800
Miscellaneous expenses	695	811
Professional fees	1,340	1,118
Repairs - equipment	20,319	88,648
Telephone and communications	13,184	11,196
Utilities	88,285	76,716
Total Supplies, Services and Other Charges	<u>131,071</u>	<u>185,854</u>
Capital Outlay		
Machinery and equipment	195	45,177
Total Capital Outlay	<u>195</u>	<u>45,177</u>
Total Library Department	<u>131,266</u>	<u>231,031</u>
Conference Center		
Salaries		
Salaries	110,429	63,511
Employer costs	38,976	22,722
Total Salaries	<u>149,405</u>	<u>86,233</u>
Supplies, Services and Other Charges		
Advertising	604	-
Bond fees	175	525
Cleaning and janitorial	8,498	4,311
Contract labor	12,002	160
Communications	731	625
Dues and subscriptions	383	517
Insurance	909	1,380
Office supplies	404	643
Operating supplies	1,014	893
Miscellaneous expenses	17,574	111
Professional fees	1,345	1,459
Repairs and maintenance	1,089	2,200
Special Events	138,631	26,978
Veteran's Day	4,499	2,848
Total Supplies, Services and Other Charges	<u>187,858</u>	<u>42,650</u>
Capital Outlay		
Machinery and equipment	10,139	-
Total Capital Outlay	<u>10,139</u>	<u>-</u>
Total Conference Center Department	<u>347,402</u>	<u>128,883</u>
Total Culture and Recreation	<u>1,909,805</u>	<u>2,641,425</u>
Total Expenditures	<u>20,839,779</u>	<u>18,264,019</u>

CITY OF BRANDON
GENERAL FUND
COMPARISON SCHEDULES OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Excess of Revenues over (under) Expenditures	<u>(1,823,673)</u>	<u>2,067,704</u>
Other Financing Sources (Uses)		
Operating transfers in (out)	937,263	(766,515)
Sales of general fixed assets	<u>49,706</u>	<u>153,184</u>
Total Other Financing Sources (Uses)	<u>986,969</u>	<u>(613,331)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(836,704)	1,454,373
Fund Balance, beginning	<u>9,026,564</u>	<u>7,572,191</u>
Fund Balance, ending	<u>\$ 8,189,860</u>	<u>\$ 9,026,564</u>

**CITY OF BRANDON
CAPITAL PROJECTS FUND
COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Revenues		
States Shared Revenues	\$ 1,000,000	\$ 6,235,668
Interest income	<u>17,047</u>	<u>22,588</u>
Total Revenues	<u>1,017,047</u>	<u>6,258,256</u>
Capital Outlay		
Street overlay	<u>4,088,472</u>	<u>147,811</u>
Total Capital Outlay	<u>4,088,472</u>	<u>147,811</u>
Total Expenditures, Capital Outlay and Debt Service	<u>4,088,472</u>	<u>147,811</u>
Excess of revenues over (under) expenditures	(3,071,425)	6,110,445
Total other financing sources and (uses)	<u>-</u>	<u>(1,944,982)</u>
Net change in fund balances	(3,071,425)	4,165,463
Fund Balance, beginning	<u>7,830,892</u>	<u>3,665,429</u>
Fund Balance, ending	<u>\$ 4,759,467</u>	<u>\$ 7,830,892</u>

**CITY OF BRANDON
DEBT SERVICE FUND
COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Revenues		
Taxes	\$ 3,471,599	\$ 2,871,393
Other income	9,655	13,799
Total Revenues	<u>3,481,254</u>	<u>2,885,192</u>
Debt Service		
Debt service principal	3,122,000	2,176,000
Interest and fiscal charges	1,324,541	5,908,991
Total Debt Service	<u>4,446,541</u>	<u>8,084,991</u>
Total Expenditures, Capital Outlay and Debt Service	<u>4,446,541</u>	<u>8,084,991</u>
Excess of revenues over (under) expenditures	<u>(965,287)</u>	<u>(5,199,799)</u>
Other Financing Sources and Uses		
Refunding bonds	-	4,618,000
Transfers In	1,621,560	1,482,872
Total other financing sources and (uses)	<u>1,621,560</u>	<u>6,100,872</u>
Net change in fund balances	656,273	901,073
Fund Balance, beginning	<u>3,390,252</u>	<u>2,489,179</u>
Fund Balance, ending	<u>\$ 4,046,525</u>	<u>\$ 3,390,252</u>

**CITY OF BRANDON
 AMPHITHEATER FUND
 COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Revenues		
Amphitheater revenues	\$ 7,362,554	\$ 9,651,632
Other income	<u>138,324</u>	<u>8,771</u>
Total Revenues	<u>7,500,878</u>	<u>9,660,403</u>
Operating Expenses		
Salaries		
Salaries and wages	222,418	207,050
Employer costs	<u>71,349</u>	<u>62,843</u>
Total Salaries	<u>293,767</u>	<u>269,893</u>
Supplies, Services and Other Charges		
Advertising	184,119	382,994
Bank charges and credit card processing fees	11,792	14,705
Cleaning and janitorial	26,699	54,430
Contract labor	72,120	-
Insurance	263,193	423,947
Miscellaneous expenses	49,795	54,227
Office supplies	257	1,265
Other supplies	101,439	148,389
Printing and binding	7,277	7,329
Professional fees	5,341,050	7,659,102
Rental	82,910	99,428
Repairs - equipment	90,259	49,677
Repairs - other	55,076	57,061
Specialized department supplies	31,484	34,227
Telephone and communications	5,892	4,862
Training	105	2,090
Utilities	<u>77,102</u>	<u>69,669</u>
Total Supplies, Services and Other Charges	<u>6,400,569</u>	<u>9,063,402</u>
Capital Outlay		
Improvements other than buildings	55,518	104,667
Furniture and fixtures	42,966	4,146
Machinery and equipment	<u>26,568</u>	<u>63,841</u>
Total Capital Outlay	<u>125,052</u>	<u>172,654</u>
Total Expenditures	<u>6,819,388</u>	<u>9,505,949</u>
Excess of revenues over (under) expenditures	681,490	154,454
Other Financing Uses		
Transfers in / (out)	<u>11,597</u>	<u>78,475</u>
Excess of revenues over (under) expenditures and other financing uses	693,087	232,929
Fund Balance, beginning	<u>750,724</u>	<u>517,795</u>
Fund Balance, ending	<u>\$ 1,443,811</u>	<u>\$ 750,724</u>

**CITY OF BRANDON
DRUG SEIZURE FUND
COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Revenues		
Other income	\$ 21,451	\$ 17,272
Total Revenues	<u>21,451</u>	<u>17,272</u>
Expenditures		
Automobile expense	-	744
Operating supplies	22,656	33,029
Training	1,166	606
Miscellaneous	45	12
Total Expenditures	<u>23,867</u>	<u>34,391</u>
Capital Outlay		
Machinery and equipment	<u>294,443</u>	<u>249,707</u>
Total Capital Outlay	<u>294,443</u>	<u>249,707</u>
Total Expenditures	<u>318,310</u>	<u>284,098</u>
Excess of revenues over (under) expenditures	(296,859)	(266,826)
Other Financing Uses		
Proceeds from sale of assets	<u>6,319</u>	<u>-</u>
Excess of revenues over (under) expenditures and other financing uses	(290,540)	(266,826)
Fund Balance, beginning	<u>1,491,470</u>	<u>1,758,296</u>
Fund Balance, ending	<u>\$ 1,200,930</u>	<u>\$ 1,491,470</u>

CITY OF BRANDON
INFRASTRUCTURE FUND COMPARISON
COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues		
States Shared Revenues	\$ 1,994,855	\$ 1,397,021
Interest income	<u>3,633</u>	<u>1,933</u>
Total Revenues	<u>1,998,488</u>	<u>1,398,954</u>
Debt Service		
Interest and fiscal charges	<u>39,661</u>	<u>19,437</u>
Total Debt Service	<u>39,661</u>	<u>19,437</u>
Total Expenditures, Capital Outlay and Debt Service	<u>39,661</u>	<u>19,437</u>
Excess of revenues over (under) expenditures	1,958,827	1,379,517
Other Financing Sources and Uses		
Transfers In/Out	<u>(815,078)</u>	<u>(794,437)</u>
Total other financing sources and (uses)	<u>(815,078)</u>	<u>(794,437)</u>
Excess of revenues over (under) expenditures and other financing uses	1,143,749	585,080
Fund Balance, beginning	<u>706,386</u>	<u>121,306</u>
Fund Balance, ending	<u>\$ 1,850,135</u>	<u>\$ 706,386</u>

CITY OF BRANDON
2022 GO NOTE FUND COMPARISON
COMPARISON SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues		
Interest income	\$ 637	\$ 1,322
Total Revenues	<u>637</u>	<u>1,322</u>
Capital Outlay		
Street improvements	<u>1,860,917</u>	<u>695,526</u>
Total Capital Outlay	<u>1,860,917</u>	<u>695,526</u>
Total Expenditures, Capital Outlay and Debt Service	<u>1,860,917</u>	<u>695,526</u>
Excess of revenues over (under) expenditures	(1,860,280)	(694,204)
Other Financing Sources and Uses		
Proceeds from debt issuance	<u>-</u>	<u>2,500,000</u>
Transfers In/Out	<u>54,515</u>	<u>-</u>
Total other financing sources and (uses)	<u>54,515</u>	<u>2,500,000</u>
Excess of revenues over (under) expenditures and other financing uses	(1,805,765)	1,805,796
Fund Balance, beginning	<u>1,805,796</u>	<u>-</u>
Fund Balance, ending	<u>\$ 31</u>	<u>\$ 1,805,796</u>

**CITY OF BRANDON
WATER AND SEWER FUND
COMPARISON SCHEDULES OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Operating Revenues		
Water sales	\$ 2,008,922	\$ 1,731,241
Base rate	3,071,577	2,992,749
Late charges and reconnect fees	268,101	239,466
Sewer charges	2,518,376	2,600,383
Service connect charges	101,100	55,581
Sewer charges - West Rankin	4,344,616	3,211,220
Miscellaneous revenue	28,861	845,088
Total Operating Revenues	<u>12,341,553</u>	<u>11,675,728</u>
Operating Expenses		
Salaries		
Salaries	260,584	343,954
Wages	845,101	838,758
Employer costs	1,399,043	320,384
Total Salaries	<u>2,504,728</u>	<u>1,503,096</u>
Supplies, Service and Other Charges		
Advertising	2,460	379
Bad Debt	61,502	54,462
Chemicals	66,175	66,625
Contract labor	509,242	425,168
Dues & subscriptions	1,392	1,285
Insurance	65,860	49,198
Land leases	2,900	2,700
Miscellaneous	1,363	505
Office supplies	62,140	55,977
Operating supplies	258,410	263,181
Printing & binding	14,291	15,411
Professional services	212,545	430,851
Rentals	10,073	46,721
Repairs - equipment	317,720	386,070
Repairs - other	1,720,345	1,858,814
Repairs - vehicles	93,890	106,988
Sub-interceptor usage expense	4,172,683	4,500,078
Telephone and communications	14,720	18,221
Training	6,992	1,150
Transportation	107,166	127,358
Uniforms	26,101	18,144
Utilities	436,497	350,062
Total Supplies, Services and Other Charges	<u>8,164,468</u>	<u>8,779,348</u>
Total Operating Expenses	<u>10,669,196</u>	<u>10,282,444</u>

**CITY OF BRANDON
WATER AND SEWER FUND
COMPARISON SCHEDULES OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Operating Income Before Depreciation	1,672,357	1,393,284
Depreciation expense	<u>2,093,054</u>	<u>1,990,538</u>
Operating Income	<u>(420,697)</u>	<u>(597,254)</u>
Non-operating Revenues (Expenses)		
Capital grant	381,788	600,000
Interest earnings	9,816	16,447
Interest and fiscal charges - loans	<u>(245,092)</u>	<u>(201,336)</u>
Total Non-operating Revenues (Expenses)	<u>146,512</u>	<u>415,111</u>
Net Income Before Operating Transfers	(274,185)	(182,143)
Operating transfers in (out)	<u>3,835,762</u>	<u>1,944,982</u>
Change in Net Position	3,561,577	1,762,839
Net Position, beginning	<u>21,269,065</u>	<u>19,506,226</u>
Net Position, ending	<u>\$ 24,830,642</u>	<u>\$ 21,269,065</u>

**CITY OF BRANDON
SANITATION FUND
COMPARISON SCHEDULES OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
For the Years Ended September 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Operating Revenue		
Sanitation fees	\$ 2,023,934	\$ 1,939,108
Total Operating Revenue	<u>2,023,934</u>	<u>1,939,108</u>
Operating Expenses		
Personnel Costs		
Wages	14,897	15,064
Employer costs	13,860	48,840
Employer costs - pension benefit	-	(119,476)
Total Personnel Costs	<u>28,757</u>	<u>(55,572)</u>
Supplies, Service and Other Charges		
Advertising	2,583	-
Insurance	37,276	15,024
Miscellaneous	-	12
Operating supplies	370	230
Prisoner meals	65,935	33,045
Repairs - equipment	3,143	5,759
Repairs - other	-	198
Repairs - vehicles	4,836	6,193
Sanitation contract	1,722,216	1,627,793
Transportation	15,545	16,253
Uniforms	1,353	1,226
Total Supplies, Services and Other Charges	<u>1,853,257</u>	<u>1,705,733</u>
Total Operating Expenses	<u>1,882,014</u>	<u>1,650,161</u>
Operating Loss Before Depreciation	141,920	288,947
Depreciation expense	<u>41,800</u>	<u>43,486</u>
Operating Gain (Loss)	<u>100,120</u>	<u>245,461</u>
Non-operating Revenues (Expenses)		
Interest income	308	401
Interest expense	<u>(2,728)</u>	<u>(4,031)</u>
Total Non-operating Revenues (Expenses)	<u>(2,420)</u>	<u>(3,630)</u>
Net loss before operating transfers	97,700	241,831
Change in Net Position	97,700	241,831
Net Position, beginning	<u>552,946</u>	<u>311,115</u>
Net Position, ending	<u>\$ 650,646</u>	<u>\$ 552,946</u>

Barlow & Company, PLLC

Certified Public Accountants

Charles S. Barlow, CPA
Kristi G. Thompson, CPA
Rose L. Williamson, CPA
Hogan E. Allen, CPA
R. Greg Vaughn, CPA

Lauren M. LaPrade, CPA
Kelly L. Smith, CPA

Members of:
American Institute of CPA's
Mississippi Society of CPA's

282 Maxey Drive
Brandon, Mississippi 39042 or
P.O. Box 150
Brandon, Mississippi 39043
(601) 825-1310
(601) 825-1326 Fax
Web Address: www.brandoncpas.com
Emails: sandy@brandoncpas.com
kthompson@brandoncpas.com
rwilliamson@brandoncpas.com
hallen@brandoncpas.com
gvaughn@brandoncpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Members of the Board of Aldermen
Brandon, Mississippi

We have audited the basic financial statements of the City of Brandon, Mississippi as of and for the year ended September 30, 2023, and have issued our report dated May 21, 2024. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America.

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 instances of noncompliance with state laws and regulations.

This report is intended for the information of the City of Brandon's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Barlow & Company, PLLC

Brandon, Mississippi
May 21, 2024



Barlow & Company, PLLC

Certified Public Accountants

Charles S. Barlow, CPA
Kristi G. Thompson, CPA
Rose L. Williamson, CPA
Hogan E. Allen, CPA
R. Greg Vaughn, CPA

Lauren M. LaPrade, CPA
Kelly L. Smith, CPA

Members of:
American Institute of CPA's
Mississippi Society of CPA's

282 Maxey Drive
Brandon, Mississippi 39042 or
P.O. Box 150
Brandon, Mississippi 39043
(601) 825-1310
(601) 825-1326 Fax
Web Address: www.brandoncpas.com
Emails: sandy@brandoncpas.com
kthompson@brandoncpas.com
rwilliamson@brandoncpas.com
hallen@brandoncpas.com
gvaughn@brandoncpas.com

INDEPENDENT AUDITOR'S 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 Members of the Board of Aldermen
City of Brandon, 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, each major fund, and the aggregate remaining fund information of the City of Brandon, Mississippi, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Brandon, Mississippi's basic financial statements, and have issued our report thereon dated May 21, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Brandon, Mississippi's internal control over financial reporting (internal control) to determine the 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 Brandon, Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Brandon, 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 Brandon, 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 determination of financial statement amounts. 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 City'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.



Brandon, Mississippi
May 21, 2024

Barlow & Company, PLLC

Certified Public Accountants

Charles S. Barlow, CPA
Kristi G. Thompson, CPA
Rose L. Williamson, CPA
Hogan E. Allen, CPA
R. Greg Vaughn, CPA

Lauren M. LaPrade, CPA
Kelly L. Smith, CPA

Members of:
American Institute of CPA's
Mississippi Society of CPA's

282 Maxey Drive
Brandon, Mississippi 39042 or
P.O. Box 150
Brandon, Mississippi 39043
(601) 825-1310
(601) 825-1326 Fax
Web Address: www.brandoncpas.com
Emails: sandy@brandoncpas.com
kthompson@brandoncpas.com
rwilliamson@brandoncpas.com
hallen@brandoncpas.com
gvaughn@brandoncpas.com

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

Honorable Mayor and Members of the Board of Aldermen
City of Brandon, Mississippi

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Brandon, Mississippi's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Brandon, Mississippi's major federal programs for the year ended September 30, 2023. The City of Brandon, 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, City of Brandon, 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, 2023.

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 City of Brandon, 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 City of Brandon, 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 City of Brandon, Mississippi's federal programs.



Auditor's 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 City of Brandon, 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 City of Brandon, 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 City of Brandon, 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 City of Brandon, 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 City of Brandon, 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.

Barlow & Company, PLLC

Brandon, Mississippi
May 21, 2024

CITY OF BRANDON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2023

Federal Agency/Pass-through Entity/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Number	Federal Expenditures
United States Department of Transportation			
<i>Passed-through Mississippi Department of Transportation</i>			
Highway Planning and Construction Cluster	20.205	STP-0039-00(021) LPA 108387/701000	\$ 321,918
Highway Planning and Construction Cluster	20.205	STP-0013-00(053) LPA 108159/701000	109,550
Highway Planning and Construction Cluster	20.205	STP-7314-00(037) LPA/108386/701000	329,923
Total Highway Planning and Construction Cluster			<u>761,391</u>
Highway Safety Cluster	20.600		14,098
Total Highway Safet Cluster			<u>14,098</u>
Total U.S. Department of Transportation			<u>775,489</u>
United States Department of the Treasury			
Coronavirus State and Local Fiscal Recovery Funds	21.027		3,836,156
Coronavirus Relief Fund	21.019		52,861
Total U.S. Department of the Treasury			<u>3,889,017</u>
United States Department of Homeland Security			
Homeland Security Grant Program	97.067		25,279
Total Federal Awards			<u>\$ 4,689,785</u>

Notes to Schedule

- 1 This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the financial statements.
- 2 The City of Brandon did not elect to use the 10% de minimis cost rate allowed under Uniform Guidance.
- 3 COVID related expenditures were \$3,889,017.
- 4 Agency pass through numbers were used where available.

**CITY OF BRANDON, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023**

Section 1: Summary of Auditor's Results

Financial Statements:

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- | | |
|---|----------------------|
| i. Material weakness(es) identified? | <u>No</u> |
| ii. Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u>None Reported</u> |
| Noncompliance material to financial statements noted? | <u>No</u> |

Federal Awards:

An unmodified opinion was issued on compliance for the major program.

- | | |
|---|----------------------|
| i. Material weakness(es) identified? | <u>No</u> |
| ii. Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u>None Reported</u> |

Any audit findings disclosed that are required to be disclosed in accordance with 200 CFR	<u>No</u>
---	-----------

Dollar threshold used to distinguish between type A and type B programs:	<u>\$750,000</u>
--	------------------

Auditee qualified as a low-risk auditee?	<u>No</u>
--	-----------

CITY OF BRANDON, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

Section 2: Findings - Financial Statement Audit

No matters were reported.

Section 3: Findings and Questioned Costs – Major Federal Award Programs Audit

No matters were reported.

Section 4: Schedule of Findings and Questioned Costs – Prior Year

N/A