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BOLIVAR COUNTY, MISSISSIPPI

Audited Financial Statements and Special Reports

For the Year Ended September 30, 2023



BOLIVAR COUNTY

TABLE OF CONTENTS

FINANCIAL SECTION	1
INDEPENDENT AUDITOR’S REPORT	2
FINANCIAL STATEMENTS	6
Statement of Net Position	7
Statement of Activities	9
Balance Sheet – Governmental Funds	11
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Net Position – Proprietary Fund	15
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	16
Statement of Cash Flows – Proprietary Fund	17
Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position	19
Notes to Financial Statements	20
REQUIRED SUPPLEMENTARY INFORMATION	50
Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis) General Fund	51
County-wide Road Maintenance Fund	52
Coronavirus State & Fed Fund	53
Schedule of the Proportionate Share of the Net Pension Liability	54
Schedule of Pension Contributions	55
Schedule of Proportionate Share of Net OPEB Liability	56
Schedule of OPEB Contributions	57
Notes to the Required Supplementary Information	58
OTHER INFORMATION	65
Schedule of Surety Bonds for County Officials	66
SPECIAL REPORTS	67
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 <i>Government Auditing Standards</i>	68
Independent Accountant’s Report on Central Purchasing System, Inventory Control System and Purchase Clerk Schedules (Required by Section 31-7-115, Miss. Code Ann. (1972))	70
Limited Internal Control and Compliance Review Management Report	75
SCHEDULE OF FINDINGS AND RESPONSES	79

BOLIVAR COUNTY

FINANCIAL SECTION



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PRIVATE COMPANIES PRACTICE SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Bolivar County, Mississippi

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bolivar County, Mississippi, (the County) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Bolivar County, 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.

We did not audit the financial statements of the Bolivar County Library System, which represents 0.57 percent, (0.76) percent, and 6.18 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aforementioned component unit, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the County, 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 these 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 the financial statements that are free of 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 County'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 GAAS 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 GAAS 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 County'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 County'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 Budgetary Comparison Schedules and corresponding notes, the Schedule of Proportionate Share of the Net Pension Liability, Schedule of Pension Contributions, Schedule of Proportionate Share of Net OPEB Liability, and Schedule of OPEB Contributions 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 and other auditors have applied certain limited procedures to this 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.

Omission of Required Supplementary Information

Bolivar County, Mississippi has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Surety Bonds for County Officials 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 September 16, 2024, on our consideration of Bolivar 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 Bolivar 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 Bolivar County, Mississippi's internal control over financial reporting and compliance.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi

September 16, 2024

BOLIVAR COUNTY

FINANCIAL STATEMENTS

BOLIVAR COUNTY
Statement of Net Position
September 30, 2023

Exhibit 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 24,395,833	-	24,395,833
Cash with fiscal agents		133,285	133,285
Investments			
Property tax receivable	17,457,157		17,457,157
Accounts receivable			
Fines receivable, net of allowance for uncollectibles of \$5,907,342	449,539		449,539
Loans receivable, net	-		-
Intergovernmental receivables	283,365		283,365
Other receivables	12,392		12,392
Leases receivable			-
Interest receivable			-
Internal balances	855,082	(855,082)	-
Prepaid expenses			
Land and construction in progress	2,349,047	3,878	2,352,925
Other capital assets, net	72,210,675	4,270,258	76,480,933
Total Assets	<u>118,013,090</u>	<u>3,552,339</u>	<u>121,565,429</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	5,505,080	2,036,127	7,541,207
Deferred outflows related to OPEB			
Total Deferred Outflows of Resources	<u>5,505,080</u>	<u>2,036,127</u>	<u>7,541,207</u>
Liabilities			
Claims payable	1,485,465	136,359	1,621,824
Intergovernmental payables	523,806		523,806
Accrued interest payable	172,873	5,683	178,556
Other payables	143,116		143,116
Cash overdraft	75,425		75,425
Unearned revenue	5,509,078		5,509,078
Long-term liabilities			
Due within one year:			
Capital related debt	2,358,908	495,000	2,853,908
Non-capital debt			
Due in more than one year:			
Capital related debt	4,773,644	482,923	5,256,567
Non-capital debt	307,617	61,259	368,876
Net pension liability	23,792,223	8,799,864	32,592,087
Net OPEB liability			-
Total Liabilities	<u>39,142,155</u>	<u>9,981,088</u>	<u>49,123,243</u>
Deferred Inflows of Resources			
Deferred inflows related to pension	18,388	6,799	25,187
Deferred inflows related to OPEB			-
Deferred inflows related to leases			-
Deferred revenues - property tax	17,457,157		17,457,157
Total deferred inflows of resources	<u>17,475,545</u>	<u>6,799</u>	<u>17,482,344</u>
Net Position			
Net investment in capital assets	67,427,170	3,296,213	70,723,383
Restricted:			
Expendable:			
General government	378,761		378,761
Public safety	2,274,419		2,274,419
Public works	5,440,690		5,440,690
Culture and recreation	733,026		733,026
Conservation of natural resources	15,866		15,866
Economic development	917,876		917,876
Debt service	1,514,383		1,514,383
Grants management			
Unemployment			
Unrestricted	(11,801,721)	(7,695,634)	(19,497,355)
Total Net Position	<u>\$ 66,900,470</u>	<u>(4,399,421)</u>	<u>62,501,049</u>

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

BOLIVAR COUNTY
Statement of Net Position (Continued)
September 30, 2023

Exhibit 1

	Component Units				Total
	Bolivar County Port Comm.	Bolivar County ED District	Bolivar County Library System	Bolivar Medical Center Found.	
\$	953,535	492,553	252,181	65,722	1,763,991
	4,550,000			64,200,784	68,750,784
	29,460		24,666		54,126
					-
	836				836
	40,867				40,867
	4,829,033				4,829,033
	60,371				60,371
	29,504		12,666		42,170
	3,431,352	405,428			3,836,780
	6,310,269	2,384	200,656		6,513,309
	<u>20,235,227</u>	<u>900,365</u>	<u>490,169</u>	<u>64,266,506</u>	<u>85,892,267</u>
	195,029		227,545		422,574
			25,925		25,925
	<u>195,029</u>	<u>-</u>	<u>253,470</u>	<u>-</u>	<u>448,499</u>
	124,146		3,688		127,834
	143,953				143,953
			5,143		5,143
			14,720		14,720
			15,416		15,416
			14,720		14,720
	948,205		1,131,809		2,080,014
			56,757		56,757
	<u>1,216,304</u>	<u>-</u>	<u>1,242,253</u>	<u>-</u>	<u>2,458,557</u>
	58,975		61,668		120,643
			30,005		30,005
	5,803,159				5,803,159
					-
	<u>5,862,134</u>	<u>-</u>	<u>91,673</u>	<u>-</u>	<u>5,953,807</u>
	9,741,621	407,812	180,097		10,329,530
		492,553			492,553
			5,520		5,520
	1,598				1,598
	3,608,599		(775,904)	64,266,506	67,099,201
\$	<u>13,351,818</u>	<u>900,365</u>	<u>(590,287)</u>	<u>64,266,506</u>	<u>77,928,402</u>

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

BOLIVAR COUNTY
Statement of Activities
For the Year Ended September 30, 2023

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital Grants and Contributions	Primary Government		
			Grants and Contributions		Governmental Activities	Business Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 7,360,113	716,869	886,957		(5,756,287)		(5,756,287)
Public safety	6,602,882	1,334,804	213,200		(5,054,878)		(5,054,878)
Public works	9,322,426	62,994		3,632,088	(5,627,344)		(5,627,344)
Health and welfare	682,794		37,204		(645,590)		(645,590)
Culture and recreation	663,018				(663,018)		(663,018)
Conservation of natural resources	108,134				(108,134)		(108,134)
Economic development and assistance	951,558			482,895	(468,663)		(468,663)
Interest on long-term debt	183,173				(183,173)		(183,173)
Pension expense	3,598,674				(3,598,674)		(3,598,674)
Total Governmental Activities	29,472,772	2,114,667	1,137,361	4,114,983	(22,105,761)		(22,105,761)
Business-type activities:							
Correctional facility	6,629,125	5,287,588				(1,341,537)	(1,341,537)
Total Business-type Activities	6,629,125	5,287,588				(1,341,537)	(1,341,537)
Total Primary Government	\$ 36,101,897	7,402,255	1,137,361	4,114,983	(22,105,761)	(1,341,537)	(23,447,298)
Component Units:							
Bolivar County Port Comm.	\$ 1,519,241	589,305					
Bolivar County ED District	803,787						
Bolivar County Library System	751,362	20,488	120,963				
Bolivar Medical Center Found.	941,862						
Total Component Units	\$ 4,016,252	609,793	120,963	-			
General revenues:							
Property taxes					\$ 17,323,630		17,323,630
Road & bridge privilege taxes					404,260		404,260
Grants and contributions not restricted to specific programs					936,459		936,459
Unrestricted investment income (loss)					457,055	2,780	459,835
Miscellaneous					300,013	280,267	580,280
Gain (loss) on disposal of capital assets					(31,151)		(31,151)
Transfers					(474,024)	474,024	-
Total General Revenues and Transfers					18,916,242	757,071	19,673,313
Changes in Net Position					(3,189,519)	(584,466)	(3,773,985)
Net Position - Beginning, as previously reported					70,089,989	(3,814,955)	66,275,034
Prior period adjustments					-		-
Net Position - Beginning, as restated					70,089,989	(3,814,955)	66,275,034
Net Position - Ending					\$ 66,900,470	(4,399,421)	62,501,049

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

Exhibit 2

10

BOLIVAR COUNTY
Balance Sheet – Governmental Funds
September 30, 2023

Exhibit 3

	Major Funds					
	Countywide					
	General Fund	Road Maintenance Fund	Coronavirus State & Fed Fund	2022 GO Road Constr. Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 6,445,477	-	5,630,313	4,077,993	8,242,050	24,395,833
Property tax receivable	11,339,240	2,366,475			3,751,442	17,457,157
Fines receivable, net of allowance for uncollectibles of \$5,907,342	449,539					449,539
Loans receivable, net					-	-
Intergovernmental receivables	283,365					283,365
Advances to other funds	833,236					833,236
Due from other funds	21,846	51,121			45,084	118,051
Other receivables	12,392					12,392
Total Assets	<u>19,385,095</u>	<u>2,417,596</u>	<u>5,630,313</u>	<u>4,077,993</u>	<u>12,038,576</u>	<u>43,549,573</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Claims payable	322,963	124,034		718,646	319,822	1,485,465
Intergovernmental payables	502,509					502,509
Due to other funds	117,502					117,502
Other payables	143,116					143,116
Cash overdraft		75,425				75,425
Unearned revenue			5,509,078			5,509,078
Total Liabilities	<u>1,086,090</u>	<u>199,459</u>	<u>5,509,078</u>	<u>718,646</u>	<u>319,822</u>	<u>7,833,095</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	11,339,240	2,366,475			3,751,442	17,457,157
Unavailable revenue - fines	449,539					449,539
Total Deferred Inflows of Resources	<u>11,788,779</u>	<u>2,366,475</u>	<u>-</u>	<u>-</u>	<u>3,751,442</u>	<u>17,906,696</u>
FUND BALANCES						
Nonspendable:						
Advances	833,236					833,236
Restricted for:						
General government			121,235		257,526	378,761
Public safety					2,274,419	2,274,419
Public works				3,359,347	2,081,343	5,440,690
Culture and recreation					733,026	733,026
Conservation of natural resources					15,866	15,866
Economic development					917,876	917,876
Debt service					1,687,256	1,687,256
Unassigned	5,676,990	(148,338)				5,528,652
Total Fund Balances	<u>6,510,226</u>	<u>(148,338)</u>	<u>121,235</u>	<u>3,359,347</u>	<u>7,967,312</u>	<u>17,809,782</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,385,095</u>	<u>2,417,596</u>	<u>5,630,313</u>	<u>4,077,993</u>	<u>12,038,576</u>	<u>43,549,573</u>

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

BOLIVAR COUNTY**Exhibit 3-1****Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2023**

	<u>Amount</u>
Total fund balance - Governmental Funds	\$ 17,809,782
Amounts reported for governmental services in the Statement of Net Position are different because:	
Capital assets are used in governmental activities and are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$100,599,887.	74,559,722
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	449,539
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(7,440,169)
Accrued interest payable is not due and payable in the current period and, therefore, is not reported in the funds.	(172,873)
Net pension obligations are not due and payable in the current period and, therefore, are not reported in the funds.	(23,792,223)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions	5,505,080
Deferred inflows of resources related to pensions	(18,388)
Total Net Position - Governmental Activities	<u>\$ 66,900,470</u>

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

BOLIVAR COUNTY**Exhibit 4****Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended September 30, 2023**

	Major Funds					Total Governmental Funds
	General Fund	Countywide Road Maintenance	Coronavirus State & Fed Fund	2022 GO Road Constr. Fund	Other Governmental Funds	
REVENUES						
Property taxes	\$ 11,408,991	1,967,199			3,947,440	17,323,630
Road and bridge privilege taxes		404,260				404,260
Licenses, commissions and other revenue	534,478	3,279			6,223	543,980
Fines and forfeitures	201,296					201,296
Intergovernmental revenues	1,249,615	1,791,006	440,052		2,708,130	6,188,803
Charges for services		2,831			1,391,653	1,394,484
Interest income	293,905	309	94,043		68,798	457,055
Miscellaneous revenues	229,921	41,192			28,900	300,013
Total Revenues	13,918,206	4,210,076	534,095	-	8,151,144	26,813,521
EXPENDITURES						
Current:						
General government	6,831,810				221,458	7,053,268
Public safety	4,994,482				1,419,282	6,413,764
Public works		5,759,055		1,740,653	4,310,561	11,810,269
Health and welfare	647,532					647,532
Culture and recreation	498,412					498,412
Conservation of natural resources	114,716					114,716
Economic development and assistance	292,318				659,240	951,558
Debt service:						
Principal	16,373				659,499	675,872
Interest	3,560				49,323	52,883
Total Expenditures	13,399,203	5,759,055	-	1,740,653	7,319,363	28,218,274
Excess of Revenues over (under) Expenditures	519,003	(1,548,979)	534,095	(1,740,653)	831,781	(1,404,753)
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	10,838	4,293				15,131
Long-term capital debt issued				5,100,000		5,100,000
Transfers in	3,157	440,052			1,685,281	2,128,490
Transfers out	(2,159,305)		(440,052)		(3,157)	(2,602,514)
Total Other Financing Sources and Uses	(2,145,310)	444,345	(440,052)	5,100,000	1,682,124	4,641,107
Net Changes in Fund Balances	(1,626,307)	(1,104,634)	94,043	3,359,347	2,513,905	3,236,354
Fund Balances - Beginning	8,136,533	956,296	27,192	-	5,453,407	14,573,428
Fund Balances - Ending	\$ 6,510,226	(148,338)	121,235	3,359,347	7,967,312	17,809,782

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

BOLIVAR COUNTY**Exhibit 4-1****Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2023**

	<u>Amount</u>
Net Change in Fund Balances - Governmental Funds	\$ 3,236,354
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Thus, the change in net position differs from the change in fund balances by the amount that capital outlays of \$2,704,317 exceeded depreciation of \$2,096,680 in the current period.	607,637
In the Statement of Activities, only gains and losses from the sale of capital assets are reported, while in the governmental funds, the proceeds from the sale of capital assets increases financial resources. Thus, the change in net position differs from the change in fund balance by the amount of the net loss of \$31,151 and the proceeds from the sale of capital assets of \$15,131 in the current period.	(46,282)
Fine revenue recognized on the modified accrual basis in the funds during the current year is reduced because prior year recognition would have been required on the Statement of Activities using the full-accrual basis of accounting.	(25,093)
Debt proceed provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Thus, the change in net position differs from the change in fund balances by the amount that debt proceeds of \$5,100,000 exceeded debt repayments of \$675,872.	(4,424,128)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, in the Statement of Activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Thus, the change in net position differs from the change in fund balances by a combination of the following items:	
Change in compensated absences	(23,562)
Change in accrued interest payable	(130,290)
Items reported in the Statement of Activities relating to the implementation of GASB 68 are not reported in the governmental funds. These activities include:	
Recognition of pension expense for the current year	(3,598,674)
Recognition of contributions made for the current year	1,214,519
Change in Net Position of Governmental Activities	\$ <u>(3,189,519)</u>

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

BOLIVAR COUNTY
Statement of Net Position – Proprietary Fund
September 30, 2023

Exhibit 5

	<u>Business-type Activities - Enterprise Fund</u>
	<u>Major Fund</u>
	<u>BCRCF Fund</u>
ASSETS	
Current assets:	
Cash	\$ -
Cash with fiscal agents	133,285
Total Current Assets	<u>133,285</u>
Noncurrent assets:	
Land and construction in progress	3,878
Capital assets, net	4,270,258
Total Noncurrent Assets	<u>4,274,136</u>
Total Assets	<u>4,407,421</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	2,036,127
Total Deferred Outflows of Resources	<u>2,036,127</u>
LIABILITIES	
Current liabilities:	
Claims payable	136,359
Due to other funds	21,846
Advances from other funds	833,236
Accrued interest payable	5,683
Capital related debt - current	495,000
Total Current Liabilities	<u>1,492,124</u>
Noncurrent liabilities:	
Capital related debt:	
Other long-term liabilities	482,923
Non-capital debt:	
Compensated absences payable	61,259
Net pension liability	8,799,864
Total Noncurrent Liabilities	<u>9,344,046</u>
Total Liabilities	<u>10,836,170</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	6,799
Total Deferred Inflows of Resources	<u>6,799</u>
NET POSITION	
Net investment in capital assets	3,296,213
Unrestricted	<u>(7,695,634)</u>
Total Net Position	<u>\$ (4,399,421)</u>

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

BOLIVAR COUNTY**Exhibit 6****Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund
For the Year Ended September 30, 2023**

	<u>Business-type Activities - Enterprise Fund</u>
	<u>Major Fund</u>
	<u>BCRCF</u>
	<u>Fund</u>
Operating Revenues	
Charges for services	\$ 5,287,588
Miscellaneous	280,267
Total Operating Revenues	<u>5,567,855</u>
Operating Expenses	
Personal services	2,861,997
Contractual services	1,236,497
Materials and supplies	954,289
Depreciation expense	177,929
Indirect administrative cost	21,846
Pension expense	1,331,016
Insurance premiums	2,163
Total Operating Expenses	<u>6,585,737</u>
Operating Income (Loss)	<u>(1,017,882)</u>
Nonoperating Revenues (Expenses)	
Interest income	2,780
Interest expense	<u>(43,388)</u>
Net Nonoperating Revenue (Expenses)	<u>(40,608)</u>
Transfers in	<u>474,024</u>
Change in Net Position	<u>(584,466)</u>
Net Position - Beginning	<u>(3,814,955)</u>
Net Position - Ending	<u>\$ (4,399,421)</u>

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

BOLIVAR COUNTY
Statement of Cash Flows – Proprietary Fund
For the Year Ended September 30, 2023

Exhibit 7

	<u>Business-type Activities - Enterprise Fund</u>
	<u>Major Fund</u>
	<u>BCRCF</u>
	<u>Fund</u>
Cash Flows From Operating Activities	
Receipts from customers	\$ 5,287,588
Payments to suppliers	(2,221,592)
Payments to employees for services	(3,296,448)
Other operating cash receipts	280,267
Net Cash Provided (Used) by Operating Activities	<u>49,815</u>
Cash Flows From Noncapital Financing Activities	
Transfers in	474,024
Net Cash Provided (Used) by Noncapital Financing Activities	<u>474,024</u>
Cash Flows From Capital and Related Financing Activities	
Principal paid on long-term debt	(475,000)
Interest paid on long-term debt	(48,980)
Acquisition and construction of capital assets	(71,784)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(595,764)</u>
Cash Flows From Investing Activities	
Interest on deposits	2,780
Net Cash Provided (Used) by Investing Activities	<u>2,780</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(69,145)
Cash and Cash Equivalents at Beginning of Year	<u>202,430</u>
Cash and Cash Equivalents at End of Year	<u>\$ 133,285</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (Loss)	\$ (1,017,882)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	177,929
Amortization expense	2,163
Changes in assets and liabilities:	
(Increase) decrease in deferred outflows of resources	(1,121,245)
Increase (decrease) in claims payable	(30,807)
Increase (decrease) in compensated absences liability	14,754
Increase (decrease) in net pension liability	2,019,613
Increase (decrease) in interfund payables	21,847
Increase (decrease) in deferred inflows of resources	<u>(16,557)</u>
Total Adjustments	<u>1,067,697</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 49,815</u>

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

BOLIVAR COUNTY
Statement of Fiduciary Net Position
September 30, 2023

Exhibit 8

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 7,511,773
Due from other funds	<u>21,297</u>
Total Assets	<u><u>7,533,070</u></u>
LIABILITIES	
Intergovernmental payables	<u>21,297</u>
Total Liabilities	\$ <u><u>21,297</u></u>
NET POSITION	
Restricted for:	
Individuals, organizations and other governments	<u>7,511,773</u>
Total Net Position	\$ <u><u>7,511,773</u></u>

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

BOLIVAR COUNTY
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023

Exhibit 9

	<u>Custodial Funds</u>
ADDITIONS	
Tax collections for other governments	\$ 1,840,675
Licenses and fees collected for State	296,739
Interest income	<u>182,296</u>
Total Additions	<u><u>2,319,710</u></u>
DEDUCTIONS	
Payments of tax to other governments	1,840,675
Payments of licenses and fees to State	<u>296,739</u>
Total Deductions	\$ <u><u>2,137,414</u></u>
Net increase (decrease) in fiduciary net position	182,296
Net Position - Beginning	<u>7,329,477</u>
Net Position - Ending	\$ <u><u>7,511,773</u></u>

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

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

A. Financial Reporting Entity - Bolivar 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. Accounting principles generally accepted in the United States of America require Bolivar County to present these financial statements on the primary government and its component units which have significant operational or financial relationships with the County.

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. Individual Component Unit Disclosures

Discretely Presented Component Units – The component units' columns in the financial statements include the financial data of the following component units of the County. They are reported in a separate column to emphasize that they are legally separate from the County.

Bolivar County Port Commission was created by a special act of the Mississippi Legislature in 1973, for the purpose of overseeing the operations of the Port. A seven-member board of commissioners is appointed by the Bolivar County Board of Supervisors.

Bolivar County Economic Development District is governed by a five-member board appointed by the Bolivar County Board of Supervisors. The purpose of the District is to promote economic growth in Bolivar County. They also operate and maintain three industrial parks in Bolivar County.

Bolivar County Library System consists of eight branches in Bolivar County. The mission of the library system is to promote and develop adequate library services throughout Bolivar County that meet the general and specialized needs of the citizens of the County. The Board of Supervisors of Bolivar County appoints the five members of the library's Board of Trustees.

Bolivar Medical Center Foundation is a non-profit foundation created to manage funds received by the County from the sale of hospital facilities. The County appoints 5 of the 11-member Board of Trustees. House Bill No. 1741, dated May 20, 2000, gave the County the authority to appoint the Board of Trustees, which would have the power to manage and invest funds. The overall mission of the Bolivar Medical Center Foundation is to take necessary actions to ensure that medical care offered in Bolivar County is maintained at the highest possible level.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

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

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information concerning the County as a whole. The statements include all nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange revenues and are reported separately from business-type activities. Business-type activities rely mainly on fees and charges for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Net Position presents the financial condition of the governmental activities and business-type activities of the County at year-end. The Government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the County’s governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other revenues not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business-type activity or governmental function is self-financing or draws from the general revenues 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures/expenses. Funds are organized into governmental, proprietary, and fiduciary, even though the latter are excluded from the government-wide financial statements. Major individual Governmental Funds and major individual Enterprise 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.

D. Measurement Focus and Basis of Accounting – The Government-wide, Proprietary Funds and Fiduciary Funds financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Shared revenues are recognized when the provider government recognizes the liability to the County. Grants are recognized as revenues as soon as all eligibility requirements have been satisfied.

The revenues and expenses of Proprietary Funds are classified as operating or non-operating. Operating revenues and expenses generally result from providing services in connection with a Proprietary Fund's primary operations. All other revenues and expenses are reported as non-operating.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period when they are both measurable and available to finance operations during the year or to liquidate liabilities existing at the end of the year. Available means collected in the current period or within 60 days after year end to liquidate liabilities existing at the end of the year. Measurable means knowing or being able to reasonably estimate the amount. Expenditures are recognized in the accounting period when the related fund liabilities are incurred. Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recognized only when payment is due. Property taxes, state appropriations and federal awards are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

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.

Countywide Road Maintenance Fund – This fund is used to account for monies from specific revenue sources that are restricted for road maintenance.

Coronavirus State & Fed Fund – This fund is used to account for monies from The American Rescue Plan Act of 2021 that are to aid in the recovery of the effects associated with the COVID-19 pandemic.

2022 GO Road Constr. Fund – This fund is used to account for the proceeds of General Obligation Bonds that are restricted for road and bridge construction and maintenance.

The County reports the following major Proprietary Fund:

Bolivar County Regional Correctional Facility (BCRCF) – This fund is used to account for the County's activities of operating the correctional facility.

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 revenue sources that are restricted or committed to expenditure 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 expenditure for principal and interest.

Capital Projects Funds – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Permanent Funds – These funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs.

PROPRIETARY FUND TYPE

Enterprise Funds – These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

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.

E. Account Classifications – The account classifications 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 Associations.

F. Deposits and Investments – 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). Investments in governmental securities are stated at fair value. However, the County did not invest in any governmental securities during the fiscal year.

G. Receivables – Receivables are reported net of allowances for uncollectible accounts, where applicable.

H. Interfund Transactions and Balances – Transactions between funds that represent short-term lending/borrowing arrangements and transactions that have not resulted in the actual transfer of cash at the end of the fiscal year are referred to as "due to/from other funds." Noncurrent portions of interfund receivables and payables are reported as "advances to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in the General Fund, if applicable, to indicate that they are not available for appropriation and are not expendable available financial resources. However, this is not applicable to advances reported in other governmental funds, which are reported, by definition, as restricted, committed, or assigned. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any outstanding balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

I. Capital Assets – Capital acquisition and construction are reflected as expenditures in Governmental Fund statements and the related assets are reported as capital assets in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

are stated at historical cost where records are available and at an estimated historical cost where no records exist. Capital assets include significant amounts of infrastructure which have been valued at estimated historical cost. The estimated historical cost was based on replacement cost multiplied by the consumer price index implicit price deflator for the year of acquisition. The extent to which capital assets costs have been estimated and the methods of estimation are not readily available. Donated capital assets are recorded at estimated fair market value at the time of donation. The cost of normal maintenance and repairs that do not add to the value of assets or materially extend their respective lives are not capitalized; however, improvements are capitalized. Interest expenditures are not capitalized on capital assets.

Capital assets acquired or constructed for Proprietary Fund operations are capitalized at cost in the respective funds in which they are utilized. No interest is capitalized on self-constructed assets because noncapitalization of interest does not have a material effect on the County's financial statements. Donated capital assets are recorded at their fair value at the time of donation.

Capitalization thresholds (dollar value above which asset acquisitions are added to the capital asset accounts) and estimated useful lives are used to report capital assets in the government-wide statements and Proprietary Funds. Depreciation is calculated on the straight-line basis for all assets, except land. A full year's depreciation expense is taken for all purchases and sales of capital assets during the year. The following schedule details those thresholds and estimated useful lives:

	Capitalization Thresholds	Estimated Service Life
Land	\$ 0	N/A
Infrastructure	0	20 to 50 years
Buildings	50,000	40 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5 to 10 years
Furniture and equipment	5,000	3 to 7 years
Intangible assets	*	*

* Intangible assets for the County represent right to use leased assets, and are capitalized as a group for reporting purposes. The estimated useful life is the term of the lease agreement. There is no mandated maximum amortization period. Intangible assets with indefinite useful lives should not be amortized.

The term "depreciation" includes the amortization of intangible assets.

J. Deferred Outflows/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/expenditure) until then.

Deferred outflows related to pensions – This amount represents the County's proportionate share of the deferred outflows of resources reported by the pension plan in which the County participates. See Note 10 for additional details.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred revenues – property tax/unavailable revenue – property taxes – Deferred inflows of resources should be reported when resources associated with imposed nonexchange revenue transactions are received or reported as a receivable before the period for which property taxes are levied.

Unavailable revenue – fines – When an asset is recorded in the governmental fund financial statements, but the revenue is not available, the government should report a deferred inflow of resources until the revenue becomes available.

Deferred inflows related to pensions – This amount represents the County's proportionate share of the deferred inflows of resources reported by the pension plan in which the County participates. See Note 10 for additional details.

Deferred inflows related to leases – Deferred inflows of resources measured at the initial value of the lease receivable to reflect that the receivable relates to future periods.

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

L. Leases. - The Governmental Accounting Standards Board (GASB) issued Statement No. 87 *Leases* (GASB 87), to establish a single leasing model for accounting and reporting purposes. The guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. GASB 87 was implemented during fiscal year 2023.

The Bolivar County Port Commission uses the federal prime borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known.

M. Long-term Liabilities – Long-term liabilities are the unmatured principal of bonds, loans, notes, or other forms of noncurrent or long-term general obligation indebtedness. Long-term liabilities are not limited to liabilities from debt issuances but may also include liabilities on financed purchases and other commitments.

In the government-wide financial statements and in the Proprietary 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 Funds Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

In the fund financial statements, the face amount of the debt issued is reported as other financing sources.

N. Equity Classifications

Government-wide Financial Statements:

Equity is classified as Net Position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.

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” or “net investment in capital assets.”

Net Position Flow Assumption – When an expense is incurred 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 expenses are incurred for purposes for which unrestricted (committed, assigned or unassigned) resources are available, and amounts in the unrestricted classification 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.

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

Nonspendable fund balance includes amounts that cannot be spent. This includes amounts that are either not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds from the collection of those receivables or from the sale of those properties are restricted, committed or assigned) or amounts that are legally or contractually required to be maintained intact, such as a principal balance of a permanent fund.

Restricted fund balance includes amount 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.

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 expenditures

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

incurred 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 an expenditure is incurred 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 expenditures are incurred for purposes for which unrestricted (committed, assigned or 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.

O. Property Tax Revenues – 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.

Accounting principles generally accepted in the United States of America require property taxes to be recognized at the levy date if measurable and available. All property taxes are recognized as revenue in the year for which they are levied. Motor vehicle and mobile home taxes do not meet the measurability and collectability criteria for property tax recognition because the lien and due date cannot be established until the date of original purchase occurs.

P. Intergovernmental Revenues in Governmental Funds – Intergovernmental revenues, consisting of grants, entitlements, and shared revenues, are usually recorded in Governmental Funds when measurable and available. However, the “available” criterion applies for certain federal grants and shared revenues when the expenditure is made because expenditure is the prime factor for determining eligibility. Similarly, if cost sharing or matching requirements exist, revenue recognition depends on compliance with these requirements.

Q. Compensated Absences – The County has adopted a policy of compensation for accumulated unpaid employee personal leave. No payment is authorized for accrued major medical leave. Accounting principles generally accepted in the United States of America require accrual of accumulated unpaid employee benefits as long-term liabilities in the government-wide financial statements and Proprietary Funds financial statements. In fund financial statements, Government Funds report the compensated absence liability payable only if the payable has matured, for example an employee resigns or retires.

R. Changes in Accounting Standards.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

GASB 96, *Subscription-Based Information Technology Arrangements*, was implemented during the 2023 fiscal year. Prior to the issuance of this statement there was no accounting or financial reporting guidance specifically for SBITAs. The purposes of the standard are to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, relatability, relevance, and consistency of information about SBITAs.

NOTE 2 – PRIOR PERIOD ADJUSTMENTS.

A summary of significant net position adjustments is as follows:

Exhibit 2 - Statement of Activities - Component Units

Explanation	Amount
Bolivar County Port Commission	
To adjust net position for leases receivable	\$ (1,076,321)
Total prior period adjustments	<u>\$ (1,076,321)</u>

NOTE 3 – DEPOSITS.

The carrying amount of the County's total deposits with financial institutions at September 30, 2023, was \$32,040,891, and the bank balance was \$32,612,412. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal 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.

NOTE 4 – INTERFUND TRANSACTIONS AND BALANCES.

The following is a summary of interfund balances at September 30, 2023:

A. Due From/To Other Funds:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	BCRCF Fund	\$ 21,846
Countywide Road Maintenance Fund	General Fund	51,121
Other Governmental Funds	General Fund	45,084
Custodial Funds	General Fund	21,297
Total		<u>\$ 139,348</u>

The General Fund receivable is for indirect administrative cost due from BCRCF. All other receivables represent the tax revenue collected but not settled until October 2023. 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>	<u>Amount</u>
General Fund	BCRCF Fund	\$ 833,236
Total		<u>\$ 833,236</u>

The General Fund receivable is the amount of indirect cost not paid within one year.

C. Transfers In/Out:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 3,157
Countywide Road Maintenance Fund	Coronavirus State & Fed Fund	440,052
Other Governmental Funds	General Fund	1,685,281
BCRCF Fund	General Fund	474,024
Total		<u>\$ 2,602,514</u>

The principal purpose of interfund transfers was to provide funds for grant matches or to provide funds to pay for capital outlay. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

NOTE 5 – INTERGOVERNMENTAL RECEIVABLES.

At September 30, 2023, intergovernmental receivables consisted of:

<u>Governmental Activities:</u>	<u>Amount</u>
Legislative tax credit	\$ 283,365
Total Governmental Activities	<u>\$ 283,365</u>

NOTE 6 – LOANS RECEIVABLE.

At September 30, 2023, loans receivable consisted of:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

	Date of Loan	Interest Rate	Maturity Date	Receivable Balance
Governmental Activities:				
Loans Receivable:				
MDEZA - River Run	10-02	2.0%	09-37	\$ 137,679
CDBG - Knightline	10-02	4.0%	* 02-19	192,863
MDEZA - Knightline	05-03	4.0%	* 02-19	474,699
Less: Allowance for uncollectibles				(805,241)
Total loans receivable				\$ <u>0</u>

* Loan to Knightline is past maturity date, and has been considered uncollectible by Mississippi Development Authority. However, due to state statute, the corresponding amount owed by the County of \$474,699 is still reported as a liability on the County's financial statements.

NOTE 7 – CAPITAL ASSETS.

The following is a summary of capital assets for the year ended September 30, 2023:

Governmental activities:	Balance Oct. 1, 2022	Additions	Deletions	Adjustments *	Balance Sept. 30, 2023
Non-depreciable capital assets:					
Land	\$ 1,356,270				1,356,270
Construction in progress	841,838	1,009,864		(858,925)	992,777
Total non-depreciable capital assets	<u>2,198,108</u>	<u>1,009,864</u>	-	<u>(858,925)</u>	<u>2,349,047</u>
Depreciable capital assets:					
Infrastructure	102,449,660			858,925	103,308,585
Buildings	51,069,589			-	51,069,589
Improvements other than buildings	1,128,504				1,128,504
Mobile equipment	12,607,010	1,488,269	356,538		13,738,741
Furniture and equipment	3,465,229	206,184	106,270		3,565,143
Total depreciable capital assets	<u>170,719,992</u>	<u>1,694,453</u>	<u>462,808</u>	<u>858,925</u>	<u>172,810,562</u>
Less accumulated depreciation for:					
Infrastructure	59,464,621	867,857			60,332,478
Buildings	25,846,888	578,714			26,425,602
Improvements other than buildings	620,765	35,257			656,022
Mobile equipment	10,568,147	388,691	320,884		10,635,954
Furniture and equipment	2,419,312	226,161	95,642		2,549,831
Total accumulated depreciation	<u>98,919,733</u>	<u>2,096,680</u>	<u>416,526</u>	<u>-</u>	<u>100,599,887</u>
Total depreciable capital assets, net	<u>71,800,259</u>	<u>(402,227)</u>	<u>46,282</u>	<u>858,925</u>	<u>72,210,675</u>
Governmental activities Capital assets, net	<u>\$ 73,998,367</u>	<u>607,637</u>	<u>46,282</u>	<u>-</u>	<u>74,559,722</u>

*Adjustments are to reclassify completed construction in progress to appropriate asset classification.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Business-type activities:

	Balance Oct. 1, 2022	Additions	Deletions	Adjustments	Balance Sept. 30, 2023
<u>Non-depreciable capital assets:</u>					
Land	\$ 3,878				3,878
Total Non-depreciable capital assets	<u>3,878</u>	-	-	-	<u>3,878</u>
<u>Depreciable capital assets:</u>					
Buildings	7,481,689				7,481,689
Improvements other than buildings	1,042,434				1,042,434
Mobile equipment	279,619				279,619
Furniture and equipment	285,156	71,784			356,940
Total depreciable capital assets	<u>9,088,898</u>	<u>71,784</u>	-	-	<u>9,160,682</u>
<u>Less accumulated depreciation for:</u>					
Buildings	3,398,259	149,636			3,547,895
Improvements other than buildings	802,266	5,280			807,546
Mobile equipment	255,330				255,330
Furniture and equipment	256,640	23,013			279,653
Total accumulated depreciation	<u>4,712,495</u>	<u>177,929</u>	-	-	<u>4,890,424</u>
Total depreciable capital assets, net	<u>4,376,403</u>	<u>(106,145)</u>	-	-	<u>4,270,258</u>
Business -type activities					
Capital assets, net	<u>\$ 4,380,281</u>	<u>(106,145)</u>	-	-	<u>4,274,136</u>

Depreciation expense was charged to the following functions:

Governmental Activities:

	Amount
General government	\$ 1,033,035
Public safety	592,561
Public works	261,094
Health & welfare	35,262
Culture & recreation	164,606
Conservation of natural resources	10,122
Total governmental activities depreciation expense	<u>\$ 2,096,680</u>

Business-type activities:

Correctional facility	<u>\$ 177,929</u>
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Commitments with respect to unfinished capital projects at September 30, 2023, consisted of the following:

<u>Description of Commitment</u>	<u>Remaining Financial Commitment</u>	<u>Expected Date of Completion</u>
Various road projects	\$ unknown	unknown

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Capital Assets - Component Units:

Bolivar County Port Commission	Balance				Balance
	Oct. 1, 2022	Additions	Deletions	Adjustments	Sept. 30, 2023
<u>Non-depreciable capital assets:</u>					
Land	\$ 3,109,720				3,109,720
Construction in progress	0	554,804		(233,172)	321,632
Total non-depreciable capital assets	3,109,720	554,804	-	(233,172)	3,431,352
<u>Depreciable capital assets:</u>					
Infrastructure	4,210,748			233,172	4,443,920
Buildings and improvements	6,577,601				6,577,601
Equipment and fixtures	1,251,936	54,920		-	1,306,856
Total depreciable capital assets	12,040,285	54,920	-	233,172	12,328,377
<u>Less accumulated depreciation for:</u>					
Infrastructure	1,999,437	111,755			2,111,192
Buildings and improvements	2,616,616	179,937			2,796,553
Equipment and fixtures	1,076,809	33,554		-	1,110,363
Total accumulated depreciation	5,692,862	325,246	-	-	6,018,108
Total depreciable capital assets, net	6,347,423	(270,326)	-	233,172	6,310,269
Component unit capital assets, net	\$ 9,457,143	284,478	-	-	9,741,621

Bolivar County ED District

<u>Non-depreciable capital assets:</u>					
Land	\$ 405,428				405,428
Total non-depreciable capital assets	405,428	-	-	-	405,428
<u>Depreciable capital assets:</u>					
Infrastructure	949,626				949,626
Equipment and fixtures	6,755				6,755
Total depreciable capital assets	956,381	-	-	-	956,381
<u>Less accumulated depreciation for:</u>					
Infrastructure	902,153	45,568			947,721
Equipment and fixtures	5,951	325			6,276
Total accumulated depreciation	908,104	45,893	-	-	953,997
Total depreciable capital assets, net	48,277	(45,893)	-	-	2,384
Component unit capital assets, net	\$ 453,705	(45,893)	-	-	407,812

Bolivar County Library

<u>Depreciable capital assets:</u>					
Equipment and fixtures	\$ 658,856	66,504	9,582		715,778
Total depreciable capital assets	658,856	66,504	9,582	-	715,778
<u>Less accumulated depreciation for:</u>					
Equipment and fixtures	459,361	65,343	9,582		515,122
Total accumulated depreciation	459,361	65,343	9,582	-	515,122
Component unit capital assets, net	\$ 199,495	1,161	-	-	200,656

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

NOTE 8 – 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, 2023, to January 1, 2024. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

NOTE 9 – INTANGIBLE RIGHT-TO-USE LEASES.

Component Unit – Bolivar County Port Commission.

As Lessor:

On August 1, 2007, subject to lease assignments, the Port Commission entered into a non-cancellable operating lease agreement with Farmers Grain Terminal, Inc. for the lease of land tracts owned by the Rosedale-Bolivar County Port Commission for the purpose of loading grain and other products. At the end of the initial lease term, the Lessee exercised the option to renew an additional 15 years beginning August 1, 2022 and ending July 31, 2037. The operating lease stipulated that the Lessee would pay annual lease payments during the renewal period in the following manner:

Initial Term: beginning August 1, 2022 and ending July 31, 2037 (15 years)

Initial Five-Year Term	August 1, 2022 to July 31, 2027	\$69,738.62
Second Five-Year Term	August 1, 2027 to July 31, 2032	\$76,162.48
Third Five-Year Term	August 1, 2032 to July 31, 2037	\$85,389.24

On September 1, 2015, the Port Commission entered into a non-cancellable operating lease agreement with Helena Chemical Company for the lease of land tracts owned by the Rosedale-Bolivar County Port Commission for the purpose of any lawful purpose, including the storage and delivery of liquid fertilizer and other agriculture-related products, and construction and maintenance of a dry fertilizer warehouse, dry bulk unloading system, and/or sales or management office as may be incidental to the storage of such goods and products. At the end of the initial lease term, the Lessee exercised the right/option to renew for an additional 40 years with lease payments increasing five percent in each five (5) year increment.

Renewal Term: beginning January 1, 2019 and ending December 31, 2058 (40 years)

Initial Five-Year Term	January 1, 2019 to December 31, 2023	\$97,518.74
Second Five-Year Term	January 1, 2023 to December 31, 2028	\$102,394.68
Third Five-Year Term	January 1, 2028 to December 31, 2033	\$107,514.41

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Fourth Five-Year Term	January 1, 2033 to December 31, 2038	\$112,890.13
Fifth Five-Year Term	January 1, 2038 to December 31, 2043	\$118,534.64
Sixth Five-Year Term	January 1, 2043 to December 31, 2048	\$124,461.37
Seventh Five-Year Term	January 1, 2048 to December 31, 2053	\$130,684.44
Eighth Five-Year Term	January 1, 2053 to December 31, 2058	\$137,218.66

On September 15, 2013, the Port Commission entered into a non-cancellable operating lease agreement with LD Commodities River Elevators, LLC for the lease of land tracts owned by the Rosedale-Bolivar County Port Commission for the purpose of storage, loading and unloading of grains, fertilizer and other agricultural commodities and other products, and related business uses. The operating lease stipulated that the Lessee would pay monthly installments due in advance on the first business day of each calendar month. The base rent for the initial term shall be as follows:

Initial Term: beginning September 15, 2013 and ending August 31, 2033 (20 years)

Lease Years	Annual Base Rent (\$)	Monthly Base Rent (\$)
1-5	63,202.30	5,266.86
6-10	69,522.53	5,793.54
11-15	75,842.76	6,320.23
16-20	82,162.99	6,846.92

At the end of the initial lease term, the Lessee shall have the right/option to renew for an additional three consecutive five (5) year terms.

On January 1, 2016, the Port Commission entered into a non-cancellable operating lease agreement with Wood Duck Farms for the lease of land tracts owned by the Rosedale-Bolivar County Port Commission for agricultural purposes. During the 2022 fiscal year, Wood Duck Farms changed their name to Adamstein Farms. All other terms of the agreement remained unchanged. The operating lease stipulated that the Lessee would pay annual lease payments in the following manner:

Initial Term: beginning January 1, 2016 and ending December 31, 2016 (automatic one (1) year renewals)

Initial Term and one (1) year renewals	\$3,200.00
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For each lease, the Port Commission has used the federal prime borrowing rate as the discount rate as no implicit lease is noted. For the year ending September 30, 2023, the Port Commission recognized \$266,182 in revenue related to these lease receivables.

Remaining amounts to be received associated with these leases are as follows:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Bolivar County Port Commission

Year Ending		
<u>Sept 30:</u>	<u>Principal</u>	<u>Interest</u>
2024	171,920	76,056
2025	175,113	72,863
2026	178,448	69,528
2027	188,357	66,043
2028	198,319	62,401
2029-2033	1,016,085	249,404
2034-2038	665,102	155,517
2039-2043	470,404	122,270
2044-2048	523,292	99,015
2049-2053	584,800	68,623
2054-2058	657,193	28,901
	<u>4,829,033</u>	<u>1,070,621</u>

NOTE 10 – DEFINED BENEFIT PENSION PLAN.

General Information about the Pension Plan

Plan Description. Bolivar 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 Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) 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.

Benefits Provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity’s participation in PERS by the PERS’ Board of Trustees. If approved, membership for the entity’s employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent 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. Benefits vest upon completion of eight

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

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. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions. At September 30, 2023, 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 employer's rate at September 30, 2023, was 17.40% of annual covered payroll. The contribution requirements of PERS members and employers 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, 2023, 2022, and 2021 were \$1,663,724, \$1,494,093, and \$1,417,362, respectively, equal to the required contributions 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 County reported a liability of \$32,592,087 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 County's proportion of the net pension liability was based on a projection of the County's long-term share of contribution to the pension plan relative to projected contributions of all participation entities, actuarially determined. The County's proportionate share used to calculate the September 30, 2023, net pension liability was 0.129584 percent, which was based on a measurement date of June 30, 2023. This was an increase of 0.007584 from the proportionate share used to calculate the September 30, 2022, net pension liability, which was based on a measurement date of June 30, 2022.

For the year ended September 30, 2023, the County recognized pension expense of \$4,929,690. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 805,099	
Net difference between projected and actual earnings on pension plan investments	1,189,979	
Changes of assumptions	3,801,650	
Changes in the proportion and differences between County contributions and proportionate share of contributions	1,345,759	25,187
County Contributions subsequent to the measurement date	398,720	
	<u>\$ 7,541,207</u>	<u>25,187</u>

\$398,720 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction to the net pension

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>Amount</u>
2024	\$ 2,778,106
2025	1,786,890
2026	2,542,612
2027	9,692
Total	<u>\$ 7,117,300</u>

Actuarial Assumptions. The total pension liability as of June 30, 2023 was determined by an actuarial valuation prepared as of June 30, 2023, and by the investment experience for the fiscal year ending June 30, 2023. The following actuarial assumptions are applied to all periods in the measurement:

Inflation	2.40 percent
Salary increases	2.65 - 17.90 percent, including inflation
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of the 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 for the purposes of determining the total pension liability were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022. The experience report is dated April 20, 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 rates of return by the target asset allocation percentage and by adding expected inflation.

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

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	27.00 %	4.75 %
International Equity	22.00	4.75
Global Equity	12.00	4.95
Fixed Income	20.00	1.75
Real Estate	10.00	3.25
Private Equity	8.00	6.00
Cash Equivalents	1.00	0.25
	<u>100.00 %</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%) and that employer contributions will be phased in to 22.40 percent over the three fiscal years (17.40 percent to 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 to the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

		<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net pension liability	\$	42,028,322	32,592,087	24,848,607

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

COMPONENT UNITS

Bolivar County Port Commission

Plan Description. The Bolivar County Port Commission contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan.

Contributions. The Port's contributions (employer share only) to PERS for the years ending September 30, 2023, 2022, and 2021 were \$47,602, \$45,842, and \$43,740, respectively, equal to the required contributions for each year.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

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

At September 30, 2023, the Port reported a liability of \$948,205 for its proportionate share of the net pension liability. The net pension liability was measured at 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. At June 30, 2023, the Port's proportion of the net pension liability was 0.003768 percent, which was an increase of 0.000099 percent from its proportion measured as of June 30, 2022. For the year ended September 30, 2023, the Port recognized pension expense of \$76,311. At September 30, 2023, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 23,691	-
Net difference between projected and actual earnings on pension plan investments	33,331	-
Changes of assumptions	111,743	-
Changes in the proportion and differences between Port contributions and proportionate share of contributions	14,850	58,975
Contributions subsequent to the measurement date	11,414	-
	<u>\$ 195,029</u>	<u>58,975</u>

\$11,414 reported as deferred outflows of resources related to pensions resulting from Port contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>Amount</u>
2024	\$ 17,610
2025	35,513
2026	71,235
2027	282
Total	<u>\$ 124,640</u>

Sensitivity to the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	\$ 1,222,734	948,205	722,923

Bolivar County Library System

Plan Description. The Bolivar County Library System contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Contributions. The System's contributions (employer share only) to PERS for the years ending September 30, 2023, 2022, and 2021 were \$58,148, \$57,831, and \$58,758, respectively, equal to the required contributions 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 System reported a liability of \$1,131,809 for its proportionate share of the net pension liability. At June 30, 2023, the System's proportion was 0.0045 percent, which was a decrease of 0.0004 percent from its proportion measured as of June 30, 2022. For the year ended September 30, 2023, the System recognized pension expense of \$130,393. At September 30, 2023, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,339	-
Net difference between projected and actual earnings on pension plan investments	44,282	-
Changes of assumptions	132,895	-
Changes in the proportion and differences between System contributions and proportionate share of contributions	8,295	61,668
Contributions subsequent to the measurement date	13,734	
	<u>\$ 227,545</u>	<u>61,668</u>

\$13,734 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>Amount</u>
2024	\$ 58,820
2025	22,717
2026	70,269
2027	337
Total	<u>\$ 152,143</u>

Sensitivity to the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	\$ 1,459,497	1,131,809	862,905

NOTE 11 – Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan.

Component Unit – Bolivar County Library System

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Plan description.

State law mandates that all state, public education, library, junior and community college and retiring employees be offered health and life benefit coverage through the State and School Employees' Life and Health Insurance Plan (the Plan). The Plan was established by Section 25-15-3 et seq., Mississippi Code Ann. (1972), which may be amended only by the State Legislature. The State and School Employees' Health Insurance Management Board (the Board) administers the Plan. The Board has the sole legal authority to promulgate rules and regulations governing the operations of the Plan within the confines of the law governing the Plan. The Plan is self-insured and is financed through premiums collected from employers, employees, retirees, and COBRA participants. The Plan provides for Other Postemployment Benefits (OPEB) as a multiple employer defined benefit OPEB plan. The OPEB Plan issues a publicly available financial report that may be obtained at <http://knowyourbenefits.dfa.ms.gov/>.

Benefits provided.

The Plan was formed by the State Legislature to provide group health and life benefits to full-time active and retired employees of the State, agencies, universities, community/junior colleges, public school districts and public libraries. In addition, the spouse and/or children of covered employees and retirees, as well as surviving spouses and COBRA participants, may be eligible for health insurance coverage under the Plan. Benefits of the OPEB Plan consist of an implicit rate subsidy, which is essentially the difference between the average cost of providing health care benefits to retirees under age 65 and the average cost of providing health care benefits to all participants when premiums paid by retirees are not age adjusted. Employees' premiums are funded primarily by their employers. Retirees must pay their own premiums, as do active employees for spouse and dependent medical coverage. The Board has the sole authority for setting life and health insurance premiums for the Plan. Per Section 12-15-15 (10) Mississippi Code Ann. (1972), a retired employee electing to purchase retiree life and health insurance must pay the full cost of such insurance premium. If the Board determined actuarially that the premium paid by the participating retirees adversely affects the overall cost of the Plan to the State, then the Board may impose a premium surcharge, not to exceed 15%, upon such participating retired employees who are under the age for Medicare eligibility and who are initially employed before January 1, 2006. For participating retired employees who are under the age for Medicare eligibility and who are initially employed on or after January 1, 2006, the Board may impose a premium surcharge in an amount the Board determined actuarially to cover the full cost of insurance. The Plan offers a Base option and a Select option for health benefits for non-Medicare participants. The Plan includes a separate coverage level for Medicare eligible retirees, Medicare Eligible surviving spouses, and Medicare eligible dependents of retirees and surviving spouses.

Contributions.

The Board has the sole authority for setting life and health insurance premiums for the Plan. The required premiums vary based on the plan selected and the type of participant. Employers pay no premiums for retirees while employees' premiums are funded primarily by their employer. The Library System's contributions to the OPEB plan for the year ended September 30, 2023, were \$2,487 which was equal to the required contributions for the year.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

At September 30, 2023, the Library System reported a liability of \$56,757 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The basis for the Library System's proportion is determined by comparing the employer's average monthly employees participating in the Plan with the total average employees participating in the Plan in the fiscal year of all employers. The allocation was utilized because the level of premiums contributed by each employer is the same for any employee regardless of plan participation elections made by the employee. At the measurement date of June 30, 2023, the Library System's proportion was 0.0103 percent. This was an increase of 0.0019 percent from its proportionate share as of the measurement date of June 30, 2022.

For the year ended September 30, 2023, the Library System recognized OPEB expense of \$3,249. At September 30, 2023, the Library System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,304	16,024
Changes of assumptions	5,070	4,270
Net difference between projected and actual earnings on OPEB plan investments	3	-
Changes in the proportion and differences between Library System contributions and proportionate share of contributions	11,548	9,711
Total	\$ 25,925	30,005

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending September 30:</u>	<u>Amount</u>
2024	\$ (3,961)
2025	(3,731)
2026	(998)
2027	784
2028	2,419
2029	1,407
Total	\$ (4,080)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following key actuarial assumptions and other inputs:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Inflation	2.40%
Salary increases	2.65-17.90%, including wage inflation
Municipal Bond Index Rate	
Measurement Date	3.66%
Prior Measurement Date	3.37%
Year FNP is projected to be depleted	
Measurement Date	2023
Prior Measurement Date	2022
Single Equivalent Interest Rate, Net of OPEB Plan investment expense, including inflation	
Measurement Date	3.66%
Prior Measurement Date	3.37%
Health Care Cost Trends	
Medicare Supplement Claims Pre-Medicare	6.50% for 2024 decreasing to an ultimate rate of 4.50% by 2029 FYE

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 the 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 demographic actuarial assumptions, used in the June 30, 2023 valuation, were based on the results of the last actuarial experience study, dated April 20, 2023.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023, valuation.

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2023, was 3.66 percent. Since the Prior Measurement Date, the Discount Rate has changed from 3.37% to 3.66%.

The trust was established on June 28, 2018 with an initial contribution of \$1,000,000. As of June 30, 2023, the trust has \$1,067,750. The fiduciary net position is projected to be depleted immediately; therefore, the Municipal Bond Index Rate is used in the determination of the discount rate for both the June 30, 2022, and the June 30, 2023, total OPEB liability. The discount rate used to measure the total OPEB liability at June 30, 2023, was based on a monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

Sensitivity of the Library System's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Library System's proportionate share of the net OPEB liability, as well as what the Library System's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.66 percent) or 1-percentage-point higher (4.66 percent) than the current discount rate:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

		1% Decrease (2.66%)	Current Discount Rate (3.66%)	1% Increase (4.66%)
Net OPEB Liability	\$	62,168	56,757	52,065

Sensitivity of the Library System's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the Library System's proportionate share of the net OPEB liability, as well as what the Library System's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB Liability	\$	52,885	56,757	61,093

OPEB plan fiduciary net position. The fiduciary net position for the OPEB plan was \$1,067,750 as of June 30, 2023, the measurement date. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial report that can be found at <http://knowyourbenefits.dfa.ms.gov/>.

NOTE 12 – LONG TERM DEBT.

Debt outstanding as of September 30, 2023, consisted of the following:

Description and Purpose	Amount Outstanding	Interest Rate	Maturity Date
Governmental Activities:			
A. General Obligation Bonds:			
GO Bond, Series 2022	\$ 5,100,000	4.50	12/26
Total General Obligation Bonds	<u>\$ 5,100,000</u>		
B. Other Loans:			
CDBG Knight Line Products, Inc.	\$ 474,699	4.00	* 02/09
DEQ - SRF-C280925-01-2	190,367	1.75	03/34
Expo Renovation	1,367,486	2.40	11/24
Total Other Loans	<u>\$ 2,032,552</u>		
Business-type Activities:			
A. Limited Obligation Bonds:			
MS Development Bank special obligation bonds, Series 2012A	\$ 780,000	2.00/3.250	07/25
MS Development Bank special obligation bonds, Series 2012B	200,000	2.00/2.625	07/25
Total Limited Obligation Bonds	<u>\$ 980,000</u>		

* Loan is past maturity date, and has been considered as uncollectible by Mississippi Development Authority. However, due to state statute, it is still reported as a liability on the County's financial statements.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

Annual debt service requirements to maturity for the following debt reported in the Statement of Net Position are as follows:

Governmental Activities:

Year Ending September 30:	General Obligation Bonds		Other Loans	
	Principal	Interest	Principal	Interest
2024	\$ 1,192,000	304,043	1,166,908	36,546
2025	1,246,000	147,825	708,895	19,860
2026	1,302,000	90,495	17,255	2,678
2027	1,360,000	30,600	17,559	2,373
2028	-	-	17,869	2,063
2029-2033	-	-	94,186	5,477
2034-2038	-	-	9,880	87
Total	\$ 5,100,000	572,963	2,032,552	69,084

Business-type Activities:

Year Ending September 30:	Limited Obligation Bonds	
	Principal	Interest
2024	\$ 495,000	30,850
2025	485,000	15,763
Total	\$ 980,000	46,613

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, 2023, the amount of outstanding debt was equal to 2.26% of the latest property assessments.

The following is a summary of changes in long-term liabilities and obligations for the year ended September 30, 2023:

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

	Balance Oct. 1, 2022	Additions	Deletions	Balance Sept. 30, 2023	Amount due within one year
Governmental Activities:					
Compensated absences	\$ 284,055	23,562	-	307,617	-
General obligation bonds	-	5,100,000	-	5,100,000	1,192,000
Other loans	2,708,424	-	675,872	2,032,552	1,166,908
Total	<u>\$ 2,992,479</u>	<u>5,123,562</u>	<u>675,872</u>	<u>7,440,169</u>	<u>2,358,908</u>
Business-type Activities:					
Compensated absences	\$ 46,505	14,754		61,259	-
Limited obligation bonds	1,455,000		475,000	980,000	495,000
Less: Discount	(3,387)	1,310		(2,077)	-
Total	<u>\$ 1,498,118</u>	<u>16,064</u>	<u>475,000</u>	<u>1,039,182</u>	<u>495,000</u>

Compensated absences will be paid by the funds from which the employees' salaries were paid which are generally the General Fund, Co-Wide Road Maintenance Fund, Bridge and Culvert Fund and BCRCF Fund.

Component Units

Bolivar County Library System:

Debt outstanding at September 30, 2023, consisted of the following:

	Balance Oct. 1, 2022	Additions	Deletions	Balance Sept. 30, 2023	Amount due within one year
Compensated Absences	\$ 31,714	-	2,274	29,440	14,720
Financed purchases	15,556	12,697	7,694	20,559	5,143
Total	<u>\$ 47,270</u>	<u>12,697</u>	<u>9,968</u>	<u>49,999</u>	<u>19,863</u>

NOTE 13 – 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 expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the county. In fiscal years 2002 & 2003, grants were received for the purpose of making loans in the amount of \$841,528 to Knight-Line Products, Inc. and \$139,679 to River Run, for the purposes of economic development. These loans have become delinquent, and the County is currently pursuing collection. It is unclear at this time, whether the County will incur any liability to repay the grant funds, should the loans prove to be uncollectible. No provision for any liability that may result has been recognized in the County's financial statement.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

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.

NOTE 14 – EFFECT OF DEFERRED AMOUNTS ON NET POSITION.

The governmental activities' deficit unrestricted net position amount of (\$11,801,721) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflow of resources related to pensions in the amount of \$291,066 resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. The \$5,214,014 balance of deferred outflow of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next four years. The \$18,388 balance of the deferred inflow of resources related to pension at September 30, 2023, will be recognized in pension expense over the next three years.

The business-type activities' deficit unrestricted net position amount of (\$7,695,634) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflow of resources related to pensions in the amount of \$107,654 resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. The \$1,928,473 balance of the deferred outflow of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next four years. The \$6,799 balance of the deferred inflow of resources related to pension at September 30, 2023, will be recognized in pension expense over the next three years.

Component Unit - The Bolivar County Port Commission's unrestricted net position amount of \$3,608,599 includes the effect of recognition of deferring the recognition of revenue resulting from leases receivable. The \$5,803,159 balance of deferred inflows of resources at September 30, 2023, will be recognized as revenue and will increase the unrestricted net position over the next 35 years.

NOTE 15 – RELATED ORGANIZATIONS.

The Bolivar County Board of Supervisors is responsible for appointing a voting majority of the members of the boards of the following organizations, but the County's accountability for these organizations does not extend beyond making the appointments and in making annual appropriations, if any, to these organizations:

Bogue Hasty Drainage District
Northern Drainage District
Sub-Drainage District Number 12
Number 11 Drainage District

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

The County participates in the following jointly governed organizations:

Delta Community Mental Health Services operates in a district composed of the Counties of Bolivar, Issaquena, Sharkey, and Washington. The Board of Commissioners is composed of one appointee from each county Board of Supervisors. The County appropriated \$243,080 for maintenance and support of the commission in fiscal year 2023.

The South Delta Planning and Development District operates in a district composed of the Counties of Bolivar, Humphreys, Issaquena, Sharkey, Sunflower, and Washington. The governing body is a 22-member Board of Directors with four appointed by the Board of Supervisors of Bolivar County. The County appropriated \$15,556 for maintenance and support of the district in fiscal year 2023.

Mississippi Delta Community College operates in a district composed of the Counties of Bolivar, Humphreys, Issaquena, Leflore, Sharkey, Sunflower, and Washington. The Bolivar County Board of Supervisors appoints two of the 20 members of the College Board of Trustees. The County levied \$465,753 in taxes for the maintenance and support of the college in the fiscal year 2023.

Coahoma Community College operates in a district composed of the Counties of Bolivar, Coahoma, Quitman, Tallahatchie, and Tunica. The Bolivar County Board of Supervisors appoints two of the 12 members of the College Board of Trustees. The County levied \$465,753 in taxes for maintenance and support in the fiscal year 2023.

Yazoo-Mississippi Water Management District operates in a district composed of the Counties of Bolivar, Carroll, Coahoma, Desoto, Holmes, Humphreys, Issaquena, Leflore, Panola, Quitman, Sharkey, Sunflower, Tallahatchie, Tate, Tunica, Washington, and Yazoo. The Bolivar County Board of Supervisors appoints two of 21 members of the Board of Commissioners. The County levied \$244,716 in taxes to support the district in fiscal year 2023.

Bolivar County Community Action Program, Inc. was created as a non-profit organization by non-government individuals in 1964 pursuant to federal community action legislation. The Bolivar County Board of Supervisors appoints seven of the 21 board members. Most of the entity's revenues are derived from federal grants. The County appropriated \$50,000 for maintenance and support of the organization in the fiscal year 2023.

NOTE 17 – TAX ABATEMENTS

For the year beginning October 1, 2016, the Governmental Accounting Standards Board (GASB) implemented Statement No. 77, Tax Abatement Disclosures. This statement requires governmental entities to disclose the reduction in tax revenues resulting from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The Bolivar County Board of Supervisors negotiates property tax abatements on an individual basis. Abatements are for five to ten years and are for economic development purposes. The County had tax abatement agreements with three entities as of September 30, 2023.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2023

The County had abatements under Section 27-31-101, Miss. Code Ann. (1972), which does not provide for the abatement of school or state tax levies:

<u>Category</u>	<u>Percent of Taxes Abated During the Fiscal Year</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Construction and expansion of a manufacturing facility	100%	\$ 857,650

NOTE 18 – SUBSEQUENT EVENTS.

Events that occur after the statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of Bolivar County evaluated the activity of the County through September 16, 2024, (the date the financial statements were available to be issued) and determined that no events occurred requiring disclosure in the notes to the financial statements.

BOLIVAR COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

BOLIVAR COUNTY
Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended September 30, 2023

UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive Positive (Negative)
REVENUES				
Property taxes	\$ 11,587,112	11,433,465	11,433,465	-
Licenses, commissions and other revenue	472,000	535,006	535,006	-
Fines and forfeitures	220,000	206,313	206,313	-
Intergovernmental revenues	535,200	1,249,615	1,249,615	-
Interest income	150,000	293,150	293,150	-
Miscellaneous revenues	80,000	229,921	229,921	-
Total Revenues	<u>13,044,312</u>	<u>13,947,470</u>	<u>13,947,470</u>	<u>-</u>
EXPENDITURES				
General government	6,378,594	6,855,838	6,855,838	-
Public safety	1,554,256	4,123,867	4,123,867	-
Health and welfare	715,029	645,757	645,757	-
Culture and recreation	613,641	484,531	484,531	-
Conservation of natural resources	163,846	115,345	115,345	-
Economic development and assistance	403,030	312,318	312,318	-
Debt service	-	29,899	29,899	-
Total Expenditures	<u>9,828,396</u>	<u>12,567,555</u>	<u>12,567,555</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	<u>3,215,916</u>	<u>1,379,915</u>	<u>1,379,915</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Sources	677,000	769,693	769,693	-
Uses	<u>(1,466,776)</u>	<u>(3,817,980)</u>	<u>(3,817,980)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(789,776)</u>	<u>(3,048,287)</u>	<u>(3,048,287)</u>	<u>-</u>
Net Change in Fund Balance	2,426,140	(1,668,372)	(1,668,372)	-
Fund Balance - Beginning	<u>3,469,908</u>	<u>7,256,382</u>	<u>7,256,382</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 5,896,048</u>	<u>5,588,010</u>	<u>5,588,010</u>	<u>-</u>

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

BOLIVAR COUNTY**Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis)****Countywide Road Maintenance Fund****For the Year Ended September 30, 2023****UNAUDITED**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 1,918,962	1,969,874	1,969,874	-
Road and bridge privilege taxes	300,000	408,339	408,339	-
Licenses, commissions and other revenue	-	3,279	3,279	-
Charges for services	-	2,831	2,831	-
Intergovernmental revenues	1,650,000	653,496	653,496	-
Interest income	10,000	309	309	-
Miscellaneous revenues	1,200	41,192	41,192	-
Total Revenues	3,880,162	3,079,320	3,079,320	-
EXPENDITURES				
Public works	5,324,058	5,260,002	5,260,002	-
Debt service	-	-	-	-
Total Expenditures	5,324,058	5,260,002	5,260,002	-
Excess of Revenues over (under) Expenditures	(1,443,896)	(2,180,682)	(2,180,682)	-
OTHER FINANCING SOURCES (USES)				
Sources	-	444,345	444,345	-
Uses	-	-	-	-
Total Other Financing Sources and Uses	-	444,345	444,345	-
Net Change in Fund Balance	(1,443,896)	(1,736,337)	(1,736,337)	-
Fund Balance - Beginning	(7,687,551)	431,015	431,015	-
Fund Balance - Ending	\$ (9,131,447)	(1,305,322)	(1,305,322)	-

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

BOLIVAR COUNTY
Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis)
Coronavirus State & Fed Fund
For the Year Ended September 30, 2023

UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$	2,974,565	2,974,565	-
Interest income		94,043	94,043	-
Total Revenues	-	3,068,608	3,068,608	-
EXPENDITURES				
General Government		-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues over (under) Expenditures	-	3,068,608	3,068,608	-
OTHER FINANCING SOURCES (USES)				
Uses	-	(440,052)	(440,052)	-
Total Other Financing Sources and Uses	-	(440,052)	(440,052)	-
Net Change in Fund Balance	-	2,628,556	2,628,556	-
Fund Balance - Beginning	-	3,001,757	3,001,757	-
Fund Balance - Ending	\$ -	5,630,313	5,630,313	-

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

BOLIVAR COUNTY
Schedule of Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*
For the Year Ended September 30, 2023

UNAUDITED

Bolivar County	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.129584%	0.122%	0.122%	0.117%	0.119%	0.122%	0.115%	0.117%	0.125%	0.132%
County's proportionate share of the net pension liability (asset)	\$ 32,592,087	25,112,039	18,032,131	22,649,837	20,934,444	20,292,224	19,116,906	20,899,122	19,322,535	16,022,383
County's covered payroll	\$ 9,605,755	8,375,807	8,123,868	7,820,148	7,769,146	7,768,442	7,394,866	7,485,190	7,787,473	8,081,035
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.30%	299.82%	221.96%	289.63%	269.46%	261.21%	258.52%	279.21%	248.12%	198.27%
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	67.21%

COMPONENT UNITS

Bolivar County Port Commission

Proportion of the net pension liability (asset)	0.003768%	0.003669%	0.003892%	0.004872%	0.004899%	0.004924%	0.004647%	0.004965%	0.004878%	
Proportionate share of the net pension liability (asset)	\$ 948,205	755,419	575,254	943,163	861,831	819,007	772,489	873,697	754,043	
Covered payroll	\$ 279,321	252,581	258,790	324,424	319,091	310,720	310,065	323,635	300,494	
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.47%	299.08%	222.29%	290.72%	270.09%	263.58%	249.14%	269.96%	250.93%	
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	

Bolivar County Library System

Proportion of the net pension liability (asset)	0.0045%	0.0049%	0.0050%	0.0048%	0.0050%	0.0055%	0.0050%	0.0043%	0.0043%	0.0043%
Proportionate share of the net pension liability (asset)	\$ 1,131,809	1,008,598	739,022	929,224	879,598	914,813	831,170	768,087	664,695	521,941
Covered payroll	\$ 333,264	332,359	331,519	320,255	325,014	351,752	325,382	287,227	263,929	274,106
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.61%	303.47%	222.92%	290.15%	270.63%	260.07%	255.44%	267.41%	251.85%	190.42%
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	67.21%

* The amounts presented for each fiscal year were determined as of the twelve months ended at the measurement date of June 30 of the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented for the fiscal year ended September 30, 2015, and, until a full 10 year trend is compiled, the County has only presented information for the years in which information is available.

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

BOLIVAR COUNTY
Schedule of Pension Contributions
Last 10 Fiscal Years*
For the Year Ended September 30, 2023

UNAUDITED

Bolivar County	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,663,724	1,494,093	1,417,362	1,370,656	1,264,945	1,220,283	1,184,067	1,192,579	1,216,088
Contributions in relation to the contractually required contribution	<u>1,663,724</u>	<u>1,494,093</u>	<u>1,417,362</u>	<u>1,370,656</u>	<u>1,264,945</u>	<u>1,220,283</u>	<u>1,184,067</u>	<u>1,192,579</u>	<u>1,216,088</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County's covered payroll	\$ 9,561,625	8,586,737	8,145,759	7,877,342	7,817,907	7,747,826	7,517,883	7,571,920	7,721,194
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.18%	15.75%	15.75%	15.75%	15.75%

COMPONENT UNITS

Bolivar County Port Commission

Contractually required contribution	\$ 47,602	45,842	43,740	53,415	53,798	48,938	48,835	50,973	47,328
Contributions in relation to the contractually required contribution	<u>47,602</u>	<u>45,842</u>	<u>43,740</u>	<u>53,415</u>	<u>53,798</u>	<u>48,938</u>	<u>48,835</u>	<u>50,973</u>	<u>47,328</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 273,574	263,462	251,379	306,981	332,636	310,720	310,065	323,635	300,496
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.17%	15.75%	15.75%	15.75%	15.75%

Bolivar County Library System

Contractually required contribution	57,249	57,831	58,758	55,909	54,542	53,780	53,008	45,239	41,569
Contributions in relation to the contractually required contribution	<u>57,249</u>	<u>57,831</u>	<u>58,758</u>	<u>55,909</u>	<u>54,542</u>	<u>53,780</u>	<u>53,008</u>	<u>45,239</u>	<u>41,569</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	329,018	332,361	337,687	321,315	327,511	341,461	336,557	287,227	263,929
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.65%	15.75%	15.75%	15.75%	15.75%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented for the fiscal year ended September 30, 2015, and, until, a full 10 year trend is compiled, the County has only presented information for the years in which information is available.

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

BOLIVAR COUNTY
Schedule of Proportionate Share of Net OPEB Liability
Last 10 Fiscal Years*
For the Year Ended September 30, 2023

UNAUDITED

COMPONENT UNIT

Bolivar County Library System

	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability	0.0103%	0.0084%	0.0091%	0.0093%	0.0099%	0.0117%
Proportionate share of the net OPEB liability	\$ 56,757	41,142	58,891	72,412	84,197	90,303
Covered-employee payroll	\$ 333,264	332,359	331,519	320,255	325,014	351,752
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	17.03%	12.38%	17.76%	22.61%	25.91%	25.67%
Plan fiduciary net position as a percentage of the total OPEB liability	0.19%	0.21%	0.16%	0.13%	0.12%	0.13%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 75 was implemented for the fiscal year ended September 30, 2018, and, until a full 10 year trend is compiled, the County has only presented information for the years in which information is available.

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

BOLIVAR COUNTY
Schedule of OPEB Contributions
Last 10 Fiscal Years*
For the Year Ended September 30, 2023

UNAUDITED

COMPONENT UNIT

Bolivar County Library System

	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 2,487	1,678	2,366	2,889	3,373	4,022
Contributions in relation to the actuarially determined contributions	2,487	1,678	2,366	2,889	3,373	4,022
Contribution deficiency (excess)	\$ -	-	-	-	-	-
Covered-employee payroll	\$ 329,018	332,361	337,687	321,315	327,511	341,461
Contributions as a percentage of covered-employee payroll	0.76%	0.50%	0.70%	0.90%	1.03%	1.18%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 75 was implemented for the fiscal year ended September 30, 2018, and, until, a full 10 year trend is compiled, the County has only presented information for the years in which information is available. Prior year information is based on historical amounts reported in prior year audit reports.

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

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

Budgetary Comparison Schedule

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 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 revenue, each general item of expenditure, 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 (Non-GAAP Basis) presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary (Non-GAAP 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. The Budget Comparison Schedule - Budget and Actual (Non-GAAP Basis) is a part of required supplementary information.

C. Budget/GAAP Reconciliation.

The major differences between the budgetary basis and the GAAP basis are:

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

The following schedule reconciles the budgetary basis schedules to the GAAP basis financial statements for the General Fund and each major Special Revenue Fund:

	General Fund	Countywide Road Maintenance Fund	Coronavirus State & Fed Fund
Budget (Cash basis)	\$ (1,668,372)	(1,736,337)	2,628,556
Increase (Decrease)			
Net adjustments for revenue accruals	(784,962)	1,130,756	(2,534,513)
Net adjustments for expenditure accruals	827,027	(499,053)	-
GAAP Basis	<u>\$ (1,626,307)</u>	<u>(1,104,634)</u>	<u>94,043</u>

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

Pension Schedules

A. 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.

B. Changes of assumptions.

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.

2016

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

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 assumptions were 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%.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

2019

The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments:

For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119.

For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119.

Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The expectation of disabled mortality was changed to PubT.H-2010 Disabled Retiree Table for disabled retirees with the following adjustments:

For males, 137% of male rates at all ages.

For females, 115% of female rates at all ages.

Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The price inflation assumption was reduced from 3.00% to 2.75%.

The wage inflation assumption was reduced from 3.25% to 3.00%.

Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.

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 the 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.

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

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 more closely reflect actual experience.
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%.

2023

The investment rate of return assumption was changed from 7.55% to 7.00%.

The assumed load for administrative expenses was decreased from 0.28% to 0.26% of payroll.

Withdrawal rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.

The percentage of participants assumed to receive a deferred benefit upon attaining the eligibility requirements for retirement was increased from 60% to 65%.

For married members, the number of years that a male is assumed to be older than his spouse was changed from 3 years to 2 years.

The assumed amount of unused sick leave at retirement was increased from 0.50 years to 0.55 years.

The assumed average number of years of military service that participants will have at retirement was decreased from 0.25 years to 0.20 years.

C. Method and assumptions used in calculations of actuarially determined contributions.

The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2021, valuation for the June 30, 2023, fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	26.7 years
Asset valuation method	5-year smoothed market

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

Price Inflation	2.40 percent
Salary increase	2.65 percent to 17.90 percent, including inflation
Investment rate of return	7.55 percent, net of pension plan investment expense, including inflation

OPEB Schedules

(1) *Changes of assumptions*

2017: The discount rate was changed from 3.01% for the prior Measurement Date to 3.56% for the current Measurement Date.

2018: The discount rate was changed from 3.56% for the prior Measurement Date to 3.89% for the current Measurement Date.

2019: The discount rate was changed from 3.89% for the prior Measurement Date to 3.50% for the current Measurement Date.

2020: The discount rate was changed from 3.50% for the prior Measurement Date to 2.19% for the current Measurement Date

2021: The discount rate was changed from 2.19% for the prior Measurement Date to 2.13% for the current Measurement Date

2022: The discount rate was changed from 2.13% for the prior Measurement Date to 3.37% for the current Measurement Date

2023: The discount rate was changed from 3.37% for the prior Measurement Date to 3.66% for the current Measurement Date

(2) *Changes in benefit provisions*

2017: None

2018: None

2019: None

2020: The schedule of monthly retiree contributions was increased as of January 1, 2021. In addition, the deductibles and coinsurance maximums were increased for the Select coverage and the coinsurance maximums were increased for the Base Coverage beginning January 1, 2021.

2021: The schedule of monthly retiree contributions was increased as of January 1, 2022. In

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2022.

2022: The schedule of monthly retiree contributions was increased as of January 1, 2023. In addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2023.

2023: The schedule of monthly retiree contributions was increased as of January 1, 2024. In addition, the medical deductible was increased for the Base Family coverage beginning January 1, 2024.

- (3) Methods and assumptions used in calculations of Actuarially Determined Contributions. The Actuarially Determined Contributions rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated as of the most recent Valuation Date. The following actuarial methods and assumptions (from the June 30, 2022, actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2023:

Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	30 years, open
Asset valuation method	Market Value of Assets
Price inflation	2.40%
Salary increases, including wage inflation	2.65% to 17.90%
Initial health care cost trend rates	
Medicare Supplement Claims	6.50%
Pre-Medicare	
Ultimate health care cost trend rates	
Medicare Supplement Claims	4.50%
Pre-Medicare	
Year of ultimate trend rates	
Medicare Supplement Claims	2029
Pre-Medicare	

BOLIVAR COUNTY, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

UNAUDITED

Long-term investment rate of return, net of
OPEB plan investment expense, 3.66%
including price inflation

BOLIVAR COUNTY

OTHER INFORMATION

BOLIVAR COUNTY
Schedule of Surety Bonds for County Officials
For the Year Ended September 30, 2023
“Unaudited”

Name	Position	Company	Bond
Jacorius O. Liner	Supervisor District 1	Western Surety	100,000
Donnie Whitten	Supervisor District 2	FCCI Insurance	100,000
Olanda Morton	Supervisor District 3	Western Surety	100,000
James McBride	Supervisor District 4	FCCI Insurance	100,000
Larry King	Supervisor District 5	Western Surety	100,000
Will L. Hooker	County Administrator	FCCI Insurance	100,000
Brenett N Haynes	Chancery Clerk	FCCI Insurance	100,000
Laquanza Scott	Purchase Clerk	Western Surety	100,000
Elexo Robinson	Asst. Purchase Clerk	FCCI Insurance	50,000
Lee Chatman	Receiving Clerk	FCCI Insurance	75,000
Brandie Hudson	Asst. Receiving Clerk	Western Surety	50,000
Yolanda W. Foster	Asst. Receiving Clerk	Western Surety	50,000
Steven Rose	Asst. Receiving Clerk	Western Surety	50,000
Marcell Hall	Asst. Receiving Clerk	Western Surety	50,000
Shannon Henderson	Asst. Receiving Clerk	Western Surety	50,000
Sonya Hooker	Asst. Receiving Clerk	Western Surety	50,000
James Walker	Asst. Receiving Clerk	Western Surety	50,000
Russell H. Quinton, Jr.	Inventory Control Clerk	FCCI Insurance	75,000
James Pritchett	Road Manager	FCCI Insurance	50,000
Lee Chatman	Asst. Road Manager	FCCI Insurance	50,000
Billy F. Trotter	Constable	FCCI Insurance	50,000
Sam Toliver	Constable	FCCI Insurance	50,000
John Joel	Constable	FCCI Insurance	50,000
Judith Thompson	Circuit Clerk	FCCI Insurance	100,000
Darshanisha Warren	Deputy Circuit Clerk	Western Surety	50,000
Florida McNeal	Deputy Circuit Clerk	FCCI Insurance	50,000
Zina Williams	Deputy Circuit Clerk	Western Surety	50,000
Melody Pates	Deputy Circuit Clerk	Western Surety	50,000
Shavaska Gant	Deputy Circuit Clerk	Western Surety	50,000
Kelvin Williams	Sheriff	FCCI Insurance	100,000
James Strait	Justice Court Judge	FCCI Insurance	50,000
Harold Ward, Sr.	Justice Court Judge	FCCI Insurance	50,000
Betty Jean Taylor	Justice Court Judge	FCCI Insurance	50,000
Dorothy Lewis	Justice Court Clerk (thru 6/30/23)	Western Surety	50,000
Monika Gregory	Justice Court Clerk (begin 7/1/23)	No Bond	-
Sophia D. Shelton	Deputy Justice Court Clerk	Western Surety	50,000
Shonya Bovan	Deputy Justice Court Clerk	FCCI Insurance	50,000
Susan Rocconi	Deputy Justice Court Clerk	Western Surety	50,000
Will L. Hooker	Tax Collector-Assessor	FCCI Insurance	100,000
Kay Sandra Anderson	Deputy Tax Collector	Western Surety	50,000
Patricia Pates	Deputy Tax Collector	Western Surety	50,000
Kim Beamon	Deputy Tax Collector	Western Surety	50,000
Jacqueline Crockam	Deputy Tax Collector	FCCI Insurance	50,000
Barbara Carter	Deputy Tax Collector	Western Surety	50,000
Sharron Hurns	Deputy Tax Collector	Western Surety	50,000
Karmen Thomson	Deputy Tax Collector	Western Surety	50,000
Crystal Nicole Johnson	Deputy Tax Collector	Western Surety	50,000
Miracle Hurns	Deputy Tax Assessor	Western Surety	10,000
Alicia Milum	Deputy Tax Assessor	Western Surety	10,000
Oneida Causley	Deputy Tax Assessor	Western Surety	10,000
Hayden Williams	Deputy Tax Assessor	Western Surety	10,000

BOLIVAR COUNTY

SPECIAL REPORTS

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**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
Bolivar 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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Bolivar County, Mississippi (the County), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 16, 2024. Our report includes a reference to other auditors who audited the financial statements of the Bolivar County Library System, as described in our report on Bolivar County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting and on compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bolivar County, Mississippi's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bolivar 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. 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bolivar 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Bolivar County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated September 16, 2024, included within this document.

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.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi

September 16, 2024

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PRIVATE COMPANIES PRACTICE SECTION

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

Members of the Board of Supervisors
Bolivar County, Mississippi

We have examined Bolivar County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with Section 31-7-101 through 31-7-127, Miss. Code Ann. (1972) and compliance with the purchasing requirements in accordance with the bid requirements of Section 31-7-13, Miss. Code Ann. (1972) during the year ended September 30, 2023. The Board of Supervisors of Bolivar 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 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 Bolivar 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 control 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, Bolivar County, Mississippi, complied, in all material respects, with state laws governing central purchasing, inventory and bid requirements for the year ended September 30, 2023.

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, Miss. Code Ann. (1972). The information contained on these schedules has been subjected to procedures performed in connection with our aforementioned examination and, in our opinion, is fairly presented when considered in relation to that examination.

This report is intended for use in evaluating Bolivar County, Mississippi's compliance with the aforementioned requirements, 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.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi

September 16, 2024

BOLIVAR COUNTY**Schedule 1****Schedule of Purchases Not Made from the Lowest Bidder
For the Year Ended September 30, 2023**

<u>Date</u>	<u>Item</u>	<u>Bid Accepted</u>	<u>Vendor</u>	<u>Lowest Bid</u>	<u>Reason for accepting other than Lowest Bid</u>
11/9/2022	#57 Washrock	39.25/ton	Apac	18.10/ton	Lowest bidder out

BOLIVAR COUNTY
Schedule of Emergency Purchases
For the Year Ended September 30, 2023

Schedule 2

Our tests did not identify any emergency purchases.

BOLIVAR COUNTY

Schedule 3

**Schedule of Purchases Made Noncompetitively from a Sole Source
For the Year Ended September 30, 2023**

Our tests did not identify any purchases made noncompetitively from a sole source.

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LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Bolivar County, Mississippi

In planning and performing our audit of the financial statements of Bolivar County, Mississippi for the year ended September 30, 2023, we considered Bolivar 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 Bolivar 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 September 16, 2024, on the financial statements of Bolivar 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, Miss. Code Ann. (1972), 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 immaterial instances of noncompliance with state laws and regulations that are opportunities for strengthening internal controls and operating efficiency. Our findings, recommendations, and your responses are disclosed below:

Board of Supervisors.

1. Public Officials and Employees should ensure compliance with state law over surety bonding requirements.

Repeat Finding No

Criteria	<i>Section 25-1-15, Mississippi Code Annotated (1972), states, "A new bond in an amount not less than that required by law shall be secured upon employment and coverage shall continue by the securing of a new bond every four (4) years concurrent with the normal election cycle of the Governor or with the normal election cycle of the local government applicable to the employee."</i>
Condition	During the course of our testing we noted the following instances of non-compliance: <ul style="list-style-type: none">• No bond was able to be located for the Justice Court Clerk• No bond was able to be located for a Deputy Justice Court Clerk• One (1) assistant receiving clerk was not bonded for the entire period• One (1) deputy circuit clerk was not bonded for the entire period,
Cause	Public Officials and the Board of Supervisors have insufficient control over the requirements for bonding officials and employees.
Effect	Failure to have a bond in place for a specific term could limit the amount available for recovery if a loss occurred.
Recommendation	We recommend that the Board of Supervisors implement procedures to ensure that County officials and employees are bonded as required by State law.
Response	In the future we will be in compliance with the bonds.

Sheriff.

2. The Sheriff Should Strengthen Internal Control over Settlements.

Repeat Finding	Yes, 2022, 2021
Criteria	An effective system of internal control includes the timely completion of monthly settlements to the County's general fund.
Condition	During the course of our test work, we noted four (4) instances where the sheriff's office did not timely settle funds to the County's general fund by the twentieth (20 th) of the subsequent month.

Cause	The sheriff's office did not make settlements to the County's general fund by the twentieth (20 th) of the subsequent month.
Effect	Failure to make timely settlements could result in the misappropriation of public funds.
Recommendation	The Sheriff should strengthen controls over the settling of funds to the County's general fund to ensure that the settlements are made on or before the twentieth (20 th) of the subsequent month.
Response	The Sheriff has appointed Supervisors to monitor and ensure that settlements are completed and made to the County's General Fund by the twentieth of the month.

3. The Sheriff Should Ensure Compliance with State Law Regarding the Timely Deposit of Funds.

Repeat Finding	No
Criteria	<i>Section 25-1-72, Mississippi Code Annotated (1972)</i> , states that, "All county officers who receive funds payable into the county treasury shall deposit such funds into the county depository on the day when they are collected or on the next business day thereafter."
Condition	During the course of our test work, we noted that six (6) of the ten (10) deposits chosen for testing were not made in a timely manner.
Cause	These delays are due to inadequate internal controls surrounding the statutory requirements for depositing of revenue collected in the Sheriff's Office.
Effect	Inadequate controls surrounding the deposits of revenue collections could result in improper revenue recognition and noncompliance with statutory requirements. Failure to implement controls over cash could result in a delay in the timely reconciliation of bank accounts, and settlement of funds to the County.
Recommendation	The Sheriff should ensure that the deposits are being made in a timely manner as prescribed by statute.
Response	Compliance with <i>Section 25-1-72, Mississippi Code Annotated (1972)</i> will strictly be enforced. Supervisors have been assigned to ensure that deposits can be made daily.

Bolivar 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.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi

September 16, 2024

BOLIVAR COUNTY

SCHEDULE OF FINDINGS AND RESPONSES

BOLIVAR COUNTY
Schedule of Findings and Responses
For the Year Ended September 30, 2023

Section 1: Summary of Auditor's Results

Financial Statements:

- | | |
|--|---------------|
| 1. Type of auditor's report issued on the financial statements | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiency identified? | None reported |
| 3. Noncompliance material to the financial statements? | No |

Section 2: Financial Statement Findings

The results of our tests did not disclose any findings related to the financial statements that are required to be reported by Government Auditing Standards.