

MONTGOMERY COUNTY, MISSISSIPPI

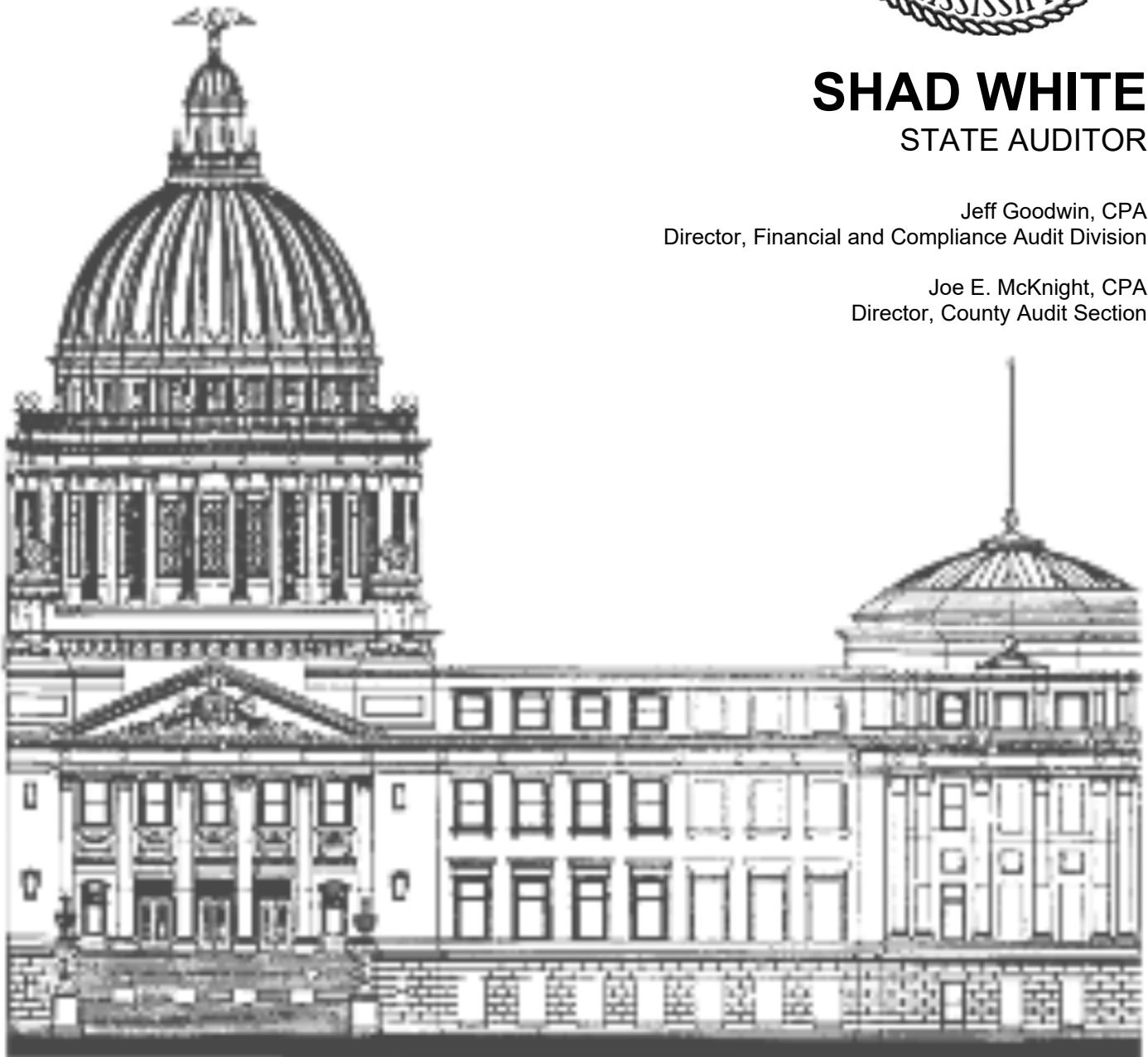
Audited Financial Statements and Special Reports
For the Year Ended September 30, 2023



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

www.osa.state.ms.us



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

Shad White
AUDITOR

July 9, 2025

Members of the Board of Supervisors
Montgomery County, Mississippi

Dear Board Members:

I am pleased to submit to you the 2023 financial and compliance audit report for Montgomery 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 Montgomery County throughout the audit. Thank you for working to move Mississippi forward by serving as a supervisor for Montgomery County. If I or this office can be of any further assistance, please contact me or Joe McKnight of my staff at (601) 576-2674.

Respectfully submitted,

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

Shad White

MONTGOMERY COUNTY

TABLE OF CONTENTS

FINANCIAL SECTION.....	1
INDEPENDENT AUDITOR'S REPORT.....	3
FINANCIAL STATEMENTS.....	7
Statement of Net Position – Cash Basis.....	9
Statement of Activities – Cash Basis.....	10
Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....	11
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds	12
Statement of Fiduciary Net Position – Cash Basis.....	13
Statement of Changes in Fiduciary Net Position – Cash Basis	14
Notes to Financial Statements	15
SUPPLEMENTARY INFORMATION	25
Schedule of Expenditures of Federal Awards.....	27
OTHER INFORMATION	29
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – General Fund.....	31
Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) – Unit System Road and Bridge Maintenance Fund.....	32
Schedule of Interfund Loans and Advances	33
Schedule of Capital Assets.....	34
Schedule of Changes in Long-term Debt.....	35
Schedule of Surety Bonds for County Officials.....	36
Notes to the Other Information.....	37
SPECIAL REPORTS	39
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	41
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance	43
Independent Accountant's Report on Central Purchasing System, Inventory Control System and Purchase Clerk Schedules (As Required by <i>Section 31-7-115</i> , <i>Mississippi Code of 1972 Annotated</i>)	47
Limited Internal Control and Compliance Review Management Report.....	53
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	55
AUDITEE'S CORRECTIVE ACTION PLAN AND AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS.....	61

MONTGOMERY COUNTY

FINANCIAL SECTION

MONTGOMERY COUNTY

(This page is left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Montgomery County, Mississippi

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery County, Mississippi, (the County) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

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

Unmodified Opinions on Governmental Activities, Each 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 cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery County, Mississippi, as of September 30, 2023, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified opinions.

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

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood, that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Montgomery County, Mississippi's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Budgetary Comparison Schedules, Schedule of Interfund Loans and Advances, Schedule of Capital Assets, Schedule of Changes in Long-term Debt, Schedule of Surety Bonds for County Officials and corresponding notes 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 July 9, 2025 on our consideration of Montgomery 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 Montgomery 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 Montgomery County, Mississippi's internal control over financial reporting and compliance.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

July 9, 2025

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

FINANCIAL STATEMENTS

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY
Statement of Net Position - Cash Basis
September 30, 2023

Exhibit 1

	Primary Government
	Governmental
	Activities
ASSETS	
Cash	\$ 9,586,324
Total Assets	<u>9,586,324</u>
NET POSITION	
Restricted:	
Expendable:	
General government	1,067,433
Public safety	270,853
Public works	5,184,640
Health and welfare	173,473
Economic development and assistance	18,271
Debt service	81,167
Unemployment compensation	14,499
Unrestricted	2,775,988
Total Net Position	<u>\$ 9,586,324</u>

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

MONTGOMERY COUNTY
Statement of Activities - Cash Basis
For the Year Ended September 30, 2023

Exhibit 2

Functions/Programs	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 2,791,598	298,403	118,277		(2,374,918)
Public safety	1,741,149	174,796	64,992	308,990	(1,192,371)
Public works	7,032,923	396,379	5,489,514	7,905	(1,139,125)
Health and welfare	114,798		12,594	100,000	(2,204)
Culture and recreation	340,583		169,197	86,040	(85,346)
Conservation of natural resources	93,869				(93,869)
Economic development and assistance	297,819		80,150	10,000	(207,669)
Debt service:					
Principal	215,265				(215,265)
Interest	123,008				(123,008)
Total Governmental Activities	\$ 12,751,012	869,578	5,934,724	512,935	(5,433,775)
General receipts:					
Property taxes				\$	4,488,109
Road & bridge privilege taxes					126,028
Grants and contributions not restricted to specific programs					297,707
Unrestricted interest income					276,896
Miscellaneous					394,465
Proceeds from debt issuance					70,333
Total General Receipts and Other Cash Sources					5,653,538
Changes in Net Position					219,763
Net Position - Beginning					9,366,561
Net Position - Ending				\$	9,586,324

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

MONTGOMERY COUNTY

Statement of Cash Basis Assets and Fund Balances -

Governmental Funds

September 30, 2023

Exhibit 3

	Major Funds				Other	Total
	General	Unit System	HB 1353	Infrastructure	Governmental	Governmental
	Fund	Road and Bridge	Infrastructure	Fund	Funds	Funds
		Maintenance Fund	Fund			
ASSETS						
Cash	\$ 2,497,924	1,396,634	1,023,010	1,397,161	3,271,595	9,586,324
Total Assets	\$ 2,497,924	1,396,634	1,023,010	1,397,161	3,271,595	9,586,324
FUND BALANCES						
Restricted for:						
General government	\$				1,067,433	1,067,433
Public safety					270,853	270,853
Public works		1,396,634	1,023,010	1,397,161	1,367,835	5,184,640
Health and welfare					173,473	173,473
Economic development and assistance					18,271	18,271
Debt service					81,167	81,167
Unemployment compensation					14,499	14,499
Committed to:						
Public safety					52,116	52,116
Assigned to:						
Culture and recreation					225,948	225,948
Unassigned	2,497,924					2,497,924
Total Fund Balances	\$ 2,497,924	1,396,634	1,023,010	1,397,161	3,271,595	9,586,324

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

MONTGOMERY COUNTY

Exhibit 4

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

For the Year Ended September 30, 2023

	Major Funds					
	General Fund	Unit System Road and Bridge Maintenance Fund	HB 1353 Infrastructure Fund	Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS						
Property taxes	\$ 3,023,102	636,760			828,247	4,488,109
Road and bridge privilege taxes		126,028				126,028
Licenses, commissions and other receipts	124,640				4,210	128,850
Fines and forfeitures	183,473					183,473
Intergovernmental receipts	410,306	1,051,181		999,863	4,284,016	6,745,366
Charges for services					557,255	557,255
Interest income	97,186	27,929	22,892	29,311	99,578	276,896
Miscellaneous receipts	263,487	70,368			60,610	394,465
Total Receipts	4,102,194	1,912,266	22,892	1,029,174	5,833,916	12,900,442
DISBURSEMENTS						
General government	2,343,485				448,113	2,791,598
Public safety	1,182,107				559,042	1,741,149
Public works	171,346	1,615,091		259,374	4,987,112	7,032,923
Health and welfare	109,625				5,173	114,798
Culture and recreation					340,583	340,583
Conservation of natural resources	93,869					93,869
Economic development and assistance	121,183				176,636	297,819
Debt service:						
Principal	57,042	54,960			103,263	215,265
Interest	30,073	1,890			91,045	123,008
Total Disbursements	4,108,730	1,671,941	0	259,374	6,710,967	12,751,012
Excess (Deficiency) of Receipts over (under) Disbursements	(6,536)	240,325	22,892	769,800	(877,051)	149,430
OTHER CASH SOURCES (USES)						
Proceeds from long-term debt issuance					70,333	70,333
Transfers in					343,637	343,637
Transfers out	(317,342)				(26,295)	(343,637)
Total Other Cash Sources and Uses	(317,342)	0	0	0	387,675	70,333
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	(323,878)	240,325	22,892	769,800	(489,376)	219,763
Cash Basis Fund Balances - Beginning	2,821,802	1,156,309	1,000,118	627,361	3,760,971	9,366,561
Cash Basis Fund Balances - Ending	\$ 2,497,924	1,396,634	1,023,010	1,397,161	3,271,595	9,586,324

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

MONTGOMERY COUNTY
Statement of Fiduciary Net Position - Cash Basis
September 30, 2023

Exhibit 5

	Custodial Funds
ASSETS	
Cash	\$ 0
Total Assets	<u>0</u>
NET POSITION	
Restricted for:	
Individuals, organizations and other governments	0
Total Net Position	<u>\$ 0</u>

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

MONTGOMERY COUNTY
Statement of Changes in Fiduciary Net Position - Cash Basis
For the Year Ended September 30, 2023

Exhibit 6

	Custodial Funds
CASH ADDITIONS	
Tax collections for other governments	\$ 337,678
Other taxes and fees collected for other governments	258,220
Total Additions	<u>595,898</u>
CASH DEDUCTIONS	
Payments of tax to other governments	337,678
Payments of other taxes and fees to other governments	258,220
Total Deductions	<u>595,898</u>
Changes in Fiduciary Net Position	0
Net Position - Beginning	<u>0</u>
Net Position - Ending	<u>\$ 0</u>

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

MONTGOMERY COUNTY

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

(1) Summary of Significant Accounting Policies.

A. Financial Reporting Entity.

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

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

- Tyler Holmes Hospital
- East Montgomery County Hospital
- Montgomery County Economic Development District

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

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

B. Basis of Presentation.

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

Government-wide Financial Statements:

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

MONTGOMERY COUNTY

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

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

Fund Financial Statements:

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

C. Measurement Focus and Basis of Accounting.

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

The County reports the following major Governmental Funds:

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

Unit System Road and Bridge Maintenance Fund - This fund is used to account for monies from specific sources that are restricted for road maintenance.

HB 1353 Infrastructure Fund - This fund is used to account for monies received from Mississippi House Bill 1353 related to improving infrastructure.

Infrastructure Fund - This fund is used to account for monies received from specific state sources that are restricted for road and bridge capital projects.

MONTGOMERY COUNTY

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

Additionally, the County reports the following fund types:

GOVERNMENTAL FUND TYPES

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

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

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

FIDUCIARY FUND TYPE

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

D. Account Classifications.

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

E. Deposits.

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

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

F. Equity Classifications.

Government-wide Financial Statements:

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

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

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

MONTGOMERY COUNTY

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

Net Position Flow Assumption:

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

Fund Financial Statements:

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

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

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

Committed fund balance includes amounts that can be used only for specific purposes pursuant to constraints imposed by a formal action of the Board of Supervisors, the County's highest level of decision-making authority. This formal action is an order of the Board of Supervisors as approved in the board minutes.

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 Assistant Comptroller.

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

Fund Balance Flow Assumption:

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

MONTGOMERY COUNTY

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

G. Property Tax Receipts.

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

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

H. Changes in Accounting Standards.

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

(2) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2023, was \$9,586,324 and the bank balance was \$10,352,903. 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.

MONTGOMERY COUNTY

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

(3) Interfund Transfers.

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

Transfers In/Out:

Transfers In	Transfers Out	Amount
Other Governmental Funds	General Fund	\$ 317,342
Other Governmental Funds	Other Governmental Funds	26,295
Total		\$ <u>343,637</u>

The principle purpose of interfund transfers was to repay interfund loans and to provide funds for annual operating expenses for various funds. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

(4) Claims and Judgments.

Risk Financing.

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

(5) Other Postemployment Benefits.

Plan Description

The Montgomery County Board of Supervisors administers the County's health insurance plan which is authorized by *Sections 25-15-101 et seq., Mississippi Code of 1972 Annotated*. The County's health insurance plan may be amended by the Montgomery County Board of Supervisors. The County purchases health insurance coverage from a commercial insurance company and offers health insurance benefit coverage through the County's health insurance plan (the Plan). Since retirees may obtain health insurance by participating in a group with active employees and consequently receive a health insurance premium rate differential, the County has a postemployment healthcare benefit reportable under GASB Statement 75 as a single employer defined benefit health care plan. The County does not issue a publicly available financial report for the Plan.

Funding Policy

Employees' premiums are funded by the County with additional funding provided by retired employees and by active employees for spouse and dependent medical coverage. The Plan is financed on a pay-as-you-go basis. The Board of Supervisors, acting in conjunction with the commercial insurance company, has the sole authority for setting health insurance premiums for the County's health insurance plan.

MONTGOMERY COUNTY

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

Per *Section 25-15-103, Mississippi Code of 1972 Annotated*, any retired elected official with sixteen (16) years or more of service electing to purchase retiree health insurance must pay the full cost of the insurance premium monthly to the County. For the year ended September 30, 2023, retiree premiums are \$477. Although, with regard to retirees, these amounts contain an implicit rate subsidy by the County through a reduced blended premium covering all current employees and retirees, there is no actuarial valuation performed to determine the amount of such subsidy.

Contributions Made

Because the retiree insurance premiums are paid entirely by retiree contributions, there is no net cash outflow by the County related to these benefits when paid. Therefore, there are no cash basis disbursements reported for the County in regard to the plan benefits for retirees. For fiscal year 2023, retiree and beneficiaries receiving benefits contributed \$7,221 in the form of insurance premium payments.

(6) Contingencies.

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

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

(7) Commitment.

Montgomery County entered into an Interlocal Cooperation Agreement with the City of Winona, dated July 1, 2019 to support the Empire Truck Sales, LLC construction of infrastructure. The City of Winona issued tax increment financing bonds of \$1,500,000. Montgomery County has agreed to provide payments of 100% of the ad valorem real and personal property taxes on the Empire Truck Sales, LLC assessment of real and personal property taxes ending in the fiscal year 2023. Montgomery County contributed \$20,338 in the fiscal year 2023.

(8) Joint Venture.

The County participates in the following joint venture:

Montgomery County is a participant with the City of Winona in a joint venture, authorized by *Section 61-3-5, Mississippi Code of 1972 Annotated*, to operate the Winona-Montgomery County Airport Authority. The joint venture was created to construct, manage, control and operate the Winona-Montgomery County Airport and it is governed by a five-member board of commissioners appointed as follows: Montgomery County, two; City of Winona, two; jointly, one. By contractual agreement, all costs of the airport shall be borne equally by both parties. The County contributed \$13,500 for maintenance and support of the airport in fiscal year 2023. Financial statements for the Winona-Montgomery County Airport Authority were not available.

MONTGOMERY COUNTY

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

(9) Jointly Governed Organizations.

The County participates in the following jointly governed organizations:

Region Six Mental Health/Mental Retardation Center/Life Help operates in a district composed of the counties of Attala, Carroll, Grenada, Holmes, Humphreys, Leflore, Montgomery and Sunflower. The Montgomery County Board of Supervisors appoints one of the eight members of the board of commissioners. The County contributed \$22,598 for support of the center in fiscal year 2023.

North Central Planning and Development District operates in a district composed of the counties of Attala, Carroll, Grenada, Holmes, Leflore, Montgomery and Yalobusha. The Montgomery County Board of Supervisors appoints four of the 28 members of the district board of directors. The County contributed \$51,833 for the maintenance and support of the district in fiscal year 2023.

Holmes Community College operates in a district composed of the counties of Attala, Carroll, Choctaw, Grenada, Holmes, Madison, Montgomery, Webster and Yazoo. The Montgomery County Board of Supervisors appoints two of the 22 members of the college board of trustees. The County contributed \$150,168 for maintenance and support of the college in fiscal year 2023.

Mid-Mississippi Regional Library System operates in a district composed of the counties of Attala, Holmes, Leake, Montgomery and Winston. The Montgomery County Board of Supervisors appoints one of the five members of the library board of directors. The County contributed \$173,902 for maintenance and support of the library in fiscal year 2023.

Mississippi Regional Housing Authority IV operates in a district composed of the counties of Carroll, Choctaw, Clay, Grenada, Lowndes, Montgomery, Oktibbeha, Webster and Winston. The Montgomery County Board of Supervisors appoints one of the nine members of the board of commissioners. The County did not contribute any funds to the authority in fiscal year 2023.

(10) Defined Benefit Pension Plan.

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

Funding Policy. At September 30, 2023, PERS members were required to contribute 9% of their annual covered salary, and the County is required to contribute at an actuarially determined rate. The rate at September 30, 2023 was 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The County's contributions (employer share only) to PERS for the years ending September 30, 2023, 2022 and 2021 were \$352,761, \$333,581 and \$342,214, respectively, equal to the required contributions for each year.

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

MONTGOMERY COUNTY

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

(11) Tax Abatements.

As of September 30, 2023, Montgomery County provides tax exempt status to one sawmill subject to the requirements of GASB Statement No. 77. This company is exempt from two-thirds (2/3) of the real property taxes and personal property taxes including those for the school district, the state-mandated one mill and the community college levies. This exemption is authorized under *Section 27-31-104* of the *Mississippi Code of 1972 Annotated*. This exemption encourages businesses to locate or expand operations in the County and to create jobs. The amount of taxes abated during fiscal year 2023 totaled \$1,971,396.

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

SUPPLEMENTARY INFORMATION

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

Federal Grantor/ Pass-through Grantor/ Program Title or Cluster	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development/ Passed-through the Mississippi Home Corporation Home investment partnerships program	14.239	1230-M18-SG-280-026	\$ 80,150
Total U.S. Department of Housing and Urban Development			80,150
U.S. Department of Justice - Office of Violence Against Women/ Passed-through the Mississippi Department of Health Violence against women formula grants	16.588	15SP1491	23,507
Total U.S. Department of Justice			23,507
U.S. Department of Transportation/ Passed-through the Mississippi Department of Public Safety Highway safety cluster:			
State and community highway safety	20.600	OP-2023-OP-14-91	5,024
Total highway safety cluster			5,024
Alcohol open container requirements	20.607	154AL-2023-ST-14-91	4,863
Total U.S. Department of Transportation			9,887
U.S. Department of the Treasury Coronavirus state and local fiscal recovery funds (Direct Award)*	21.027	N/A	1,077,558
Total U.S. Department of the Treasury			1,077,558
U.S. Department of Homeland Security/ Passed-through the Mississippi Emergency Management Agency Disaster grants - public assistance (Presidentially declared disasters)	97.036	4697-DR-MS	478,590
Hazard mitigation grant	97.039	DR-4470-0005-R	45,001
Emergency management performance grants	97.042	Unknown	16,090
Passed-through the Mississippi Department of Public Safety Homeland security grant program	97.067	20HS049R	53,000
Total U.S. Department of Homeland Security			592,681
Total Expenditures of Federal Awards			\$ 1,783,783

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Montgomery County under programs of the federal government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Montgomery County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Montgomery County.

Note B - Summary of Significant Accounting Policies

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

Note C - Indirect Cost Rate

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

* Denotes major federal award program

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

OTHER INFORMATION

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY 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)
RECEIPTS				
Property taxes	\$ 3,116,668	3,023,102	3,023,102	
Licenses, commissions and other receipts	174,962	124,640	124,640	
Fines and forfeitures	132,722	183,473	183,473	
Intergovernmental receipts	307,953	410,306	410,306	
Interest income	16,600	97,186	97,186	
Miscellaneous receipts	156,732	263,487	263,487	
Total Receipts	<u>3,905,637</u>	<u>4,102,194</u>	<u>4,102,194</u>	<u>0</u>
DISBURSEMENTS				
Current:				
General government	2,410,702	2,343,485	2,343,485	
Public safety	974,400	1,182,107	1,182,107	
Public works	18,010	171,346	171,346	
Health and welfare	132,945	109,625	109,625	
Culture and recreation	20,725			
Conservation of natural resources	90,806	93,869	93,869	
Economic development and assistance	103,966	121,183	121,183	
Debt service:				
Principal		57,042	57,042	
Interest		30,073	30,073	
Total Disbursements	<u>3,751,554</u>	<u>4,108,730</u>	<u>4,108,730</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>154,083</u>	<u>(6,536)</u>	<u>(6,536)</u>	<u>0</u>
OTHER CASH SOURCES (USES)				
Transfers out		(317,342)	(317,342)	
Other financing sources	330,181			
Other financing uses	(570,061)			
Total Other Cash Sources and Uses	<u>(239,880)</u>	<u>(317,342)</u>	<u>(317,342)</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(85,797)</u>	<u>(323,878)</u>	<u>(323,878)</u>	<u>0</u>
Cash Basis Fund Balances - Beginning	<u>2,822,000</u>	<u>2,821,802</u>	<u>2,821,802</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 2,736,203</u>	<u>2,497,924</u>	<u>2,497,924</u>	<u>0</u>

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

MONTGOMERY COUNTY
 Budgetary Comparison Schedule -
 Budget and Actual (Non-GAAP Basis)
 Unit System Road and Bridge Maintenance Fund
 For the Year Ended September 30, 2023
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 473,590	636,760	636,760	
Road and bridge privilege taxes	106,000	126,028	126,028	
Intergovernmental receipts	496,000	1,051,181	1,051,181	
Interest income		27,929	27,929	
Miscellaneous receipts	6,500	70,368	70,368	
Total Receipts	<u>1,082,090</u>	<u>1,912,266</u>	<u>1,912,266</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Public works	1,168,196	1,615,091	1,615,091	
Debt service:				
Principal		54,960	54,960	
Interest		1,890	1,890	
Total Disbursements	<u>1,168,196</u>	<u>1,671,941</u>	<u>1,671,941</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(86,106)</u>	<u>240,325</u>	<u>240,325</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(86,106)</u>	<u>240,325</u>	<u>240,325</u>	<u>0</u>
Cash Basis Fund Balances - Beginning	<u>1,000,000</u>	<u>1,156,309</u>	<u>1,156,309</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 913,894</u>	<u>1,396,634</u>	<u>1,396,634</u>	<u>0</u>

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

MONTGOMERY COUNTY
Schedule of Interfund Loans and Advances
For the Year Ended September 30, 2023
UNAUDITED

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>Balance at Sept. 30, 2023</u>
General Fund	Other Governmental Funds	\$ 105,000
Other Governmental Funds	Other Governmental Funds	<u>53,000</u>
Total		\$ <u>158,000</u>

The amounts due represent temporary lending.

B. Advances From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Balance at Sept. 30, 2023</u>
Unit System Road and Bridge Maintenance Fund	General Fund	\$ 12,826
Other Governmental Funds	Other Governmental Funds	7,476
Other Governmental Funds	Other Governmental Funds	<u>8,249</u>
Total		\$ <u>28,551</u>

The amounts due represent prior year errors in posting receipts to incorrect funds.

MONTGOMERY COUNTY
Schedule of Capital Assets
For the Year Ended September 30, 2023
UNAUDITED

Governmental activities:

	Balance Oct. 1, 2022	Additions	Deletions	Adjustments *	Balance Sept. 30, 2023
Land	\$ 151,973	10,000			161,973
Construction in progress	279,334	3,411,226		(2,318,048)	1,372,512
Infrastructure	14,595,419			1,866,660	16,462,079
Buildings	5,651,612			451,388	6,103,000
Mobile equipment	4,532,135	708,294	219,487	(11,000)	5,009,942
Furniture and equipment	638,486	245,372			883,858
Total capital assets	\$ <u>25,848,959</u>	<u>4,374,892</u>	<u>219,487</u>	<u>(11,000)</u>	<u>29,993,364</u>

*Adjustments are to reflect certain routine reclassifications for completed construction in progress to infrastructure and buildings, and to correct prior year errors in capital asset records.

These financial statements do not reflect leases in accordance with GASB 87 and/or SBITAs in accordance with GASB 96 as these financial statements were prepared using the cash basis of accounting.

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

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

Description and Purpose	Issue Date	Maturity Date	Interest Rate	Balance Oct. 1, 2022	Issued	Principal Payments	Balance Sept. 30, 2023
Governmental Activities:							
A. General Obligation Bonds:							
DHS Justice Court Building	03/2010	03/2024	4.10%	\$ 71,000		35,000	36,000
General obligation public improvement bonds	03/2014	03/2034	3.00/3.75%	680,000		45,000	635,000
B. Financed Purchases:							
Caterpillar motor grader	12/2018	12/2023	4.89%	32,607		27,480	5,127
Caterpillar motor grader	12/2018	12/2023	4.89%	32,607		27,480	5,127
C. Other Loans:							
MDA Cap Loan - Screw Conveyor	06/2012	05/2035	3.00%	216,021		12,042	203,979
MDA Cap Loan - Biewer Sawmill	10/2021	05/2042	2.00%	2,429,670	70,333	46,178	2,453,825
Promissory Note	07/2020	07/2025	2.50%	74,976		22,085	52,891
Total				<u>\$ 3,536,881</u>	<u>70,333</u>	<u>215,265</u>	<u>3,391,949</u>

These financial statements do not reflect leases in accordance with GASB 87 or SBITAs in accordance with GASB 96 as these financial statements were prepared using the cash basis of

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

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

Name	Position	Company	Bond
Keith McGee	Supervisor District 1	Western Surety Company	\$100,000
Edwin Taylor	Supervisor District 2	The Ohio Casualty Insurance Company	\$100,000
Willie Townsend, Jr.	Supervisor District 3	Western Surety Company	\$100,000
James Ronald Wood, Jr.	Supervisor District 4	Western Surety Company	\$100,000
Ronald White	Supervisor District 5	Western Surety Company	\$100,000
Ryan Wood	County Administrator	The Ohio Casualty Insurance Company	\$100,000
Ryan Wood	Chancery Clerk	The Ohio Casualty Insurance Company	\$100,000
Ryan Wood	Purchase Clerk	The Ohio Casualty Insurance Company	\$100,000
Patsy A. Barton	Deputy Chancery Clerk	Western Surety Company	\$50,000
Ryan Wood	Inventory Control Clerk	The Ohio Casualty Insurance Company	\$75,000
Ashley Eldridge	Deputy Chancery Clerk	Western Surety Company	\$50,000
L.C. Smith	Constable	Western Surety Company	\$50,000
Jerry Dale Bridges	Constable	Western Surety Company	\$50,000
Lanelle G. Martin	Circuit Clerk	Western Surety Company	\$100,000
Lesa Carole Goldman	Deputy Circuit Clerk	The Ohio Casualty Insurance Company	\$50,000
Robert M. Perry	Deputy Circuit Clerk	The Ohio Casualty Insurance Company	\$50,000
Robert Jeffry Tompkins	Sheriff	Western Surety Company	\$100,000
Keith S. Roberts	Justice Court Judge	Western Surety Company	\$50,000
Larry Bamberg	Justice Court Judge	The Ohio Casualty Insurance Company	\$50,000
Tilford L. Robinson	Justice Court Clerk	Western Surety Company	\$50,000
Florence Miers	Deputy Justice Court Clerk	Western Surety Company	\$50,000
Jennifer Johnson	Deputy Justice Court Clerk	The Ohio Casualty Insurance Company	\$50,000
Laurie M. Lockett	Tax Assessor-Collector	Western Surety Company	\$100,000
Sharon Pyron	Deputy Assessor-Collector	Western Surety Company	\$50,000
Mary Brianna Bailey	Deputy Tax Collector	Western Surety Company	\$50,000
Farrah Hall	Deputy Tax Collector	Western Surety Company	\$50,000

MONTGOMERY COUNTY

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

(1) Budgetary Comparison Information.

A. Budgetary Information.

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

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

B. Basis of Presentation.

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

(2) Long-term Debt Information:

- A. Legal Debt Margin - The amount of debt, excluding specific exempted debt that can be incurred by the County is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the County, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a county issues bonds to repair or replace washed out or collapsed bridges on the public roads of the county. As of September 30, 2023, the amount of outstanding debt was equal to 0.93% of the latest property assessments.

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

SPECIAL REPORTS

MONTGOMERY COUNTY

(This page is left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

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

Members of the Board of Supervisors
Montgomery County, Mississippi

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery 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 July 9, 2025. Our report includes an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units which are required by accounting principles applicable to the County's cash basis of accounting to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002 and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Montgomery 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*.

Montgomery County's Responses to Findings

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

Purpose of this Report

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



JOE E. MCKNIGHT, CPA
Director, County Audit Section

July 9, 2025



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

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

Members of the Board of Supervisors
Montgomery County, Mississippi

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Montgomery County, Mississippi's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on Montgomery County, Mississippi's major federal program for the year ended September 30, 2023. Montgomery County, Mississippi's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Montgomery County, Mississippi complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Montgomery County, Mississippi and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Montgomery County, Mississippi's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Montgomery County, Mississippi's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Montgomery County, Mississippi's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Montgomery County, Mississippi's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Montgomery County Mississippi's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Montgomery County, Mississippi's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Montgomery County, Mississippi's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Joe E. McKnight".

JOE E. MCKNIGHT CPA
Director, County Audit Section

July 9, 2025

MONTGOMERY COUNTY

(This page is left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

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

Members of the Board of Supervisors
Montgomery County, Mississippi

We have examined Montgomery County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with *Sections 31-7-101 through 31-7-127, Mississippi Code of 1972 Annotated* and compliance with the purchasing requirements in accordance with the bid requirements of *Section 31-7-13, Mississippi Code of 1972 Annotated* during the year ended September 30, 2023. The Board of Supervisors of Montgomery 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 Montgomery County, Mississippi, has established centralized purchasing for all funds of the County and has established an inventory control system. The objective of the central purchasing system is to provide reasonable, but not absolute, assurance that purchases are executed in accordance with state law.

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

In our opinion, Montgomery County, Mississippi complied, in all material respects, with state laws governing central purchasing, inventory and bid requirements for the year ended September 30, 2023.

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

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

A handwritten signature in black ink, reading "Joe E. Mcknight". The signature is written in a cursive, flowing style.

JOE E. MCKNIGHT, CPA
Director, County Audit Section

July 9, 2025

MONTGOMERY COUNTY

Schedule 1

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

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

MONTGOMERY 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>
4/4/2023	(2) sewer pumps	\$ 9,210	Harvey Services	Tornado / Storm damage

MONTGOMERY COUNTY

Schedule 3Schedule of Purchases Made Noncompetitively From a Sole Source
For the Year Ended September 30, 2023

<u>Date</u>	<u>Item Purchased</u>	<u>Amount Paid</u>	<u>Vendor</u>
10/10/2022	ACU-T Bundle (emergency call system)	\$ 16,050	JPS Interoperability Solutions, Inc.
7/6/2023	10 ft. Fab tank	66,000	Railroad Yard

MONTGOMERY COUNTY

(This page is left blank intentionally.)



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR

LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Montgomery County, Mississippi

In planning and performing our audit of the cash basis financial statements of Montgomery County, Mississippi (the County) for the year ended September 30, 2023, we considered Montgomery 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 Montgomery 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 July 9, 2025, on the financial statements of Montgomery County, Mississippi.

Although no findings came to our attention as a result of these review procedures and compliance tests, these procedures and tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. Also, our consideration of the 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.

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

A handwritten signature in black ink, reading "Joe E. McKnight".

JOE E. MCKNIGHT, CPA
Director, County Audit Section

July 9, 2025

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

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

Section 1: Summary of Auditor's Results

Financial Statements:

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

Governmental activities	Unmodified
Aggregate discretely presented component units	Adverse
General Fund	Unmodified
Unit System Road and Bridge Maintenance Fund	Unmodified
HB 1353 Infrastructure Fund	Unmodified
Infrastructure Fund	Unmodified
Aggregate remaining fund information	Unmodified
2. Internal control over financial reporting:
 - a. Material weaknesses identified? Yes
 - b. Significant deficiency identified? None Reported
3. Noncompliance material to the financial statements noted? No

Federal Awards:

4. Internal control over major federal program:
 - a. Material weakness identified? No
 - b. Significant deficiency identified? None Reported
5. Type of auditor's report issued on compliance for major federal program: Unmodified
6. Any audit finding(s) disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No
7. Identification of major federal program:
 - a. ALN 21.027 - Coronavirus state and local fiscal recovery funds
8. Dollar threshold used to distinguish between type A and type B programs: \$750,000
9. Auditee qualified as low-risk auditee? No
10. Prior fiscal year audit finding(s) and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2 CFR 200.511(b)? Yes

MONTGOMERY COUNTY

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

Section 2: Financial Statement Findings

Board of Supervisors.

Material Weakness

2023-001.	<u>An adequate system of internal control over payroll procedures should be implemented.</u>
Repeat Finding	Yes
Criteria	An effective system of internal controls should include an adequate segregation of duties.
Condition	As reported in the prior nine years' audit reports, inadequate controls exist in the payroll function. One employee has control over the authorization, recordkeeping, and custody of payroll transactions.
Cause	The County lacked the necessary controls over payroll procedures.
Effect	Without proper controls, inaccurate payroll checks could be processed.
Recommendation	The Board of Supervisors should hire additional personnel to allow for adequate segregation of duties over payroll procedures.
Views of Responsible Official(s)	See Auditee's Corrective Action Plan.

Circuit Clerk.

Material Weakness

2023-002.	<u>Controls over cash collections and disbursements in the Circuit Clerk's office should be strengthened.</u>
Repeat Finding	Yes
Criteria	An effective system of internal controls should include an adequate segregation of duties.
Condition	As reported in the prior twelve years' audit reports, cash collections and disbursements functions in the Circuit Clerk's office are not adequately segregated for effective internal control. The Circuit Clerk receipts cash, posts the cash journal, calculates the monthly settlements and disburses the funds and reconciles the bank statements.
Cause	The Circuit Clerk lacks the controls necessary over cash collections and disbursements.
Effect	Failure to have an adequate segregation of duties could result in the loss of public funds.
Recommendation	The Circuit Clerk should implement a system for review of the accounting records by another person.
Views of Responsible Official(s)	See Auditee's Corrective Action Plan.

MONTGOMERY COUNTY

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

Tax Assessor-Collector.

Material Weakness

2023-003. Controls over cash collections and disbursements in the Tax Assessor-Collector's office should be strengthened.

Repeat Finding Yes

Criteria An effective system of internal controls should include an adequate segregation of duties.

Condition As reported in the prior twelve years' audit reports, cash collections and disbursements functions in the Tax Assessor-Collector's office are not adequately segregated for effective internal control. The Tax Assessor-Collector receipts cash, prepares deposits, posts to the cash journal, calculates monthly settlements, reconciles bank statements and disburses all funds.

Cause The Tax Assessor-Collector lacks the controls necessary over cash collections and disbursements.

Effect Failure to have an adequate segregation of duties could result in the loss of public funds.

Recommendation The Tax Assessor-Collector should implement a system for review of the accounting records by another person.

Views of Responsible Official(s) See Auditee's Corrective Action Plan.

Section 3: Federal Award Findings and Questioned Costs

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

MONTGOMERY COUNTY

(This page is left blank intentionally.)

MONTGOMERY COUNTY

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

MONTGOMERY COUNTY

(This page is left blank intentionally.)



614 SUMMIT ST. / PO BOX 71 WINONA, MS 38967
P 662-283-2333 F 662-283-2233

CORRECTIVE ACTION PLAN

June 16, 2025

Office of the State Auditor
P.O. Box 956
Jackson, MS 39205

Gentlemen:

Montgomery County respectfully submits the following Corrective Action Plan for the year ended September 30, 2023.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section 1: Summary of Auditor's Results does not include findings and is not addressed.

SECTION 2: FINANCIAL STATEMENT FINDINGS

- | | | |
|-----------|---|---|
| 2023-001. | Corrective Action Planned: | As soon as funds become available for an additional position, we will hire for this spot. |
| | Anticipated Completion Date: | Unknown |
| | Name of Contact Person Responsible for Corrective Action: | Ryan Wood,
Chancery Clerk |
| 2023-002. | Corrective Action Planned: | As a new clerk taking over on January 2, 2024, I will work on complying with this matter. |
| | Anticipated Completion Date: | Unknown |
| | Name of Contact Person Responsible for Corrective Action: | Robert M Perry,
Circuit Clerk |

2023-003. Corrective Action Planned: I will comply.

Anticipated Completion Date: Unknown

Name of Contact Person Responsible for Corrective Action: Sharon Pyron,
Tax Assessor-Collector

SECTION 3: FEDERAL AWARD FINDINGS

There are no current year findings and questioned costs related to federal awards.

Sincerely,

A handwritten signature in blue ink, reading "James R. Wood Jr.", is written over a horizontal line.

President of the Board of Supervisors, Montgomery County



614 SUMMIT ST. / PO BOX 71 WINONA, MS 38967
P 662-283-2333 F 662-283-2233

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 16, 2025

Office of the State Auditor
P.O. Box 956
Jackson, MS 39205

Gentlemen,

Montgomery County respectfully submits the following Summary Schedule of Prior Audit Findings for the year ended September 30, 2023.

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

SECTION 2: FINANCIAL STATEMENT FINDINGS

2014-001. An adequate system of internal control over payroll procedures should be implemented.

NOT CORRECTED. Repeated as 2015-001, 2016-001, 2017-001, 2018-001, 2019-001, 2020-001, 2021-001, 2022-001, and 2023-001.

2012-002. Controls over cash collections and disbursements in the Chancery Clerk's office should be strengthened.

FULLY CORRECTED.

11-3. Controls over cash collections and disbursements in the Circuit Clerk's office should be strengthened.

NOT CORRECTED. Repeated as 12-3, 2013-003, 2014-006, 2015-005, 2016-004, 2017-004, 2018-004, 2019-004, 2020-004, 2021-003, 2022-003, and 2023-002.

11-4. Controls over cash collections and disbursements in the Tax Assessor-Collector's office should be strengthened.

NOT CORRECTED. Repeated as 12-4, 2013-004, 2014-007, 2015-006, 2016-005, 2017-005, 2018-005, 2019-005, 2020-005, 2021-004, 2022-004, and 2023-003.

SECTION 3: FEDERAL AWARD FINDINGS

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

Sincerely,



President of the Board of Supervisors, Montgomery County