

MARION COUNTY, MISSISSIPPI

Audited Financial Statements and Special Reports
For the Year Ended September 30, 2023



SHAD WHITE

STATE AUDITOR

Jeff Goodwin, CPA
Director, Financial and Compliance Audit Division

Joe E. McKnight, CPA
Director, County Audit Section



A Report from the County Audit Section

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

Shad White
AUDITOR

April 7, 2025

Members of the Board of Supervisors
Marion County, Mississippi

Dear Board Members:

I am pleased to submit to you the 2023 financial and compliance audit report for Marion County. This audit was performed pursuant to *Section 7-7-211(e), Mississippi Code Annotated (1972)*. The audit was performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Shad White", enclosed within a large, loopy oval scribble.

Shad White

MARION COUNTY
TABLE OF CONTENTS

FINANCIAL SECTION.....	1
INDEPENDENT AUDITOR'S REPORT.....	3
FINANCIAL STATEMENTS.....	7
Statement of Net Position	9
Statement of Activities	10
Balance Sheet - Governmental Funds.....	11
Reconciliation of the Balance Sheet of Governmental Funds 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 Funds	15
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....	16
Statement of Cash Flows - Proprietary Funds.....	17
Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position.....	19
Notes to Financial Statements	21
REQUIRED SUPPLEMENTARY INFORMATION	49
Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis) – General Fund.....	51
Schedule of the County’s Proportionate Share of the Net Pension Liability	52
Schedule of County Contributions	53
Notes to the Required Supplementary Information	55
OTHER INFORMATION	59
Schedule of Surety Bonds for County Officials.....	61
SPECIAL REPORTS	63
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>	65
Independent Accountant's Report on Central Purchasing System, Inventory Control System and Purchase Clerk Schedules (Required By <i>Section 31-7-115,</i> <i>Mississippi Code of 1972 Annotated</i>)	67
Limited Internal Control and Compliance Review Management Report.....	73
SCHEDULE OF FINDINGS AND RESPONSES.....	77

MARION COUNTY

FINANCIAL SECTION

MARION COUNTY

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

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Marion County, Mississippi

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of Marion 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 Unit

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 financial position of the aggregate discretely presented component unit of Marion County, Mississippi, as of September 30, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-type Activities, the Major Fund and the Aggregate Remaining Fund Information

In our opinion, 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 major fund and the aggregate remaining fund information of Marion 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 principle generally accepted in the United States of America.

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.

Matter Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Unit

The financial statements do not include financial data for the County's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for this component unit 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 unit. The County has not issued such reporting entity financial statements. The effects of not including the County's legally separate component unit on the aggregate discretely presented component unit has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 Schedule and corresponding notes, the Schedule of the County's Proportionate Share of the Net Pension Liability, and the Schedule of County 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 have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

Management 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 an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are 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 April 7, 2025 on our consideration of Marion 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 Marion 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 Marion County, Mississippi's internal control over financial reporting and compliance.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

April 7, 2025

MARION COUNTY

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MARION COUNTY

FINANCIAL STATEMENTS

MARION COUNTY

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MARION COUNTY
Statement of Net Position
September 30, 2023

Exhibit 1

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash	\$ 17,754,017	2,202,614	19,956,631
Property tax receivable	10,980,966	279,043	11,260,009
Accounts receivable (net of allowance for uncollectibles of \$320,566)		681,203	681,203
Fines receivable (net of allowance for uncollectibles of \$3,803,618)	858,252		858,252
Leases receivable	46,940		46,940
Intergovernmental receivables	410,096	542,776	952,872
Other receivables	8,563		8,563
Internal balances	91,545	(91,545)	0
Capital assets:			
Land and construction in progress	2,375,342	60,000	2,435,342
Other capital assets, net	33,633,957	6,076,395	39,710,352
Total Assets	66,159,678	9,750,486	75,910,164
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	2,803,155	2,131,432	4,934,587
Total Deferred Outflows of Resources	2,803,155	2,131,432	4,934,587
LIABILITIES			
Claims payable	1,661,879	127,088	1,788,967
Intergovernmental payables	453,103		453,103
Accrued interest payable	63,725	2,363	66,088
Unearned revenue		48,495	48,495
Amounts held in custody for others	150,116		150,116
Long-term liabilities			
Due within one year:			
Capital debt	1,028,175	343,707	1,371,882
Non-capital debt	402,934		402,934
Lease liabilities	25,781	7,165	32,946
Due in more than one year:			
Capital debt	4,946,194	1,492,104	6,438,298
Non-capital debt	1,173,852		1,173,852
Lease liabilities	57,442	16,378	73,820
Net pension liability	14,498,718	8,855,540	23,354,258
Total Liabilities	24,461,919	10,892,840	35,354,759
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	64,895	46,284	111,179
Deferred inflows related to leases	42,737		42,737
Deferred revenues - property taxes	10,980,966	279,043	11,260,009
Total Deferred Inflows of Resources	11,088,598	325,327	11,413,925
NET POSITION			
Net investment in capital assets	29,951,707	4,277,041	34,228,748
Restricted for:			
Expendable:			
General government	478,434		478,434
Public safety	901,848		901,848
Public works	4,488,735	568,867	5,057,602
Culture and recreation	37,297		37,297
Economic development and assistance	220		220
Debt service	815,756		815,756
Unemployment compensation	35,202		35,202
Unrestricted	(3,296,883)	(4,182,157)	(7,479,040)
Total Net Position	\$ 33,412,316	663,751	34,076,067

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

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

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 6,032,860	827,065	27,173		(5,178,622)		(5,178,622)
Public safety	5,074,710	312,055	404,307		(4,358,348)		(4,358,348)
Public works	9,900,860		4,268,764	2,501,463	(3,130,633)		(3,130,633)
Health and welfare	447,380		82,503		(364,877)		(364,877)
Culture and recreation	143,258				(143,258)		(143,258)
Conservation of natural resources	66,665				(66,665)		(66,665)
Economic development and assistance	353,542				(353,542)		(353,542)
Interest on long-term debt	250,382				(250,382)		(250,382)
Pension expense	1,904,637				(1,904,637)		(1,904,637)
Total Governmental Activities	<u>24,174,294</u>	<u>1,139,120</u>	<u>4,782,747</u>	<u>2,501,463</u>	<u>(15,750,964)</u>		<u>(15,750,964)</u>
Business-type activities:							
Marion/Walthall Correctional Facility	6,607,159	5,762,733	14,761			(829,665)	(829,665)
Garbage and Solid Waste	1,586,800	1,281,333	68,569			(236,898)	(236,898)
Total Business-type Activities	<u>8,193,959</u>	<u>7,044,066</u>	<u>83,330</u>	<u>0</u>		<u>(1,066,563)</u>	<u>(1,066,563)</u>
Total Primary Government	\$ <u>32,368,253</u>	<u>8,183,186</u>	<u>4,866,077</u>	<u>2,501,463</u>	<u>(15,750,964)</u>	<u>(1,066,563)</u>	<u>(16,817,527)</u>
General revenues:							
Property taxes					\$ 11,335,405	274,400	11,609,805
Road & bridge privilege taxes					310,375		310,375
Grants and contributions not restricted to specific programs					646,981		646,981
Unrestricted interest income					285,294	16,001	301,295
Miscellaneous					1,309,867	106,165	1,416,032
Transfers					(174,192)	174,192	0
Total General Revenues and Transfers					<u>13,713,730</u>	<u>570,758</u>	<u>14,284,488</u>
Changes in Net Position					<u>(2,037,234)</u>	<u>(495,805)</u>	<u>(2,533,039)</u>
Net Position - Beginning, as previously reported					35,438,927	1,159,556	36,598,483
Prior period adjustments					10,623		10,623
Net Position - Beginning, as restated					<u>35,449,550</u>	<u>1,159,556</u>	<u>36,609,106</u>
Net Position - Ending					\$ <u>33,412,316</u>	<u>663,751</u>	<u>34,076,067</u>

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

MARION COUNTY
Balance Sheet - Governmental Funds
September 30, 2023

Exhibit 3

	<u>Major Fund</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
ASSETS			
Cash	\$ 9,827,384	7,926,633	17,754,017
Property tax receivable	8,694,356	2,286,610	10,980,966
Fines receivable (net of allowance for uncollectibles of \$3,803,618)	858,252		858,252
Leases receivable		46,940	46,940
Intergovernmental receivables	283,055	127,041	410,096
Other receivables	8,563		8,563
Due from other funds	49,699	88,509	138,208
Advances to other funds	47,684		47,684
Total Assets	\$ 19,768,993	10,475,733	30,244,726
LIABILITIES			
Liabilities:			
Claims payable	\$ 171,146	1,490,733	1,661,879
Intergovernmental payables	421,216		421,216
Due to other funds	126,234		126,234
Amounts held in custody for others	150,116		150,116
Total Liabilities	868,712	1,490,733	2,359,445
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - property taxes	8,694,356	2,286,610	10,980,966
Unavailable revenue - fines	858,252		858,252
Leases		42,737	42,737
Total Deferred Inflows of Resources	9,552,608	2,329,347	11,881,955
Fund balances:			
Nonspendable:			
Advances	47,684		47,684
Restricted for:			
General government		478,434	478,434
Public safety		901,848	901,848
Public works		4,488,735	4,488,735
Culture and recreation		37,297	37,297
Economic development and assistance		220	220
Debt service		879,481	879,481
Unemployment compensation		35,202	35,202
Assigned to:			
Economic development and assistance		34,436	34,436
Unassigned	9,299,989	(200,000)	9,099,989
Total Fund Balances	9,347,673	6,655,653	16,003,326
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 19,768,993	10,475,733	30,244,726

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

MARION COUNTY
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 September 30, 2023

Exhibit 3-1

	Amount
Total Fund Balance - Governmental Funds	\$ 16,003,326
Amounts reported for governmental activities 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 \$57,112,486 and accumulated amortization of \$87,837.	36,009,299
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	858,252
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(7,634,378)
Accrued interest payable is not due and payable in the current period and, therefore, is not reported in the funds.	(63,725)
Net pension obligations are not due and payable in the current period and, therefore, are not reported in the funds.	(14,498,718)
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	2,803,155
Deferred inflows of resources related to pensions	(64,895)
Total Net Position - Governmental Activities	\$ 33,412,316

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

MARION COUNTY

Exhibit 4

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2023

	<u>Major Fund</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
REVENUES			
Property taxes	\$ 8,724,015	2,611,390	11,335,405
Road and bridge privilege taxes		310,375	310,375
Licenses, commissions and other revenue	448,599	8,538	457,137
Fines and forfeitures	293,054		293,054
Intergovernmental revenues	2,381,763	5,549,428	7,931,191
Charges for services		254,877	254,877
Interest income	167,917	117,377	285,294
Miscellaneous revenues	563,965	716,658	1,280,623
Total Revenues	<u>12,579,313</u>	<u>9,568,643</u>	<u>22,147,956</u>
EXPENDITURES			
Current:			
General government	5,779,024	389,481	6,168,505
Public safety	3,703,488	1,657,050	5,360,538
Public works	29,880	11,243,475	11,273,355
Health and welfare	422,126		422,126
Culture and recreation		81,070	81,070
Conservation of natural resources	69,912	371	70,283
Economic development and assistance	230,165	82,877	313,042
Debt service:			
Principal	89,095	895,507	984,602
Interest	5,046	245,507	250,553
Total Expenditures	<u>10,328,736</u>	<u>14,595,338</u>	<u>24,924,074</u>
Excess of Revenues over (under) Expenditures	<u>2,250,577</u>	<u>(5,026,695)</u>	<u>(2,776,118)</u>
OTHER FINANCING SOURCES (USES)			
Long-term capital debt issued	106,411	597,427	703,838
Long-term non-capital debt issued		600,000	600,000
Leases issued	17,571		17,571
Proceeds from sale of capital assets		31,860	31,860
Compensation for loss of capital assets	29,109		29,109
Transfers in	15,828	5,705,239	5,721,067
Transfers out	(773,661)	(5,121,598)	(5,895,259)
Total Other Financing Sources and Uses	<u>(604,742)</u>	<u>1,812,928</u>	<u>1,208,186</u>
Net Changes in Fund Balances	<u>1,645,835</u>	<u>(3,213,767)</u>	<u>(1,567,932)</u>
Fund Balances - Beginning, as previously reported	7,701,838	9,870,521	17,572,359
Prior period adjustment		(1,101)	(1,101)
Fund Balances - Beginning, as restated	<u>7,701,838</u>	<u>9,869,420</u>	<u>17,571,258</u>
Fund Balances - Ending	<u>\$ 9,347,673</u>	<u>6,655,653</u>	<u>16,003,326</u>

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

MARION 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 Changes in Fund Balances - Governmental Funds	\$ (1,567,932)
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 \$2,076,310 exceeded depreciation of \$1,066,357 and amortization of \$26,317 in the current period	983,636
In the Statement of Activities, only gains and losses from the sale of capital assets are reported, whereas in the Governmental Funds, proceeds from the sale of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balances by the amount of the net gain of \$29,244 and the proceeds from the sale of \$31,860 and compensation for loss of \$29,109 in the current period.	(31,725)
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.	134,052
Debt proceeds 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 \$1,321,409 exceeded debt repayments of \$984,602.	(336,807)
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. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues. Thus, the change in net position differs from the change in fund balances by a combination of the following items:	
The amount of decrease in accrued interest payable	171
Some items reported in the Statement of Activities relating to the implementation of GASB 68 are not reported in the governmental funds. These activities include:	
Recording of pension expense for the current period	(1,904,637)
Recording of contributions made during the year	<u>686,008</u>
Change in Net Position of Governmental Activities	\$ <u>(2,037,234)</u>

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

MARION COUNTY
Statement of Net Position - Proprietary Funds
September 30, 2023

Exhibit 5

	Business-type Activities - Enterprise Funds		
	Major Funds		Total
	Marion/Walthall Correctional Facility	Garbage and Solid Waste	
ASSETS			
Current assets:			
Cash	\$ 1,718,916	483,698	2,202,614
Property tax receivable	172,489	106,554	279,043
Accounts receivable (net of allowance for uncollectibles of \$320,566)		681,203	681,203
Intergovernmental receivables	542,776		542,776
Due from other funds	3,006	2,832	5,838
Total Current Assets	<u>2,437,187</u>	<u>1,274,287</u>	<u>3,711,474</u>
Noncurrent assets:			
Capital assets:			
Land	60,000		60,000
Other capital assets, net	5,288,216	788,179	6,076,395
Total Noncurrent Assets	<u>5,348,216</u>	<u>788,179</u>	<u>6,136,395</u>
Total Assets	<u>7,785,403</u>	<u>2,062,466</u>	<u>9,847,869</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>1,790,390</u>	<u>341,042</u>	<u>2,131,432</u>
Total Deferred Outflows of Resources	<u>1,790,390</u>	<u>341,042</u>	<u>2,131,432</u>
LIABILITIES			
Current liabilities:			
Claims payable	84,547	42,541	127,088
Due to other funds	39,088	10,611	49,699
Advances from other funds	38,445	9,239	47,684
Accrued interest payable	2,363		2,363
Unearned revenue		48,495	48,495
Capital debt:			
Leases payable	7,165		7,165
Other long-term liabilities	251,449	92,258	343,707
Total Current Liabilities	<u>423,057</u>	<u>203,144</u>	<u>626,201</u>
Noncurrent liabilities:			
Capital debt:			
Leases payable	16,378		16,378
Other long-term liabilities	1,170,715	321,389	1,492,104
Non-capital debt:			
Net pension liability	<u>8,034,110</u>	<u>821,430</u>	<u>8,855,540</u>
Total Noncurrent Liabilities	<u>9,221,203</u>	<u>1,142,819</u>	<u>10,364,022</u>
Total Liabilities	<u>9,644,260</u>	<u>1,345,963</u>	<u>10,990,223</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	38,692	7,592	46,284
Deferred revenues - property taxes	172,489	106,554	279,043
Total Deferred Inflows of Resources	<u>211,181</u>	<u>114,146</u>	<u>325,327</u>
NET POSITION			
Net investment in capital assets	3,902,509	374,532	4,277,041
Restricted for:			
Public works		568,867	568,867
Unrestricted	<u>(4,182,157)</u>		<u>(4,182,157)</u>
Total Net Position	<u>\$ (279,648)</u>	<u>943,399</u>	<u>663,751</u>

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

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended September 30, 2023

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Marion/Walthall Correctional Facility	Garbage and Solid Waste	Total
Operating Revenues			
Charges for services	\$ 5,762,733	1,281,333	7,044,066
Miscellaneous	85,358	20,807	106,165
Total Operating Revenues	<u>5,848,091</u>	<u>1,302,140</u>	<u>7,150,231</u>
Operating Expenses			
Personal services	3,286,400	638,176	3,924,576
Contractual services	561,478	502,932	1,064,410
Materials and supplies	1,296,693	113,441	1,410,134
Depreciation expense	241,353	63,932	305,285
Indirect administrative cost	39,088	10,611	49,699
Pension expense	1,146,611	224,862	1,371,473
Total Operating Expenses	<u>6,571,623</u>	<u>1,553,954</u>	<u>8,125,577</u>
Operating Income (Loss)	<u>(723,532)</u>	<u>(251,814)</u>	<u>(975,346)</u>
Nonoperating Revenues (Expenses)			
Property tax	169,819	104,581	274,400
Interest income	10,252	5,749	16,001
Intergovernmental grants	14,761	68,569	83,330
Gain (loss) on sale of capital assets		(13,630)	(13,630)
Interest expense	(35,536)	(19,216)	(54,752)
Net Nonoperating Revenue (Expenses)	<u>159,296</u>	<u>146,053</u>	<u>305,349</u>
Net Income (Loss) Before Transfers	(564,236)	(105,761)	(669,997)
Transfers in	174,192		174,192
Changes in Net Position	<u>(390,044)</u>	<u>(105,761)</u>	<u>(495,805)</u>
Net Position - Beginning	<u>110,396</u>	<u>1,049,160</u>	<u>1,159,556</u>
Net Position - Ending	\$ <u>(279,648)</u>	<u>943,399</u>	<u>663,751</u>

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

MARION COUNTY
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2023

Exhibit 7

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Marion/Walthall Correctional Facility	Garbage and Solid Waste	Total
Cash Flows From Operating Activities			
Receipts from customers	\$ 5,748,320	1,259,649	7,007,969
Payments to suppliers	(1,869,291)	(604,857)	(2,474,148)
Payments to employees	(3,699,384)	(719,166)	(4,418,550)
Other operating miscellaneous receipts	85,358	20,807	106,165
Net Cash Provided (Used) by Operating Activities	<u>265,003</u>	<u>(43,567)</u>	<u>221,436</u>
Cash Flows From Noncapital Financing Activities			
Intergovernmental grants received	14,761	76,794	91,555
Cash received from property taxes	170,370	104,704	275,074
Cash received from other funds:			
Operating transfers in	174,192		174,192
Net Cash Provided (Used) by Noncapital Financing Activities	<u>359,323</u>	<u>181,498</u>	<u>540,821</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds of long-term debt	136,455	487,393	623,848
Proceeds from sale of capital assets		157,891	157,891
Acquisition and construction of capital assets	(136,255)	(487,393)	(623,648)
Principal paid on long-term debt	(375,575)	(282,060)	(657,635)
Interest paid on debt	(37,385)	(19,216)	(56,601)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(412,760)</u>	<u>(143,385)</u>	<u>(556,145)</u>
Cash Flows From Investing Activities			
Interest on deposits	10,252	5,749	16,001
Net Cash Provided (Used) by Investing Activities	<u>10,252</u>	<u>5,749</u>	<u>16,001</u>
Net Increase (Decrease) in Cash and Cash Equivalents	221,818	295	222,113
Cash and Cash Equivalents at Beginning of Year	<u>1,497,098</u>	<u>483,403</u>	<u>1,980,501</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,718,916</u>	<u>483,698</u>	<u>2,202,614</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (723,532)	(251,814)	(975,346)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	241,353	63,932	305,285
Provision for uncollectible accounts		7,421	7,421
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable		(23,191)	(23,191)
(Increase) decrease in intergovernmental receivables	(14,413)		(14,413)
Increase (decrease) in claims payable	(11,120)	11,516	396
Increase (decrease) in net pension liability, deferred outflows/inflows, net	733,627	143,872	877,499
Increase (decrease) in unearned revenue		(5,914)	(5,914)
Increase (decrease) in interfund payables	39,088	10,611	49,699
Total Adjustments	<u>988,535</u>	<u>208,247</u>	<u>1,196,782</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 265,003</u>	<u>(43,567)</u>	<u>221,436</u>

Noncash Capital Financing Activity:

Marion County finance purchased mobile equipment for \$211,779 for five years at 4.56% interest. Principal payments of \$32,036 were made during the year.

Marion County finance purchased mobile equipment for \$211,779 for five years at 4.56% interest. Principal payments of \$32,037 were made during the year.

Marion County finance purchased equipment for \$63,835 for five years at 4.48% interest. Principal payments of \$9,673 were made during the year.

Marion County finance purchased mobile equipment for \$136,455 for three years at 5.15% interest. No principal payments were made during the year.

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

MARION COUNTY
Statement of Fiduciary Net Position
September 30, 2023

Exhibit 8

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 436,458
Receivables:	
Due from other funds	<u>31,887</u>
Total Assets	<u><u>468,345</u></u>
LIABILITIES	
Intergovernmental payables	<u>31,887</u>
Total Liabilities	<u><u>31,887</u></u>
NET POSITION	
Restricted for:	
Individuals, organizations and other governments	<u>436,458</u>
Total Net Position	<u><u>\$ 436,458</u></u>

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

MARION 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	\$ 1,799,179
Grants received for other governments	2,491
Licenses and fees collected for State	<u>311,179</u>
Total Additions	<u>2,112,849</u>
DEDUCTIONS	
Payments of tax to other governments	1,696,924
Payments of grants to other governments	2,491
Payments of licenses and fees to State	<u>312,901</u>
Total Deductions	<u>2,012,316</u>
Net increase (decrease) in fiduciary net position	100,533
Net Position - Beginning	<u>335,925</u>
Net Position - Ending	\$ <u><u>436,458</u></u>

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

MARION COUNTY

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MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(1) Summary of Significant Accounting Policies.

A. Financial Reporting Entity.

Marion 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 Marion County to present these financial statements on the primary government and its component unit which have significant operational or financial relationships with the County.

Management has chosen to omit from these financial statements the following component unit which has significant operational or financial relationships with the County. Accordingly, the financial statements do not include the data of this component unit necessary for reporting in accordance with accounting principles generally accepted in the United States of America.

- Marion 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 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. 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 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

MARION COUNTY

Notes to Financial Statements For the Year Ended September 30, 2023

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, liabilities, deferred inflows, 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.

C. 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 nonoperating. 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 nonoperating.

Governmental 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 Fund:

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

The County reports the following major Enterprise Funds:

Marion/Walthall Correctional Facility Fund - This fund is used to account for the County's activities of the County's correctional facility.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Garbage and Solid Waste Fund - This fund is used to account for the County's activities of disposal of solid waste within the County.

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.

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.

D. 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 Association.

E. 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, and 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.

F. Receivables.

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

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

G. Interfund Transactions and Balances.

Transactions between funds that are representative of 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."

H. 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 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, other than infrastructure, 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 costs 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 Useful Life
Land	\$ 0	N/A
Infrastructure	0	20-50 years
Buildings	50,000	40 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5-10 years
Furniture and equipment	5,000	3-7 years
Intangible assets	**	**

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

** 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.

I. 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(s) 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.

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 taxes/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 such time as 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/leases – Deferred inflows of resources measured at the initial value of the lease receivable to reflect that the receivable relates to future periods.

J. 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. This guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. GASB 87 was implemented during fiscal year 2022.

The County uses the historical federal prime borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known. The rate used to measure leases of 16th section real property was 4.00 percent (4.00%) in accordance with *Section 29-3-113, Mississippi Code of 1972 Annotated*.

K. Long-term Liabilities.

Long-term liabilities are the unmatured principal of bonds, loans, notes or other forms of noncurrent

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

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.

In the fund financial statements, the face amount of the debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. 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.

M. 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, 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.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Governmental 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 amounts that have constraints placed upon the use of the resources by an external party or imposed by law through either 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 Board of Supervisors pursuant to authorization established by *Section 19-3-59, Mississippi Code of 1972 Annotated*.

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 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 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.

N. 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.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

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 collectibility criteria for property tax recognition because the lien and due date cannot be established until the date of original purchase occurs.

O. 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.

P. 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, reliability, relevance, and consistency of information about SBITAs.

(2) Prior Period Adjustments.

A summary of the significant net position/fund balance adjustments is as follows:

Exhibit 2 – Statement of Activities – Governmental Activities.

<u>Explanation</u>	<u>Amount</u>
To correct prior year errors in cash balances, net.	\$ (1,101)
To correct prior year errors in capital assets, net.	<u>11,724</u>
Total prior period adjustments	<u>\$ 10,623</u>

Exhibit 4 – Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

<u>Explanation</u>	<u>Amount</u>
Other Governmental Funds:	
To correct prior year errors in cash balances, net.	<u>\$ (1,101)</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(3) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2023, was \$20,393,089, and the bank balance was \$20,148,273. 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 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 Transactions and Balances.

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

A. Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Marion/Walthall Correctional Facility Fund	\$ 39,088
General Fund	Garbage and Solid Waste Fund	10,611
Other Governmental Funds	General Fund	88,509
Marion/Walthall Correctional Facility Fund	General Fund	3,006
Garbage and Solid Waste Fund	General Fund	2,832
Custodial Funds	General Fund	<u>31,887</u>
Total		<u>\$ 175,933</u>

The receivables represent the tax revenue collected in September, 2023, but not settled until October, 2023. Also, loans were established to cover indirect costs due to the General Fund from Proprietary Funds. 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	Marion/Walthall Correctional Facility Fund	\$ 38,445
General Fund	Garbage and Solid Waste Fund	<u>9,239</u>
Total		<u>\$ 47,684</u>

The advances represent unpaid indirect costs in prior years.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

C. Transfers In/Out:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 15,828
Other Governmental Funds	General Fund	599,469
Other Governmental Funds	Other Governmental Funds	5,105,770
Marion/Walthall Correctional Facility Fund	General Fund	<u>174,192</u>
Total		<u>\$ 5,895,259</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.

(5) Intergovernmental Receivables.

Intergovernmental receivables at September 30, 2023, consisted of the following:

<u>Description</u>	<u>Amount</u>
Governmental Activities:	
Legislative tax credit	\$ 223,081
DUI grant reimbursement	34,821
Emergency management performance grant reimbursement	25,153
Fire rebate	<u>127,041</u>
Total Governmental Activities	<u>\$ 410,096</u>
Business-type Activities:	
Reimbursing for housing prisoners	<u>\$ 542,776</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(6) Capital Assets.

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

Governmental activities:

	Balance Oct. 1, 2022	Additions	Deletions	Adjustments*	Balance Sept. 30, 2023
<u>Non-depreciable capital assets:</u>					
Land	\$ 1,164,228				1,164,228
Construction in progress	558,335	1,226,564		(573,785)	1,211,114
Total non-depreciable capital assets	<u>1,722,563</u>	<u>1,226,564</u>	<u>0</u>	<u>(573,785)</u>	<u>2,375,342</u>
<u>Depreciable capital assets:</u>					
Infrastructure	68,765,178			573,785	69,338,963
Buildings	8,919,375				8,919,375
Improvements other than buildings	3,096,305				3,096,305
Mobile equipment	6,974,569	766,761	219,517		7,521,813
Furniture and equipment	1,716,735	65,414	11,500	34,500	1,805,149
Total depreciable capital assets	<u>89,472,162</u>	<u>832,175</u>	<u>231,017</u>	<u>608,285</u>	<u>90,681,605</u>
<u>Less accumulated depreciation for:</u>					
Infrastructure	44,692,524	278,522			44,971,046
Buildings	4,718,419	114,606			4,833,025
Improvements other than buildings	649,836	98,680			748,516
Mobile equipment	4,613,442	452,146	191,700		4,873,888
Furniture and equipment	1,548,424	122,403	7,592	22,776	1,686,011
Total accumulated depreciation	<u>56,222,645</u>	<u>1,066,357</u>	<u>199,292</u>	<u>22,776</u>	<u>57,112,486</u>
Total depreciable capital assets, net	<u>33,249,517</u>	<u>(234,182)</u>	<u>31,725</u>	<u>585,509</u>	<u>33,569,119</u>
Governmental activities capital assets, net	<u>\$ 34,972,080</u>	<u>992,382</u>	<u>31,725</u>	<u>11,724</u>	<u>35,944,461</u>
Lease assets, net (Note 7)					<u>64,838</u>
Total capital assets, net, as reported in the statement of net position					<u>\$ 36,009,299</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Business-type activities:

	Balance Oct. 1, 2022	Additions	Deletions	Balance Sept. 30, 2023
<u>Non-depreciable capital assets:</u>				
Land	\$ 60,000			60,000
Total non-depreciable capital assets	60,000	0	0	60,000
<u>Depreciable capital assets:</u>				
Buildings	9,130,650			9,130,650
Mobile equipment	766,292	623,648	268,000	1,121,940
Furniture and equipment	292,331			292,331
Total depreciable capital assets	10,189,273	623,648	268,000	10,544,921
<u>Less accumulated depreciation for:</u>				
Buildings	3,561,863	182,616		3,744,479
Mobile equipment	456,491	96,544	96,480	456,555
Furniture and equipment	267,397	18,243		285,640
Total accumulated depreciation	4,285,751	297,403	96,480	4,486,674
Total depreciable capital assets, net	5,903,522	326,245	171,520	6,058,247
Business-type activities capital assets, net	\$ 5,963,522	326,245	171,520	6,118,247
Lease assets, net (Note 7)				18,148
Total capital assets, net, as reported in the statement of net position				\$ 6,136,395

*The adjustments above are to reclassify completed construction in progress to infrastructure and to correct prior year errors in capital asset balances.

Depreciation expense was charged to the following functions:

	Amount
Governmental activities:	
General government	\$ 183,330
Public safety	107,871
Public works	637,479
Health and welfare	27,965
Culture and recreation	67,428
Conservation of natural resources	1,784
Economic development and assistance	40,500
Total governmental activities depreciation expense	\$ 1,066,357

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

	<u>Amount</u>
Business-type activities:	
Garbage and Solid Waste	\$ 63,932
Marion/Walthall Correctional Facility	<u>233,471</u>
Total business-type activities depreciation expense	<u>\$ 297,403</u>

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>
Black Creek Road bridge - LSBP - 46(18)	\$ 10,928	October, 2023
Johnson Road - LSBP - 46(17)	18,738	January, 2024

(7) Intangible Right-to-Use Lease Assets.

A summary of lease asset activity during the year ended September 30, 2023 is as follows:

Governmental activities:

	<u>Balance Oct. 1, 2022</u>	<u>Additions</u>	<u>Balance Sept. 30, 2023</u>
<u>Lease assets:</u>			
Land	\$ 43,755		43,755
Furniture and equipment	<u>91,349</u>	<u>17,571</u>	<u>108,920</u>
Total lease assets	<u>135,104</u>	<u>17,571</u>	<u>152,675</u>
<u>Less accumulated amortization for:</u>			
Lease assets:			
Land	19,708	1,639	21,347
Furniture and equipment	<u>41,812</u>	<u>24,678</u>	<u>66,490</u>
Total accumulated amortization	<u>61,520</u>	<u>26,317</u>	<u>87,837</u>
Total lease assets, net	<u>\$ 73,584</u>	<u>(8,746)</u>	<u>64,838</u>

A summary of lease liabilities during the year ended September 30, 2023 is as follows:

	<u>Balance 10/1/2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9/30/2023</u>	<u>Amounts due within one year</u>
Lease liabilities	\$ 90,286	<u>17,571</u>	<u>24,634</u>	<u>83,223</u>	<u>25,781</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Business-type activities:

	Balance Oct. 1, 2022	Additions	Balance Sept. 30, 2023
<u>Lease assets:</u>			
Furniture and equipment	\$ 16,728	22,685	39,413
Total lease assets	16,728	22,685	39,413
<u>Less accumulated amortization for:</u>			
<u>Lease assets:</u>			
Furniture and equipment	13,383	7,882	21,265
Total accumulated amortization	13,383	7,882	21,265
Total lease assets, net	\$ 3,345	14,803	18,148

A summary of lease liabilities during the year ended September 30, 2023 is as follows:

	Balance 10/1/2022	Additions	Deductions	Balance 9/30/2023	Amounts due within one year
Lease liabilities	\$ 6,433	22,685	5,575	23,543	7,165

Leases

The County is a lessee for various non-cancellable leases of land and equipment. For leases that have a maximum possible term of 12 months or less at commencement, the County recognizes expense based on the provisions of the lease contract. For all other leases, other than short-term, the County recognized a lease and an intangible right-to-use lease asset.

At lease commencement, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, plus lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized in depreciation and amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

The County generally uses the historical federal prime borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. The rate used to measure leases of 16th section real property was 4.00 percent (4.00%) in accordance with *Section 29-3-113, Mississippi Code of 1972 Annotated*.

The lease term includes the non-cancellable period of the lease plus any additional periods covered by either a county or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain to not be exercised. Periods in which both the County and the lessor have a unilateral option to terminate (or if both parties have agreed to extend) are excluded from the lease term.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

As Lessee:

Governmental Activities:

Lease Assets

	Balance 10/1/2022	Additions	Amortization	Balance 9/30/2023
Intangible right-to-use-land	\$ 24,047		1,639	22,408
Intangible right-to-use-equipment	49,537	17,571	24,678	42,430
Total	\$ 73,584	17,571	26,317	64,838

Lease Liabilities

	Balance 10/1/2022	Additions	Principal Payments	Balance 9/30/2023
Land	\$ 27,568		1,483	26,085
Postage meter lease	33,583		10,104	23,479
Copier lease	29,135	17,571	13,047	33,659
Total	\$ 90,286	17,571	24,634	83,223

Marion County entered into various non-cancellable lease agreements with the Marion County Board of Education for the lease of several parcels of 16th section land owned by the School District. Each lease has its own fixed lease payment and term. The term of each lease corresponds with state law in accordance with the type of lease executed. To calculate the net present value of the lease, the County uses a minimum interest rate of 4.00%, as required by the Mississippi statute for 16th section loans.

Marion County entered into various lease agreements with RJ Young and Owens Business Machines, Inc. for the lease of copiers. Each lease has its own fixed lease payment and term. The lease agreements can only be cancelled if both parties agree. There are no options to extend the lease agreement and no variable payments options.

Marion County entered various lease agreements with Pitney Bowes for the lease of postage machines. Each lease has its own fixed lease payment and term. The lease agreements can only be cancelled if both parties agree. There are no options to extend the lease agreement and no variable payment options.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

<u>Description</u>	<u>Discount Rate</u>	<u>Term</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Monthly Payment</u>	<u>Amount Outstanding</u>
16th Section lease	4.00%	300 mos	08/2016	08/2041	\$ 104	\$ 15,207
16th Section lease	4.00%	300 mos	02/2008	02/2033	42	3,717
16th Section lease	4.00%	300 mos	06/2014	06/2039	42	5,559
16th Section lease	4.00%	480 mos	10/1988	04/2028	30	1,602
Postage machine	3.25%	60 mos	04/2021	04/2026	144	4,151
Postage machine	3.25%	60 mos	06/2021	06/2026	174	5,324
Postage machine	3.25%	60 mos	06/2021	06/2026	275	8,412
Postage machine	3.25%	60 mos	03/2021	03/2025	151	4,193
Postage machine	3.25%	60 mos	06/2021	06/2026	177	1,399
Copier machine	3.25%	48 mos	03/2021	02/2025	141	2,344
Copier machine	3.25%	48 mos	03/2021	02/2025	255	4,231
Copier machine	3.25%	48 mos	08/2021	07/2025	133	2,827
Copier machine	3.25%	48 mos	01/2021	12/2024	127	1,869
Copier machine	3.25%	48 mos	09/2022	09/2026	238	7,937
Copier machine	4.33%	48 mos	01/2023	12/2026	398	14,451
					<u>\$ 2,431</u>	<u>\$ 83,223</u>

The following is a schedule by years of the total payments due as of September 30, 2023:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 25,781	2,669
2025	21,027	1,825
2026	14,035	1,175
2027	2,947	857
2028	1,832	777
2029 - 2033	7,872	2,879
2034 - 2038	7,371	1,381
2039 - 2043	<u>2,358</u>	<u>142</u>
Total	<u>\$ 83,223</u>	<u>11,705</u>

Business-type Activities:

Lease Assets

	<u>Balance 10/1/2022</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance 9/30/2023</u>
Intangible right-to-use equipment	\$ <u>3,345</u>	<u>22,685</u>	<u>7,882</u>	<u>18,148</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Lease Liabilities

	Balance <u>10/1/2022</u>	<u>Additions</u>	Principal <u>Payments</u>	Balance <u>9/30/2023</u>
Copier leases	\$ 6,433	22,685	5,575	23,543

Marion County entered into various lease agreements with RJ Young for the lease of copiers to be used at the correctional facility. Each lease has its own fixed lease payment and term. The lease agreements can only be cancelled if both parties agree. There are no options to extend the lease agreement and no variable payment options.

<u>Description</u>	<u>Discount Rate</u>	<u>Term</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Monthly Payment</u>	<u>Amount Outstanding</u>
Copier lease	3.25%	60 mos	8/2019	7/2024	\$ 302	\$ 2,971
Copier lease	4.83%	60 mos	4/2023	4/2028	425	20,572
					<u>\$ 727</u>	<u>\$ 23,543</u>

The following is a schedule by years of the total payments due as of September 30, 2023:

<u>Year Ending September 30</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 7,165	946
2025	4,401	694
2026	4,618	477
2027	4,847	249
2028	<u>2,512</u>	<u>36</u>
Total	<u>\$ 23,543</u>	<u>2,402</u>

As Lessor:

Governmental Activities:

On September 1, 2014, Marion County entered into a non-cancellable lease agreement with Marion County Internal Medicine Clinic for the lease of a building at the Marion County Business Plex. The lease stipulated that the lessee would pay \$2,068.81 per month in lease payments commencing September 1, 2014 for a term of five years. At the end of the lease term, Marion County Internal Medicine Clinic has the option to renew the lease for an additional five years by giving written notice to exercise the option. The Company exercised this option on September 1, 2019. The County is to receive \$24,826 in rent annually with an implicit interest rate of 3.25%.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

On May 16, 2015, Marion County entered into a non-cancellable lease agreement with Martha's Place for the lease of a building at the Marion County Business Plex. The lease stipulated that the lessee would pay the County \$325 per month in lease payments commencing May 1, 2015 for a term of five years. At the end of the lease term, Martha's Place has the option to renew the lease for an additional five years. On April 30, 2020, Martha's Place exercised the option to renew the lease for an additional five years. The County is to receive \$3,900 in rent annually with an implicit interest rate of 3.25%.

On October 19, 2015, Marion County entered into a non-cancellable lease agreement with the 15th Judicial Drug Court for the lease of a building at the Marion County Business Plex. The lease stipulated that the lessee would pay \$675 per month in lease payments commencing January 1, 2016 for a term of seven years. The County is to receive \$8,100 in rent annually with an implicit interest rate of 3.25%.

On March 1, 2021, Marion County entered into a non-cancellable lease agreement with the Columbia Law Enforcement Training Academy (CLETA) for the lease of a building at the Marion County Business Plex. The lease stipulated that the lessee would pay the County \$225 per month in lease payments commencing March 1, 2021 for a term of five years. The County is to receive \$2,700 in rent annually with an implicit interest rate of 3.25%.

On October 1, 2022, Marion County entered into a non-cancellable lease agreement with the Open Wings of Outreach Care for the lease of a building at the Marion County Business Plex. The lease stipulated that the lessee would pay the County \$545 per month in lease payments commencing October 1, 2022 for a term of three years. The County is to receive \$6,543 in rent annually with an implicit interest rate of 6.25%.

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

Year Ending September 30	Governmental Activities	
	Principal	Interest
2024	\$ 34,629	1,270
2025	11,195	323
2026	1,116	9
Total	\$ 46,940	1,602

(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.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(9) Long-term Debt.

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

Description and Purpose	Amount Outstanding	Interest Rate	Final Maturity Date
Governmental Activities:			
A. General Obligation Bonds:			
General obligation bonds, Series 2018	\$ <u>4,270,000</u>	3.125-4.25%	12/2038
B. Financed Purchases:			
District 3 pickup truck	\$ 8,520	4.17%	04/2024
Tractor/loader	13,057	3.99%	05/2024
Countywide durapatcher tank	23,223	3.18%	04/2025
District 4 - tractor/bush hog	14,568	3.34%	02/2025
District 5 - Caterpillar trackhoe	75,291	3.35%	09/2025
District 2 - John Deere tractor	28,022	2.41%	10/2025
District 4 - utility tractor	22,632	2.41%	09/2025
Sheriff Office - (2) Ford Explorers / (1) F150 truck	60,177	1.75%	03/2026
District 4 - Case backhoe	10,134	1.57%	07/2024
District 1 - John Deere tractor	35,921	1.39%	10/2024
District 2 - 2012 Chevy Silverado / 1996 International truck	4,510	1.39%	11/2024
District 1 - Kubota tractor	14,760	1.39%	12/2024
District 1 - CX57C cab trackhoe	46,297	2.49%	05/2025
District 3 - John Deere tractor	37,465	2.49%	06/2025
District 2 - Caterpillar trackhoe	231,860	2.99%	06/2027
District 5 - dump truck	220,000	3.56%	08/2024
District 5 - dump truck	220,000	3.56%	08/2024
Sheriff's Office Axon tasers	13,596	0.00%	05/2027
Sheriff's Office 2 Ford Explorers	106,411	5.22%	08/2026
District 4 - 2022 Caterpillar excavator	138,563	4.54%	01/2028
E-911 - dispatch equipment	178,396	4.48%	02/2028
District 3 - Caterpillar track loader	77,312	4.48%	02/2028
District 2 - 2021 CAT 304 trackhoe	52,404	4.89%	07/2028
District 2 - CAT track loader	<u>84,846</u>	4.48%	11/2027
Total Financed Purchases	\$ <u>1,717,965</u>		
C. Other Loans:			
MDA capital improvement loan	\$ 228,663	3.00%	07/2029
MDA capital improvement loan	173,144	3.00%	06/2030
Tornado cleanup note	684,296	1.39%	01/2026
Promissory note - road improvements	<u>477,087</u>	3.96%	07/2027
Total Other Loans	\$ <u>1,563,190</u>		

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Description and Purpose	Amount Outstanding	Interest Rate	Final Maturity Date
Business-type Activities:			
A. General Obligation Bonds:			
General Obligation Refunding Bonds, Series 2016	\$ <u>1,280,000</u>	1.15-2.50%	04/2029
B. Financed Purchases:			
Garbage truck	\$ 179,743	4.56%	11/2027
Garbage truck	179,742	4.56%	11/2027
Industrial scaling system	54,162	4.48%	11/2027
Correctional facility (3) vehicles	<u>136,455</u>	5.15%	04/2026
 Total Financed Purchases	 \$ <u>550,102</u>		

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		Financed Purchases	
	Principal	Interest	Principal	Interest
2024	\$ 200,000	150,787	834,973	55,690
2025	205,000	142,944	356,574	28,894
2026	215,000	135,069	201,728	17,917
2027	220,000	126,912	273,056	8,542
2028	230,000	118,762	51,634	650
2029 - 2033	1,300,000	469,531		
2034 - 2038	1,555,000	221,749		
2039 - 2043	<u>345,000</u>	<u>6,900</u>		
 Total	 \$ <u>4,270,000</u>	 <u>1,372,654</u>	 <u>1,717,965</u>	 <u>111,693</u>

Year Ending September 30	Other Loans	
	Principal	Interest
2024	\$ 396,136	46,415
2025	405,616	38,936
2026	415,324	27,227
2027	190,850	17,232
2028	66,393	9,148
2029 - 2033	<u>88,871</u>	<u>12,922</u>
 Total	 \$ <u>1,563,190</u>	 <u>151,880</u>

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Business-Type Activities:

Year Ending September 30	General Obligation Bonds		Financed Purchases	
	Principal	Interest	Principal	Interest
2024	\$ 205,000	26,300	137,567	20,201
2025	205,000	22,200	141,015	16,755
2026	210,000	17,919	147,705	9,952
2027	215,000	13,269	105,724	3,446
2028	220,000	8,237	18,091	103
2029 - 2033	225,000	2,813		
Total	\$ 1,280,000	90,738	550,102	50,457

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 2.80 percent (2.80%) 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:

	Balance			Balance Sept. 30, 2023	Amount due within one year
	Oct. 1, 2022	Additions	Reductions		
Governmental Activities:					
General obligation bonds	\$ 4,460,000		190,000	4,270,000	200,000
Financed purchases	1,362,747	703,838	348,620	1,717,965	834,973
Leases payable	90,286	17,571	24,634	83,223	25,781
Other loans	1,384,538	600,000	421,348	1,563,190	396,136
Total	\$ 7,297,571	1,321,409	984,602	7,634,378	1,456,890

	Balance			Balance Sept. 30, 2023	Amount due within one year
	Oct. 1, 2022	Additions	Reductions		
Business-type Activities:					
General obligation bonds	\$ 1,650,000		370,000	1,280,000	205,000
Add:					
Premiums	6,849		1,140	5,709	1,140
Financed purchases	208,314	623,848	282,060	550,102	137,567
Leases payable	6,433	22,685	5,575	23,543	7,165
Total	\$ 1,871,596	646,533	658,775	1,859,354	350,872

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(10) Defined Benefit Pension Plan.

General Information about the Pension Plan

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

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 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 \$1,179,980, \$1,127,016 and \$1,071,079, 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 \$23,354,258 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

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. The County's proportionate share used to calculate the September 30, 2023 net pension liability was 0.092855 percent, which was based on a measurement date of June 30, 2023. This was a decrease of 0.000676 percent from its 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 \$3,276,110. 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	\$ 584,543	
Net difference between projected and actual earnings on pension plan investments	953,869	
Changes of assumptions	2,734,834	
Changes in the proportion and differences between the County's contributions and proportionate share of contributions	378,852	111,179
County contributions subsequent to the measurement date	282,489	
Total	<u>\$ 4,934,587</u>	<u>111,179</u>

\$282,489 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 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	\$ 1,811,636
2025	1,044,522
2026	1,677,816
2027	6,945
Total	<u>\$ 4,540,919</u>

Actuarial Assumptions. The total pension liability as of June 30, 2023 was determined by an actuarial valuation prepared as of June 30, 2022, by the new actuarial assumptions adopted by the Board subsequent to the June 30, 2022 valuation based on the experience investigation for the four-year period ending June 30, 2022, 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

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

Mortality rates for service retirees were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants were based on the PubS.H-2010(B) Contingent Annuitant Table, adjusted 97% for males and 110% for females. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The actuarial assumptions used 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 21, 2023.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The most recent target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	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
Total	<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 percent) and that employer contributions will be phased in to 22.40 percent over three fiscal years (17.40 percent for FYE 2024, 19.40 percent for FYE 2025, 21.40 percent for FYE 2026, and 22.40 percent for FYE 2027). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity 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:

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability	\$ 30,115,908	23,354,258	17,805,573

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

(11) Deficit Fund Balances of Individual Funds.

The following funds reported deficits in fund balances or net position at September 30, 2023:

<u>Fund</u>	<u>Deficit Amount</u>
HB 603 Paving District 1 Fund	\$ (100,000)
HB 603 Paving District 2 Fund	(100,000)
Marion/Walthall Correctional Facility Fund	(279,648)

(12) 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. No provision for any liability that may result has been recognized in the County's financial statements.

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.

(13) Effect of Deferred Amounts on Net Position.

The governmental activities' unrestricted net position amount of \$(3,296,883) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflows of resources related to pensions in the amount of \$164,231 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 \$2,638,924 balance of the deferred outflows of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next four years. The \$64,895 balance of the deferred inflows of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next three years.

The governmental activities' unrestricted net position amount of \$(3,296,883) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from leases. The \$42,737 balance of deferred inflows of resources related to leases at September 30, 2023, will be recognized as revenue and will increase the unrestricted net position over the next three years.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

The business-type activities' unrestricted net position amount of \$(4,182,157) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflows of resources related to pension in the amount of \$98,869 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 \$1,691,521 balance of the deferred outflows of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next four years. The \$38,692 balance of the deferred inflows of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next three years.

The business-type activities' restricted for public works net position amount of \$568,867 includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflows of resources related to pensions in the amount of \$19,389 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 \$321,653 balance of deferred outflows of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next four years. The \$7,592 balance of the deferred inflows of resources related to pensions at September 30, 2023 will be recognized in pension expense over the next three years.

(14) Related Organizations.

The County participates in the following related organizations:

The Marion County Board of Supervisors is responsible for appointing a voting majority of the members of the board of the Columbia-Marion County Airport Authority, but the County's accountability for this organization does not extend beyond making the appointment. The County appropriated \$29,880 for the airport's support in fiscal year 2023.

The Marion County Board of Supervisors, as authorized by *Sections 19-5-151 and 19-5-223, Mississippi Code of 1972 Annotated*, created the following districts to provide fire protection services to the County: Tri-Community Fire District, Southwest Marion Fire District, South Marion Fire District, Pineburr Fire District, Foxworth Fire District and Morgantown Fire District. The Board of Supervisors appoints the commissioners of each district, but the County's accountability for the districts does not extend beyond making the appointments. Each of these districts receives the avails of a one-mill tax levy on the real property in the district with the Foxworth Fire District receiving the avails of a two-mill tax levy. Additionally, the County appropriates to these districts the equivalent of ¼ mill tax levy. Marion County appropriated \$346,414 from these two sources, for the operation of the six fire districts in the fiscal year 2023.

(15) Joint Venture.

The County participates in the following joint venture:

Marion County is a participant with Jefferson Davis County in a joint venture, authorized by *Section 39-3-9, Mississippi Code of 1972 Annotated*, 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 that 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. Marion County appropriated \$181,500 for the operation of the Library in fiscal year 2023.

MARION COUNTY

Notes to Financial Statements For the Year Ended September 30, 2023

(16) Jointly Governed Organizations.

The County participates in the following jointly governed organizations:

Pearl River Community College operates in a district composed of the Counties of Forrest, Hancock, Jefferson Davis, Lamar, Marion and Pearl River. The Marion County Board of Supervisors appoints two (2) of the sixteen (16) members of the college board of trustees. The County appropriated \$439,545 for maintenance and support of the college 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 Marion County Board of Supervisors appoints one (1) of nine (9) members of the board of directors. The County appropriated \$77,470 for support of the district 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 Marion County Board of Supervisors appoints one (1) of the twenty-seven (27) members of the board of directors. The County provided no financial support of the district in fiscal year 2023.

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 Marion County Board of Supervisors appoints one (1) of the twenty-four (24) members of the board of directors. The primary source of funding for the entity is derived from federal funds. Each County provides a modest amount of financial support when matching funds are required for federal grants.

Region XII Commission for Mental Health and Mental Retardation operates in a district composed of the Counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Marion, Pearl River, Perry, Wayne, Amite, Franklin, Lawrence, Pike, Walthall, Hancock, Harrison and Stone. The Marion County Board of Supervisors appoints one (1) of the eighteen (18) member governing body of commissioners. The County appropriated \$46,500 for support of the district in fiscal year 2023.

Mississippi Regional Housing Authority VIII operates in a district composed of the Counties of Covington, Forrest, George, Greene, Hancock, Harrison, Jackson, Jones, Lamar, Marion, Pearl River, Perry, Stone and Wayne. The governing body is a 15-member board of commissioners, one (1) appointed by the Board of Supervisors of each of the member counties and one (1) appointed at large. The Counties generally provide no financial support to the organization.

(17) Tax Abatements.

As of September 30, 2023, Marion County provides tax exempt status to three growth and prosperity companies, one metal fabrication company, and two free port warehouses subject to the requirements of GASB Statement No. 77. These companies are exempt from real property taxes and personal property taxes except for the levies involving the school, the mandatory mill and the community college tax levies. These exemptions are authorized under *Sections 57-80-9, 27-31-53 and 27-31-101, Mississippi Code of 1972 Annotated*. These exemptions encourage businesses to locate or expand operations in the County and to create jobs. The amount of taxes abated during fiscal year 2023 totaled \$123,437.

MARION COUNTY

Notes to Financial Statements
For the Year Ended September 30, 2023

(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 Marion County evaluated the activity of the County through April 7, 2025, and determined that the following subsequent events have occurred requiring disclosure in the notes to the financial statements.

Subsequent to September 30, 2023, the County issued the following debt obligations:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Type of Financing</u>	<u>Source of Financing</u>
05/15/2024	5.15%	\$ 230,200	purchase	Ad valorem taxes
05/20/2024	2.00%	275,000	Promissory note	Ad valorem taxes
06/27/2024	5.50%	230,200	purchase	Ad valorem taxes
08/05/2024	5.01%	93,009	purchase	Ad valorem taxes
12/17/2024	4.80%	67,850	purchase	Ad valorem taxes
01/08/2025	4.42%	297,387	purchase	Ad valorem taxes
02/04/2025	4.36%	1,000,000	Promissory note	Ad valorem taxes
03/03/2025	4.36%	62,389	purchase	Ad valorem taxes

MARION COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

MARION COUNTY

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MARION 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 (Negative)
REVENUES				
Property taxes	\$ 8,363,217	8,748,503	8,748,503	
Licenses, commissions and other revenue	327,750	459,358	459,358	
Fines and forfeitures	264,500	296,233	296,233	
Intergovernmental revenues	1,329,400	2,447,740	2,447,740	
Interest income	9,000	156,504	156,504	
Miscellaneous revenues	359,050	479,696	479,696	
Total Revenues	<u>10,652,917</u>	<u>12,588,034</u>	<u>12,588,034</u>	<u>0</u>
EXPENDITURES				
Current:				
General government	6,271,683	5,823,561	5,823,561	
Public safety	3,775,174	3,682,288	3,682,288	
Public works	94,880	29,880	29,880	
Health and welfare	434,205	423,884	423,884	
Conservation of natural resources	63,145	70,422	70,422	
Economic development and assistance	230,165	230,165	230,165	
Debt service:				
Principal		64,989	64,989	
Interest		2,048	2,048	
Total Expenditures	<u>10,869,252</u>	<u>10,327,237</u>	<u>10,327,237</u>	<u>0</u>
Excess of Revenues over (under) Expenditures	<u>(216,335)</u>	<u>2,260,797</u>	<u>2,260,797</u>	<u>0</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		15,828	15,828	
Transfers out	(780,000)	(773,661)	(773,661)	
Long-term capital debt issued		106,411	106,411	
Compensation for loss of capital assets		43,137	43,137	
Total Other Financing Sources and Uses	<u>(780,000)</u>	<u>(608,285)</u>	<u>(608,285)</u>	<u>0</u>
Net Change in Fund Balance	(996,335)	1,652,512	1,652,512	0
Fund Balances - Beginning	<u>6,091,809</u>	<u>6,868,908</u>	<u>6,868,908</u>	<u>0</u>
Fund Balances - Ending	<u>\$ 5,095,474</u>	<u>8,521,420</u>	<u>8,521,420</u>	<u>0</u>

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

MARION COUNTY
Schedule of the County's Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*
For the Year Ended September 30, 2023
UNAUDITED

	<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>
County's proportion of the net pension liability (asset)	0.092855%	0.093531%	0.090636%	0.086338%	0.088217%	0.082393%	0.079841%	0.082419%	0.083953%
County's proportionate share of the net pension liability (asset)	\$ 23,354,258	19,252,083	13,396,397	16,714,034	15,519,111	13,704,405	13,272,285	14,722,091	12,977,478
Covered payroll	\$ 6,883,128	6,438,959	6,026,382	5,749,066	5,475,326	5,261,558	5,122,984	5,272,527	5,287,426
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.30%	298.99%	222.30%	290.73%	283.44%	260.46%	259.07%	279.22%	245.44%
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%

* 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.

MARION COUNTY
Schedule of County Contributions
Last 10 Fiscal Years*
For the Year Ended September 30, 2023
UNAUDITED

	<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	\$ 1,179,980	1,127,016	1,071,079	1,002,561	942,098	844,729	814,530	844,935	832,882
Contributions in relation to the contractually required contribution	<u>1,179,980</u>	<u>1,127,016</u>	<u>1,071,079</u>	<u>1,002,561</u>	<u>942,098</u>	<u>844,729</u>	<u>814,530</u>	<u>844,935</u>	<u>832,771</u>
Contribution deficiency (excess)	\$ <u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>111</u>
Covered payroll	\$ 6,781,494	6,477,105	6,155,626	5,761,845	5,819,720	5,363,350	5,171,619	5,364,665	5,287,426
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.19%	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.

MARION COUNTY

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MARION COUNTY

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

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 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. The Budgetary 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:

	<u>Governmental Fund Type</u>
	General Fund
Budget (Cash Basis)	\$ 1,652,512
Increase (Decrease)	
Net adjustments for revenue accruals	(5,178)
Net adjustments for expenditure accruals	(1,499)
GAAP Basis	\$ <u><u>1,645,835</u></u>

MARION COUNTY

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

Pension Schedules

A. 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 was reduced from 3.75% to 3.25%.

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

The percentage of active member disabilities assumed to be in the line of duty was increased from 6.00% to 7.00%.

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%.

MARION COUNTY

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

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 female rates up to age 72, 100% for ages above 76.

Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

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

For males, 134% of male rates at all ages.

For females, 121% of female rates at all ages.

Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The expectation of contingent annuitant mortality was based on the PubS.H-2010(B) Contingent Annuitant Table with the following adjustments:

For males, 97% of male rates at all ages.

For females, 110% of female rates at all ages.

Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The price inflation assumption was reduced from 2.75% to 2.40%.

The wage inflation assumption was reduced from 3.00% to 2.65%.

The investment rate of return assumption was changed from 7.75% to 7.55%.

The assumed load for administrative expenses was increased from 0.25% to 0.28% of payroll.

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

The percentage of active member disabilities assumed to be in the line of duty was increased from 9% to 12%.

The percentage of active member deaths assumed to be in in the line of duty was 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.

MARION COUNTY

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

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.

B. 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.

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
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

MARION COUNTY

OTHER INFORMATION

MARION COUNTY

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

Name	Position	Company	Bond
Eugene Green	Supervisor District 1	FCCI	\$100,000
John Moree	Supervisor District 2	Western Surety Company	\$100,000
Tony Morgan	Supervisor District 3	FCCI	\$100,000
Raymon Rowell	Supervisor District 4	FCCI	\$100,000
Calvin Newsom, Sr.	Supervisor District 5	FCCI	\$100,000
Elisha Moree	Chancery Clerk	FCCI	\$100,000
Toxie Peak	Purchase Clerk	FCCI	\$100,000
Frenchie Johnson	Receiving Clerk	FCCI	\$75,000
Wayne Crosby	Assistant Receiving Clerk	Western Surety Company	\$50,000
Anthony Preston	Assistant Receiving Clerk	Western Surety Company	\$50,000
Henry Douglas Holmes	Assistant Receiving Clerk	FCCI	\$50,000
Kesha Lenoir	Assistant Receiving Clerk	Western Surety Company	\$50,000
Willie Echard Walker	Assistant Receiving Clerk	Western Surety Company	\$50,000
Louis T. Dyess	Assistant Receiving Clerk	FCCI	\$50,000
Andrea Pounds	Inventory Control Clerk	FCCI	\$75,000
Krae Morgan	Constable	FCCI	\$50,000
Robbie Gill	Constable	FCCI	\$50,000
Janette Nolan	Circuit Clerk	FCCI	\$100,000
Kim Miller	Deputy Circuit Clerk	FCCI	\$50,000
Jackie Aaron	Deputy Circuit Clerk	Travelers	\$50,000
Joni Jones	Deputy Circuit Clerk	FCCI	\$50,000
Julie Davis	Deputy Circuit Clerk	FCCI	\$50,000
Berkley Hall	Sheriff	FCCI	\$100,000
Brandon Rowell	Justice Court Judge	Western Surety Company	\$50,000
Gwen Broom	Justice Court Judge	FCCI	\$50,000
Wynette Parkman	Justice Court Clerk	FCCI	\$50,000
Renee Brown	Deputy Justice Court Clerk	Travelers	\$50,000
Kentankia Garner	Deputy Justice Court Clerk	FCCI	\$50,000
Pat Watson	Deputy Justice Court Clerk	FCCI	\$50,000
Teresa Terrell	Tax Assessor-Collector	FCCI	\$100,000
Melanie Johnson	Deputy Tax Collector	FCCI	\$50,000
Tawanda Ball	Deputy Tax Collector	FCCI	\$50,000
Brenda Johnson	Deputy Tax Collector	FCCI	\$50,000
Sabrina Yawn	Deputy Tax Collector	FCCI	\$50,000
Tyler Broom	Deputy Tax Assessor	RLI Surety	\$50,000
Joni Simmons	Deputy Tax Assessor	FCCI	\$10,000
Andrea Pounds	Payroll Clerk	FCCI	\$75,000

MARION COUNTY

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MARION COUNTY

SPECIAL REPORTS

MARION COUNTY

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

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

Members of the Board of Supervisors
Marion County, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of Marion 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 April 7, 2025. Our report includes an adverse opinion on the aggregate discretely presented component unit due to the omission of the discretely presented component unit which is required by accounting principles generally accepted in the United States of America 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 unit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Marion 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 Marion 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marion 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 Marion County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated April 7, 2025, 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

April 7, 2025



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

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

Members of the Board of Supervisors
Marion County, Mississippi

We have examined Marion 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 bid requirements of *Section 31-7-13, Mississippi Code of 1972 Annotated* during the year ended September 30, 2023. The Board of Supervisors of Marion 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 Marion 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, Marion 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 and, in our opinion, is fairly presented in relation to that examination.

This report is intended for use in evaluating Marion 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.



JOE E. MCKNIGHT, CPA
Director, County Audit Section
April 7, 2025

MARION COUNTY

Schedule 1

Schedule of Purchases From Other Than the Lowest Bidder
For the Year Ended September 30, 2023

<u>Date</u>	<u>Item Purchased</u>	<u>Bid Accepted</u>	<u>Vendor</u>	<u>Lowest Bid</u>	<u>Reason for Accepting Other Than the Lowest Bid</u>
6/7/2023	Carrier 10 ton unit	\$ 24,800	Air Maintenance	\$ 22,125	Delivery and installation of lowest quote was ten weeks longer than other than lowest bidder

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

Schedule 2

<u>Date</u>	<u>Item Purchased</u>	<u>Amount Paid</u>	<u>Vendor</u>	<u>Reason for Emergency Purchase</u>
12/19/2022	Yager Road - bridge repair	\$ 14,750	Bendar Construction	Delaying incident to give opportunity for competitive bidding would be detrimental to the interest of the governing authority and traveling citizens of Marion County.
7/5/2023	Columbia Animal Shelter - septic system	7,500	Nelson's Septic	The septic system failed at the Columbia Animal Shelter. Delaying incident to give opportunity for competitive bidding would be detrimental to the operations of the animal shelter and the interests of the citizens of Marion County.

MARION COUNTY
Schedule of Purchases Made Noncompetitively From a Sole Source
For the Year Ended September 30, 2023

Schedule 3

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

MARION COUNTY

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

LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Marion County, Mississippi

In planning and performing our audit of the financial statements of Marion County, Mississippi for the year ended September 30, 2023, we considered Marion 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 Marion 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 April 7, 2025, on the financial statements of Marion County, Mississippi.

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

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

Board of Supervisors and Payroll Clerk.

1. The Board of Supervisors and Payroll Clerk should ensure compliance with state laws over the re-employment of retired service employees.

Repeat Finding Yes

Criteria *Section 25-11-127(4)(b), Mississippi Code of 1972 Annotated*, requires retirees, who make the election, to receive no more than twenty-five percent (25%) of their final average compensation used in calculating the retiree's service retirement allowance.

Condition As reported in the prior three years' audit reports, a deficiency was noted during our testing of the County's rehired retirees. For fiscal year 2023, we noted one retiree was paid more than twenty-five percent (25%) of the retiree's average compensation.

Cause The County did not comply with state laws.

Effect Failure to pay retirees within the allowable amounts resulted in the violation of state law.

Recommendation The County should ensure that PERS retirees are not being paid more than the allowable amounts, as required by law.

Views of Responsible Official(s) There was a pay increase for the employee effective June 2022. I did not make the changes on the PERS Form 4B timely. This has been corrected and a revised copy has been sent in for FY 2024. I should have sent a revised Form 4B for FY 2023.

Board of Supervisors.

2. Interfund transfers should be spread upon the minutes of the Board of Supervisors.

Repeat Finding Yes

Criteria *Section 19-3-27, Mississippi Code of 1972 Annotated*, requires a complete and correct record be maintained for all proceedings of the Board of Supervisors.

Condition As reported in the prior year's audit report, we noted there were some interfund transfers made without board orders being spread on the minutes and without properly disclosing the purpose of the interfund transfers.

Cause The Board of Supervisors did not comply with state law.

Effect The failure to obtain board approval for interfund transfers could result in erroneous amounts being reported and increases the possibility of the loss or misuse of public funds.

Recommendation The Board of Supervisors should spread complete orders on the minutes relative to interfund transfers.

Views of Responsible Official(s) This has been addressed with personnel and will be watched more closely.

Board of Supervisors and Solid Waste Clerk.

3. Internal controls over solid waste functions should be strengthened.

Repeat Finding Yes

Criteria An effective system of internal control over the function of solid waste collections should include reconciliation of the cash journal balance to the bank statement each month.

Condition As reported in the prior year's audit report, the Solid Waste Clerk did not maintain a cash journal which prohibited the reconciliation of the bank statement to the cash journal balance each month.

Cause The County lacked the necessary internal controls over the cash collections and disbursements in the Solid Waste office.

Effect Failure to implement adequate controls over the functions of solid waste collections could result in the loss or misuse of public funds.

Recommendation The Solid Waste Clerk should ensure that adequate internal controls are in place over solid waste collection functions, which would include maintaining a cash journal and proper bank reconciliations each month.

Views of Responsible

Official(s)

I found out about the reconciliation sheet in February or March 2024. The information is being kept up with each month. I have been doing the reconciliations sheets as of August 2024.

Marion 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, is not intended to be, and should not be used by anyone other than these parties. However, this report is a matter of public record and its distribution is not limited.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

April 7, 2025

MARION COUNTY

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MARION COUNTY

SCHEDULE OF FINDINGS AND RESPONSES

MARION COUNTY

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MARION 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
Business-type activities	Unmodified
Aggregate discretely presented component unit	Adverse
General Fund	Unmodified
Marion/Walthall Correctional Facility Fund	Unmodified
Garbage and Solid Waste Fund	Unmodified
Aggregate remaining fund information	Unmodified

2. Internal control over financial reporting:
 - a. Material weakness identified? No
 - b. Significant deficiency identified? None Reported

3. Noncompliance material to the financial statements noted? 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*.