

CLARKE COUNTY, MISSISSIPPI

Audited Financial Statements and Special Reports
For the Year Ended September 30, 2021



SHAD WHITE
STATE AUDITOR

Stephanie C. Palmertree, CPA
Deputy State Auditor

Joe E. McKnight, CPA
Director, County Audit Section



A Report from the County Audit Section

www.osa.state.ms.us



**STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR**

Shad White
AUDITOR

October 4, 2022

Members of the Board of Supervisors
Clarke County, Mississippi

Dear Board Members:

I am pleased to submit to you the 2021 financial and compliance audit report for Clarke County. This audit was performed pursuant to Section 7-7-211(e), Mississippi Code Ann. (1972). The audit was performed 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.

I appreciate the cooperation and courtesy extended by the officials and employees of Clarke County throughout the audit. Thank you for working to move Mississippi forward by serving as a supervisor for Clarke County. If I or this office can be of any further assistance, please contact me or Joe McKnight of my staff at (601) 576-2674.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Shad White", is written over a horizontal line.

Shad White

CLARKE COUNTY
TABLE OF CONTENTS

FINANCIAL SECTION.....	1
INDEPENDENT AUDITOR'S REPORT.....	3
FINANCIAL STATEMENTS.....	7
Statement of Net Position – Cash Basis.....	9
Statement of Activities – Cash Basis.....	10
Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....	11
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds.....	12
Statement of Fiduciary Net Position – Cash Basis.....	14
Statement of Changes in Fiduciary Net Position – Cash Basis	15
Notes to Financial Statements	17
SUPPLEMENTARY INFORMATION	25
Schedule of Expenditures of Federal Awards.....	26
Schedule of Operating Costs of Solid Waste.....	28
OTHER INFORMATION	29
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – General Fund.....	31
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – COVID Rescue Account Fund.....	32
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – General Road Fund	33
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – Road and Bridge Use Tax Fund	34
Schedule of Interfund Loans and Advances	35
Schedule of Capital Assets.....	36
Schedule of Changes in Long-term Debt.....	37
Schedule of Surety Bonds for County Officials.....	38
Notes to the Other Information	39
SPECIAL REPORTS	41
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards	43
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance	45
Independent Accountant's Report on Central Purchasing System, Inventory Control System and Purchase Clerk Schedules (As Required by <i>Section 31-7-115,</i> <i>Mississippi Code of 1972 Annotated</i>)	47
Limited Internal Control and Compliance Review Management Report	53
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	55
AUDITEE'S CORRECTIVE ACTION PLAN AND AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS.....	59

CLARKE COUNTY

FINANCIAL SECTION

CLARKE COUNTY

(This page left blank intentionally.)



**STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR**

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Clarke County, Mississippi

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clarke County, Mississippi, (the County) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting, as described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the County's legally separate component units. Accounting principles applicable to the County's cash basis of accounting require the financial data for those component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The amount by which this departure would affect the cash basis assets, net position, receipts, and disbursements of the aggregate discretely presented component units is not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the cash basis financial position of the aggregate discretely presented component units of Clarke County, Mississippi, as of September 30, 2021, or the changes in cash basis financial position thereof for the year then ended in accordance with accounting principles applicable to the County's cash basis of accounting.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the Governmental Activities, the General Fund, the COVID Rescue Account Fund, the General Road Fund, the Road and Bridge Use Tax Fund, the Bond Construction Account Fund, and the aggregate remaining fund information of Clarke County, Mississippi, as of September 30, 2021, and the respective changes in cash basis financial position thereof for the year then ended, in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements which describes that Clarke County, Mississippi prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clarke County, Mississippi's basic financial statements. The accompanying 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, and the accompanying Schedule of Operating Costs of Solid Waste are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying 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, and the Schedule of Operating Costs of Solid Waste are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the Schedule of Operating Costs of Solid Waste are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Budgetary Comparison Schedules, Schedule of Interfund Loans and Advances, Schedule of Capital Assets, Schedule of Changes in Long-term Debt, Schedule of Surety Bonds for County Officials and corresponding notes have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2022 on our consideration of Clarke County, 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 Clarke County, 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 Clarke County, Mississippi's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Joe E. Mcknight". The signature is fluid and cursive, with the first name "Joe" and last name "Mcknight" clearly distinguishable.

JOE E. MCKNIGHT, CPA
Director, County Audit Section

October 4, 2022

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY

FINANCIAL STATEMENTS

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY
Statement of Net Position - Cash Basis
September 30, 2021

Exhibit 1

	<u>Primary Government</u>
	<u>Governmental</u>
	<u>Activities</u>
ASSETS	
Cash	\$ 5,750,016
Total Assets	<u>5,750,016</u>
NET POSITION	
Restricted:	
Expendable:	
General government	1,642,998
Public safety	573,571
Public works	1,386,491
Conservation of natural resources	21,081
Economic development and assistance	89,266
Debt service	23,083
Unemployment compensation	88,072
Unrestricted	1,925,454
Total Net Position	<u>\$ 5,750,016</u>

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY
Statement of Activities - Cash Basis
For the Year Ended September 30, 2021

Exhibit 2

Functions/Programs	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 3,088,268	371,684	1,520,424		(1,196,160)
Public safety	4,194,125	523,618	384,521		(3,285,986)
Public works	7,133,711	58,884	1,600,130	980,571	(4,494,126)
Health and welfare	129,880		25,684	10,005	(94,191)
Culture and recreation	27,877				(27,877)
Conservation of natural resources	200,635		9,236		(191,399)
Economic development and assistance	228,529				(228,529)
Debt service:					
Principal	895,008				(895,008)
Interest	120,685				(120,685)
Total Governmental Activities	\$ 16,018,718	954,186	3,539,995	990,576	(10,533,961)
General receipts:					
Property taxes				\$	8,208,688
Road & bridge privilege taxes					232,461
Grants and contributions not restricted to specific programs					597,983
Unrestricted interest income					40,109
Miscellaneous					136,564
Proceeds from debt issuance					311,950
Sale of county property					528,357
Compensation for loss of county property					52,194
Total General Receipts and Other Cash Sources					10,108,306
Changes in Net Position					(425,655)
Net Position - Beginning, as previously reported					6,149,621
Fund reclassification					26,050
Net Position - Beginning, as restated					6,175,671
Net Position - Ending				\$	5,750,016

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
September 30, 2021

Exhibit 3

	<u>Major Funds</u>						
	<u>General Fund</u>	<u>COVID Rescue Account Fund</u>	<u>General Road Fund</u>	<u>Road and Bridge Use Tax Fund</u>	<u>Bond Construction Account Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash	\$ 1,925,454	1,510,624		778,388	579,680	955,870	5,750,016
Total Assets	<u>\$ 1,925,454</u>	<u>1,510,624</u>	<u>0</u>	<u>778,388</u>	<u>579,680</u>	<u>955,870</u>	<u>5,750,016</u>
FUND BALANCES							
Restricted for:							
General government	\$	1,510,624				132,374	1,642,998
Public safety						573,571	573,571
Public works				778,388	579,680	28,423	1,386,491
Conservation of natural resources						21,081	21,081
Economic development and assistance						89,266	89,266
Debt service						88,072	88,072
Unemployment compensation						23,083	23,083
Unassigned	1,925,454						1,925,454
Total Fund Balances	<u>\$ 1,925,454</u>	<u>1,510,624</u>	<u>0</u>	<u>778,388</u>	<u>579,680</u>	<u>955,870</u>	<u>5,750,016</u>

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY

Exhibit 4

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances -

Governmental Funds

For the Year Ended September 30, 2021

	Major Funds						
	General Fund	COVID Rescue Account Fund	General Road Fund	Road and Bridge Use Tax Fund	Bond Construction Account Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS							
Property taxes	\$ 4,580,854		1,677,771			1,950,063	8,208,688
Road and bridge privilege taxes			232,461				232,461
Licenses, commissions and other receipts	141,909		1,000			4,805	147,714
Fines and forfeitures	225,570						225,570
Intergovernmental receipts	1,781,066	1,509,328	1,094,764	585,847		157,549	5,128,554
Charges for services	71,562					509,340	580,902
Interest income	19,015	1,296	352	2,049	12,222	5,175	40,109
Miscellaneous receipts	76,963		42,344			17,257	136,564
Total Receipts	6,896,939	1,510,624	3,048,692	587,896	12,222	2,644,189	14,700,562
DISBURSEMENTS							
General government	2,861,743					226,525	3,088,268
Public safety	2,741,680				895,074	557,371	4,194,125
Public works	1,007,600		3,576,733	14,000	1,213,970	1,321,408	7,133,711
Health and welfare	129,880						129,880
Culture and recreation	210				27,590	77	27,877
Conservation of natural resources	55,938					144,697	200,635
Economic development and assistance	12,958					215,571	228,529
Debt service:							
Principal			355,736			539,272	895,008
Interest			5,040			115,645	120,685
Total Disbursements	6,810,009	0	3,937,509	14,000	2,136,634	3,120,566	16,018,718
Excess (Deficiency) of Receipts over (under) Disbursements	86,930	1,510,624	(888,817)	573,896	(2,124,412)	(476,377)	(1,318,156)
OTHER CASH SOURCES (USES)							
Proceeds from long-term debt issuance			311,950				311,950
Sale of county property	87,080		441,277				528,357
Compensation for loss of county property	42,469					9,725	52,194
Total Other Cash Sources and Uses	129,549	0	753,227	0	0	9,725	892,501

CLARKE COUNTY

Exhibit 4- (cont'd)

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances -

Governmental Funds

For the Year Ended September 30, 2021

	<u>Major Funds</u>						
	General Fund	COVID Rescue Account Fund	General Road Fund	Road and Bridge Use Tax Fund	Bond Construction Account Fund	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>216,479</u>	<u>1,510,624</u>	<u>(135,590)</u>	<u>573,896</u>	<u>(2,124,412)</u>	<u>(466,652)</u>	<u>(425,655)</u>
Cash Basis Fund Balances - Beginning, as previously reported	1,682,925	0	135,590	204,492	2,704,092	1,422,522	6,149,621
Fund reclassification	<u>26,050</u>						<u>26,050</u>
Cash Basis Fund Balances - Beginning, as restated	<u>1,708,975</u>	<u>0</u>	<u>135,590</u>	<u>204,492</u>	<u>2,704,092</u>	<u>1,422,522</u>	<u>6,175,671</u>
Cash Basis Fund Balances - Ending	<u>\$ 1,925,454</u>	<u>1,510,624</u>	<u>0</u>	<u>778,388</u>	<u>579,680</u>	<u>955,870</u>	<u>5,750,016</u>

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY
Statement of Fiduciary Net Position - Cash Basis
September 30, 2021

Exhibit 5

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 134,540
Total Assets	\$ <u>134,540</u>
NET POSITION	
Restricted for:	
Individuals, organizations and other governments	\$ 134,540
Total Net Position	\$ <u>134,540</u>

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY

Exhibit 6Statement of Changes in Fiduciary Net Position - Cash Basis
For the Year Ended September 30, 2021

	<u>Custodial Funds</u>
ADDITIONS	
Tax collections for other governments	\$ 738,765
Licenses and fees collected for State	<u>328,918</u>
Total Additions	<u>1,067,683</u>
DEDUCTIONS	
Payments of tax to other governments	874,246
Payments of licenses and fees to State	<u>307,669</u>
Total Deductions	<u>1,181,915</u>
Net increase (decrease) in fiduciary net position	(114,232)
Net Position - Beginning	<u>248,772</u>
Net Position - Ending	\$ <u><u>134,540</u></u>

The notes to the financial statements are an integral part of this statement.

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

(1) Summary of Significant Accounting Policies.

A. Financial Reporting Entity.

Clarke County, Mississippi (the County), is a political subdivision of the State of Mississippi. The County is governed by an elected five-member Board of Supervisors. The financial statements of the County are presented on a cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board. These accounting principles require Clarke County to present these financial statements on the primary government and its component units which have significant operational or financial relationships with the County.

Management has chosen to omit from these financial statements the following component units which have significant operational or financial relationship(s) with the County. Accordingly, the financial statements do not include the data of all of the County's component units necessary for reporting in accordance with accounting principles applicable to the County's cash basis of accounting.

- Clarke County Airport Board
- Clarke County Economic Development District

State law pertaining to county government provides for the independent election of county officials. The following elected and appointed officials are all part of the County legal entity and therefore are reported as part of the primary government financial statements.

- Board of Supervisors
- Chancery Clerk
- Circuit Clerk
- Justice Court Clerk
- Purchase Clerk
- Tax Assessor-Collector
- Sheriff

B. Basis of Presentation.

The County's basic financial statements consist of government-wide statements, including a Statement of Net Position – Cash Basis and a Statement of Activities – Cash Basis, fund financial statements and accompanying note disclosures which provide a detailed level of financial information.

Government-wide Financial Statements:

The Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis display information concerning the County as a whole. The statements include all nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are generally financed through taxes, intergovernmental receipts and other nonexchange receipts.

The Statement of Net Position – Cash Basis presents the financial condition of the governmental activities of the County at year-end. The Government-wide Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each function or program of the County's governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore, are clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

operational or capital requirements of a particular program. Taxes and other receipts not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing or draws from the general receipts of the County.

Fund Financial Statements:

Fund financial statements of the County are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, fund balances, receipts and disbursements. Funds are organized into governmental and fiduciary. Major individual Governmental Funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column as Other Governmental Funds.

C. Measurement Focus and Basis of Accounting.

The Government-wide, Governmental Funds, and Fiduciary Funds financial statements are presented on a cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of only cash and cash equivalents and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) reported in the period in which they occurred. This cash basis of accounting differs from GAAP primarily because revenues (cash receipts) are recognized when received in cash rather than when earned and susceptible to accrual, and expenditures or expenses (cash disbursements) are recognized when paid rather than when incurred or subject to accrual.

The County reports the following major Governmental Funds:

General Fund - This fund is used to account for and report all financial resources not accounted for and reported in another fund.

COVID Rescue Account Fund - This fund is used to account for the monies received from the American Rescue Plan Act of 2021 (ARPA) that are considered restricted in nature.

General Road Fund - This fund is used to account for monies from specific sources that are restricted for road maintenance.

Road and Bridge Use Tax Fund - This fund is used to account for monies received from use tax that are restricted for road and bridge maintenance.

Bond Construction Account Fund - This fund is used to account for the monies received from the Series 2020 General Obligation Bonds that are restricted to disbursement for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Additionally, the County reports the following fund types:

GOVERNMENTAL FUND TYPES

Special Revenue Funds - These funds are used to account for and report the proceeds of specific cash sources that are restricted or committed to disbursement for specified purposes other than debt service or capital projects.

Debt Service Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to disbursement for principal and interest.

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

FIDUCIARY FUND TYPE

Custodial Funds - Custodial Funds are used to report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

D. Account Classifications.

The account classification used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing and Financial Reporting* as issued in 2012 by the Government Finance Officers Association.

E. Deposits.

State law authorizes the County to invest in interest bearing time certificates of deposit for periods of fourteen days to one year with depositories and in obligations of the U.S. Treasury, State of Mississippi, or any county, municipality or school district of this state. Further, the County may invest in certain repurchase agreements.

Cash includes cash on hand, demand deposits, all certificates of deposit and cash equivalents, which are short-term highly liquid investments that are readily convertible to cash (generally three months or less).

F. Equity Classifications.

Government-wide Financial Statements:

Equity is classified as net position and displayed in two components:

Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position not meeting the definition of "restricted."

Net Position Flow Assumption:

When a disbursement is paid for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the County's general policy to use restricted resources first. When disbursements are paid for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the County's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

Fund Financial Statements:

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. The following are descriptions of fund classifications used by the County:

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds if disbursements paid for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Fund Balance Flow Assumption:

When a disbursement is paid for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the County's general policy to use restricted resources first. When disbursements are paid for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the County's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

G. Property Tax Receipts.

Numerous statutes exist under which the Board of Supervisors may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the County. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

The Board of Supervisors, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase. All property taxes are recognized as receipts when collected.

H. Changes in Accounting Standards.

GASB 84, *Fiduciary Activities*, was implemented during fiscal year 2021. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

(2) Fund Reclassification (Accounting Change).

Effective October 1, 2020, and in accordance with the implementation of GASB Statement No. 84, the Payroll Clearing Fund and Circuit Clerk Clearing Fund, previously reported as Fiduciary Funds, were reclassified and reported in the General Fund. Therefore, the County has adjusted beginning fund balance/net position for the General Fund and Governmental Activities in the amount of \$26,050.

For the Fiduciary Fund Custodial Activities, the County has treated the beginning of year net position of \$248,772 as having been recognized in the period incurred. The County has adjusted beginning net position for their fiduciary activities from \$0 to \$248,772.

(3) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2021, was \$5,884,556, and the bank balance was \$6,268,537. The collateral for public entities' deposits in financial

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, *Mississippi Code of 1972 Annotated*. Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. The County does not have a formal policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the County.

(4) Claims and Judgments.

Risk Financing.

The County finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The County pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2021, to January 1, 2022. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

(5) Contingencies.

Federal Grants - The County has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the disbursements of resources for allowable purposes. The County may be responsible for any disallowances.

Litigation - The County is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the County with respect to the various proceedings. However, the County's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the County.

(6) Joint Ventures.

The County participates in the following joint ventures:

Clarke County is a participant with Jasper County in a joint venture, authorized by *Section 39-3-11, Mississippi Code of 1972 Annotated*, to operate the East Mississippi Regional Library System. The joint venture was created to provide free public library service to citizens of the respective counties, and is governed by a five-member board. The two counties rotate board appointments so that each County has a majority of board members in alternate years. Each County is obligated by contract to levy not less than one-half mill tax as provided by *Section 39-3-35, Mississippi Code of 1972 Annotated*, for the ongoing financial support of the joint venture. For fiscal year 2021, Clarke County contributed \$104,500. Complete

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

financial statements for the East Mississippi Regional Library System can be obtained from the East Mississippi Regional Library, Quitman, Mississippi.

Criminal Investigation Division is a joint venture that operates in a district composed of Clarke County, MS and the City of Quitman, MS. It was created to further the pursuit of criminal activity within the district. The board of trustees for this division is composed of the participating governments' sheriff and police chief. The City of Quitman is over the bank account and funds associated with this division. The County contributed \$4,764 for the support of the division in fiscal year 2021.

(7) Jointly Governed Organizations.

The County participates in the following jointly governed organizations:

Mid-Mississippi Development District operates in a district composed of the counties of Clarke, Jasper, Lauderdale, Newton, Scott and Smith. The district was organized to foster, encourage and facilitate economic development in the member counties. The County provided no financial support for the district in fiscal year 2021.

Central Mississippi Emergency Medical Services District is composed of the counties of Attala, Clarke, Copiah, Holmes, Lauderdale, Leake, Madison, Neshoba, Rankin, Scott, Smith, Warren and Yazoo. The Clarke County Board of Supervisors appoints two of the 26 members of the board. The County provided no financial support for the district in fiscal year 2021.

East Central Planning and Development District operates in a district composed of the counties of Clarke, Jasper, Kemper, Lauderdale, Leake, Neshoba, Newton, Scott and Smith. The Clarke County Board of Supervisors appoints one of the 15 members of the board of directors. The County contributed \$12,958 for support of the district in fiscal year 2021.

Jones County Junior College operates in a district composed of the counties of Clarke, Covington, Greene, Jasper, Jones, Perry, Smith and Wayne. The Clarke County Board of Supervisors appoints two of the 25 members of the college board of trustees. The County contributed \$348,998 for maintenance and support of the college in fiscal year 2021.

Multi-County Community Service Agency operates in a district composed of the counties of Clarke, Jasper, Kemper, Lauderdale, Newton and Wayne. The entity was created to administer programs conducted by community action agencies, limited purpose agencies and related programs authorized by federal law. The Clarke County Board of Supervisors appoints one of the 24 members of the board of directors. Most of the funding for the entity is derived from federal sources. The County contributed \$5,000 for support of the district in fiscal year 2021.

Region Ten, Weems Community Mental Health operates in a district composed of the counties of Clarke, Jasper, Kemper, Lauderdale, Leake, Neshoba, Newton, Scott and Smith. The Clarke County Board of Supervisors appoints one of the nine members of the board of commissioners. The County contributed \$26,012 for support of the commission in fiscal year 2021.

Regional Railroad Authority of East Mississippi was created in September 2009, by Clarke, George, Greene and Wayne Counties; Lauderdale County's membership was effective a month later. The Authority was created to preserve, develop, and maintain rail service in the member counties. Each member county appoints five commissioners to the Board of Commissioners of the Authority, while any municipality in each of these counties through which such railroads run, appoints one commissioner. The County provided no financial support for the district in fiscal year 2021.

CLARKE COUNTY

Notes to Financial Statements For the Year Ended September 30, 2021

(8) Defined Benefit Pension Plan.

Plan Description. Clarke County, Mississippi, contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by *Mississippi Code of 1972 Annotated* Section 25-11-1 et seq. and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

Funding Policy. At September 30, 2021, PERS members were required to contribute 9% of their annual covered salary, and the County is required to contribute at an actuarially determined rate. The rate at September 30, 2021 was 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The County's contributions (employer share only) to PERS for the years ending September 30, 2021, 2020 and 2019 were \$703,675, \$675,779 and \$622,542, respectively, equal to the required contributions for each year.

(9) Tax Abatements.

As of September 30, 2021, Clarke County provides tax exempt status to four manufacturing companies and one construction company subject to the requirements of GASB Statement No. 77. These manufacturing companies and this construction company are exempt from real property taxes and personal property taxes except for levies involving the school, the mandatory mill and the community college tax levies. These exemptions are authorized under *Sections 27-31-101 and 27-31-105* of the *Mississippi Code of 1972 Annotated*. These exemptions encourage businesses to locate or expand operations in the County and to create jobs. The amount of taxes abated during fiscal year 2021 totaled \$76,687.

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY

SUPPLEMENTARY INFORMATION

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor/ Pass-through Grantor/ Program Title or Cluster	Federal AL Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture - Natural Resources Conservation Service Emergency watershed protection program (Direct Award)	10.923	N/A	\$ <u>371,582</u>
Total U.S. Department of Agriculture			<u>371,582</u>
U.S. Department of Transportation - Federal Aviation Administration Airport improvement program, COVID-19 airports programs, and infrastructure investment and jobs act programs (Direct Award)*	20.106	N/A	<u>806,433</u>
Total U.S. Department of Transportation			<u>806,433</u>
U.S. Department of Homeland Security Passed-through the Mississippi Emergency Management Agency Disaster grants - public assistance (Presidentially declared disasters)	97.036	FEMA-4536-DR-MS	<u>48,707</u>
Emergency management performance grants	97.042	N/A	<u>19,987</u>
Total U.S. Department of Homeland Security			<u>68,694</u>
Total Expenditures of Federal Awards			\$ <u><u>1,246,709</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Clarke County under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of *Title 2 U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Clarke County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Clarke County.

Note B - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note C - Indirect Cost Rate

Clarke County has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

* Denotes major federal award program

CLARKE COUNTY
Schedule of Operating Costs of Solid Waste
For the Year Ended September 30, 2021

Operating Disbursements, Cash Basis:

Salaries	\$	610,081
Expendable Commodities:		
Gasoline and petroleum products		55,922
Repair parts		47,833
Contractual garbage disposal fees		72,302
Capital outlay		303,673
Maintenance		1,293
Insurance on equipment		10,429
Supplies		<u>51,133</u>
Solid Waste Operating Costs Disbursements	\$	<u><u>1,152,666</u></u>

CLARKE COUNTY

OTHER INFORMATION

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY
 Budgetary Comparison Schedule -
 Budget and Actual (Non-GAAP Basis)
 General Fund
 For the Year Ended September 30, 2021
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 4,490,823	4,580,854	4,580,854	
Licenses, commissions and other receipts	63,600	141,909	141,909	
Fines and forfeitures	165,000	225,570	225,570	
Intergovernmental receipts	563,600	1,789,642	1,781,066	(8,576)
Charges for services	32,000	61,582	71,562	9,980
Interest income	85,000	18,284	19,015	731
Miscellaneous receipts	59,000	78,366	76,963	(1,403)
Total Receipts	<u>5,459,023</u>	<u>6,896,207</u>	<u>6,896,939</u>	<u>732</u>
DISBURSEMENTS				
Current:				
General government	4,553,697	3,033,184	2,861,743	171,441
Public safety	2,672,854	2,741,680	2,741,680	
Public works	100,370	932,641	1,007,600	(74,959)
Health and welfare	126,519	129,880	129,880	
Culture and recreation	2,000	210	210	
Conservation of natural resources	58,329	55,938	55,938	
Economic development and assistance	12,958	12,958	12,958	
Total Disbursements	<u>7,526,727</u>	<u>6,906,491</u>	<u>6,810,009</u>	<u>96,482</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(2,067,704)</u>	<u>(10,284)</u>	<u>86,930</u>	<u>97,214</u>
OTHER CASH SOURCES (USES)				
Sale of county property		87,080	87,080	
Compensation for loss of county property		42,469	42,469	
Transfers in		173,979		(173,979)
Transfers out		(174,772)		174,772
Total Other Cash Sources and Uses	<u>0</u>	<u>128,756</u>	<u>129,549</u>	<u>793</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(2,067,704)</u>	<u>118,472</u>	<u>216,479</u>	<u>98,007</u>
Cash Basis Fund Balances - Beginning	<u>2,067,704</u>	<u>1,509,842</u>	<u>1,708,975</u>	<u>199,133</u>
Cash Basis Fund Balances - Ending	<u>\$ 0</u>	<u>1,628,314</u>	<u>1,925,454</u>	<u>297,140</u>

The accompanying notes to the Other Information are an integral part of this schedule.

CLARKE COUNTY
 Budgetary Comparison Schedule -
 Budget and Actual (Non-GAAP Basis)
 COVID Rescue Account Fund
 For the Year Ended September 30, 2021
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental receipts	\$	1,509,328	1,509,328	
Interest income		1,296	1,296	
Total Receipts	<u>0</u>	<u>1,510,624</u>	<u>1,510,624</u>	<u>0</u>
DISBURSEMENTS				
Total Disbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>0</u>	<u>1,510,624</u>	<u>1,510,624</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	0	1,510,624	1,510,624	0
Cash Basis Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 0</u>	<u>1,510,624</u>	<u>1,510,624</u>	<u>0</u>

The accompanying notes to the Other Information are an integral part of this schedule.

CLARKE COUNTY
 Budgetary Comparison Schedule -
 Budget and Actual (Non-GAAP Basis)
 General Road Fund
 For the Year Ended September 30, 2021
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$	1,677,771	1,677,771	
Road and bridge privilege taxes		232,461	232,461	
Licenses, commissions and other receipts		1,000	1,000	
Intergovernmental receipts		1,094,764	1,094,764	
Interest income		352	352	
Miscellaneous receipts		42,344	42,344	
Total Receipts	<u>0</u>	<u>3,048,692</u>	<u>3,048,692</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Public works	3,125,396	3,339,741	3,576,733	(236,992)
Debt service:				
Principal		149,112	355,736	(206,624)
Interest		5,327	5,040	287
Total Disbursements	<u>3,125,396</u>	<u>3,494,180</u>	<u>3,937,509</u>	<u>(443,329)</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(3,125,396)</u>	<u>(445,488)</u>	<u>(888,817)</u>	<u>(443,329)</u>
OTHER CASH SOURCES (USES)				
Proceeds from debt			311,950	311,950
Sale of county property		234,940	441,277	206,337
Total Other Cash Sources and Uses	<u>0</u>	<u>234,940</u>	<u>753,227</u>	<u>518,287</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(3,125,396)</u>	<u>(210,548)</u>	<u>(135,590)</u>	<u>74,958</u>
Cash Basis Fund Balances - Beginning	<u>(3,821,768)</u>	<u>137,425</u>	<u>135,590</u>	<u>(1,835)</u>
Cash Basis Fund Balances - Ending	<u>\$ (6,947,164)</u>	<u>(73,123)</u>	<u>0</u>	<u>73,123</u>

The accompanying notes to the Other Information are an integral part of this schedule.

CLARKE COUNTY
 Budgetary Comparison Schedule -
 Budget and Actual (Non-GAAP Basis)
 Road and Bridge Use Tax Fund
 For the Year Ended September 30, 2021
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Intergovernmental receipts	\$	585,847	585,847	
Interest income		2,049	2,049	
Total Receipts	<u>0</u>	<u>587,896</u>	<u>587,896</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Public works	364,000	14,000	14,000	
Total Disbursements	<u>364,000</u>	<u>14,000</u>	<u>14,000</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(364,000)</u>	<u>573,896</u>	<u>573,896</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	(364,000)	573,896	573,896	0
Cash Basis Fund Balances - Beginning		204,492	204,492	0
Cash Basis Fund Balances - Ending	<u>\$ (364,000)</u>	<u>778,388</u>	<u>778,388</u>	<u>0</u>

The accompanying notes to the Other Information are an integral part of this schedule.

CLARKE COUNTY
Schedule of Interfund Loans and Advances
For the Year Ended September 30, 2021
UNAUDITED

The following is a summary of interfund balances at September 30, 2021:

A. Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	Balance at Sept. 30, 2021
General Fund	General Road Fund	\$ 210,549
General Fund	Other Governmental Funds	466,741
General Fund	Custodial Funds	<u>9,547</u>
Total		\$ <u>686,837</u>

The receivables represent amounts receipted to the incorrect fund. All interfund balances are expected to be repaid within one year from the date of the financial statements.

B. Advances From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	Balance at Sept. 30, 2021
General Fund	General Road Fund	\$ 136,239
General Fund	Other Governmental Funds	157,939
General Fund	Custodial Funds	17,348
General Road Fund	Other Governmental Funds	308,084
Other Governmental Funds	Other Governmental Funds	74,862
Other Governmental Funds	General Road Fund	<u>7,820</u>
Total		\$ <u>702,292</u>

The receivables represent amounts receipted to the incorrect fund.

Schedule of Capital Assets
CLARKE COUNTY
Schedule of Capital Assets
For the Year Ended September 30, 2021
UNAUDITED

Governmental activities:

	Balance Oct. 1, 2020	Additions	Deletions	Adjustments	Balance Sept. 30, 2021
Land	\$ 365,605				365,605
Infrastructure	62,697,883				62,697,883
Buildings	11,098,065		70,000		11,028,065
Improvements other than buildings	1,103,786				1,103,786
Mobile equipment	8,956,029	1,058,727	897,449	397,158	9,514,465
Furniture and equipment	1,185,886	104,379	47,930		1,242,335
Leased property under capital leases	1,197,768	311,800	305,800	(397,158)	806,610
Total capital assets	\$ 86,605,022	1,474,906	1,321,179	0	86,758,749

* Adjustments are for the reclassification of paid-off capital leases to mobile equipment.

CLARKE COUNTY
Schedule of Changes in Long-term Debt
For the Year Ended September 30, 2021
UNAUDITED

The following is a summary of changes in long-term liabilities and obligations for the year ended September 30, 2021:

Description and Purpose	Issue Date	Maturity Date	Interest Rate	Balance Oct. 1, 2020	Issued	Principal Payments	Balance Sept. 30, 2021
Governmental Activities:							
A. General Obligation Bonds:							
EMEPA Bonds - JCJC Center	02/18/2014	11/01/2023	0.00%	\$ 478,519		151,111	327,408
Series 2020 General Obligation Bonds	05/01/2020	05/01/2035	2.50%	3,000,000		155,000	2,845,000
B. Capital Leases:							
(3) Caterpillar backhoe loaders	01/02/2018	03/01/2021	2.22%	56,936		56,936	
(2) 2020 Kenworth T880 dump trucks	03/20/2020	03/20/2023	2.35%	256,457		256,457	
(2) 2022 Kenworth T880 dump trucks	04/01/2021	04/01/2024	1.75%		311,950	42,343	269,607
2020 Kenworth T730 garbage truck	03/20/2020	03/20/2023	2.35%	125,861		49,463	76,398
2020 International tractor truck	03/20/2020	03/20/2023	2.35%	102,725		40,372	62,353
John Deere 655K crawler	12/06/2019	12/01/2023	3.27%	183,030		54,318	128,712
C. Other Loans:							
*USA Fabrics expansion loan	03/06/2004	08/01/2014	3.00%	203,628			203,628
*Citadel Building Products expansion loan	07/25/2006	07/01/2013	3.00%	151,974			151,974
JCJC Building	07/22/2013	03/01/2036	2.00%	1,613,663		89,008	1,524,655
Total				\$ 6,172,793	311,950	895,008	5,589,735

*USA Fabric and Citadel Building Products are no longer in business and the County is no longer making principal and interest payments on their behalves. In 2015, the County wrote this debt off. During 2016, Mississippi Development Authority informed the County that the County would be held liable for this debt.

The accompanying notes to the Other Information are an integral part of this schedule.

CLARKE COUNTY
Schedule of Surety Bonds for County Officials
For the Year Ended September 30, 2021
UNAUDITED

Name	Position	Company	Bond
Darrick Marshall	Supervisor District 1	Western Surety Company	\$100,000
Lorenzo Carter	Supervisor District 2	Western Surety Company	\$100,000
Joel Speed	Supervisor District 3	Western Surety Company	\$100,000
Paul Mosley	Supervisor District 4	Western Surety Company	\$100,000
Mickey Long	Supervisor District 5	Western Surety Company	\$100,000
Elisa Mayo	County Administrator	Western Surety Company	\$100,000
Angie Chisolm	Chancery Clerk	Western Surety Company	\$100,000
Leanne Volking	Purchase Clerk	Western Surety Company	\$100,000
Elisa Mayo	Assistant Purchase Clerk	Western Surety Company	\$50,000
Laporshe Jones	Assistant Purchase Clerk	Western Surety Company	\$50,000
Latoshia Evans	Receiving Clerk	Western Surety Company	\$75,000
Tom M. Henderson	Receiving Clerk	Western Surety Company	\$75,000
Patricia Howze	Assistant Receiving Clerk	Western Surety Company	\$50,000
Mary Nicole Haddox	Assistant Receiving Clerk	Western Surety Company	\$50,000
Susan Bonner	Inventory Control Clerk	Western Surety Company	\$75,000
Brian Dace	Road Manager	Western Surety Company	\$50,000
Ryan Evans	Constable	Western Surety Company	\$50,000
Beverly Trotter	Constable	Western Surety Company	\$50,000
Sally Wedgeworth	Circuit Clerk	Western Surety Company	\$100,000
Wanda J. Hearn	Deputy Circuit Clerk	Western Surety Company	\$50,000
Todd Kemp	Sheriff	Western Surety Company	\$100,000
Toby Lee Bartee	Justice Court Judge	Western Surety Company	\$50,000
Terry L. Bonner	Justice Court Judge	Western Surety Company	\$50,000
Casey Lynn Bozeman	Justice Court Clerk	Western Surety Company	\$50,000
Terina Pyffer	Deputy Justice Court Clerk	Western Surety Company	\$50,000
Sheila Smith	Deputy Justice Court Clerk	Western Surety Company	\$50,000
Hope Herrington	Tax Assessor-Collector	Western Surety Company	\$100,000
Angela Burke	Deputy Tax Assessor	Western Surety Company	\$10,000
Charlotte Cates	Deputy Tax Assessor	Western Surety Company	\$10,000
Mary V. Ligon	Deputy Tax Assessor	Western Surety Company	\$10,000
Clara Silvers	Deputy Tax Assessor	Western Surety Company	\$10,000
Mary V. Ligon	Deputy Tax Collector	Western Surety Company	\$50,000
Penny Gunn	Deputy Tax Collector	Western Surety Company	\$50,000
Kayla Cooper	Deputy Tax Collector	Western Surety Company	\$50,000
Heather Elizabeth Evans	Deputy Tax Collector	Western Surety Company	\$50,000
Ellen E. Allen	Deputy Tax Collector	Western Surety Company	\$50,000
Terina Anna Pyffer	Deputy Tax Collector	Western Surety Company	\$50,000
Chelsea Bonner	Deputy Tax Collector	Western Surety Company	\$50,000
Patricia L. Perkins	Deputy Tax Collector	Western Surety Company	\$50,000
Gabriele Rawson	Deputy Tax Collector	Western Surety Company	\$50,000

CLARKE COUNTY

Notes to Other Information
For the Year Ended September 30, 2021
UNAUDITED

(1) Budgetary Comparison Information.

A. Budgetary Information.

Statutory requirements dictate how and when the County's budget is to be prepared. Generally, in the month of August, prior to the ensuing fiscal year beginning each October 1, the Board of Supervisors of the County, using historical and anticipated fiscal data and proposed budgets submitted by the Sheriff and the Tax Assessor-Collector for his or her respective department, prepares an original budget for each of the Governmental Funds for said fiscal year. The completed budget for the fiscal year includes for each fund every source of receipt, each general item of disbursement, and the unencumbered cash and investment balances. When during the fiscal year it appears to the Board of Supervisors that budgetary estimates will not be met, it may make revisions to the budget.

The County's budget is prepared principally on the cash basis of accounting. All appropriations lapse at year end, and there are no encumbrances to budget because state law does not require that funds be available when goods or services are ordered, only when payment is made.

B. Basis of Presentation.

The Budgetary Comparison Schedule - Budget and Actual presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary basis and variances between the final budget and the actual amounts. The schedule is presented for the General Fund and each major Special Revenue Fund.

(2) Long-term Debt Information:

A. Legal Debt Margin - The amount of debt, excluding specific exempted debt that can be incurred by the County is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the County, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a county issues bonds to repair or replace washed out or collapsed bridges on the public roads of the county. As of September 30, 2021, the amount of outstanding debt was equal to 1.73 percent of the latest property assessments.

B. Subsequent Events.

Subsequent to September 30, 2021, the County issued the following debt obligations:

<u>Issue</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Type of Financing</u>	<u>Source of Financing</u>
06/23/2022		2.80%	\$ 210,150	Capital lease	Ad valorem taxes
06/23/2022		2.80%	210,150	Capital lease	Ad valorem taxes

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY

SPECIAL REPORTS

CLARKE COUNTY

(This page left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

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

Members of the Board of Supervisors
Clarke County, Mississippi

We have audited, 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, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clarke County, Mississippi (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 4, 2022. Our report includes an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units which are required by accounting principles applicable to the County's cash basis of accounting to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clarke County, 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 Clarke County, Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clarke County, 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001.

We also noted certain matters which we have reported to the management of Clarke County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated October 4, 2022, included within this document.

Clarke County's Response to Finding

Clarke County's response to the finding identified in our audit is described in the accompanying Auditee's Corrective Action Plan. Clarke County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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



JOE E. MCKNIGHT, CPA
Director, County Audit Section

October 4, 2022



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

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

Members of the Board of Supervisors
Clarke County, Mississippi

Report on Compliance for the Major Federal Program

We have audited Clarke County, Mississippi's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Clarke County, Mississippi's major federal program for the year ended September 30, 2021. Clarke County, Mississippi's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Clarke County, Mississippi's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Clarke County, Mississippi's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Clarke County, Mississippi's compliance.

Opinion on the Major Federal Program

In our opinion, Clarke County, Mississippi complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of Clarke County, Mississippi is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Clarke County, Mississippi's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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. However, this report is a matter of public record and its distribution is not limited.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

October 4, 2022



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

**INDEPENDENT ACCOUNTANT'S REPORT ON CENTRAL PURCHASING SYSTEM, INVENTORY CONTROL
SYSTEM AND PURCHASE CLERK SCHEDULES**
(AS REQUIRED BY SECTION 31-7-115, MISSISSIPPI CODE OF 1972 ANNOTATED)

Members of the Board of Supervisors
Clarke County, Mississippi

We have examined Clarke County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with *Sections 31-7-101 through 31-7-127, Mississippi Code of 1972 Annotated* and compliance with the purchasing requirements in accordance with the bid requirements of *Section 31-7-13, Mississippi Code of 1972 Annotated* during the year ended September 30, 2021. The Board of Supervisors of Clarke County, Mississippi is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements. The Board of Supervisors of Clarke County, Mississippi, has established centralized purchasing for all funds of the County and has established an inventory control system. The objective of the central purchasing system is to provide reasonable, but not absolute, assurance that purchases are executed in accordance with state law.

Because of inherent limitations in any central purchasing system and inventory system, errors or irregularities may occur and not be detected. Also, projection of any current evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

In our opinion, Clarke County, Mississippi complied, in all material respects, with state laws governing central purchasing, inventory and bid requirements for the year ended September 30, 2021.

The accompanying schedules of (1) Purchases Not Made from the Lowest Bidder, (2) Emergency Purchases and (3) Purchases Made Noncompetitively from a Sole Source are presented in accordance with Section 31-7-115, *Mississippi Code of 1972 Annotated*. The information contained on these schedules has been subjected to procedures performed in connection with our aforementioned examination of the purchasing system and, in our opinion, is fairly presented when considered in relation to that examination.

This report is intended for use in evaluating the central purchasing system and inventory control system of Clarke County, Mississippi, and is not intended to be and should not be relied upon for any other purpose. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Joe E. McKnight". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

JOE E. MCKNIGHT, CPA
Director, County Audit Section

October 4, 2022

CLARKE COUNTY

Schedule 1

Schedule of Purchases From Other Than the Lowest Bidder

For the Year Ended September 30, 2021

Our tests did not identify any purchases from other than the lowest bidder.

CLARKE COUNTY
Schedule of Emergency Purchases
For the Year Ended September 30, 2021

Schedule 2

<u>Date</u>	<u>Item Purchased</u>	<u>Amount Paid</u>	<u>Vendor</u>	<u>Reason for Emergency Purchase</u>
10/26/2020	2020 Kenworth T370 garbage truck	\$ 150,000	Truckworx	Garbage truck unexpectedly broke down and was going to take too long to repair. County did not have enough trucks to cover garbage pickup.

CLARKE COUNTY

Schedule 3Schedule of Purchases Made Noncompetitively From a Sole Source
For the Year Ended September 30, 2021

<u>Date</u>	<u>Item Purchased</u>		<u>Amount Paid</u>	<u>Vendor</u>
10/05/2020	Medical stretcher	\$	19,556	Stryker Medical

CLARKE COUNTY

(This page left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Clarke County, Mississippi

In planning and performing our audit of the cash basis financial statements of Clarke County, Mississippi (the County) for the year ended September 30, 2021, we considered Clarke County, Mississippi's internal control to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

In addition, for areas not considered material to Clarke County, Mississippi's financial reporting, we have performed some additional limited internal control and state legal compliance review procedures as identified in the state legal compliance audit program issued by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County's compliance with these requirements. Accordingly, we do not express such an opinion. This report does not affect our report dated October 4, 2022, on the financial statements of Clarke County, Mississippi.

Due to the reduced scope, these review procedures and compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. Also, our consideration of internal control would not necessarily disclose all matters within the internal control that might be weaknesses. In accordance with *Section 7-7-211, Mississippi Code of 1972 Annotated*, the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

The results of our review procedures and compliance tests identified certain areas that are opportunities for strengthening internal controls and operating efficiency. Our findings, recommendations, and your responses are disclosed below:

Board of Supervisors and Payroll Clerk.

1. Public Employees' Retirement System of Mississippi retirees should not be paid more than one-half salary of their position.

Repeat Finding No

Criteria *Section 25-11-127(4)(a), Mississippi Code of 1972 Annotated*, requires retirees to receive no more than one-half of the salary in effect for the position at the time of employment in a fiscal year.

Condition During our test work, we noted three retirees were paid more than one-half of the salary of their position during fiscal year 2021.

Cause The Board of Supervisors and Payroll Clerk did not comply with state laws.

Effect	By overpaying PERS retirees, the County is not in compliance with state legal requirements.
Recommendation	The County should ensure that PERS retirees are not being paid more than the allowable amount.
Views of Responsible Official(s)	I will comply.

Sheriff.

2. The Sheriff should deposit money in the approved County depository.

Repeat Finding No

Criteria *Section 27-105-371, Mississippi Code of 1972 Annotated*, requires all County officials who receive funds under the authority of their office to deposit such funds into a County depository.

Condition During our test work, we noted that the Sheriff was not using the County depository to deposit funds.

Cause The Sheriff did not comply with state laws.

Effect Failure to deposit funds in the County depository could result in the loss of public funds.

Recommendation The Sheriff should ensure that all funds received by his office are deposited into the County depository, as required by law.

Views of Responsible Official(s) The Sheriff's Department has been approved to close the two accounts and open two new accounts with an approved depository.

Clarke County's responses to the findings included in this report were not audited, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Supervisors, and others within the entity and is not intended to be and should not be used by anyone other than these parties. However, this report is a matter of public record and its distribution is not limited.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

October 4, 2022

CLARKE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

Section 1: Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued on the financial statements:

Governmental activities	Unmodified
Aggregate discretely presented component units	Adverse
General Fund	Unmodified
COVID Rescue Account Fund	Unmodified
General Road Fund	Unmodified
Road and Bridge Use Tax Fund	Unmodified
Bond Construction Account Fund	Unmodified
Aggregate remaining fund information	Unmodified
2. Internal control over financial reporting:
 - a. Material weakness identified? Yes
 - b. Significant deficiency identified? None Reported
3. Noncompliance material to the financial statements noted? Yes

Federal Awards:

4. Internal control over major federal programs:
 - a. Material weakness identified? No
 - b. Significant deficiency identified? None Reported
5. Type of auditor's report issued on compliance for major federal programs: Unmodified
6. Any audit finding(s) disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No
7. Identification of major federal programs:
 - a. AL #20.106, Airport improvement program, COVID-19 airports programs, and infrastructure investment and jobs act programs
8. Dollar threshold used to distinguish between type A and type B programs: \$750,000
9. Auditee qualified as low-risk auditee? No
10. Prior fiscal year audit finding(s) and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2 CFR 200.511(b)? Yes

CLARKE COUNTY

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

Section 2: Financial Statement Findings

Board of Supervisors.

Material Weakness

Material Noncompliance

2021-001. County signed warrants without sufficient money.

Repeat Finding Yes

Criteria *Section 19-13-43, Mississippi Code of 1972 Annotated*, prohibits the signing of warrants or the delivery of warrants until there is sufficient money in the fund upon which it is drawn to pay the same.

Condition As reported in the prior two years' audit reports, warrants were issued on funds which did not have sufficient money to pay the warrants. As of September 30, 2021, the following funds had negative cash balances in the indicated amounts:

- a. Cops Grant - \$9,743
- b. County Reappraisal Fund - \$58,692
- c. Garbage/Solid Waste Fund - \$351,962
- d. Volunteer Fire Department Fund - \$46,343
- e. General Road Fund - \$210,549
- f. Circuit Clerk Payroll - \$614
- g. JCJC Support Fund - \$8,215
- h. JCJC Fund 1402 - \$1,332

Cause The County did not comply with state laws.

Effect Failure to have sufficient balances in the County funds prior to issuing warrants on these funds resulted in other funds' cash being used for purpose other than their intended purpose. This situation could result in the Board of Supervisors being held personally liable for such amounts.

Recommendation The Board of Supervisors should ensure that no warrants are signed or delivered until there is sufficient money in the fund upon which is drawn to pay the same, as required by law.

**Views of Responsible
Official(s)**

See Auditee's Corrective Action Plan.

Section 3: Federal Award Findings and Questioned Costs

The results of our tests did not disclose any findings and questioned costs related to federal awards.

CLARKE COUNTY

AUDITEE'S CORRECTIVE ACTION PLAN
AND
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY BOARD OF SUPERVISORS

100 EAST CHURCH STREET • P.O. BOX 616

QUITMAN, MS 39355

(601) 776-5873 • (601) 776-1013 FAX

www.clarkecountymiss.com

DARRICK MARSHALL

District 1

dmarshall@clarkecountymiss.gov

LORENZO CARTER

District 2

lcarter@clarkecountymiss.gov

JOEL SPEED

District 3

jspeed@clarkecountymiss.gov



CORRECTIVE ACTION PLAN

August 22, 2022

PAUL MOSLEY

District 4

pmosley@clarkecountymiss.gov

MICKEY LONG

District 5

mlong@clarkecountymiss.gov

LISA HARRIS

County Administrator

admin@clarkecountymiss.gov

Office of the State Auditor
501 N. West Street, Suite 801
Jackson, Mississippi 39201

Dear Sir,

Clarke County respectfully submits the following corrective action plan for the year ended September 30, 2021.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

SECTION 2: FINANCIAL STATEMENT FINDINGS

2021-001. Corrective Action Planned: We are in the process of correcting all negative balances.

Anticipated Completion Date: Unknown

Name of Contact Person Responsible for Corrective Action: Lisa Harris, County Administrator

Sincerely yours,


President, Board of Supervisors

CLARKE COUNTY

(This page left blank intentionally.)

CLARKE COUNTY BOARD OF SUPERVISORS

100 EAST CHURCH STREET • P.O. BOX 616
QUITMAN, MS 39355
(601) 776-5873 • (601) 776-1013 FAX
www.clarkecountybos.com

DARRICK MARSHALL
District 1
dmarshall@clarkecountymiss.gov

LORENZO CARTER
District 2
lcarter@clarkecountymiss.gov

JOEL SPEED
District 3
jspeed@clarkecountymiss.gov



PAUL MOSLEY
District 4
pmosley@clarkecountymiss.gov

MICKEY LONG
District 5
mlong@clarkecountymiss.gov

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
ISA HARRIS
County Administrator
August 22, 2022 admin@clarkecountymiss.gov

Office of the State Auditor
501 N. West Street, Suite 801
Jackson, Mississippi 39201

Dear Sir:

The Clarke County Board of Supervisors respectfully submits the following Summary Schedule of Prior Audit Findings for the year ended September 30, 2021.

The findings from the prior year's Schedule of Findings and Responses are discussed below. The findings are numbered with the numbers assigned in the first year of issuance. Section 1: Summary of Auditor's Results, does not include findings and is not addressed.

SECTION 2: FINANCIAL STATEMENT FINDINGS

2020-001. County signed warrants without sufficient money.
NOT CORRECTED. Repeated as 2020-001 and 2021-001.

SECTION 3: FEDERAL AWARD FINDINGS

There were no prior year findings and questioned costs related to federal awards.

Sincerely yours,

A handwritten signature in blue ink that reads "Mickey Long".

President, Board of Supervisors