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**JEFFERSON DAVIS COUNTY, MISSISSIPPI  
Audited Financial Statements and Special Reports  
For the Year Ended September 30, 2023**

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

## JEFFERSON DAVIS COUNTY

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## **JEFFERSON DAVIS COUNTY**

### **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors  
Jefferson Davis County, Mississippi

### Report on the Audit of the Financial Statements

#### *Adverse and Unmodified Opinions*

We have audited the cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Jefferson Davis 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.

#### *Adverse Opinion on Aggregate Discretely Presented Component Units*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly the cash basis financial position of the aggregate discretely presented component units of Jefferson Davis County, Mississippi, as of September 30, 2023, or the changes in cash basis financial position for the year then ended in accordance with accounting principles applicable to the County's cash basis of accounting.

#### *Unmodified Opinions on the Governmental Activities and Each Major Fund*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of Jefferson Davis County, Mississippi, as of September 30, 2023, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

#### *Basis for Adverse and Unmodified 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 Statements 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 adverse and unmodified opinions.

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### ***Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units***

The financial statements do not include financial data for the County's legally separate component units. Accounting principles applicable to the County's cash basis of accounting require the financial data for those component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The effects of not including the County's legally separate component units on the aggregate discretely presented component units has not been determined.

### ***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting, as described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

### ***Supplementary Information***

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Operating Costs of Solid Waste is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Budgetary Comparison Schedule, Schedule of Investments, Schedule of Capital Assets, Schedule of Changes in Long-term Debt, Schedule of Surety Bonds for County Officials and corresponding notes 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 12, 2025 on our consideration of Jefferson Davis 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 Jefferson Davis 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 Jefferson Davis 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 12, 2025



## **JEFFERSON DAVIS COUNTY**

### **FINANCIAL STATEMENTS**

**JEFFERSON DAVIS COUNTY**  
**Statement of Net Position - Cash Basis**  
**September 30, 2023**

**Exhibit 1**

	<u>Primary Government</u>
	<u>Governmental</u>
	<u>Activities</u>
<b>ASSETS</b>	
Cash	\$ 9,856,253
Total Assets	<u>9,856,253</u>
<b>NET POSITION</b>	
Restricted:	
Expendable:	
General government	191,821
Public safety	289,424
Public works	3,727,309
Culture and recreation	131,976
Debt service	823,420
Unemployment compensation	17,255
Unrestricted	<u>4,675,048</u>
Total Net Position	<u>\$ 9,856,253</u>

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

**JEFFERSON DAVIS COUNTY**  
**Statement of Activities - Cash Basis**  
**For the Year Ended September 30, 2023**

**Exhibit 2**

Functions/Programs	Cash Disbursements	Program Cash Receipts			Receipts and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 3,932,269	182,053	53,099	44,151	(3,652,966)
Public safety	6,501,298	120,715	100,410	3,810,601	(2,469,572)
Public works	6,513,256		457,137		(6,056,119)
Health and welfare	186,268		20,089		(166,179)
Culture and recreation	205,349				(205,349)
Education	202,592				(202,592)
Conservation of natural resources	108,607				(108,607)
Economic development and assistance	67,729				(67,729)
Purchase of investments	1,044,201				(1,044,201)
Debt Service:					
Principal	492,083				(492,083)
Interest	84,292				(84,292)
Total Governmental Activities	<u>\$ 19,337,944</u>	<u>302,768</u>	<u>630,735</u>	<u>3,854,752</u>	<u>(14,549,689)</u>
General receipts:					
Property taxes				\$ 7,296,796	
Road & bridge privilege taxes				148,949	
Grants and contributions not restricted to specific programs				983,849	
Unrestricted interest/investment income				439,933	
Miscellaneous				968,817	
Compensation for loss of capital assets				15,415	
Proceeds from sale of capital assets				43,390	
Sale of Investments				1,034,665	
Total General Receipts and Other Cash Sources				<u>10,931,814</u>	
Changes in Net Position					<u>(3,617,875)</u>
Net Position - Beginning, as previously reported					8,493,012
Prior period adjustments					4,981,116
Net Position - Beginning, as restated					<u>13,474,128</u>
Net Position - Ending				\$	<u>9,856,253</u>

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

## JEFFERSON DAVIS COUNTY

Exhibit 3

## Statement of Cash Basis Assets and Fund Balances - Governmental Funds

## Governmental Funds

September 30, 2023

	<u>Major Funds</u>		<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>District 4</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>ERBR</u>	<u>Funds</u>	<u>Funds</u>
ASSETS				
Cash	\$ 4,675,048	615,437	4,565,768	9,856,253
Total Assets	<u>\$ 4,675,048</u>	<u>615,437</u>	<u>4,565,768</u>	<u>9,856,253</u>
FUND BALANCES				
Restricted for:				
General government	\$		191,821	191,821
Public safety			289,424	289,424
Public works		615,437	3,111,872	3,727,309
Culture and recreation			131,976	131,976
Debt service			823,420	823,420
Unemployment compensation			17,255	17,255
Assigned to:				
Public safety	874,278			874,278
Unassigned	<u>3,800,770</u>			<u>3,800,770</u>
Total Fund Balances	<u>\$ 4,675,048</u>	<u>615,437</u>	<u>4,565,768</u>	<u>9,856,253</u>

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

## JEFFERSON DAVIS COUNTY

## Exhibit 4

**Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds**  
**For the Year Ended September 30, 2023**

	Major Funds		Other	Total
	General	District 4	Governmental	Governmental
	Fund	ERBR	Funds	Funds
<b>RECEIPTS</b>				
Property taxes	\$ 4,903,496		2,393,300	7,296,796
Road and bridge privilege taxes	-		148,949	148,949
Licenses, commissions and other revenue	89,296		2,378	91,674
Fines and forfeitures	97,204			97,204
Intergovernmental receipts	1,076,826	2,376,591	2,015,919	5,469,336
Charges for services	22,502		91,388	113,890
Interest income	412,087		27,846	439,933
Miscellaneous receipts	383,348		585,469	968,817
Total Receipts	<u>6,984,759</u>	<u>2,376,591</u>	<u>5,265,249</u>	<u>14,626,599</u>
<b>DISBURSEMENTS</b>				
Current:				
General government	3,441,805		490,464	3,932,269
Public safety	6,351,769		149,529	6,501,298
Public works	7,000	1,761,154	4,745,102	6,513,256
Health and welfare	186,268			186,268
Culture and recreation	102,321		103,029	205,350
Education	202,592			202,592
Conservation of natural resources	108,607			108,607
Economic development and assistance	67,729			67,729
Debt service:				
Principal	9,929		482,153	492,082
Interest	5,721		78,571	84,292
Total Disbursements	<u>10,483,741</u>	<u>1,761,154</u>	<u>6,048,848</u>	<u>18,293,743</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(3,498,982)</u>	<u>615,437</u>	<u>(783,599)</u>	<u>(3,667,144)</u>
<b>OTHER CASH SOURCES (USES)</b>				
Compensation for loss of capital assets	3,605		11,810	15,415
Proceeds from sale of capital assets	578		42,812	43,390
Purchase of investments	(1,044,201)			(1,044,201)
Sale of investments	1,034,665			1,034,665
Transfers in	1,256,579		340,756	1,597,335
Transfers out	(110,000)		(1,487,335)	(1,597,335)
Total Other Cash Sources and Uses	<u>1,141,226</u>	<u>-</u>	<u>(1,091,957)</u>	<u>49,269</u>
Excess (Deficiency) of Receipts and other Cash Sources over (Under) Disbursements and other Cash Uses	<u>(2,357,756)</u>	<u>615,437</u>	<u>(1,875,556)</u>	<u>(3,617,875)</u>
Cash Basis Fund Balances - Beginning, as previously reported	2,051,688		6,441,324	8,493,012
Prior period adjustment	4,981,116	-	-	4,981,116
Fund Balances - Beginning, as restated	<u>7,032,804</u>	<u>-</u>	<u>6,441,324</u>	<u>13,474,128</u>
Cash Basis Fund Balances - Ending	<u>\$ 4,675,048</u>	<u>615,437</u>	<u>4,565,768</u>	<u>9,856,253</u>

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

**JEFFERSON DAVIS COUNTY**  
**Statement of Fiduciary Net Position - Cash Basis**  
**September 30, 2023**

**Exhibit 5**

**Custodial Funds**

**ASSETS**

Cash	\$	<u>40,840</u>
Total Assets		<u><u>40,840</u></u>

**NET POSITION**

Restricted for:		
Individuals, organizations and other governments		<u>40,840</u>
Total Net Position	\$	<u><u>40,840</u></u>

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

**JEFFERSON DAVIS COUNTY****Exhibit 6****Statement of Changes in Fiduciary Net Position - Cash Basis  
For the Year Ended September 30, 2023****Custodial Funds****CASH ADDITIONS**

Tax collections for other governments	\$	304,708
Licenses and fees collected for State		<u>191,281</u>
Total Cash Additions		<u><u>495,989</u></u>

**CASH DEDUCTIONS**

Payments of tax to other governments		417,000
Payments of licenses and fees to State		<u>191,401</u>
Total Cash Deductions	\$	<u><u>608,401</u></u>
Net increase (decrease) in fiduciary net position		(112,412)
Net Position - Beginning of year		<u>153,252</u>
Net Position - End of year	\$	<u><u>40,840</u></u>

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

JEFFERSON DAVIS COUNTY

Notes to the Financial Statements  
For the Year Ended September, 2023

(1) Summary of Significant Accounting Policies.

A. Financial Reporting Entity.

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

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

- Jefferson Davis General Hospital
- Jefferson Davis County Economic Development District

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

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

B. Basis of Presentation.

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

Government-wide Financial Statements:

The Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis display information concerning the County as a whole. The statements include all nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed



## JEFFERSON DAVIS COUNTY

### Notes to the Financial Statements For the Year Ended September, 2023

from these statements. Governmental activities are generally financed through taxes, intergovernmental receipts and other nonexchange receipts.

The Statement of Net Position – Cash Basis presents the financial condition of the governmental activities of the County at year-end. The Government-wide Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each function or program of the County’s governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore, are clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other receipts not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing or draws from the general receipts of the County.

#### Fund Financial Statements:

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

#### C. Measurement Focus and Basis of Accounting.

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

The County reports the following major Governmental Fund:

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

District 4 ERBR Fund - This fund is used to account for monies from specific revenue sources that are restricted for road and bridge projects.

Additionally, the County reports the following fund types:

JEFFERSON DAVIS COUNTY

Notes to the Financial Statements  
For the Year Ended September, 2023

GOVERNMENTAL FUND TYPES

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

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

FIDUCIARY FUND TYPE

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

D. Account Classifications.

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

E. Deposits.

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

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

F. Equity Classifications.

Government-wide Financial Statements:

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

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

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

Net Position Flow Assumption:

When a disbursement is paid for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the County's general policy to use restricted resources first. When disbursements are paid for purposes for which unrestricted (committed,

## JEFFERSON DAVIS COUNTY

### Notes to the Financial Statements For the Year Ended September, 2023

assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the County's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

#### Fund Financial Statements:

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

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

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

*Assigned fund balance* includes amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the General Fund, this is the residual amount within the fund that is not classified as nonspendable and is neither restricted nor committed. Assignments of fund balance are created by the Jefferson Davis County Board of Supervisors to be used in the construction of a new county jail facility.

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

#### Fund Balance Flow Assumption:

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

#### G. Property Tax Receipts.

Numerous statutes exist under which the Board of Supervisors may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the County. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that

JEFFERSON DAVIS COUNTY

Notes to the Financial Statements  
For the Year Ended September, 2023

these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

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

H. Changes in Accounting Standards.

GASB 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 is 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. These financial statements do not reflect SBITAs in accordance with GASB 96 as these financial statements were prepared using the cash basis of accounting.

(2) Prior Period Adjustment.

**Exhibit 2 - Statement of Activities - Cash Basis - Governmental Activities:**

Explanation	Amount
To correct error in recording cash.	\$ 4,981,116
Total prior period adjustments	<u>\$ 4,981,116</u>

**Exhibit 4 - Statement of Cash Receipts, Disbursements and Changes in  
Cash Basis Fund Balances - Governmental Funds**

Explanation	Amount
General Fund	
To correct error in recording cash.	\$ 4,981,116
Total prior period adjustments	<u>\$ 4,981,116</u>

(3) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2023, was \$9,897,093, and the bank balance was \$9,941,961. 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, Mississippi Code of 1972 Annotated*. Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In

JEFFERSON DAVIS COUNTY

Notes to the Financial Statements  
For the Year Ended September, 2023

the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

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

(4) Interfund Transfers.

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

Transfers In/Out:

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds	\$ 1,256,579
Other Governmental Funds	General Fund	110,000
Other Governmental Funds	Other Governmental Funds	230,756
Total		<u>\$ 1,597,335</u>

The principal purpose of interfund transfers was to provide funds for operations. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

(5) 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.

(6) Contingencies.

Federal Grants - The County has received federal grants for specific purposes that are subject to audit by

## JEFFERSON DAVIS COUNTY

### Notes to the Financial Statements For the Year Ended September, 2023

the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the disbursements of resources for allowable purposes. The County may be responsible for any disallowances.

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

#### (7) Related Organizations.

The Jefferson Davis County Board of Supervisors is responsible for appointing a voting majority of the members of the Board of Prentiss/Jefferson Davis County Airport, but the County's accountability for this organization does not extend beyond making the appointment. The County appropriated \$5,000 for the airport's support in fiscal year 2023.

#### (8) Joint Ventures.

The County participates in the following joint venture:

Jefferson Davis County is a participant with Marion County in a joint venture, authorized by Section 39-3-9, Miss. Code Ann. (1972), to operate the South Mississippi Regional Library. The joint venture was created to provide library service for the Counties of Jefferson Davis and Marion, and is governed by a five-member board. The two counties rotate board appointments so each county has a majority of board members in alternate years. Complete financial statements for the South Mississippi Regional Library can be obtained from the Marion County branch located at 900 Broad Street, Columbia, Mississippi. The County contributed \$95,500 for support of the library in fiscal year 2023.

#### (9) Jointly Governed Organizations.

The County participates in the following jointly governed organizations:

Pearl River Valley Opportunity, Inc., operates in a district composed of the Counties of Covington, Forrest, Jefferson Davis, Jones, Lamar, Marion, Pearl River and Perry. The entity was created to administer programs conducted by community action agencies, limited purpose agencies and related programs authorized by federal law. The Jefferson Davis County Board of Supervisors appoints one of the 24 members of the Board of Directors. The primary source of funding for the entity is derived from federal funds. The County contributed \$5,000 for support of the district in fiscal year 2023.

Southeast Mississippi Air Ambulance District operates in a district composed of the Counties of Covington, Forrest, Greene, Jefferson Davis, Marion, Pearl River, Perry, Stone and Walthall. The Jefferson Davis County Board of Supervisors appoints one of the nine members of the Board of Directors. The County contributed \$48,850 for support of the district in fiscal year 2023.

Pearl River Community College operates in a district composed of the Counties of Forrest, Hancock,

## JEFFERSON DAVIS COUNTY

### Notes to the Financial Statements For the Year Ended September, 2023

Jefferson Davis, Lamar, Marion and Pearl River. The Jefferson Davis County Board of Supervisors appoints two of the 16 members of the College Board of Trustees. The County contributed \$217,000 for maintenance and support of the college in fiscal year 2023.

Southern Mississippi Planning and Development District operates in a district composed of the Counties of Covington, Forrest, George, Greene, Hancock, Harrison, Jackson, Jefferson Davis, Jones, Lamar, Marion, Pearl River, Perry, Stone and Wayne. The Jefferson Davis County Board of Supervisors appoints one of the 27 members of the Board of Directors. The County contributed \$27,013 for support of the district in fiscal year 2023.

Pine Belt Mental Health Care Resources operates in a district composed of the Counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Marion, Perry and Wayne. The Jefferson Davis County Board of Supervisors appoints one of the nine members of the Board of Commissioners. The County contributed \$31,000 for support of the entity in fiscal year 2023.

Pearl and Leaf River Rails-to-Trails Recreational District operates in a district composed of the Counties of Forrest, Jefferson Davis and Lamar, and the Cities of Bassfield, Hattiesburg, Prentiss and Sumrall. The Jefferson Davis County Board of Supervisors appoints one of the seven members of the Board of Directors. The County contributed \$24,604 for support of the District in fiscal year 2023.

#### (10) Defined Benefit Pension Plan.

Plan Description. Jefferson Davis 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.

Funding Policy. 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 rate at September 30, 2023 was 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The County's contributions (employer share only) to PERS for the years ending September 30, 2023, 2022 and 2021 were \$551,254, \$529,637, and \$500,389, respectively, equal to the required contributions for each year.

These financial statements do not reflect pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources in accordance with GASB 67, 68 and 71 as these financial statements were prepared using the cash basis of accounting.

## **JEFFERSON DAVIS COUNTY**

## **SUPPLEMENTARY INFORMATION**



**JEFFERSON DAVIS COUNTY**  
**Schedule of Operating Costs of Solid Waste**  
**For the Year Ended September 30, 2023**

Operating Disbursements, Cash Basis:

Personnel	315,452
Expendable Commodities:	
Gasoline and petroleum products	54,607
Repair parts	21,533
Maintenance	1,803
Misc supplies	8,318
Contractual services	
Rentals	5,947
Hauling fees	97,425
Repair services	43,698
Other	9,056
Debt	
Principal	111,030
Interest	3,065
Solid Waste Operating Costs Disbursements	<u>671,934</u>

## **JEFFERSON DAVIS COUNTY**

### **OTHER INFORMATION**

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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual (Budgetary Basis)</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>RECEIPTS</b>				
Property taxes	\$ 4,878,817	4,903,496	4,903,496	-
Licenses, commissions and other revenue	95,000	89,296	89,296	-
Fines and forfeitures	98,000	97,204	97,204	-
Intergovernmental revenues	790,900	1,076,826	1,076,826	-
Charges for services	24,000	22,502	22,502	-
Interest income	7,000	412,087	412,087	-
Miscellaneous receipts	127,450	383,348	383,348	-
Total Receipts	<u>6,021,167</u>	<u>6,984,759</u>	<u>6,984,759</u>	<u>-</u>
<b>DISBURSEMENTS</b>				
Current:				
General government	3,270,253	3,441,805	3,441,805	-
Public safety	1,846,710	6,351,769	6,351,769	-
Public works	5,000	7,000	7,000	-
Health and welfare	208,081	186,268	186,268	-
Culture and recreation	68,500	102,321	102,321	-
Education	182,000	202,592	202,592	-
Conservation of natural resources	124,910	108,607	108,607	-
Economic development and assistance	68,700	67,729	67,729	-
Debt service:				
Principal paid	-	9,929	9,929	-
Interest and other costs	-	5,721	5,721	-
Total Disbursements	<u>5,774,154</u>	<u>10,483,741</u>	<u>10,483,741</u>	<u>-</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>247,013</u>	<u>(3,498,982)</u>	<u>(3,498,982)</u>	<u>-</u>
<b>OTHER CASH SOURCES (USES)</b>				
Sale of Investments	-	1,034,665	1,034,665	-
Purchase of Investments	-	(1,044,201)	(1,044,201)	-
Proceeds from sale of capital assets	-	578	578	-
Compensation for loss of capital assets	-	3,605	3,605	-
Transfer-in	900,000	1,256,579	1,256,579	-
Transfer-out	<u>(3,429,635)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>
Total Other Cash Sources and Uses	<u>(2,529,635)</u>	<u>1,141,226</u>	<u>1,141,226</u>	<u>-</u>
<b>Excess (Deficiency) of Receipts and Other Cash Sources over (under) Disbursements and Other Cash Uses</b>	<b>(2,282,622)</b>	<b>(2,357,756)</b>	<b>(2,357,756)</b>	<b>-</b>
Cash Basis Fund Balance - Beginning, as previously reported	3,500,000	2,051,688	2,051,688	-
Prior period adjustment	-	4,981,116	4,981,116	-
Cash Basis Fund Balance - Beginning, as restated	<u>3,500,000</u>	<u>7,032,804</u>	<u>7,032,804</u>	<u>-</u>
Cash Basis Fund Balance - Ending	<u>\$ 1,217,378</u>	<u>4,675,048</u>	<u>4,675,048</u>	<u>-</u>

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

JEFFERSON DAVIS COUNTY  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 District 4 ERBR Fund  
 For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Intergovernmental revenues	\$ 290,000	2,376,591	2,376,591	-
Total Receipts	<u>290,000</u>	<u>2,376,591</u>	<u>2,376,591</u>	<u>-</u>
<b>DISBURSEMENTS</b>				
Current:				
Public works		1,761,154	1,761,154	-
Total Disbursements	<u>-</u>	<u>1,761,154</u>	<u>1,761,154</u>	<u>-</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>290,000</u>	<u>615,437</u>	<u>615,437</u>	<u>-</u>
<b>Excess (Deficiency) of Receipts and Other Cash Sources over (under) Disbursements and Other Cash Uses</b>	290,000	615,437	615,437	-
Cash Basis Fund Balance - Beginning,	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Basis Fund Balance - Ending	<u>\$ 290,000</u>	<u>615,437</u>	<u>615,437</u>	<u>-</u>

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

**JEFFERSON DAVIS COUNTY**  
**Schedule of Investments**  
**For the Year Ended September 30, 2023**  
**UNAUDITED**

<u>Fund</u>	<u>Description</u>	<u>Beginning Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance October 1, 2022</u>	<u>Purchases</u>	<u>Redeemed Sales</u>	<u>Balance September 30, 2023</u>
GENERAL FUND								
007 Severance Tax	Certificate of Deposit	10/18/21	10/18/22	0.050%	1,034,665	-	1,034,665	-
007 Severance Tax	Certificate of Deposit	10/18/22	10/18/23	0.100%	-	1,044,201	-	1,044,201
Total General Fund					1,034,665	1,044,201	1,034,665	1,044,201
Total Governmental Funds					1,034,665	1,044,201	1,034,665	1,044,201

**JEFFERSON DAVIS COUNTY**  
**Schedule of Capital Assets**  
**For the Year Ended September 30, 2023**  
**UNAUDITED**

**Governmental activities:**

	Balance Oct. 1, 2022	Additions	Deletions	Adjustments	Balance Sept. 30, 2023
Land	\$ 471,323			24,014	495,337
Construction in progress	-				-
Infrastructure	53,321,458			(5,491,394)	47,830,064
Buildings	5,752,437			4,408,090	10,160,527
Improvements other than buildings	1,692,257			177,590	1,869,847
Mobile equipment	7,494,599	240,165	346,060	34,434	7,423,138
Furniture and equipment	1,272,893	47,283		1,206,055	2,526,231
Total capital assets	\$ 70,004,967	287,448	346,060	358,789	70,305,144

The adjustments to the Schedule of Capital Assets are to correct classification errors.

**JEFFERSON DAVIS COUNTY**  
**Schedule of Changes in Long-term Debt**  
**For the Year Ended September 30, 2023**  
**UNAUDITED**

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

<u>Description and Purpose</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Oct. 1, 2022</u>	<u>Issued</u>	<u>Principal Payments</u>	<u>Adjustments</u>	<u>Balance Sept. 30, 2023</u>
<b>Governmental Activities:</b>								
A. General Obligation Bonds:								
Hospital Bond	06/2003	04/2025	4.25%	\$ 253,036	-	59,314		193,722
								-
B. Financed Purchases:								
New Holland Tractor w/ Tiger Mower	05/2020	05/2024	2.37%	39,553	-	23,537		16,016
New Holland Tractor w/ Rhino Cutter	03/2020	03/2023	2.34%	13,224	-	13,224		-
New Holland Tractor w/ Tiger Mower	08/2020	08/2024	1.74%	56,928	-	29,465		27,463
New Holland Tractor w/ Tiger Mower	06/2020	06/2024	2.37%	50,653	-	28,679		21,974
New Holland Tractor w/ Rhino Cutter	03/2020	03/2024	2.37%	29,760	-	19,722		10,038
(2) Garbage Trucks	12/2021	12/2024	1.59%	242,813	-	111,030		131,783
County Detention Facility	04/14/22	3/1/2042	2.30%				7,546,000	7,546,000
C. Other Loans:								
Access Road Improvement	02/2014	02/2034	3.00%	128,774	-	9,929		118,845
Road & Bridge Construction	04/2021	03/2026	1.49%	805,558	-	197,182		608,376
Total				\$ 1,620,299	-	492,082	7,546,000	8,674,217

**Note:**

The adjustment was to record debt relating to the County Detention Facility issued in the prior year.

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

**JEFFERSON DAVIS COUNTY**  
**Schedule of Surety Bonds for County Officials**  
**For the Year Ended September 30, 2023**  
**UNAUDITED**

Name	Position	Surety Company	Amount
Macon Holliman, Jr.	County Supervisor - District 1	Western Surety Company	100,000
Charles W. Reid	County Supervisor - District 2	Western Surety Company	100,000
Demario Sanchez Booth	County Supervisor - District 3	Western Surety Company	100,000
Terry Wade Mathis	County Supervisor - District 4	Western Surety Company	100,000
Bobby R. Rushing	County Supervisor - District 5	Western Surety Company	100,000
Charlene Fairley	Chancery Clerk	Western Surety Company	100,000
Clint W. Landley	Circuit Clerk	Western Surety Company	100,000
Michelle Williams	Deputy Circuit Clerk	Western Surety Company	50,000
Debby Dyess	Deputy Circuit Clerk	Western Surety Company	50,000
Kelley D. Brown	Tax Collector/Assessor	Western Surety Company	100,000
Kristi Lee	Deputy Tax Collector	Western Surety Company	50,000
Alesha S. Williams	Deputy Tax Collector	Western Surety Company	50,000
Trina Sanders	Deputy Tax Collector	Western Surety Company	50,000
Yashica Latrice White	Deputy Tax Collector	Western Surety Company	50,000
Melinda Harper	Deputy Tax Assessor	Western Surety Company	50,000
Ron Strickland	Sheriff	Western Surety Company	100,000
Ronlad Barnes	Justice Court Judge	Western Surety Company	50,000
Calvin L. Graves	Justice Court Judge	Western Surety Company	50,000
Latonya Blanchard	Justice Court Clerk	Western Surety Company	50,000
Kelsea Brown	Deputy Justice Court	Western Surety Company	50,000
Sherri Weathersby	Deputy Justice Court	Western Surety Company	50,000
Harold Rhodes	Constable	Western Surety Company	50,000
Michael Edward Davis	Constable	Western Surety Company	50,000
Janice Bridges	Purchase Clerk	Western Surety Company	100,000
Susan Bridges	Receiving Clerk	Western Surety Company	75,000
Jo Drake Arrington	Assistant Receiving Clerk	Western Surety Company	50,000
Roy Mitchell Smith	Assistant Receiving Clerk	Western Surety Company	50,000
Anna R. Keys	Assistant Receiving Clerk	Western Surety Company	50,000
David A. Martin	Assistant Receiving Clerk	Western Surety Company	50,000
Sherri Lynn Weathersby	Assistant Receiving Clerk	Western Surety Company	50,000
Pat Evans	Inventory Control Clerk	Western Surety Company	75,000



JEFFERSON DAVIS COUNTY

Notes to Other Information  
For the Year Ended September 30, 2023  
UNAUDITED

(1) Budgetary Comparison Information.

A. Budgetary Information.

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

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

B. Basis of Presentation.

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

(2) Long-term Debt Information:

A. Legal Debt Margin – The amount of debt, excluding specific exempted debt that can be incurred by the County is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the County, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a county issues bonds to repair or replace washed out or collapsed bridges on the public roads of the county. As of September 30, 2023, the amount of outstanding debt was equal to 0.14% of the latest property assessments.

B. Subsequent Events.

Board minutes were read through September 12, 2025. No subsequent events were noted.

## **JEFFERSON DAVIS COUNTY**

### **SPECIAL REPORTS**



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GOVERNMENT AUDIT QUALITY CENTER

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  
Jefferson Davis 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 (*Government Auditing Standards*), the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson Davis 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 12, 2025. Our report includes an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units which are required by accounting principles applicable to the County's cash basis of accounting to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Jefferson Davis 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 Jefferson Davis County, Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2023-003 and 2023-004 to be significant deficiencies.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Jefferson Davis 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 also noted certain matters which we have reported to the management of Jefferson Davis County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated September 12, 2025, included within this document.

### **Jefferson Davis County's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on Jefferson Davis County, Mississippi's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses and Auditee's Corrective Action Plan. Jefferson Davis County, Mississippi's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **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 12, 2025



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

Members of the Board of Supervisors  
Jefferson Davis County, Mississippi

We have examined Jefferson Davis County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with *Sections 31-7-101 through 31-7-127, Mississippi Code of 1972 Annotated* and compliance with the purchasing requirements in accordance with the bid requirements of *Section 31-7-13, Mississippi Code of 1972 Annotated* during the year ended September 30, 2023. The Board of Supervisors of Jefferson Davis County, Mississippi is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

In our opinion, Jefferson Davis 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, Mississippi Code of 1972 Annotated*. The information contained on these schedules has been subjected to procedures performed in connection with our aforementioned examination of the purchasing system and, in our opinion, is fairly presented when considered in relation to that examination.

This report is intended for use in evaluating the central purchasing system and inventory control system of

Jefferson Davis County, Mississippi, and is not intended to be and should not be relied upon for any other purpose. However, this report is a matter of public record and its distribution is not limited.

*Bridgers, Goodman, Baird & Clarke, PLLC*

Bridgers, Goodman, Baird & Clarke, PLLC

Certified Public Accountants

Vicksburg, Mississippi

September 12, 2025

**JEFFERSON DAVIS COUNTY**

**Schedule 1**

**Schedule of Purchases Not Made From the Lowest Bidder  
For the Year Ended September 30, 2023**

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

**JEFFERSON DAVIS COUNTY**  
**Schedule of Emergency Purchases**  
**For the Year Ended September 30, 2023**

**Schedule 2**

Our examination did not identify any emergency purchases.



**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.

## LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors  
Jefferson Davis County, Mississippi

In planning and performing our audit of the cash basis financial statements of Jefferson Davis County, Mississippi (the County) for the year ended September 30, 2023, we considered Jefferson Davis 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 Jefferson Davis 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 12, 2025, on the financial statements of Jefferson Davis County, Mississippi.

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

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

### Sheriff

1. The Sheriff's office is not performing reconciliations of the Sheriff's Office Bank Account.

**Repeat Finding**      **No**

**Criteria**      An effective system of internal controls requires that bank reconciliations be prepared accurately and timely and any identified unreconciled differences be resolved in a timely manner.

<b>Condition</b>	During the course of our test work, we noted that bank reconciliations were not being performed for the Sheriff's Office Account and the Special Narcotics Bank account.
<b>Cause</b>	The Sheriff's office has not established a system of internal control to ensure cash accounts are accurately and timely reconciled.
<b>Effect</b>	Not performing accurate and timely bank reconciliations creates a weakness in the system of internal controls over cash and could result in the misappropriation of public funds.
<b>Recommendation</b>	The Sheriff's office should implement an effective internal control system to increase the accuracy in accounting for receipts and disbursements and to ensure that all bank accounts are reconciled monthly in an accurate and timely manner.

**Response** We will comply.

#### **Payroll Clerk**

**2.** Employee File Documentation.

**Repeat Finding** Yes

**Criteria** The County is responsible for establishing and maintaining an effective system of internal controls pertaining to the documentation in employee files.

**Condition** During the course of our test work, we noted that in all files tested, the I-9 was either incomplete or missing.

**Cause** The employee files are not being reviewed regularly to identify any files lacking proper documentation.

**Effect** The County could face liability due to having improperly executed Form I-9s.

**Recommendation** The County should maintain a complete employee file system that would ensure that the County is in compliance with State and Federal employee documentation laws.

**Response** We will comply.

#### **Chancery Clerk**

**3.** The Chancery Clerk Should Ensure Compliance with State Law over Filing the Annual Financial Report and Depositing Excess Funds into the County General Fund.

**Repeat Finding** Yes

**Criteria** Section 9-1-43(1), Mississippi Code Annotated (1972), states, "All such fees received by the office of Chancery or Circuit Clerks that are in excess of the salary limitation shall be deposited by such Clerk into the county general fund on or before April 15 for the preceding calendar year."

Section 9-1-45(1), Mississippi Code Annotated (1972), states, "Each Chancery and Circuit Clerk shall file, not later than April 15 of each year, with the State Auditor of Public

Accounts a true and accurate annual report on a form to be designed and supplied to each Clerk by the State Auditor of Public Accounts immediately after January 1 of each year. The form shall include the following information: (a) revenues subject to the salary cap, including fees; (b) revenues not subject to the salary cap; and (c) expenses of office, including any salary paid to a Clerk's spouse or children. Each Chancery and Circuit Clerk shall provide any additional information requested by the Public Employees' Retirement System for the purpose of retirement calculations."

Section 9-1-45(3), Mississippi Code Annotated (1972), states, "If the Chancery or Circuit Clerk fails to provide the reports required in this section, then the State Auditor shall give by United States certified mail, return receipt requested, written notification to the Chancery or Circuit Clerk of noncompliance. If within thirty (30) days after receipt of the notice, the Chancery or Circuit Clerk, in the opinion of the State Auditor, remains in noncompliance, the State Auditor may institute civil proceedings in a court of the county in which the Clerk serves. The court, upon a hearing, shall decide the issue and if it determines that the Clerk is not in substantial compliance, shall order the Clerk to immediately and thereafter comply. Violations of any order of the court shall be punishable as for contempt. In addition, the court in its discretion may impose a civil penalty in an amount not to exceed Five Thousand Dollars (\$5,000) upon the Clerk, for which he shall be liable in his individual capacity, for any such noncompliance that the court determines as intentional or willful."

<b>Condition</b>	<p>The Chancery Clerk had not deposited excess funds into the general fund by April 15.</p> <p>As of 7/30/2025, the outstanding balance for the 2023 over the cap fees is <b>\$13,221.32</b>.</p>
<b>Cause</b>	<p>The Chancery Clerk did not timely deposit excess funds into the general fund by the statutory deadline.</p>
<b>Effect</b>	<p>Failure to file an Annual Financial Report could result in a civil court proceeding and possible civil penalty in an amount not to exceed Five Thousand Dollars (\$5,000). Additionally, failure to deposit any amount in excess of the salary limitation into the county general fund could result in misappropriation and/or loss of public funds.</p>
<b>Recommendation</b>	<p>The Chancery Clerk should ensure that the Annual Financial Report is filed and excess funds deposited into the general fund by April 15th.</p>
<b>Response</b>	<p>This is the previous chancery clerk who is ill. Efforts are being made to collect remaining funds.</p>
<b>4.</b>	<p><u>Public Officials should strengthen controls over deposits and bank reconciliations of the Land Redemption account.</u></p>
<b>Repeat Finding</b>	<p>Yes</p>
<b>Criteria</b>	<p>An effective system of internal control requires that deposits be made timely and that bank reconciliations be prepared accurately and timely and any identified unreconciled differences be resolved in a timely manner.</p>

<b>Condition</b>	During the course of our testing, we noted that four of the ten deposits tested were not made in a timely manner with certain deposits being held in excess of four days prior to being deposited.  We further noted that the bank statements for the land redemption account were not timely reconciled.
<b>Cause</b>	The system of internal control failed to ensure timely deposits and that a timely bank reconciliation was performed for the land redemption account.
<b>Effect</b>	Failure to timely deposit funds received and complete an accurate and timely bank reconciliation results in a weakness in the system of internal control over cash.
<b>Recommendation</b>	The Clerk should establish and maintain an effective internal control system over cash and ensure that all deposits are made timely and that all bank reconciliations are prepared timely and accurately.
<b>Response</b>	This is the previous chancery clerk.

**5.** Chancery Clerk Should Ensure Compliance with State Law over Maintaining a Fee Journal.

<b>Repeat Finding</b>	No
<b>Criteria</b>	Section 9-1-43(3), Mississippi Code Annotated (1972), states, "The chancery and circuit clerk shall be liable on their official bond for the proper deposit and accounting of all monies received by his office. The State Auditor shall promulgate uniform accounting methods for the accounting of all sources of income by the offices of the Chancery and Circuit Clerk."
<b>Condition</b>	Auditors were unable to obtain a fee journal from the Chancery Clerk. As such, auditors were unable to tie out any revenues or expenses claimed on the Annual Financial Report.
<b>Cause</b>	The Chancery Clerk did not properly maintain and preserve the fee journal for the year.
<b>Effect</b>	Failure to maintain and preserve an accurate fee journal could result in the loss or misappropriation of public funds.
<b>Recommendation</b>	The Chancery Clerk should maintain and preserve an accurate and complete accounting system that encompasses all income and expenses.
<b>Response</b>	This is the previous chancery clerk.

**Circuit Clerk**

**6.** The Circuit Clerk Should Ensure Compliance with State Law Regarding the Timely Deposit of Funds.

<b>Repeat Finding</b>	No
<b>Criteria</b>	Section 25-1-72, Mississippi Code Annotated (1972), 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."

<b>Condition</b>	During the course of our test work, we found that seventeen out of twenty deposits tested were not made in a timely manner with most deposits being held for up to three weeks prior to being deposited.
<b>Cause</b>	These delays are due to inadequate internal controls surrounding the statutory requirements for depositing of revenue collected in the Circuit Clerk's Office.
<b>Effect</b>	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.
<b>Recommendation</b>	The Circuit Clerk should ensure that the deposits are being made in a timely manner as prescribed by statute.
<b>Response</b>	We will comply.

The Mississippi Office of the State Auditor has taken exception to certain costs. The details of the exception and disposition are as follows:

Exception Issued On:

Charlene Fairly, Chancery Clerk

Nature of Exception:

See Finding #3 described in this report.

Amount of Exception:

\$13,221.32

Jefferson Davis 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 12, 2025

## **JEFFERSON DAVIS COUNTY**

### **SCHEDULE OF FINDINGS AND RESPONSES**

JEFFERSON DAVIS 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: |            |
| Governmental activities   | Unmodified |
| Aggregate discretely presented component units                  | Adverse    |
| General Fund  | Unmodified |
| District 4 ERBR   | Unmodified |
| Aggregate remaining fund information                            | Unmodified |
| 2. Internal control over financial reporting:                   |            |
| a. Material weaknesses identified?                              | Yes        |
| b. Significant deficiencies identified?                         | Yes        |
| 3. Noncompliance material to the financial statements noted?    | No         |

Section 2: Financial Statement Findings

**Board of Supervisors.**

**Material Weakness**

**2023-001.** Component units should be included in the financial statements.

**Repeat Finding**

Yes

Generally accepted accounting principles require the financial data for the County's component units to be reported with the financial data of the County's primary government unless the county also issues financial statements for the financial reporting entity that include the financial data for its component units.

**Condition**

The financial statements do not include the financial data for the county's legally separate component units.

**Cause**

The County did not include the audited financial statements of the component units.

**Effect**

The failure to properly follow generally accepted accounting principles resulted in an adverse opinion on the discretely presented component units.

**Recommendation**

The Board of Supervisors should provide audited financial data for its discretely presented component units for inclusion in the County's financial statements.

**View of Responsible**

**Officials**

Due to the high cost of audits, the county chooses not to include the component units. Some of which are not audited.



JEFFERSON DAVIS COUNTY

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

Board of Supervisors and Payroll Clerk.

Material Weakness

<b>2023-002.</b>	<u>Internal controls over the payroll function should be strengthened.</u>
<b>Repeat Finding</b>	Yes
<b>Criteria</b>	An effective system of internal control over the county payroll function should include proper segregation of duties.
<b>Condition</b>	During the course of our tests of the payroll system, it was noted that the Payroll Clerk had the authorization to process payroll checks, setup new employees in the master file, and change pay rates.
<b>Cause</b>	The County did not have adequate controls over the payroll function in terms of segregation of duties.
<b>Effect</b>	Lack of proper segregation of duties could result in the loss or misappropriation of public funds.
<b>Recommendation</b>	The Board of Supervisors should ensure that personnel processing payroll checks do not also have authority to change the master file.
<b>View of Responsible Officials</b>	We will comply.

Board of Supervisors and Sheriff

Significant Deficiency

<b>2023-003.</b>	<u>The County should maintain an accounts receivable ledger for amounts due to the jail for housing prisoners and supporting documentation should be timely and accurately prepared.</u>
<b>Repeat Finding</b>	Yes
<b>Criteria</b>	An effective system of internal control over billing and collections should include an accounts receivable ledger to ensure that all amounts billed and owed to the County are collected. Further, the system should ensure that all supporting documentation necessary for the preparation of bills is complete and timely made available.
<b>Condition</b>	The Board of Supervisors invoices the Town of Prentiss and MDOC for the housing of prisoners in the County's jail. Auditors requested records of invoices to MDOC and the Town of Prentiss from both the Sheriff's Office and Administration. The Sheriff's Office was unable to produce any records. The Administration office provided most of the Town's invoices, but they could not produce invoices to MDOC.

JEFFERSON DAVIS COUNTY

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

Auditors were unable to locate any payments in the general ledger, showing that the Town had paid its invoices for the fiscal year. Auditors did note multiple payments from MDOC, but without any source documentation, auditors were unable to verify that bills were prepared properly, nor could they verify that the invoices were paid and that the payments being properly recorded.

**Cause** The County lacks the necessary internal controls over the collection of receivables for housing prisoners.

Further, controls are lacking over the preparation and maintenance of supporting documentation necessary for the preparation of bills.

**Effect** The failure to maintain an accounts receivable subsidiary ledger and timely prepare supporting documentation for the preparation of bills could result in a loss of revenue for the County.

**Recommendation** The Board of Supervisors should create an accounts receivable subsidiary ledger to monitor amounts due to the County.

Further, the Sheriff should ensure that all necessary documentation for the tracking of housing and feeding inmates housed in the jail is timely and accurately maintained in order for timely and accurate billing to take place.

**View of Responsible**

**Officials** We will comply.

**Sheriff**

**Significant Deficiency**

**2023-004.** The Sheriff should ensure compliance with state law regarding the timely deposit of funds.

**Repeat Finding** Yes

**Criteria** Management is responsible for establishing a proper internal control system to ensure strong financial accountability and the safeguarding of assets and revenue.

**Condition** During the course of our test work, we noted six of the ten deposits tested were not made

**Cause** These delays are due to inadequate internal controls surrounding the depositing of revenue collected in the Sheriff's Office.

**Effect** Inadequate controls surrounding the deposits of revenue collections could result in the misappropriation of assets and improper revenue recognition. 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.

**JEFFERSON DAVIS COUNTY**

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

**Recommendation**      The Sheriff should ensure that the deposits are being made in a timely manner.

**View of Responsible**

**Official**                      We will comply.