WASHINGTON COUNTY, MISSISSIPPI

Audited Financial Statements and Special Reports

For the Year Ended September 30, 2023

bridgers

Bridgers, Goodman, Baird & Clarke, PLLC

Certified Public Accountants

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Washington County, Mississippi

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Mississippi, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Delta Health System or the Greenville Port Commission which in aggregate represent 98.92 percent, 102.07 percent, and 99.37 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of September 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Delta Health System and the Greenville Port Commission is based solely on the reports of the other auditors.

Basis for Opinions

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

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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 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedules and corresponding notes, the County's Schedule of Changes in the Net OPEB Liability and Related Ratios, the Library's Schedule of Proportionate Share of the Net OPEB Liability, the County and Component Unit Schedule of OPEB Contributions, the Schedule of the County's and Component Unit's Proportionate Share of the Net Pension Liability, the Schedule of County's and Component Unit's Contributions, and the Delta Health System's Schedule of Changes in Net Pension Liability and Related Ratios and the Schedule of Delta Health System's Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Omission of Required Supplementary Information

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 to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Washington 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 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 December 27, 2024, on our consideration of Washington County, Mississippi's internal control over financial reporting and 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 Washington 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 Washington County, Mississippi's internal control over financial reporting and compliance.

Bridgers, Goodman, Baird & Clarke, PLLC

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

December 27, 2024

WASHINGTON COUNTY

FINANCIAL STATEMENTS

WASHINGTON COUNTY

Exhibit 1

Statement of Net Position
September 30, 2023

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Delta Health System	Greenville Port Commission	Washington County Library System	Total Component Units
ASSETS							
Cash	$ 22,859,327	$ 407,847	$ 23,267,174	$ 7,624,550	$ 2,233,806	$ 639,552	$ 10,497,908
Investments		711,564	711,564	5,064,207			5,064,207
Property tax receivable	23,470,940	1,488,764	24,959,704				
Fines receivable, (net of allowance for uncollectibles of $12,324,736)	491,921		491,921				
Intergovernmental receivables	619,322	308,696	928,018	11,196,391			11,196,391
Other receivables	250,299	10,292	260,591	20,451	87,366	4,228	112,045
Inventories and prepaid items		188,878	188,878	2,097,738			2,097,738
Lease receivable					196,371		196,371
Internal balances	3,046,077	(3,046,077)	-				
Capital assets:							
Land and construction in progress	9,125,071	28,030	9,153,101	2,228,434	152,882		2,381,316
Other capital assets, net	76,430,200	11,841,330	88,271,530	28,233,326	6,061,069	112,059	34,406,454
Subscription assets, net				1,223,431			1,223,431
Other assets				2,647,991			2,647,991
Total Assets	136,293,157	11,939,324	148,232,481	60,336,519	8,731,494	755,839	69,823,852
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to pensions	7,747,447	1,367,195	9,114,642	964,142	481,297	303,353	1,748,792
Deferred outflows related to OPEB	3,291,767	580,900	3,872,667			20,142	20,142
Deferred outflows related to clinic acquisitions				1,068,288			1,068,288
Deferred amount on refunding		636,236	636,236				
Total Deferred Outflows of Resources	11,039,214	2,584,331	13,623,545	2,032,430	481,297	323,495	2,837,222
LIABILITIES							
Claims payable	1,408,416	157,973	1,566,389	20,311,098	65,729	14,611	20,391,438
Claims and judgments payable	571,323		571,323				
Intergovernmental payables	523,404	10,579	533,983				
Accrued interest payable	5,639	81,060	86,699				
Unearned revenue	4,996,642		4,996,642	379,425			379,425
Amounts held in custody	204,286		204,286				
Other payables	630,304		630,304				
Long-term liabilities							
Due within one year:							
Lease liabilities	23,150		23,150	521,545			521,545
SBITA liabilities				466,263			466,263
Capital debt	895,771	1,155,000	2,050,771	715,000			715,000
Estimated amounts due to third-party payors				2,021,799			2,021,799
Due in more than one year:							
Leases payable	23,051		23,051	1,348,239			1,348,239
SBITA liabilities				771,249			771,249
Capital debt	2,914,518	9,286,350	12,200,868	11,425,000			11,425,000
Non-capital debt	363,555	66,833	430,388		71,191	36,840	108,031
Net pension liability	38,053,943	6,715,400	44,769,343	5,134,780	2,047,317	1,425,853	8,607,950
Other postemployment benefits	21,858,614	3,857,402	25,716,016			61,917	61,917
Total Liabilities	72,472,616	21,330,597	93,803,213	43,094,398	2,184,237	1,539,221	46,817,856
DEFERRED INFLOWS OF RESOURCES							
Property tax for future reporting period	23,470,940	1,488,764	24,959,704				
Deferred inflows related to pensions	320,910	56,632	377,542	78,666	5,054	30,790	114,510
Deferred inflows related to OPEB	6,145,746	1,084,543	7,230,289			29,311	29,311
Deferred inflows related to leases				97,531	192,633		290,164
Deferred gain on refunding				243,083			243,083
Total Deferred Inflows of Resources	29,937,596	2,629,939	32,567,535	419,280	197,687	60,101	677,068
NET POSITION							
Net investment in capital assets	81,698,781	2,064,246	83,763,027	16,437,895	6,213,951	112,059	22,763,905
Restricted for:							
Expendable:							
General government	171,993		171,993				
Public safety	765,809		765,809				
Public works	3,786,522		3,786,522				
Culture and recreation	137,965		137,965				
Economic development	93,000		93,000				
Debt service	752,140		752,140	1,937,519			1,937,519
Unrestricted	(42,484,051)	(11,501,127)	(53,985,178)	479,857	616,916	(632,047)	464,726
Total Net Position	$ 44,922,159	$ (9,436,881)	$ 35,485,278	$ 18,855,271	$ 6,830,867	$ (519,988)	$ 25,166,150

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

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

Exhibit 2

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Delta Health System	Greenville Port Commission	Washington County Library System	Total Component Units
		Program Revenues			**Net (Expense) Revenue and Changes in Net Position**						
					Primary Government			**Component Units**			
Primary government:											
Governmental activities:											
General government	$ 13,932,354	$ 1,277,693	$ 564,712		$ (12,089,949)		$ (12,089,949)				
Public safety	6,542,452	570,626	40,000	$ 19,104	(5,912,722)		(5,912,722)				
Public works	9,869,626	52,080	2,565,884		(7,251,662)		(7,251,662)				
Health and welfare	6,916,699		5,010,484		(1,906,215)		(1,906,215)				
Culture and recreation	642,523		54,794		(587,729)		(587,729)				
Conservation of natural resources	149,108				(149,108)		(149,108)				
Economic development and assistance	465,239				(465,239)		(465,239)				
Interest on long-term debt	88,816				(88,816)		(88,816)				
Pension expense	5,089,631				(5,089,631)		(5,089,631)				
OPEB expense	2,533,961				(2,533,961)		(2,533,961)				
Total Governmental Activities	46,230,409	1,900,399	8,235,874	19,104	(36,075,032)		(36,075,032)				
Business-type activities:											
Correctional facility	5,786,410	4,310,606				(1,475,804)	(1,475,804)				
Total Business-type Activities	5,786,410	4,310,606				(1,475,804)	(1,475,804)				
Total Primary Government	$ 52,016,819	$ 6,211,005	$ 8,235,874	$ 19,104	(36,075,032)	(1,475,804)	(37,550,836)				
Component Units:											
Delta Health System	$ 130,158,796	$ 126,357,005						$ (3,801,791)			$ (3,801,791)
Greenville Port Commission	2,079,409	750,855		$ 443,704					$ (884,850)		(884,850)
Washington County Library System	930,432		$ 896,088							$ (34,344)	(34,344)
Total Component Units	$ 133,168,637	$ 127,107,860	$ 896,088	$ 443,704				(3,801,791)	(884,850)	(34,344)	(4,720,985)
General revenues:											
Property taxes					22,937,320	1,705,065	24,642,385				
Road & bridge privilege taxes					472,330		472,330				
Grants and contributions not restricted to specific programs					3,404,175		3,404,175	11,889,170			11,889,170
Unrestricted interest income					402,411	35,074	437,485		10,132		10,132
Unrestricted investment income (loss)							-	478,594			478,594
Miscellaneous					1,718,026	53,074	1,771,100		292,446		292,446
Total General Revenues					28,934,262	1,793,213	30,727,475	12,367,764	302,578	-	12,670,342
Increase (decrease) in net position before discontinued operations					(7,140,770)	317,409	(6,823,361)	8,565,973	(582,272)	(34,344)	7,949,357
Decrease in net position from discontinued operations							-	(8,641,885)			(8,641,885)
Change in net position					(7,140,770)	317,409	(6,823,361)	(75,912)	(582,272)	(34,344)	(692,528)
Net Position - Beginning, as previously reported					52,102,164	(9,754,290)	42,347,874	18,931,183	7,413,139	(485,644)	25,858,678
Prior period adjustments					(39,235)		(39,235)				-
Net Position - Beginning, as restated					52,062,929	(9,754,290)	42,308,639	18,931,183	7,413,139	(485,644)	25,858,678
Net Position - Ending					$ 44,922,159	$ (9,436,881)	$ 35,485,278	$ 18,855,271	$ 6,830,867	$ (519,988)	$ 25,166,150

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

WASHINGTON COUNTY

Exhibit 3

Balance Sheet – Governmental Funds
September 30, 2023

	Major Funds					
	General Fund	Highway Maintenance Fund	Bridge & Culvert Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	$ 9,423,385	$ 519,709	$ 2,212,739	$ 5,184,391	$ 5,519,103	$ 22,859,327
Property tax receivable	15,358,082	2,056,306	5,064,247		992,305	23,470,940
Fines receivable (net of allowance for uncollectibles of $12,324,736)	491,921					491,921
Intergovernmental receivables	336,441				282,881	619,322
Advances to other funds	6,552,581					6,552,581
Due from other funds	612,838	63,177	100,850		8,525	785,390
Other receivable	180,193					180,193
Total Assets	32,955,441	2,639,192	7,377,836	5,184,391	6,802,814	54,959,674
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Claims payable	442,957	134,661	563,187	48,044	219,567	1,408,416
Claims and judgments payable	571,323					571,323
Intergovernmental payables	523,404					523,404
Advances from other funds			3,489,179			3,489,179
Due to other funds	252,885				479,724	732,609
Amounts held in custody	204,286					204,286
Unearned revenue				4,996,642		4,996,642
Other payables	630,304					630,304
Total Liabilities	2,625,159	134,661	4,052,366	5,044,686	699,291	12,556,163
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	15,358,082	2,056,306	5,064,247		992,305	23,470,940
Unavailable revenue - fines	491,921					491,921
Total Deferred Inflows of Resources	15,850,003	2,056,306	5,064,247	-	992,305	23,962,861
FUND BALANCES						
Nonspendable:						
Advances	6,552,581					6,552,581
Restricted for:						
General Government				139,705	32,288	171,993
Public safety					765,809	765,809
Public Works		448,225			3,338,297	3,786,522
Culture and recreation					137,965	137,965
Economic development					93,000	93,000
Debt service					752,140	752,140
Unassigned	7,927,698		(1,738,777)		(8,281)	6,180,640
Total Fund Balances	14,480,279	448,225	(1,738,777)	139,705	5,111,218	18,440,650
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 32,955,441	$ 2,639,192	$ 7,377,836	$ 5,184,391	$ 6,802,814	$ 54,959,674

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

WASHINGTON COUNTY **Exhibit 3-1**

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

September 30, 2023

	Amount
Total Fund Balance - Governmental Funds	$ 18,440,650
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 $109,569,859.	85,555,271
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	491,921
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(4,220,045)
Other postemployment benefits are not due and payable in the current period and, therefore, are not reported in the funds.	(21,858,614)
Net pension obligations are not due and payable in the current period and, therefore, are not reported in the funds.	(38,053,943)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources related to pensions	7,747,447
Deferred outflows of resources related to OPEB	3,291,767
Deferred inflows of resources related to pensions	(320,910)
Deferred inflows of resources related to OPEB	(6,145,746)
Accrued interest payable is not due and payable in the current period and, therefore, is not reported in the funds.	(5,639)
Total Net Position - Governmental Activities	$ 44,922,159

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

WASHINGTON COUNTY

Exhibit 4

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

	Major Funds					
	General Fund	Highway Maintenance Fund	Bridge & Culvert Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 10,046,897	$ 2,428,766	$ 9,379,325		$ 1,082,332	$ 22,937,320
Road and bridge privilege taxes		472,330				472,330
Licenses, commissions and other revenue	1,149,927				9,024	1,158,951
Fines and forfeitures	112,626					112,626
Intergovernmental revenues	4,103,675	665,351		$ 3,698,957	3,191,170	11,659,153
Charges for services	124,105				498,601	622,706
Interest income	311,697			90,714		402,411
Miscellaneous revenues	1,650,340				67,686	1,718,026
Total Revenues	17,499,267	3,566,447	9,379,325	3,789,671	4,848,813	39,083,523
EXPENDITURES						
Current:						
General government	14,055,348			189,890	202,069	14,447,307
Public safety	6,829,941				558,665	7,388,606
Public works	343,699	3,656,802	6,447,002	9,067	1,892,504	12,349,074
Health and welfare	2,104,914			3,500,000	1,514,637	7,119,551
Culture and recreation	595,374					595,374
Conservation of natural resources	149,108					149,108
Economic development and assistance	489,936					489,936
Debt service:						
Principal	420,215	236,046			381,000	1,037,261
Interest	30,860	8,500			66,240	105,600
Total Expenditures	25,019,395	3,901,348	6,447,002	3,698,957	4,615,115	43,681,817
Excess of Revenues over (under) Expenditures	(7,520,128)	(334,901)	2,932,323	90,714	233,698	(4,598,294)
OTHER FINANCING SOURCES (USES)						
Long-term capital debt issued	15,428					15,428
Total Other Financing Sources and Uses	15,428	-	-	-	-	15,428
Net Changes in Fund Balances	(7,504,700)	(334,901)	2,932,323	90,714	233,698	(4,582,866)
Fund Balances - Beginning	21,984,979	783,126	(4,671,100)	48,991	4,877,520	23,023,516
Fund Balances - Ending	$ 14,480,279	$ 448,225	$ (1,738,777)	$ 139,705	$ 5,111,218	$ 18,440,650

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

WASHINGTON 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

	Amount
Net Change in Fund Balances - Governmental Funds	$ (4,582,866)
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 $4,134,479, exceeded depreciation of $2,376,732 in the current period.	1,757,747
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.	6,116
Debt proceeds provide current financial resources to Government 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 $15,428 was exceeded by debt repayments of $1,037,261.	1,021,833
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:	
Accrued interest payable	929
Compensated absences	4,683
Net amortization on bond premium and discount	15,855
Some items reported in the Statement of Activities relating to the implementation of GASB 68 and GASB 75 are not reported in the governmental funds. These activities include:	
Recording of pension expense for the current period	(5,089,631)
Recording of pension contributions made for the current fiscal year	1,932,122
Recording of OPEB expense for the current period	(2,533,961)
Recording of OPEB contributions made for the current fiscal year	326,403
Change in Net Position of Governmental Activities	$ (7,140,770)

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

Exhibit 5

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

	Business-type Activities Enterprise Fund WCRCF
ASSETS	
Current assets:	
Cash	$ 407,847
Investments	711,564
Property tax receivable	1,488,764
Intergovernmental receivables	308,696
Due from other funds	80,333
Other receivables	10,292
Inventories	47,252
Total Current Assets	3,054,748
Noncurrent assets:	
Prepaid bond insurance	141,626
Capital Assets:	
Land	28,030
Other capital assets, net	11,841,330
Total Noncurrent Assets	12,010,986
Total Assets	15,065,734
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	1,367,195
Deferred outflows related to OPEB	580,900
Deferred amount on refunding	636,236
Total Deferred Outflows of Resources	2,584,331
LIABILITIES	
Current liabilitites:	
Claims payable	157,973
Accrued interest payable	81,060
Due to other funds	63,007
Advances from other funds	3,073,982
Capital debt:	
Other long-term liabilities	1,155,000
Total Current Liabilities	4,531,022
Noncurrent liabilities:	
Net pension liability	6,715,400
Other postemployment benefits payable	3,857,402
Capital related debt:	
Other long-term liabilities	9,286,350
Non-capital debt:	
Compensated absences payable	66,833
Total Non-Current Liabilities	19,925,985
Total Liabilities	24,457,007
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	56,632
Deferred inflows related to OPEB	1,084,543
Deferred inflows related to property taxes	1,488,764
Total Deferred Inflows of Resources	2,629,939
NET POSITION	
Net investment in capital assets	2,064,246
Unrestricted	(11,501,127)
Total Net Position	$ (9,436,881)

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

WASHINGTON COUNTY

Exhibit 6

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

	Business-type Activities
	Enterprise Fund
	WCRCF
Operating Revenues	
Charges for services	$ 4,310,606
Total Operating Revenues	4,310,606
Operating Expenses	
Personal services	2,145,744
Contractual services	574,972
Materials and supplies	911,900
Indirect cost allocation	63,007
Depreciation expense	308,150
Pension expense	898,171
OPEB expense	447,170
Total Operating Expenses	5,349,114
Operating Income (Loss)	(1,038,508)
Non-operating Revenues (Expense)	
Interest income	35,074
Property tax	1,705,065
Interest expense	(437,296)
Other income (expense)	53,074
Net Non-Operating Revenues (Expense)	1,355,917
Change in Net Position	317,409
Net Position - Beginning	(9,754,290)
Net Position - Ending	$ (9,436,881)

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

WASHINGTON COUNTY **Exhibit 7**

Statement of Cash Flows – Proprietary Fund

For the Year Ended September 30, 2023

	Business-type Activities Enterprise Fund WCRCF
Cash Flows from Operating Activities	
Receipts from customers	$ 4,299,427
Payments to employees	(2,484,711)
Payments to suppliers	(1,454,235)
Net Cash Provided (Used) by Operating Activities	360,481
Cash Flows From Non-Capital Financing Activities	
Interfund loan repayments	(238,008)
Cash received from property taxes	1,698,483
Other receipts	53,074
Net Cash Provided (Used) by Non-Capital Financing Activities	1,513,549
Cash Flows From Capital and Related Financing Activities	
Principal paid on debt	(1,125,000)
Interest paid on debt	(356,600)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,481,600)
Cash Flows From Investing Activities	
Interest on investments	35,074
Purchase of investment securities	(24,675)
Net Cash Provided (Used) by Investing Activities	10,399
Net Increase or Decrease in Cash and Cash Equivalents	402,829
Cash and Cash Equivalents at Beginning of Year	5,018
Cash and Cash Equivalents at End of Year	$ 407,847
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	$ (1,038,508)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	308,150
Amortization/Indirect expense	144,965
Pension expense adjustment	557,208
OPEB expense adjustment	389,570
Changes in assets and liabilities:	
(Increase) decrease in intergovernmental receivables	(16,653)
(Increase) decrease in other receivables	(1,489)
(Increase) decrease in prepaid bond insurance	18,676
Increase (decrease) in claims payable	(1,946)
Increase (decrease) in compensated absences liability	508
Total Adjustments	1,398,989
Net Cash Provided (Used) by Operating Activities	$ 360,481

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

Exhibit 8

WASHINGTON COUNTY
Statement of Fiduciary Net Position
September 30, 2023

		Custodial Funds
ASSETS		
Cash and investments	$	1,020,749
Receivables:		
Advances to other funds		10,579
Total Assets		1,031,328
LIABILITIES		
Intergovernmental payables		139,052
Other liabilities		801,011
Due to other funds		70,107
Total Liabilities		1,010,170
NET POSITION		
Restricted for:		
Individuals, organizations and other governments		21,158
Total net position	$	21,158

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

WASHINGTON COUNTY **Exhibit 9**

Statement of Changes in Fiduciary Net Position

For the Year Ended September 30, 2023

		Custodial Funds
ADDITIONS		
Investment income:		
Interest	$	15,945
Fine & fee collections for other governments		199,739
Other receipts for other governments		186,368
Total Additions		402,052
DEDUCTIONS		
Payments of fines & fees to other governments		168,472
Other disbursements for other governments		179,893
Total Deductions		348,365
Net increase (decrease) in fiduciary net position		53,687
Net Position - Beginning		(32,529)
Net Position - Ending	$	21,158

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

A. Financial Reporting Entity.

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

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

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

B. Individual Component Unit Disclosures.

Discretely Presented Component Unit

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

Delta Health System (Health System) provides inpatient, outpatient, and emergency care for residents of Washington County, Mississippi, and surrounding areas. The facility is governed by a Board of Trustees appointed by the Board of Supervisors of Washington County, Mississippi.

Greenville Port Commission (Port Commission) was established pursuant to Section 59-7-125 of the Mississippi Code Ann. (1972) and was organized to supervise and operate terminal and dockside activities. The Commission is governed by a five-member Board of Commissioners, two of which are appointed by the Washington County Board of Supervisors.

Washington County Library System (System) serves the residents of Washington County with locations in Greenville, Leland, Hollandale, Arcola, Glen Allen and Avon, Mississippi. The System is governed by a five-member Board of Trustees, which are appointed by the Board of Supervisors of Washington County, Mississippi.

C. Basis of Presentation.

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

Government-wide Financial Statements:

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

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

Fund Financial Statements:

Fund financial statements of the County are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows, liabilities, deferred inflows, fund balance/net position, 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. Non-major funds are aggregated and presented in a single column as Other Governmental Funds.

D. Measurement Focus and Basis of Accounting.

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

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

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

The County reports the following major Governmental Funds:

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

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

Bridge and Culvert Fund – This fund is used to account for monies from specific revenue sources that are restricted for repairs and bridge maintenance.

American Rescue Plan Act Fund – This fund is used to account for monies from the U. S. Department of Treasury that are to be expended based on prescribed compliance and reporting.

The County reports the following major Enterprise Fund:

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

Additionally, the County reports the following fund types:

GOVERNMENTAL FUND TYPES

Special Revenue Funds - These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures 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 expenditures for principal and interest.

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

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

E. Account Classifications.

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

F. Deposits and Investments.

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

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

G. Receivables.

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

H. 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 inter-fund 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 non-spendable 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. Inter-fund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any outstanding balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

I. Inventories and Prepaid Items.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in/first-out method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items, such as prepaid insurance, are not reported for Governmental Fund Types since the costs of such items are accounted for as expenditures in the period of acquisition.

J. 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 non-capitalization 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:

Asset Classification	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	**	**

** 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.

K. 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.

Washington County

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 12 for additional details.

Deferred outflows related to OPEB – This amount represents the County's deferred outflows of resources reported by the OPEB plan. See Note 11 for additional details.

Deferred amount on refunding – For current refunding's and advance refunding's resulting in defeasance of debt reported by governmental activities, business type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

COMPONENT UNITS

Delta Health System

Deferred outflows related to pensions – This amount represents the Health System's deferred outflows of resources reported by the pension plan in which the Health System participates. See Note 12 for additional details.

Deferred outflows other related to Physician Clinics – This amount represents the Health System's June 2020, cash paid to acquire certain physician clinics. The Health System assumed certain liabilities and incurred deferred outflows of resources associated with the clinics' acquisition. The deferred outflows of resources are being amortized over five years. The unamortized deferred outflows of resources for acquisition were $1,068,288 at September 30, 2023.

Greenville Port Commission

Deferred outflows related to pensions – This amount represents the Commission's proportionate share of the deferred outflows of resources reported by the pension plan in which the Commission participates. See Note 12 for additional details.

Washington County Library System

Deferred outflows related to pensions – This amount represents the System's proportionate share of the deferred outflows of resources reported by the pension plan in which the System participates. See Note 12 for additional details.

Deferred outflows related to OPEB – This amount represents the System's proportionate share of the deferred outflows of resources reported by the OPEB plan in which the System participates. See Note 11 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 will not be recognized as an inflow of resources (revenue) until that time.

Washington County

Deferred revenues - property taxes/unavailable revenue – property taxes – Deferred inflows of resources should be reported when resources associated with imposed non-exchange 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 or resources reported by the pension plan in which the County participates. See Note 12 for additional details.

Deferred inflows related to OPEB – This amount represents the County's deferred inflows of resources reported by the OPEB plan. See Note 11 for additional details.

COMPONENT UNITS

Delta Health Systems

Deferred inflows related to pensions – This amount represents the Health System's deferred inflows or resources reported by the pension plan in which the Health System participates. See Note 12 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.

Deferred inflows other related to gain on refinancing debt – This amount represents the unamortized deferred gain on refunding of all the outstanding Series 2007 Bonds. The unamortized deferred gain on refinancing of the debt was $243,083 at September 30, 2023.

Greenville Port Commission

Deferred inflows related to pensions – This amount represents the Commission's proportionate share of the deferred inflows or resources reported by the pension plan in which the Commission participates. See Note 12 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.

Washington County Library System

Deferred inflows related to pensions – This amount represents the System's proportionate share of the deferred inflows or resources reported by the pension plan in which the System participates. See Note 12 for additional details.

Deferred inflows related to OPEB – This amount represents the System's proportionate share of the deferred inflows of resources reported by the OPEB plan in which the System participates. See Note 11 for additional details.

L. Leases.

The Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases* (GASB 87), to establish a single leasing model for accounting and reporting purposes. This guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. GASB 87 was implemented during the fiscal year 2022.

The County uses the Federal Prime Borrowing Rate in effect at the date of the lease inception to calculate the present value of lease payments when the rate implicit in the lease is not known. See Note 9 for details.

M. Subscription-Based Information Technology Arrangements.

The Governmental Accounts Standards Board (GASB) issued Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) (GASB 96) to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, relatability, relevance and consistency of information about SBITAs.

N. Pensions.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, 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 benefit terms. Investments are reported at fair value.

O. Other Postemployment Benefits (OPEB).

Washington County

The Washington 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 Washington County Board of Supervisors. The County elected to become a self-insurer with respect to health insurance. The County has contracted with the Mississippi Public Entity Employee Benefit Trust to administer and service the self-insurance program as the third party approved by the Commissioner of Insurance. 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. Accounting principles generally accepted in the United States of America require the other postemployment benefit liability, deferred outflows and deferred inflows of resources related to other postemployment benefits, and other postemployment benefit expenses be reported in the government-wide financial statements and Proprietary Funds financial statements.

COMPONENT UNIT – Washington County Library System

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State and School Employees' Life and Health Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recorded when the OPEB benefits come due. Investments are reported at fair value as determined by the state.

P. Long-term liabilities.

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

In the government-wide financial statements and in the Proprietary Fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or Proprietary Funds Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Q. Equity Classifications.

Government-wide Financial Statements:

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

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

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

Unrestricted net position - All other net position not meeting the definition of "restricted" or "net investment in capital assets."

Net Position Flow Assumption – When an expense is incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the County's general policy to use restricted resources first. When expenses are incurred for purposes for which unrestricted (committed, assigned or unassigned) resources are available, and amounts in 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.

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

Non-spendable 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 principal balance of a permanent fund.

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.

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

R. 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 the original purchase.

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

S. 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.

T. Compensated Absences.

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

U. Changes in Accounting Standards.

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

NOTE 2 – PRIOR PERIOD ADJUSTMENT(S).

A summary of the significant net position/fund balance adjustment(s) is as follows:

Exhibit 2 - Statement of Activities - Governmental Activities.		
Explanation		Amount
Adjustment to correct prior year financed purchases	$	(263,337)
Adjustment to correct prior year capital assets		224,102
Total prior period adjustments	$	(39,235)

NOTE 3 - DEPOSITS AND INVESTMENTS.

Deposits:

The carrying amount of the County's total deposits with financial institutions at September 30, 2023, was $24,287,923 and the bank balance was $24,187,899. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

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

Investments:

As provided in Section 91-13-8, Miss. Code Ann. (1972), the following investments of the County are handled through a trust indenture between the County and the trustee related to the operations of the Washington County Regional Correctional Facility.

Investment balances at September 30, 2023, are as follows:

Investment Type	Maturities	Fair Value Level	Fair Value	Rating
U.S. Treasury	Less than one year	1	$ 711,564	N/A

The fair value hierarchy prioritizes the inputs used to measure fair value into three broad Levels (Levels 1, 2 and 3), moving from quoted prices in active markets in Level 1 to unobservable inputs in Level 3. All County investments are considered Level 1 investments.

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, Section 19-9-29, Miss. Code Ann. (1972) limits the maturity period of any investment to no more than one year.

Credit Risk. State law limits investments to those authorized by Sections 19-9-29 and 91-13-8, Miss. Code Ann. (1972). The County does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

Custodial Credit Risk – Investments. Custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a formal policy for custodial credit risk.

NOTE 4 - INTER-FUND TRANSACTIONS AND BALANCES.

The following is a summary of inter-fund balances at September 30, 2023:

A. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	$ 479,724
Bridge and Culvert Fund	General Fund	100,850
W. C. Regional Correctional Facility	General Fund	80,333
General Fund	Custodial Funds	70,107
Highway Maintenance Fund	General Fund	63,177
General Fund	W.C. Regional Correctional Facility	63,007
Other Governmental Funds	General Fund	8,525
Total		$ 865,723

Receivables represent: the general fund and enterprise fund due from/to represent indirect cost allocation ($63,007), county prisoner charge ($64,750), property tax accrual ($15,583); the general fund to other governmental and custodial funds represent operating cash shortages ($238,228) and ($70,107) respectively. All other receivables represent the tax revenue collected but not settled until October 2023, Highway Maintenance ($63,177), Bridge & Culvert ($100,850), Other Governmental funds ($8,525), and amounts due the general fund from other governmental fund DHHS Literacy Grant (241,496). All inter-fund balances are expected to be repaid within one year from the date of the financial statements.

B. Advances from/to Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Bridge & Culvert Fund	$ 3,489,179
General Fund	W.C. Regional Correctional Facility	3,063,403
Custodial Fund	W.C. Regional Correctional Facility	10,579
Total		$ 6,563,161

The general fund advance of $3,489,179 represents loans made to facilitate bridge rehabilitation & replacement. The general fund advance of $3,063,403 is comprised of: indirect cost allocations ($345,297) and operating cash ($2,718,106) made in prior years that have not been paid. The custodial advance represents inmate welfare funds deposited to WCRCF in error of $10,579 that will not be repaid in one year.

NOTE 5 - INTERGOVERNMENTAL RECEIVABLES.

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

Governmental Activities

Description	Amount
State Legislative Tax Credit	289,297
US Department of Health & Human Services Grant	235,037
VOCA/VAWA Grant	38,997
MS Department of Public Safety - JAG Grant	38,005
MS Department of Health - Tobacco Grant	17,986
Total Governmental Activities	$ 619,322

Business-Type Activities

Description	Amount
MS Department of Corrections	$ 235,216
County Municipalities	73,480
Total Business-Type Activities	$ 308,696

NOTE 6 - OTHER RECEIVABLE.

The Governmental Activities other receivable of $250,299 represents amounts receivable to the tax collector ($37,929), payroll fund ($142,264), and Custodial Funds ($70,106). The other receivable of ($10,292) for Business-type Activities represents amounts due for nurse reimbursement.

NOTE 7 - CAPITAL ASSETS.

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

Governmental activities:	**Balance Oct. 1, 2022**	**Additions**	**Deletions**	**Adjustments**	**Balance Sept. 30, 2023**
Non-depreciable capital assets:					
Land	$ 4,719,445				$ 4,719,445
Construction in progress	2,313,515	2,092,111		-	4,405,626
Total non-depreciable capital assets	7,032,960	2,092,111	-	-	9,125,071
Depreciable capital assets:					
Infrastructure	137,296,223				137,296,223
Buildings	21,176,024				21,176,024
Improvements other than buildings	3,840,567				3,840,567
Mobile equipment	14,864,056	1,844,817		234,848	16,943,721
Furniture and equipment	6,403,300	182,123		27,196	6,612,619
Intangible right to use assets					
Furniture and equipment	115,477	15,428			130,905
Total depreciable capital assets	183,695,647	2,042,368	-	262,044	186,000,059
Less accumulated depreciation for:					
Infrastructure	81,085,188	541,544			81,626,732
Buildings	10,096,409	291,570			10,387,979
Improvements other than buildings	1,086,933	153,624			1,240,557
Mobile equipment	9,924,967	1,136,722		28,966	11,090,655
Furniture and equipment	4,905,906	229,015		8,976	5,143,897
Intangible right to use assets					
Furniture and equipment	55,782	24,257			80,039
Total accumulated depreciation	107,155,185	2,376,732	-	37,942	109,569,859
Total depreciable capital assets, net	76,540,462	(334,364)	-	224,102	76,430,200
Governmental activities capital assets, net	$ 83,573,422	1,757,747	-	224,102	$ 85,555,271

Total capital assets, net, excluding intangible right to use assets	$ 85,504,405
Intangible right to use assets	50,866
Total capital assets, net, as reported in the statement of net position	$ 85,555,271

Business-type activities:	**Balance Oct. 1, 2022**	**Additions**	**Deletions**	**Adjustments**	**Balance Sept. 30, 2023**
Non-depreciable capital assets:					
Land	$ 28,030				$ 28,030
Total non-depreciable capital assets	28,030	-	-	-	28,030
Depreciable capital assets:					
Buildings	15,181,373				15,181,373
Improvements other than buildings	113,001				113,001
Furniture and equipment	2,455,771				2,455,771
Total depreciable capital assets	17,750,145	-	-	-	17,750,145
Less accumulated depreciation for:					
Buildings	3,339,908	303,628			3,643,536
Improvements other than buildings	49,742	4,522			54,264
Furniture and equipment	2,211,015				2,211,015
Total accumulated depreciation	5,600,665	308,150	-	-	5,908,815
Total depreciable capital assets, net	12,149,480	(308,150)	-	-	11,841,330
Business-type activities capital assets, net	$ 12,177,510	(308,150)	-	-	$ 11,869,360

Depreciation expense, which includes the amortization of Intangible Right to Use Assets, was charged to the following functions:

Governmental Activities:	Amount
General government	$ 506,291
Public safety	395,180
Public works	1,290,789
Health & welfare	51,660
Culture and recreation	125,221
Economic development	7,591
Total governmental activities depreciation expense	$ 2,376,732
Business-type Activities:	
Correctional facility	$ 308,150
Total business-type activities depreciation expense	$ 308,150

Commitments with respect to unfinished capital projects at September 30, 2023, consisted of the following:

Description of Commitment	Remaining Financial Commitment	Expected Date of Completion
Governmental activities:		
Infrastructure	Unknown	Fiscal 2024 and 2025

CAPITAL ASSETS – COMPONENT UNITS

Delta Health System	Balance Oct. 1, 2022	Additions	Deletions	Adjustments	Balance Sept. 30, 2023
Non-depreciable capital assets:					
Land	$ 3,803,381		3,121,581		$ 681,800
Construction in progress	4,064,029	1,768,650	4,286,045		1,546,634
Total non-depreciated capital assets	7,867,410	1,768,650	7,407,626	-	2,228,434
Depreciable capital assets:					
Land improvements	898,754		38,000		860,754
Buildings	44,106,907	379,780	4,646,219		39,840,468
Fixed equipment	10,916,434	31,249	1,613,110		9,334,573
Equipment	88,640,644	1,121,786	609,662		89,152,768
Intangible right to use assets	4,069,124		1,212,279		2,856,845
Total depreciable capital assets	148,631,863	1,532,815	8,119,270	-	142,045,408
Less accumulated depreciation for:					
Land improvements	832,957	10,614	3,167		840,404
Buildings	29,524,591	790,538	1,656,141		28,658,988
Fixed equipment	8,375,410	470,265	540,534		8,305,141
Equipment	72,390,124	2,829,309	270,099		74,949,334
Intangible right to use assets	767,707	705,146	414,638		1,058,215
Total accumulated depreciation	111,890,789	4,805,872	2,884,579	-	113,812,082
Total depreciable capital assets, net	36,741,074	(3,273,057)	5,234,691	-	28,233,326
Total capital assets, net	$ 44,608,484	(1,504,407)	12,642,317	-	$ 30,461,760

Greenville Port Commission	Balance Oct. 1, 2022	Additions	Deletions	Adjustments	Balance Sept. 30, 2023
Non-depreciable capital assets:					
Land	$ 152,882				$ 152,882
Construction in progress	802,152	317,464		(1,119,616)	-
Total non-depreciated capital assets	955,034	317,464	-	(1,119,616)	152,882
Depreciable capital assets:					
Building facilities	952,401			169,906	1,122,307
Improvements other that buildings	2,748,507			949,710	3,698,217
Machinery and equipment	9,100,308	80,045			9,180,353
Office furniture and fixtures	47,208				47,208
Total depreciable capital assets	12,848,424	80,045	-	1,119,616	14,048,085
Less accumulated depreciation for:					
Building facilities	235,060	42,221			277,281
Improvements other than buildings	1,240,049	189,796			1,429,845
Machinery and equipment	5,910,523	323,541			6,234,064
Office furniture and fixtures	44,442	1,384			45,826
Total accumulated depreciation	7,430,074	556,942	-	-	7,987,016
Total depreciable capital assets, net	5,418,350	(476,897)	-	1,119,616	6,061,069
Total capital assets, net	$ 6,373,384	(159,433)	-	-	$ 6,213,951

Washington County Library System	Balance Oct. 1, 2022	Additions	Deletions	Adjustments	Balance Sept. 30, 2023
Depreciable capital assets:					
Equipment and fixtures	754,358	40,234	24,660		769,932
Other	285,090				285,090
Total depreciable capital assets	1,039,448	40,234	24,660	-	1,055,022
Less accumulated depreciation for:					
Equipment and fixtures	692,913	17,104	24,660		685,357
Other	250,047	7,559			257,606
Total accumulated depreciation	942,960	24,663	24,660	-	942,963
Total capital assets, net	$ 96,488	15,571	-	-	$ 112,059

NOTE 8 - CLAIMS AND JUDGMENTS.

Risk Financing:

The County finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The County pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is $1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2023, to January 1, 2024. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

Until May 1, 2023, the County financed its exposure to risk of loss relating to employee health and accident coverage through the Mississippi Public Entity Employee Benefit Trust, a public entity risk pool. The pool was a claims-servicing organization with the County retaining the risk of loss on all claims to which the County was exposed. Premium payments to the pool were determined on an actuarial basis. The County had reinsurance which functions on a specific stop loss coverage. This coverage was purchased from an outside commercial carrier. For the current fiscal year, the specific coverage began when an individual participant's claim exceeded $50,000. Claims expenses and liabilities were reported when it was probable that a loss had occurred, and the amount of that loss could be reasonably estimated.

The County had no year-end liability because the County terminated their participation in the risk pool on April 30, 2023, and a commercial insurance company began providing coverage.

The County is exposed to risk of loss relating to employee health, accident, and dental coverage. Beginning May 1, 2023 and pursuant to *Section 25-15-101, Mississippi Code of 1972 Annotated*, the County established a risk management fund to account for and finance its uninsured risk of loss.

Under the plan, amounts payable to the risk management fund are based on historical cost estimates. Washington County pays the premium on a single coverage policy for its employees. Employees desiring additional and/or dependent coverage pay the additional premium through a payroll deduction. Premium payments to the risk management fund are determined on a historical basis. The County has minimum uninsured risk retention for the County, to the extent that actual claims submitted exceed the predetermined premium. The County has implemented the following plans to minimize this potential loss:

The County has purchased reinsurance, which functions as stop-loss coverage. This coverage is purchased from an outside commercial carrier. For the current fiscal year, the specific coverage begins when an individual participant’s claim exceeds $70,000.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). At September 30, 2023, the amount of these liabilities was $571,323. An analysis of claims activities is presented below:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2022 - 2023	$ -	1,826,103	1,254,780	571,323

NOTE 9 - INTANGIBLE RIGHT-TO-USE LEASES AND SUBSCRIPTION BASED IT ASSETS.

Washington County

Leases

The County is a lessee for various non-cancellable leases of 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 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 Federal Prime Borrowing Rate in effect at the date of the lease inception as the discount rate for leases unless the rate that the lessor charges is known. For leases in effect for the fiscal year, the Federal Prime Borrowing Rate ranged from (3.25-8.29%) and was used to calculate the present value of lease payments when the rate implicit in the lease was not known.

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.

As Lessee:

Lease Assets	Balance Oct. 1, 2022	Additions	Amortization	Balance Sept. 30, 2023
Copiers & Postage Meters	59,695	15,428	24,257	50,866
Total	59,695	15,428	24,257	50,866

See Note 7 for further details regarding intangible right-to-use assets, which represents leased assets.

Lease Liabilities	Balance Oct. 1, 2022	Additions	Principal Payments	Balance Sept. 30, 2023
Copiers & Postage Meters	55,078	15,428	24,305	46,201
Total	55,078	15,428	24,305	46,201

Washington County has entered into several lease agreements with lessors for the lease of the following listed items. The leases stipulate that the lessee would pay various amounts, as shown in the following schedule, per month or quarter in lease payments commencing on various date terms.

Description	Discount Rate	Term	Issue Date	Maturity Date	Monthly Payment	Amount Outstanding
Copiers & Postage Meters	3.25-8.29%	various	various	various	3,967	46,201

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

	Governmental Activities	
Year Ending September 30,	Principal	Interest
2024	23,150	871
2025	12,161	344
2026	7,835	161
2027	3,055	28
Total	$ 46,201	$ 1,404

SBITA

As of September 30, 2023, the County had no Subscription-Based Information Technology Arrangements that met criteria for accounting and reporting requirements.

COMPONENT UNITS

Delta Health System

Leases

As Lessor:

The Health System is a lessor for noncancellable leases of certain buildings and recognizes a related lease receivable and a deferred inflow of resources. At the commencement of a lease, the Health System initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The deferred inflow of resources related lease receivables was $97,531 at September 30, 2023.

The Health System leases various buildings or portions thereof to various third parties, the terms of which expire in 2025. Revenue recognized under lease contracts during the year ended September 30, 2023 was $105,516 which includes both lease revenue and interest. The Health System's current and noncurrent lease receivable is included on the accompanying balance sheets in other current assets and other noncurrent assets, respectively for the year ended September 30, 2023. The following is a schedule by year of receipts under the leases as of September 30, 2023.

Year Ending September 30,	Leases Receivable Principal	Leases Receivable Interest
2024	85,075	2,346
2025	17,453	70
Total	$ 102,528	$ 2,416

As Lessee:

The Health System is a lessee for noncancellable leases. The Health System recognizes a lease liability and an intangible right-to-use lease asset ("lease asset") in the financial statements. At the commencement of a lease, the Health System 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 lability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Health System has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

As Lessee:

Lease Assets	Balance Oct. 1, 2022	Net Increases	Net Decreases	Balance Sept. 30, 2023
Equipment, land, and buildings	3,301,417	-	1,502,787	1,798,630
Total	$ 3,301,417	$ -	$ 1,502,787	$ 1,798,630

Lease Liabilities	Balance Oct. 1, 2022	Increases	Principal Decreases	Balance Sept. 30, 2023
Equipment, land, and buildings	8,328,477	-	6,458,693	1,869,784
Total	$ 8,328,477	$ -	$ 6,458,693	$ 1,869,784

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

Year Ending September 30,	Lease Obligations Principal	Lease Obligations Interest
2024	521,545	62,847
2025	526,455	42,518
2026	325,127	24,339
2027	159,948	16,157
2028	114,674	10,954
2029-2033	222,035	8,284
Total	$ 1,869,784	$ 165,099

SBITA

The Health System has subscription-based information technology arrangements for intangible assets such as their electronic health record software, enterprise resource planning software, and various other software. As of September 30, 2023 the Health system had subscription assets of $1,223,431. The related accumulated amortization of the subscription assets as of September 30, 2023 $219,058.

The Health System is obligated under subscriptions for software that are accounted for as subscriptions obligations. Scheduled principal and interest payments on subscription obligations at September 30, 2023 are as follows:

	Subscription Obligations	
Year Ending September 30,	Principal	Interest
2024	466,263	38,985
2025	407,778	22,551
2026	358,326	6,670
2027	5,145	16
Total	$ 1,237,512	$ 68,222

Greenville Port Commission

As Lessor:

The Port Commission is a lessor for multiple property and site leases for industries in and around the port. The lease maturities range from 1-7 years. Future lease payments have been discounted to present value using a 4% discount rate. For leases with terms that exceed 12 months, at lease inception, the Port Commission records a lease receivable and a deferred inflow of resources for future lease payments. Lease revenue is recognized systematically over the term of the lease. The lease receivable is reduced by the principal portion of the payments received over the term of lease.

For the year ending September 30, 2023, the district recognized $292,446 in lease revenue related to lease receivables.

The following are the future rental payments to be made to the Port Commission. These future rental payments are from existing leases and do not anticipate renewals or new leases and also does not reflect leases with a monthly term.

	Leases Receivable		
Year Ending September 30,	Principal	Interest	Total
2024	128,580	7,855	136,435
2025	23,041	2,712	25,753
2026	15,935	1,790	17,725
2027	16,572	1,153	17,725
2028	6,002	490	6,492
2029	6,241	250	6,491
Total	$ 196,371	$ 14,250	$ 210,621

NOTE 10 - LONG-TERM DEBT.

Washington County

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:			
GO Refunding Bonds, Series 2021	2,834,000	2.00	09-28
Total General Obligation Bonds	$ 2,834,000		
B. Financed Purchases:			
2021 Freightliner-Side Loader	37,392	1.97	03-24
2 CAT Motor Graders (SNs N9F1164 & N9F101165)	45,100	3.28	04-24
2 JD Motor Graders	178,003	2.13	10-24
6 F-150 Ford Trucks-Sheriff's Department	56,779	3.25	01-25
3 F-150 Ford Trucks-Sheriff's Department	38,554	3.25	05-25
10 Sheriff Vehicles	159,577	2.00	03-25
Suntrust energy savings project	381,611	2.03	03-28
Total Financed Purchases	$ 897,016		
Business-type Activities:			
A. General Obligation Bonds:			
General Obligation Refunding Bonds, Series 2017	$ 5,855,000	3.00	07-31
B. Limited Obligation Bonds:			
Special Obligation Refunding Bonds, Series 2017	$ 4,430,000	1.85/3.75	07-31

Pledge of Future Revenues – The County has pledged future revenues for housing inmates, net of specified operating expenses, to repay $7,210,000 in Taxable Special Obligation Urban Renewal Revenue Refunding Bonds, Series 2017 issued in Washington County, Mississippi. Proceeds from the bonds provided partial financing of the refunding of limited obligation bonds, series 2009 used for the construction of the Washington County Regional Correctional Facility. The bonds are not a general obligation of the County and, therefore, are not secured by the full faith and credit of the County. The bonds are payable solely from income derived from an inmate housing agreement with the Mississippi Department of Corrections for housing state prisoners and income received from any other governments for housing and holding prisoners and are payable through Trustmark National Bank. Annual principal and interest payments on the bonds are expected to require less than 15 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $5,157,574. Principal and interest paid for the current year and total inmate housing revenues were $646,750 and $4,310,606, respectively.

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

Governmental Activities:	General Obligation Bonds		Financed Purchases	
	Principal	Interest	Principal	Interest
Year Ending September 30,				
2024	397,000	56,680	498,771	16,327
2025	407,000	48,740	180,799	7,584
2026	422,000	40,600	85,304	4,789
2027	430,000	32,160	87,526	2,567
2028	1,178,000	23,560	44,616	432
Total	$ 2,834,000	$ 201,740	$ 897,016	$ 31,699

Business-type Activities:	General Obligation Bonds		Limited Obligation Bonds	
	Principal	Interest	Principal	Interest
Year Ending September 30,				
2024	660,000	175,650	495,000	148,898
2025	675,000	155,850	510,000	135,038
2026	700,000	135,600	525,000	119,738
2027	720,000	114,600	540,000	103,200
2028	740,000	93,000	560,000	85,650
2029-2031	2,360,000	142,950	1,800,000	135,050
Total	$ 5,855,000	$ 817,650	$ 4,430,000	$ 727,574

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 1.87% 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 Oct. 1, 2022	Additions	Reductions	Adjustments	Balance Sept. 30, 2023	Amount due within one year
Governmental Activities:						
Compensated absences	$ 368,238		4,683		$ 363,555	
General obligation bonds	3,215,000		381,000		2,834,000	$ 397,000
Add: Bond premium	95,128		15,855		79,273	
Financed purchases	1,265,638		631,956	263,334	897,016	498,771
Leases payable	55,078	15,428	24,305		46,201	23,150
Total	$ 4,999,082	15,428	1,057,799	263,334	$ 4,220,045	$ 918,921
Business-type Activities:						
Compensated absences	$ 66,325	508			$ 66,833	
General Obligation Refunding Bonds	6,495,000		640,000		5,855,000	$ 660,000
Special Obligation Refunding Bonds	4,915,000		485,000		4,430,000	495,000
Add: Bond premium	181,094		21,099		159,995	
Less: Bond discount	(4,127)		(482)		(3,645)	
Total	$ 11,653,292	508	1,145,617	-	$ 10,508,183	$ 1,155,000

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

LONG TERM DEBT - COMPONENT UNITS

Delta Health System

A summary of long-term debt, including lease obligations at September 30, 2023, is as follows:

Description and Purpose	Amount Outstanding	Interest Rate	Final Maturity Date
Hospital Revenue and Limited Obligation Refunding Bonds - Series 2019	$ 12,140,000	4.25	09-36
Lease obligations - equipment, building, and land	1,869,784	5.00-7.00	2030-2033
Subscription obligations	1,237,512	5.00-7.00	2027
	15,247,296		
Less current portion of long-term debt	1,702,808		
Long-term debt, excluding current portion	$ 13,544,488		

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

	Revenue Bonds		Lease Obligations		Subscription Obligations	
Year Ending Sept. 30,	Principal	Interest	Principal & Interest		Principal & Interest	
2024	$ 715,000	$ 637,732	$ 521,545	$ 62,847	$ 466,263	$ 38,985
2025	745,000	593,025	526,455	42,518	407,778	22,551
2026	780,000	546,433	325,127	24,339	358,326	6,670
2027	810,000	497,930	159,948	16,157	5,145	16
2028	845,000	447,280	114,674	10,954		
2029-2033	4,820,000	1,564,498	222,035	8,284		
2034-2038	3,425,000	485,350				
	$ 12,140,000	$ 4,772,248	$ 1,869,784	$ 165,099	$ 1,237,512	$ 68,222

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

	Balance Oct. 1, 2022	Additions	Reductions	Adjustments	Balance Sept. 30, 2023	Amount due within one year
Hospital Revenue and Limited Obligation Bonds - Series 2019	$ 12,825,000		685,000		$12,140,000	$ 715,000
Note payable	2,588,110		2,588,110		-	
Lease obligations	8,328,477		6,417,116	(41,577)	1,869,784	521,545
Subscription obligations	406,396	1,051,810	220,694		1,237,512	466,263
Total	$ 24,147,983	1,051,810	9,910,920	(41,577)	15,247,296	$ 1,702,808

Estimated Amounts Due to Third Party Payors

The Health System received approximately $14,333,000 from these accelerated Medicare payment requests during 2020, and these amounts are recorded in estimated amounts due to third-party payers in the accompanying balance sheets. These are not current income but rather are advanced payments that cannot be recognized as revenue until services in the future are provided. As of September 30, 2023, there was approximately $2,021,799 remaining to be recouped from Medicare.

Greenville Port Commission

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

	Balance Oct. 1, 2022	Additions	Reductions	Adjustments	Balance Sept. 30, 2023
Compensated absences	$ 63,580	7,611			$ 71,191
Total	$ 63,580	7,611	-	-	$ 71,191

Washington County Library System

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

	Balance Oct. 1, 2022	Additions	Reductions	Adjustments	Balance Sept. 30, 2023
Compensated absences	$ 32,818	4,021			$ 36,839
Total	$ 32,818	4,021	-	-	$ 36,839

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (OPEB).

Washington County

Plan Description

The Washington County Board of Supervisors administers the County's health insurance plan which is authorized by Section 25-15-101 et seq., Mississippi Code Ann. (1972). The County's health insurance plan may be amended by the Washington County Board of Supervisors. The County is self-insured through the Mississippi Public Entity Employee Benefit Trust (the Plan), with reinsurance purchased from a commercial carrier that is effective for claims in excess of $55,000. 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. Effective October 1, 2017, the County implemented GASB Statement 75, which requires reporting on an accrual basis the liability associated with other postemployment benefits as well as any related deferred outflows and inflows. The County does not issue a publicly available financial report of the Plan.

Funding Policy

The benefits of the Washington County, Mississippi Post-Employment Benefits Other Than Pensions are funded on a pay-as-you-go basis. The County funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide for postretirement benefits. 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. Per Section 25-15-103, Mississippi Code Ann. (1972), any retired employee 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 range from $185 to $678 depending on dependent coverage and Medicare eligibility.

Employees covered by benefit terms. At September 30, 2023, the following employees were covered by the benefit terms:

Participant Data	Number
Actives (electing medical)	288
Actives Spouses (electing medical)	48
Retirees (electing medical)	19
Retiree Spouses (electing medical)	10
Total	365

Changes in Net OPEB Liability

The County's net OPEB liability of $25,716,016 was measured as of September 30, 2023, and was determined by an actuarial valuation date of October 1, 2022.

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Net Position (b)**	**Net OPEB Liability (a) - (b)**
Balances at 09/30/2022	$ 21,714,766	$ -	$ 21,714,766
Changes for the Year:			
Service cost	2,240,176	-	2,240,176
Interest	1,124,334	-	1,124,334
Benefit changes	-	-	-
Experience losses (gains)	(2,722,453)	-	(2,722,453)
Changes in assumptions	3,743,196		3,743,196
Contributions-Employer	-	384,003	(384,003)
Benefits paid	(384,003)	(384,003)	-
Net Changes	4,001,250	-	4,001,250
Balances at 09/30/2023	$ 25,716,016	$ -	$ 25,716,016

Actuarial Assumptions and Other Inputs

The net OPEB liability in the September 30, 2023, valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases	3.00% per annum.
Discount Rate	4.06% per annum
Healthcare cost trend rates	7.00% graded uniformly to 5.60% over 3 years, afterwards, trend is set to follow the Getzen Model to an ultimate rate of 4.04% in 2075.

Changes in Assumptions

The following changes were made to the actuarial assumptions and methods effective September 30, 2023.

1. The discount rate is 4.06% based on the S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2023, compared to the prior discount rate of 4.77%.

2. The medical trend was updated to 7.00% and decreasing uniformly to 5.6% over three years, then set to follow the Getzen model to an ultimate rate of 4.04% in 2075.

Sensitivity of the OPEB liability to changes in the medical trend rate.

The following represents the OPEB liability of the County calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the assumed trend rate:

		Healthcare Cost Trend Rates		
		1% Decrease	Current	1% Increase
Net OPEB liability September 30, 2023	$	21,295,236	25,716,016	31,489,926

Sensitivity of the OPEB liability to changes in the discount rate.

The following represents the net OPEB liability of the County calculated using the stated discount rate, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

		1% Decrease	Current Rate	1% Increase
		3.06%	4.06%	5.06%
Net OPEB liability September 30, 2023	$	31,140,550	25,716,016	21,490,147

<u>OPEB Expense and Deferred Outflows/Deferred Inflows of Resources Related to OPEB</u>

For the year ended September 30, 2023, the County recognized OPEB expense of $2,981,131. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience losses (gains)	$ 469,761	$ 2,474,957
Changes of assumptions	3,402,906	4,755,332
	$ 3,872,667	$ 7,230,289

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

Deferred Outflows/Deferred Inflow Aging:		
Year ending September 30:		Amount
2024	$	(383,379)
2025		(383,379)
2026		(383,379)
2027		(383,379)
2028		(383,379)
Thereafter		(1,440,727)
Total	$	(3,357,622)

Component Unit - Washington County Library System

General Information about the OPEB Plan.

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

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

Contributions. The Board has the sole authority for setting life and health insurance premiums for the Plan. The required premiums vary based on the plan selected and the type of participant. Employers pay no premiums for retirees while employees' premiums are funded primarily by their employer. Contributions to the OPEB plan from the Library were $2,983 for the year ended June 30, 2023.

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

At September 30, 2023, the System reported a liability of $61,917 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The basis for the System's proportion is determined by comparing the employer's average monthly employees participating in the Plan with the total average employees participating in the Plan in the fiscal year of all employers. The allocation was utilized because the level of premiums contributed by each employer is the same for any employee regardless of plan participation elections made by the employee. At the measurement date of June 30, 2023, the System's proportion was 0.0111889 percent. This was a decrease of 0.00087319 percent from the proportionate share as of the measurement date of June 30, 2022.

For the year ended September 30, 2023, the System recognized OPEB expense of $5,698. At September 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,149	$ 17,481
Net difference between projected and actual earnings on OPEB plan investments	4	
Changes of assumptions	5,531	4,658
Changes in the proportion and differences between actual contributions and proportionate share contributions	3,773	7,172
Contributions subsequent to the measurement date	684	
	$ 20,141	$ 29,311

The $684 reported as deferred outflows of resources related to OPEB resulting from System contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Deferred Outflows/Deferred Inflow Aging:	
Year ending September 30:	Amount
2024	$ (3,654)
2025	(3,644)
2026	(1,850)
2027	(1,019)
2028	26
Thereafter	287
Total	$ (9,854)

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

Actuarial valuation Date June 30, 2023

Measurement Date	June 30, 2023
Experience Study Date	April 21, 2023
Inflation	2.40%
Salary increases, including wage inflation	2.65%-17.90%
Long-term expected rate of return	4.50%
Discount Rate	3.66%
Projected Cash Flows	NA
Retiree Healthcare Participation	50%
Health Care Cost Trends Rates	6.50% for 2024 decreasing to 4.50% by 2029

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision, as actual results are compared to past expectations and new estimates are made about the future.

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 demographic actuarial assumptions used in the June 30, 2023, valuation was based on the results of the last actuarial experience study dated April 21, 2023.

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

The long-term investment rate of return, net of OPEB Plan investment expense, including inflation was 4.50%.

Discount Rate. The discount rate used to measure the total OPEB liability at June 30, 2023, was based on an average of the Bond Buyer General Obligation 20-year Municipal Bond Index Rates during the month of June published at the end of each week by the Bond Buyer.

The trust was established on June 28, 2018, with an initial contribution of $1,000,000. As of June 30, 2023, the trust has $1,067,750. The fiduciary net position is projected to be depleted immediately; therefore, the Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022, and the June 30, 2023 TOLs. The SEIR for 2022 is 3.37% and for 2023 is 3.66%.

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

		1% Decrease	Current Discount Rate	1% Increase
		2.66%	3.66%	4.66%
Net OPEB liability	$	67,820	61,917	56,798

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

		Healthcare Cost Trend Rates		
		1% Decrease	Current	1% Increase
Net OPEB liability	$	57,693	61,917	66,647

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position for June 30, 2023, is available in a separately issued report that can be found at: http://knowyourbenefits.dfa.ms.gov/.

NOTE 12 - DEFINED BENEFIT PENSION PLAN.

General Information about the Pension Plan

Plan Description. Washington 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.

Benefit Provided. Membership in PERS is a condition of employment granted upon hiring for qualified 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 of 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 the average compensation for each year of creditable service up to and including 30 years (25 years for those 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 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 was required to contribute 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 $2,273,085, $2,121,162, and $2,055,039, 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 $44,769,343 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. The County's proportionate share used to calculate the September 30, 2023, net pension liability was 0.178 percent, which was based on a measurement date of June 30, 2023. This was an increase of .004 percent from its proportionate share percentage 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 $5,987,802. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,117,229	$ -
Net difference between projected and actual earnings on pension plan investments	1,593,580	
Changes of assumptions	5,260,093	
Changes in the proportion and differences between the County's contributions and proportionate share of contributions	594,001	377,542
Contributions subsequent to the measurement date	549,739	
	$ 9,114,642	$ 377,542

The $549,739 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:

Deferred Outflows/Deferred Inflows Aging:	
Year ending September 30:	Amount
2024	$ 2,962,350
2025	1,865,207
2026	3,346,493
2027	13,311
Total	$ 8,187,361

Actuarial Assumptions. The total pension liability as of June 30, 2023 was determined by an actuarial valuation prepared as of 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 percentage	2.40%
Salary increases, including inflation	2.65% - 17.90%
Investment rate of return net of pension plan investment expense, including inflation	7.00%

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of 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 four-year period from 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%
	100.00%	

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 of (9.00%) 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:

		1% Decrease	Current	1% Increase
		6.00%	7.00%	8.00%
County's proportionate share of the net pension liability	$	57,731,212	44,769,343	34,132,702

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

DEFINED BENEFIT PENSION PLAN - COMPONENT UNITS

Greenville Port Commission

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

Contributions. The Port Commission contributions (employer share only) to PERS for the years ending September 30, 2023, 2022 and 2021 were $110,141, $92,035, and $87,264, 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 Port Commission reported a liability of $2,047,317 for its proportionate share of the net pension liability. At June 30, 2023, the Port's proportion was 0.00814 percent, which was an increase of 0.00039 percent from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the Port Commission recognized pension expense of $316,585. At September 30, 2023, the Commission 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	$ 50,559	$ -
Net difference between projected and actual earnings on pension plan investments	84,274	
Changes of assumptions	225,249	
Changes in the proportion and differences between actual contributions and proportionate share contributions	93,194	5,054
Contributions subsequent to the measurement date	28,021	
	$ 481,297	$ 5,054

The $28,021 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows/Deferred Inflow Aging:	
Year ending September 30:	Amount
2024	$ 168,835
2025	120,954
2026	157,826
2027	607
Total	$ 448,222

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

	1% Decrease	Current	1% Increase
	6.00%	7.00%	8.00%
Proportionate share of the net pension liability	$ 2,640,068	2,047,317	1,560,900

Washington County Library System

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

Contributions. The System's contributions (employer share only) to PERS for the years ending September 30, 2023, 2022, and 2021 were $73,458, $71,867, and $67,986, respectively, equal to the required contributions for each year.

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

At September 30, 2023, the System reported a liability of $1,425,853 for its proportionate share of the net pension liability. At June 30, 2023, the System's proportion was 0.00567 percent, which was a decrease of 0.0001 percent from its proportion measured as of June 30, 2023.

For the year ended September 30, 2023, the System recognized pension expense of $176,826. At September 30, 2023, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 35,964	$ -
Net difference between projected and actual earnings on pension plan investments	54,575	
Changes of assumptions	168,109	
Changes in the proportion and differences between actual contributions and proportionate share contributions	26,454	30,789
Contributions subsequent to the measurement date	18,251	
	$ 303,353	$ 30,789

The $18,251 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows/Deferred Inflow Aging:	
Year ending September 30:	Amount
2024	$ 108,194
2025	45,940
2026	99,755
2027	424
Total	$ 254,313

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

	1% Decrease 6.00%	Current 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	$ 1,837,669	1,425,853	1,086,494

Delta Health System

The Health System contributes to the Delta Health System Pension Plan (the "Plan"), a single employer defined benefit pension plan covering substantially all employees.

Plan Description. The Plan is administered by a Board of Trustees. Benefit provisions are contained in the Plan Document and were established and can be amended by action of the Health System's Board of Trustees. The Plan benefits were effectively frozen by amendment to the plan on February 1, 2009. The Plan does not issue a separate report that includes financial statements and required supplementary information for the Plan.

Benefits Provided. The Plan provides retirement and death benefits to plan members and their beneficiaries who are vested and retire at or after age 65 or those who retire at age 55 with at least 5 years of creditable service are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 1.10 percent of their average monthly earnings. Average compensation is the average of the employee's earnings for the highest 60 consecutive calendar months preceding retirement or termination, limited as required by internal revenue code section 401(a)(17). A member may elect a reduced retirement benefit at age 55 with at least 5 years of consecutive service. Benefits vest upon completion of 5 years of continuous service.

Summary of Participant Data

Employees Covered by the Plan at June 30, 2023	Number of
Active Employees	172
Inactive employees entitled to but not yet receiving benefits	435
Inactive employees or beneficiaries currently receiving benefits	396
Total	1,003

Contributions. The Health System's Board of Trustees has the authority to establish and amend the contribution requirements of the Health System and active employees. The Board of Trustees establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Health System is required to contribute amounts necessary to fund the Plan at an actuarially determined rate. For the years ended September 30, 2023, and 2022, the Health System contributed $1,950,000 and $1,800,000, respectively, to the Plan.

Net Pension Liability

The Health System's net pension liability was measured as of June 30, 2023, for the year ended September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2023. The July 1, 2023, valuation was rolled backward to June 30, 2023.

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.00%
Salary increases	5.00%
Ad hoc cost-of-living adjustments	None
Investment rate of return	6.50%, net of interest expense

For 2023, mortality rates were based on Pub-2010 General Mortality tables for employees, healthy retirees, contingent annuitants, and disabled retirees with MP 2021 Project Scale (generational, converging to 0.75% in 2036).

The Health System has not had a formal actuarial experience study performed.

The long-term expected rate of return on pension plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

The target allocation and best estimates of 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
US Cash	9.58%	0.55%
US Core Fixed Income	29.77%	2.07%
US Large Caps	44.84%	5.16%
Global Equity	14.57%	6.02%
US REITs	1.24%	6.79%
	100.00%	

Discount Rate. The discount rate used to measure the total pension liability was 6.50 percent for the year ended September 30, 2023. The projection of cash flows used to determine the discount rate assumed that the Health System's contributions will be made at rates equal to actuarially determined contribution rates. 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 active and inactive employees. 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.

Changes in the total pension liability, plan fiduciary net position and the net pension liability for the year ended September 30, 2023, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of July 1, 2022	$ 30,464,363	$ 22,684,388	$ 7,779,975
Changes for the year:			
Service Cost	-	-	-
Interest	1,921,801	-	1,921,801
Differences between expected and actual experience	(340,888)	-	(340,888)
Change in assumptions	-		-
Benefit payments	(1,825,131)	(1,825,131)	-
Employer contributions	-	1,950,000	(1,950,000)
Net investment income	-	2,276,108	(2,276,108)
Net changes	(244,218)	2,400,977	(2,645,195)
Balance as of June 30, 2023	$ 30,220,145	$ 25,085,365	$ 5,134,780

Sensitivity Analysis. The following presents the net pension liability of the Health System as of September 30, 2023, calculated using the discount rate of 6.50 percent. The following presents the net pension liability using a discount rate that is 1 percentage point lower (5.50 percent) or 1 percentage point higher (7.50%) than the current rate.

	1% Decrease	Current	1% Increase
	5.50%	6.50%	7.50%
Net pension liabilty	$ 8,558,317	$ 5,134,780	$ 2,268,747

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended September 30, 2023, the Health System recognized pension expense of $132,122. At September 30, 2023, the Health System reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 78,666
Changes of assumptions		
Net difference between projected and actual earnings on pension plan investments	497,142	
Contributions made subsequent to measurement date	467,000	
Total	$ 964,142	$ 78,666

At September 30, 2023, the Health System reported $467,000 as deferred outflows of resources related to the pension resulting from the Health System's contributions subsequent to the measurement date and prior to year-end that will be recognized as a reduction of the net pension liability at September 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related at September 30, 2023, related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2024	$ 5,142
2025	539
2026	572,318
2027	(159,523)
Total	$ 418,476

NOTE 13 - CONTINGENCIES.

Federal Grants - The County has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the County. 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.

Hospital Revenue and Limited Obligation Debt Contingencies – On July 31, 2019, the County issued Hospital Revenue and Limited Obligation Refunding Bonds, Series 2019 (Revenue Bonds) in the amount of $14,710,000, bearing interest at 4.25%, to provide partial funds for the advance refunding of the outstanding FHA-insured Mortgage Revenue Bonds, Series 2007 with an outstanding amount of approximately $26,615,000. Revenue bonds are reported as a liability of the hospital because such debt is payable primarily from the hospital's pledged revenues. However, the County remains contingently liable for the retirement of these bonds because the full faith, credit and taxing power of the County is secondarily pledged in case of default by the hospital. The principal amount of Hospital Revenue and Limited Obligation debt outstanding at September 30, 2023, is as follows:

Description	Amount
Hospital Revenue and Limited Obligation Refunding Bonds, Series 2019	$ 12,140,000

NOTE 14 - NO COMMITMENT DEBT (NOT INCLUDED IN FINANCIAL STATEMENTS).

No commitment debt is repaid only by the entities for which that debt was issued and includes debt that either bears the County's name or for which a moral responsibility may exist that is not an enforceable promise to pay. No commitment debt explicitly states that the absence of obligation of the County other than possibly an agreement to assist creditors in exercising their rights in the event of default. Because a default may adversely affect the County's own ability to borrow, the principal amount of such debt outstanding at year end is disclosed as follows:

Description	Balance Sept. 30, 2023
Urban renewal notes	$ 3,965,000
Total	$ 3,965,000

NOTE 15 - EFFECT OF DEFERRED AMOUNTS ON NET POSITION.

Washington County

The governmental activities' unrestricted net position deficit amount of $(42,484,051) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflow of resources related to pension in the amount of $467,278 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 $7,280,169 balance of the deferred outflow of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next 4 years. The $320,910 balance of the deferred inflow of resources related to pension at September 30, 2023, will be recognized in pension expense over the next 3 years.

The governmental activities' unrestricted net position deficit amount of $(42,484,051) includes the effect of deferred inflows/outflows of resources related to other post-employment benefits (OPEB). The $3,291,767 balance of the deferred outflow of resources related to OPEB at September 30, 2023, will be recognized in OPEB expense over the next 11 years. The $6,145,746 balance of the deferred inflow of resources related to OPEB at September 30, 2023, will be recognized in OPEB expense over the next 11 years.

The business-type activities' net investment in capital assets amount of $2,064,246 includes the effect of deferring the recognition of expenses resulting from an advance refunding of County debt. The $636,236 balance of deferred outflows of resources related to debt refunding at September 30, 2023, will be recognized as an expense and will decrease the net investment in capital assets over the next 8 years.

The business-type activities' unrestricted net position deficit amount of $(11,501,127) includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflow of resources related to pension in the amount of $82,461 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 $1,284,734 balance of the deferred outflow of resources related to pensions at September 30, 2023, will be recognized in pension expense over the next 4 years. The $56,632 balance of the deferred inflow of resources related to pension at September 30, 2023, will be recognized in pension expense over the next 3 years.

The business-type activities' unrestricted net position deficit amount of $(11,501,127) includes the effect of deferred inflows/outflows of resources related to other post-employment benefits (OPEB). The $580,900 balance of the deferred outflow of resources related to OPEB at September 30, 2023, will be recognized in OPEB expense over the next 11 years. The $1,084,543 balance of the deferred inflow of resources related to OPEB at September 30, 2023, will be recognized in OPEB expense over the next 11 years.

COMPONENT UNITS

Delta Health System

The unrestricted net position amount of $479,857 includes the effect of deferred outflows of resources related to the acquisition of physician clinics. The $1,068,288 balance of the deferred outflow of resources related to the acquisition of physician clinics at September 30, 2023, will be recognized in expense over the next 2 years.

Greenville Port Commission

The unrestricted net position amount of $616,916 includes the effect of deferring the recognition of revenue resulting from a deferred inflow from leases. The $192,633 balance of deferred inflow of resources related to leases at September 30, 2023 will be recognized as revenue and will increase the unrestricted net position over the next 6 years.

Washington County Library System

The unrestricted net position amount of $(632,047) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from OPEB. A portion of the deferred outflow of resources related to OPEB in the amount of $684 resulting from the System's contribution subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2024.The $19,456 balance of deferred outflow of resources related to OPEB, at September 30, 2023 will be recognized as an expense and will decrease the unrestricted net position over the next 6 years.

The unrestricted net position amount of $(632,047) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from OPEB. The $29,311 balance of deferred inflow of resources at September 30, 2023 will be recognized as a revenue and will increase the unrestricted net position over the next 6 years.

NOTE 16 -JOINTLY GOVERNED ORGANIZATIONS.

The County participates in the following jointly governed organizations:

Mississippi Delta Community College operates in a district composed of the Counties of Bolivar, Coahoma, Humphreys, Issaquena, Leflore, Sharkey, Sunflower, and Washington. The Washington County Board of Supervisors appoints two of the 20 members of the College Board of Trustees. The County levied 4.0 mils for the college for maintenance, improvement, and enlargement in the fiscal year 2023.

The South Delta Planning and Development District operates in a district composed of the Counties of Bolivar, Humphreys, Issaquena, Sharkey, Sunflower, and Washington. The Washington County Board of Supervisors appoints five of the 22 members of the board of trustees. The County appropriated $25,569 to the organization in the fiscal year 2023.

NOTE 17 - TAX ABATEMENT

Governmental Accounting Standards Board (GASB) Statement 77, *Tax Abatement Disclosures,* requires governmental entities to disclose the reduction in tax revenues resulting from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The Washington County Board of Supervisors negotiates property tax abatements on an individual or entity basis with varying abatement periods. These abatements contribute to the economic development and citizenry of the County. The County had tax abatement agreements with ten entities as of September 30, 2023.

The County had abatements under the following statute, which does not provide for the abatement of school or state tax levies: 27-31-105, Miss. Code (Ann.) 1972. All allowable property tax levies:

	Fiscal Year 2023	
Category	% of Taxes Abated	Ad ValoremTaxes Abated
Warehouses or manufacturing/operating facilities-real property	100.00%	$ 145,028
Additions, expansions or equipment replacment-personal property	100.00%	643,547
Total ad valorem tax abated		$ 788,575

The companies were not required to comply with any special provisions in order to receive the abatements and the County made no commitments as part of the agreements other than to reduce taxes.

NOTE 18 - SUBSEQUENT EVENTS.

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of Washington County evaluated the activity of the County through December 27, 2024 (the date the financial statements were available to be issued) and determined that the following subsequent events have occurred requiring disclosure in the notes to the financial statements.

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

Issue Date	Interest Rate	Issue Amount	Type of Financing	Source of Financing
3/18/2024	4.73%	$ 292,759	Promissory Note	Ad Valorem
4/17/2024	4.70%	$ 292,500	Financed Purchase	Ad Valorem
5/1/2024	4.70%	$ 281,800	Financed Purchase	Ad Valorem
6/14/2024	4.70%	$ 696,277	Promissory Note	Ad Valorem
9/6/2024	4.70%	$ 232,000	Promissory Note	Ad Valorem

WASHINGTON COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

WASHINGTON 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	$ 17,885,565	10,111,955	10,111,955	$ -
Licenses, commissions and other revenue	989,400	1,084,026	1,084,026	-
Fines and forfeitures	242,000	112,626	112,626	-
Charges for services	130,000	105,665	105,665	-
Intergovernmental revenues	3,754,083	3,967,982	3,967,982	-
Interest income	135,000	311,761	311,761	-
Miscellaneous revenues	1,327,833	1,320,115	1,320,115	-
Total Revenues	24,463,881	17,014,130	17,014,130	-
EXPENDITURES				
Current:				
General government	14,757,511	14,882,032	14,882,032	-
Public safety	7,538,242	6,784,346	6,784,346	-
Public works	-	667,849	667,849	-
Health and welfare	727,535	2,182,170	2,182,170	-
Culture and recreation	588,681	560,824	560,824	-
Conservation of natural resources	142,700	150,603	150,603	-
Economic development and assistance	487,521	489,107	489,107	-
Debt Service	171,300	183,635	183,635	-
Total Expenditures	24,413,490	25,900,566	25,900,566	-
Excess of Revenues over (under) Expenditures	50,391	(8,886,436)	(8,886,436)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	30,000	650,605	650,605	-
Transfers out	-	-	-	-
Total Other Financing Sources and Uses	30,000	650,605	650,605	-
Net Change in Fund Balance	80,391	(8,235,831)	(8,235,831)	-
Fund Balance - Beginning	(2,504,239)	16,390,495	16,390,495	-
Fund Balance - Ending	$ (2,423,848)	8,154,664	8,154,664	$ -

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

WASHINGTON COUNTY
BUDGETARY COMPARISON SCHEDULE- BUDGET AND ACTUAL (NON-GAAP BASIS)
HIGHWAY MAINTENANCE FUND
For the Year Ended September 30, 2023
UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	$ 2,352,198	2,428,717	2,428,717	$ -
Intergovernmental revenues	624,000	625,225	625,225	-
Miscellaneous revenues	492,000	515,534	515,534	-
Total Revenues	3,468,198	3,569,476	3,569,476	-
EXPENDITURES				
Public works	3,766,906	3,641,065	3,641,065	-
Debt service	240,000	244,546	244,546	-
Total Expenditures	4,006,906	3,885,611	3,885,611	-
Excess of Revenues over (under) Expenditures	(538,708)	(316,135)	(316,135)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-
Net Change in Fund Balance	(538,708)	(316,135)	(316,135)	-
Fund Balance - Beginning	(6,954,379)	539,736	539,736	-
Fund Balance - Ending	$ (7,493,087)	223,601	223,601	$ -

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

WASHINGTON COUNTY
BUDGETARY COMPARISON SCHEDULE- BUDGET AND ACTUAL (NON-GAAP BASIS)
BRIDGE & CULVERT FUND
For the Year Ended September 30, 2023
UNAUDITED

REVENUES	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Property taxes	$ 4,680,480	9,330,493	9,330,493	$ -
Total Revenues	4,680,480	9,330,493	9,330,493	-
EXPENDITURES				
Public works	5,711,481	6,313,973	6,313,973	-
Total Expenditures	5,711,481	6,313,973	6,313,973	-
Excess of Revenues over (under) Expenditures	(1,031,001)	3,016,520	3,016,520	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(355,414)	(355,414)	-
Total Other Financing Sources and Uses	-	(355,414)	(355,414)	-
Net Change in Fund Balance	(1,031,001)	2,661,106	2,661,106	-
Fund Balance - Beginning	(6,270,092)	532,009	532,009	-
Fund Balance - Ending	$ (7,301,093)	3,193,115	3,193,115	$ -

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

WASHINGTON COUNTY
BUDGETARY COMPARISON SCHEDULE- BUDGET AND ACTUAL (NON-GAAP BASIS)
AMERICAN RESCUE PLAN ACT FUND
For the Year Ended September 30, 2023
UNAUDITED

REVENUES	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Intergovernmenta revenues	$ -	-	-	$ -
Interest income	-	90,714	90,714	-
Total Revenues	-	90,714	90,714	-
EXPENDITURES				
General government	-	145,180	145,180	-
Public works	-	9,067	9,067	-
Health and Welfare	-	3,500,000	3,500,000	-
Total Expenditures	-	3,654,247	3,654,247	-
Excess of Revenues over (under) Expenditures	-	(3,563,533)	(3,563,533)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-
Net Change in Fund Balance	-	(3,563,533)	(3,563,533)	-
Fund Balance - Beginning	-	48,991	48,991	-
Fund Balance - Ending	$ -	(3,514,542)	(3,514,542)	$ -

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

WASHINGTON COUNTY
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*
September 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Changes for the Year:						
Service Cost	$ 2,240,176	2,138,185	1,694,641	1,634,492	1,576,478	1,520,523
Interest	1,124,334	988,636	873,618	793,004	715,682	642,851
Experience losses (gains)	(2,722,453)	-	626,349			
Changes of assumptions	3,743,196	-	(6,340,443)			
Benefit payments/refunds	(384,003)	(311,201)	(297,033)	(249,051)	(240,211)	(231,685)
Net Change in total OPEB liability	4,001,250	2,815,620	(3,442,868)	2,178,445	2,051,949	1,931,689
Total OPEB liability - beginning	21,714,766	18,899,146	22,342,014	20,163,569	18,111,620	16,179,931
Total OPEB liability - ending (a)	$ 25,716,016	21,714,766	18,899,146	22,342,014	20,163,569	18,111,620
Plan Fiduciary Net Position						
Contributions - employer	$ 384,003	311,201	297,033	249,051	240,211	231,685
Benefit payments/refunds	(384,003)	(311,201)	(297,033)	(249,051)	(240,211)	(231,685)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position - beginning	-	-	-	-	-	-
Plan Fiduciary Net Position - ending (b)	-	-	-	-	-	-
Net OPEB Liability - ending (a) - (b)	$ 25,716,016	21,714,766	18,899,146	22,342,014	20,163,569	18,111,620
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	$ 11,095,093	12,215,215	11,859,432	10,778,719	10,464,776	10,159,977
Net OPEB Liability as a percentage of covered-employee payroll	231.78%	177.77%	159.36%	207.28%	192.68%	178.26%

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

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

WASHINGTON COUNTY LIBRARY SYSTEM - A COMPONENT UNIT OF WASHINGTON COUNTY
SCHEDULE OF THE LIBRARY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS*
September 30, 2023

	2023	2022	2021	2020	2019	2018
Library's proportion of the net OPEB liability	0.01118890%	0.01206209%	0.01189382%	0.01118091%	0.01165146%	0.01204799%
Library's proportionate share of the OPEB liability	$ 61,917	$ 59,428	$ 76,558	$ 87,011	$ 98,867	$ 93,197
Library's covered-employee payroll	$ 419,981	$ 402,780	$ 391,967	$ 355,276	$ 396,203	$ 394,651
Library's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	14.74%	14.75%	19.53%	24.49%	24.95%	23.62%
Plan fiduciary net position as a percentage of the total OPEB liability	0.19%	0.21%	0.16%	0.13%	0.12%	0.13%

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

WASHINGTON COUNTY
SCHEDULE OF THE COUNTY'S AND COMPONENT UNIT OPEB CONTRIBUTIONS
LAST 10 FISCAL YEARS*
September 30, 2023

		2023	2022	2021	2020	2019	2018
WASHINGTON COUNTY							
Actuarially determined contribution	$	3,962,263	3,939,894	3,564,417	3,188,148	2,922,968	2,684,587
Contributions in relation to the actuarially determined contribution		384,003	311,201	297,033	249,051	240,211	231,685
Contribution deficiency (excess)	$	3,578,260	3,628,693	3,267,384	2,939,097	2,682,757	2,452,902
Covered employee payroll	$	11,095,093	12,215,215	11,859,432	10,778,719	10,464,776	10,159,977
Contributions as a percentage of covered employee payroll		3.46%	2.55%	2.50%	2.31%	2.30%	2.28%
COMPONENT UNIT - WASHINGTON COUNTY LIBRARY SYSTEM							
Actuarially determined contribution	$	2,983	2,422	3,076	3,470	3,963	4,030
Contributions in relation to the actuarially determined contribution		2,983	2,422	3,076	3,470	3,963	4,030
Contribution deficiency (excess)	$	-	-	-	-	-	-
Covered employee payroll	$	419,981	402,780	391,214	364,734	396,203	394,651
Contributions as a percentage of covered employee payroll		0.71%	0.60%	0.79%	0.95%	1.00%	1.02%

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

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

WASHINGTON COUNTY
SCHEDULE OF THE COUNTY'S AND COMPONENT UNIT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*
For the Year Ended September 30, 2023
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
WASHINGTON COUNTY										
County's proportion of the net pension liability (asset)	0.178%	0.174%	0.179%	0.179%	0.179%	0.172%	0.165%	0.167%	0.172%	0.172%
County's proportionate share of the net pension liability (asset)	$ 44,769,343	$ 35,815,526	$ 26,456,974	$ 34,652,315	$ 31,489,626	$ 28,608,709	$ 27,428,604	$ 29,830,369	$ 26,587,808	$ 20,877,651
County's covered payroll	$ 13,170,781	$ 13,249,773	$ 13,161,678	$ 13,166,823	$ 11,657,108	$ 10,965,025	$ 10,603,668	$ 10,675,319	$ 10,716,121	$ 10,254,113
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.91%	270.31%	201.02%	263.18%	270.13%	260.91%	258.67%	279.43%	248.11%	203.60%
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	67.21%
COMPONENT UNIT - GREENVILLE PORT COMMISSION										
Commission's proportion of the net pension liability (asset)	0.008140%	0.007747%	0.007425%	0.007506%	0.007148%	0.007159%	0.00747%	0.0070%	0.0080%	
Commission's proportionate share of the net pension liability (asset)	$ 2,047,317	$ 1,594,615	$ 1,097,447	$ 1,453,074	$ 1,257,474	$ 1,190,755	$ 1,241,768	$ 1,250,376	$ 1,236,642	
Commission's covered payroll	$ 528,937	$ 501,517	$ 493,680	$ 499,831	$ 465,512	$ 464,673	$ 479,486	$ 460,990	$ 498,616	
Commission's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	387.06%	317.96%	222.30%	290.71%	270.13%	256.26%	258.98%	271.24%	248.01%	
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%	
COMPONENT UNIT - WASHINGTON COUNTY LIBRARY										
Library's proportion of the net pension liability (asset)	0.0057%	0.0058%	0.0059%	0.0053%	0.0063%	0.0063%	0.0066%	0.0066%	0.0071%	0.0074%
Library's proportionate share of the net pension liability (asset)	$ 1,425,853	$ 1,202,908	$ 872,046	$ 1,026,022	$ 1,108,296	$ 1,047,878	$ 1,097,145	$ 1,178,924	$ 1,097,520	$ 898,225
Library's covered payroll	$ 419,981	$ 402,780	$ 391,967	$ 355,276	$ 408,914	$ 403,997	$ 422,662	$ 424,174	$ 442,174	$ 460,685
Library's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	339.50%	298.65%	222.48%	288.80%	271.03%	259.38%	259.58%	277.93%	248.21%	194.98%
Plan fiduciary net position as a percentage of the total pension liability	55.70%	59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	67.21%

* The amounts presented for each fiscal year were determined as of the twelve months ended at the measurement date of June 30 of the fiscal years 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 and Component Units have 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.

DELTA HEALTH SYSTEM – A COMPONENT UNIT OF WASHINGTON COUNTY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Year Ended September 30, 2023
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service cost	$ -	$ -	$ -	$ -	$ -	$ 42,046	$ 56,525	$ 441,695	490,706
Interest on total pension liability	1,921,801	1,927,178	1,830,401	1,810,992	1,777,663	1,789,547	1,751,794	1,598,830	1,547,795
Changes in assumptions	-	122,211	1,178,573	-	-	-	-	-	0
Differences between expected & actual experience	(340,888)	(301,492)	248,322	154,091	303,214	(572,890)	1,782,929	(194,015)	(95,165)
Benefit payments	(1,825,131)	(1,835,943)	(1,702,992)	(1,631,113)	(1,507,059)	(1,295,266)	(1,133,330)	(1,038,177)	(983,322)
Net change in total pension liability	(244,218)	(88,046)	1,554,304	333,970	573,818	(36,563)	2,457,918	808,333	960,014
Total pension liability, beginning	30,464,363	30,552,409	28,998,105	28,664,135	28,090,317	28,126,880	25,668,962	24,860,629	23,900,615
Total pension liability, ending (a)	30,220,145	30,464,363	30,552,409	28,998,105	28,664,135	28,090,317	28,126,880	25,668,962	24,860,629
Plan Fiduciary Net Position									
Employer contributions	1,950,000	1,800,000	1,382,000	1,232,000	1,344,000	1,002,664	1,083,329	1,338,128	838,590
Net investment income	2,276,108	(2,050,288)	4,206,182	896,136	1,592,274	992,263	1,428,854	752,788	429,704
Benefit payments	(1,825,131)	(1,835,943)	(1,702,992)	(1,631,113)	(1,507,059)	(1,295,266)	(1,133,330)	(1,038,177)	(983,322)
Administrative expenses	-	-	-	-	-	-	-	(27,241)	(28,627)
Net change in fiduciary net position	2,400,977	(2,086,231)	3,885,190	497,023	1,429,215	699,661	1,378,853	1,025,498	256,345
Fiduciary net position, beginning	22,684,388	24,770,619	20,885,429	20,388,406	18,959,191	18,259,530	16,880,677	15,855,179	15,598,834
Fiduciary net position, ending (b)	25,085,365	22,684,388	24,770,619	20,885,429	20,388,406	18,959,191	18,259,530	16,880,677	15,855,179
Net pension liability, ending (a) - (b)	$ 5,134,780	$ 7,779,975	$ 5,781,790	$ 8,112,676	$ 8,275,729	$ 9,131,126	$ 9,867,350	$ 8,788,285	$ 9,005,450
Fiduciary net position as a percentage of the total pension liability	83.01%	74.46%	81.08%	72.02%	71.13%	67.49%	64.92%	65.76%	63.78%
Covered payroll	$ 12,640,000	$ 13,952,000	$ 15,860,000	$ 15,329,000	$ 15,597,000	$ 15,873,000	$ 18,481,000	$ 20,365,000	$ 22,586,000
Net pension liability as a percentage of covered payroll	40.62%	55.76%	36.46%	52.92%	53.06%	57.53%	53.39%	43.15%	39.87%

Note to Schedule: This schedule is intended to show a 10-year trend and is presented on the measurement date of the net pension liability. Additional years will be reported as they become available.

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

WASHINGTON COUNTY
SCHEDULE OF THE COUNTY'S AND COMPONENT UNIT'S CONTRIBUTIONS
LAST 10 FISCAL YEARS*
For the Year Ended September 30, 2023
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015
WASHINGTON COUNTY									
Contractually required contribution	$ 2,273,085	$ 2,121,162	$ 2,055,039	$ 2,089,408	$ 1,924,580	$ 1,719,796	$ 1,692,615	$ 1,708,550	$ 1,694,754
Contributions in relation to the contractually required contribution	2,273,085	2,121,162	2,055,039	2,089,408	1,924,580	1,719,796	1,692,615	1,708,550	1,694,754
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
County's covered payroll	$ 13,063,733	$ 12,190,587	$ 11,810,574	$ 12,008,091	$ 11,897,387	$ 10,919,320	$ 10,746,762	$ 10,847,934	$ 10,760,346
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.18%	15.75%	15.75%	15.75%	15.75%
COMPONENT UNIT - GREENVILLE PORT COMMISSION									
Contractually required contribution	$ 110,141	$ 92,035	$ 87,264	$ 88,006	$ 76,812	$ 71,557	$ 73,186	$ 74,814	$ 79,665
Contributions in relation to the contractually required contribution	110,141	92,035	87,264	88,006	76,812	71,557	73,186	74,814	79,665
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Commission's covered payroll	$ 632,994	$ 528,937	$ 501,517	$ 505,778	$ 475,800	$ 454,330	$ 464,673	$ 475,010	$ 505,810
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.14%	15.75%	15.75%	15.75%	15.75%
COMPONENT UNIT - WASHINGTON COUNTY LIBRARY									
Contractually required contribution	$ 73,458	$ 71,867	$ 68,071	$ 64,464	$ 63,771	$ 62,157	$ 66,811	$ 66,047	$ 68,685
Contributions in relation to the contractually required contribution	73,458	71,867	68,071	64,464	63,771	62,157	66,811	66,047	68,685
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Library's covered payroll	$ 422,169	$ 413,026	$ 391,214	$ 370,483	$ 396,203	$ 394,651	$ 424,198	$ 419,347	$ 436,096
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	16.10%	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 and the Component Units have 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.

DELTA HEALTH SYSTEM – A COMPONENT UNIT OF WASHINGTON COUNTY
SCHEDULE OF THE HEALTH SYSTEM'S CONTRIBUTIONS
Years Ended September 30, 2023
UNAUDITED

Year Ended September 30	*Actuarially Determined Contribution	*Actual Employer Contribution	*Contribution Deficiency (Excess)	*Covered Payroll	*Contributions as a % of Covered Payroll
2023	$ 566,943	$ 1,950,000	$ (1,383,057)	$ 12,342,536	15.80%
2022	650,949	1,800,000	(1,149,051)	13,623,830	13.21%
2021	623,919	1,308,000	(684,081)	15,997,026	8.18%
2020	640,254	1,456,000	(815,746)	15,461,307	9.42%
2019	651,388	1,344,000	(692,612)	15,530,036	8.65%
2018	655,860	1,088,665	(432,805)	15,803,760	6.89%
2017	953,390	1,083,329	(129,939)	17,828,969	6.08%
2016	969,968	1,083,333	(113,365)	19,894,222	5.45%
2015	939,446	939,446	-	22,030,952	4.26%
2014	944,920	944,920	-	24,486,606	3.86%

*Certain of the contribution information in this schedule has been revised to reflect presentation of the information on a fiscal year basis as required by GASB 68.

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

Budgetary Comparison Schedule

A. Budgetary Information.

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

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

B. Basis of Presentation.

The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary (non-GAAP Basis) and variances between the final budget and the actual amounts. The schedule is presented for the General Fund and each major Special Revenue Fund. The Budget Comparison Schedule - Budget and Actual (Non-GAAP Basis) is a part of required supplementary information.

C. Budget/GAAP Reconciliation.

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

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

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

	General Fund	Highway Maintenance Fund	Bridge & Culvert Fund	American Rescue Plan Act Fund
Budget (Cash Basis)	$ (8,235,831)	(316,135)	$ 2,661,106	$ (3,563,533)
Increase (Decrease)				
Net adjustments for revenue accruals	(150,040)	(3,029)	48,832	3,698,957
Net adjustments for expenditure accruals	881,171	(15,737)	222,385	(44,710)
GAAP Basis	$ (7,504,700)	(334,901)	$ 2,932,323	$ 90,714

OPEB Schedules – Washington County

A. Changes of assumptions.

The following changes were made to the actuarial assumptions and methods effective September 30, 2023.

1. The discount rate is 4.06% based on the S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2023, compared to the prior discount rate of 4.77%.

2. Mortality Rates:

Actives: PubG Healthy Headcount-weighted Mortality Tables with pre and post commencement rates and projected mortality improvement after year 2010 under Projection Scale MP-2021 (male and female scales).

Retiree: PubG Healthy Headcount-weighted Mortality Tables with pre and post commencement rates and projected mortality improvement after year 2010 under Projection Scale MP-2021 (male and female scales).

3. The medical trend was updated to 7.00% and decreasing uniformly to 5.60% over three years, then set to follow the Getzen model to an ultimate rate of 4.04% in 2075.

B. Changes in benefit provisions.

2023

None

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

The Actuarially Determined Contributions rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated as of the most recent Valuation Date. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule for the year ending September 30, 2023:

Actuarial cost method	Normal Cost
Amortization period	20 years
Discount rate	4.06 percent per annum
Salary increases	3.00 percent per annum
Health care cost trend rate:	
Medical	7.00 percent graded uniformly to 5.60 percent over 3 years afterwards, trend is set to follow the Getzen Model to ultimate rate
Stop loss	5.00 percent per annum
Administrative expenses	5.00 percent per annum

OPEB Schedules – Library System

A. Changes of assumptions.

2018

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

2019

The SEIR was changed from 3.89% for the prior Measurement Date to 3.50% for the current Measurement Date.

2020

The SEIR was changed from 3.50% for the prior Measurement Date to 2.19% for the current Measurement Date.

2021

The SEIR was changed from 2.19% for the prior Measurement Date to 2.13% for the current Measurement Date.

2022

The SEIR was changed from 2.13% for the prior Measurement Date to 3.37% for the current Measurement Date.

2023

The SEIR was changed from 3.37% for the prior Measurement Date to 3.66% for the current Measurement Date.

B. Changes in benefit provisions.

2018

None

2019

None

2020

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

2021

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

2022

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

2023

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

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

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

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	30 years, open
Asset valuation method	Market Value of Assets
Price Inflation	2.75 percent
Salary increase, including inflation	3.00 percent to 18.25 percent
Initial health care cost trend rates Medicare Supplement Claims – Pre Medicare	7.00 percent
Ultimate health care cost trend rates Medicare Supplement Claims – Pre Medicare	4.50 percent
Year of ultimate trend rates Medicare Supplement Claims – Pre Medicare	2029
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	3.37 percent

Pension Schedules

A. Changes of assumptions.

County, Port Commission, and Library System

2023

The investment rate of return assumption was changed from 7.55% to 7.00%.
The assumed load for administrative expenses was decreased from 0.28% to 0.26% of payroll.
Withdrawal rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
The percentage of participants assumed to receive a deferred benefit upon attaining the eligibility requirements for retirement was increased from 60% to 65%.
For married members, the number of years that a male is assumed to be older than his spouse was changed from 3 years to 2 years.
The assumed amount of unused sick leave at retirement was increased from 0.50 years to 0.55 years.
The assumed average number of years of military service that participants will have at retirement was decreased from 0.25 years to 0.20 years.

2021

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

For males, 95% of male rates up to age 60, 110% for ages 61 to 75, and 101% for ages above 77.
For females, 84% of the female rates up to age 72, 100% for ages above 76.

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

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

For males, 134% of male rates at all ages.
For females, 121% of female rates at all ages.
Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

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

For males, 97% of male rates at all ages.
For females, 110% of female rates at all ages.
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 the line of duty was decreased from 6% to 4%.

2019

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

For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119.
For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119.
Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

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

For males, 137% of male rates at all ages.
For females, 115% of female rates at all ages.
Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

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

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

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

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

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 assumption was reduced from 3.75% to 3.25%.

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 6.00% to 7.00%.

2016

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

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 reflect actual experience more closely.

Assumed rates of salary increase were adjusted to reflect actual and anticipated experience more closely.

The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

B. Changes in benefit provisions.

County, Port Commission, and Library System.

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. Methods and assumptions used in calculations of actuarially determined contributions.

County, Port Commission, and Library System.

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

Delta Health System

The following actuarial methods and assumptions were used to determine the Health System's most recent contribution rates:

Valuation date	July 1, 2023
Measurement date	June 30, 2023
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level percentage, closed periods
Amortization period	12 years
Amortization growth rate	5.00 percent
Asset valuation method:	
Smoothing record	3 years
Recognition method	Non-asymptotic
Corridor	80.00 to 120.00 percent
Inflation	3.00 percent
Salary increases, including inflation	5.00 percent
Investment rate of return	6.50 percent
Retirement age	65
Mortality	Pub-2010 General Mortality Tables for employees, healthy retirees, Contingent annuitants, and disabled retirees with MP-2021 Projection Scale (generational, converging to 0.75% in 2036)

WASHINGTON COUNTY

SUPPLEMENTARY INFORMATION

WASHINGTON 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	Federal Grantor/ Pass-through Entity Identifying Number		Federal Expenditures
U S. Department of Housing and Urban Development -				
Office of Community Planning and Development				
Passed through Mississippi Development Authority				
Community Development Block Grants/Entitlement Grants	14.228	1136-20-076-PF-01		$ 329,099
Total U.S. Department of Housing and Urban Development				**329,099**
U.S. Department of Justice				
Passed-through Mississippi Department of Health				
Crime victim assistance	16.575	SG-1272		79,931
Violence against women formula grant	16.588	SG-2351-1		40,900
Passed-through Mississippi Department of Public Safety				
Public Safety Partnership and Community Policing Grants	16.710	N/A		21,452
Edward Byrne memorial justice assistance grant	16.738	N/A		65,252
Total U. S. Department of Justice				**207,535**
U.S. Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	*	3,698,957
Total U.S. Department of the Treasury				**3,698,957**
U.S. Department of Health and Human Services				
Community Programs to Improve Minority Health Grant Program				
Community Programs to Improve Minority Health Grant Program	93.137	N/A		1,439,227
Total U.S. Department of Health and Human Services				**1,439,227**
U.S. Department of Homeland Security				
Passed-through Mississippi Emergency Management Agency				
Disaster grant - public assistance	97.036	N/A		49,321
Total U. S. Department of Homeland Security				**49,321**
Total Expenditures of Federal Awards				**$ 5,724,139**

*** Denotes Major Program**

WASHINGTON COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2023

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Washington 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 the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

B. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual 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 (if any) shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

C. Indirect Cost Rate

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

WASHINGTON COUNTY

OTHER INFORMATION

WASHINGTON COUNTY
SCHEDULE OF SURETY BONDS FOR COUNTY OFFICIALS
For the Year Ended September 30, 2023
UNAUDITED

Name	Position	Company	Amount
Lee Gordon	Supervisor District 1	Travelers Casualty & Surety	100,000
Tommy L. Benson, III	Supervisor District 2	Travelers Casualty & Surety	100,000
Carl McGee	Supervisor District 3	Travelers Casualty & Surety	100,000
Mala U. Brooks	Supervisor District 4	Western Surety	100,000
Jerry Redmond, Sr.	Supervisor District 5	Travelers Casualty & Surety	100,000
Chelesa Carter	County Administrator	Travelers Casualty & Surety	100,000
Marilyn Hansell	Chancery Clerk	Travelers Casualty & Surety	100,000
Barbara Esters-Parker	Circuit Clerk	Travelers Casualty & Surety	100,000
Milton M. Gaston, Sr.	Sheriff	Travelers Casualty & Surety	100,000
Patricia Ann Lee	Tax Collector	Western Surety	100,000
Patricia D. Hays	Deputy Tax Collector	Western Surety	50,000
Marketa D. Nash	Deputy Tax Collector	Western Surety	50,000
Katrina M. Voss	Deputy Tax Collector	Western Surety	50,000
Frederick Guidry	Deputy Tax Collector	Western Surety	50,000
Keevia Flakes	Deputy Tax Collector	Western Surety	50,000
Qadriyyah L. Franklin	Deputy Tax Collector	Western Surety	50,000
Jacqueline Miles	Deputy Tax Collector	Travelers Casualty & Surety	50,000
Raven Brown	Deputy Tax Collector	Western Surety	50,000
Roy Johnson	Deputy Tax Collector	Travelers Casualty & Surety	50,000
Timmea Fortune	Deputy Tax Collector	Travelers Casualty & Surety	50,000
Chelesa Carter	Purchase Clerk	Travelers Casualty & Surety	100,000
Shikaria Davis	Receiving Clerk	Travelers Casualty & Surety	75,000
Roderick Montgomery	Inventory Control Clerk	Travelers Casualty & Surety	75,000
Arthur Perry	Road Manager	Travelers Casualty & Surety	50,000
Mark K. Seard	Tax Assessor	Travelers Casualty & Surety	50,000
Monica Williams	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Lidia Haley	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Brittany McNair	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Alicia Hawkins	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Shelia Dobbins	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
William Pardon	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Larrence Williams	Deputy Tax Assessor	Travelers Casualty & Surety	50,000
Laverne Holmes	Justice Court Judge	Travelers Casualty & Surety	50,000
Cedric C. Bush	Justice Court Judge	Travelers Casualty & Surety	50,000
Laverne Simpson	Justice Court Judge	Travelers Casualty & Surety	50,000
Eloise H. Brooks	Justice Court Clerk	Travelers Casualty & Surety	50,000
Sharon D. Taliaferro	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Paulette Rhymes	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Anglyn Robinson	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Babette Larry	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Willie Ann Pilgrim	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Valerie Hadley	Deputy Justice Court Clerk	Travelers Casualty & Surety	50,000
Nathaniel Watkins, Jr.	Constable	Travelers Casualty & Surety	50,000
Lester Walker	Constable	Travelers Casualty & Surety	50,000
Malcolm Kent	Constable	Travelers Casualty & Surety	50,000

WASHINGTON COUNTY

SPECIAL REPORTS

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

Members of the Board of Supervisors
Washington 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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Mississippi, 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 December 27, 2024. We audited the financial statements of the Washington County Library System, a component unit, but our report includes a reference to other auditors who audited the financial statements of Delta Health System and the Greenville Port Commission, component units, as described in our report on the County's financial statements. This report does not include the results of our testing of internal control over financial reporting and on compliance and other matters of the Library System or the other auditor's testing of internal control over financial reporting compliance and other matters that are reported separately by those audits.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Washington County, Mississippi's internal control over financial reporting 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 the County'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.

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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 weakness 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 Washington County, Mississippi's financial statements are free of 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 Washington County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated December 27, 2024, included within this document.

Purpose of this Report

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

Bridgers, Goodman, Baird & Clarke, PLLC

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Certified Public Accountants
Vicksburg, Mississippi
December 27, 2024

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

Members of the Board of Supervisors
Washington County, Mississippi

<u>Report on Compliance for the Major Federal Program</u>

Opinion on the Major Federal Program

We have audited Washington 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 Washington County, Mississippi's major federal program for the year ended September 30, 2023. Washington 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, Washington 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 Washington 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 Washington County, Mississippi's compliance with the compliance requirements referred to above.

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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 Washington 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 Washington 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 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 Washington County, Mississippi's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS and *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 Washington 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 Washington 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 Washington 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 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 the 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.

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Vicksburg, Mississippi
December 27, 2024

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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
Washington County, Mississippi

We have examined Washington County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance *with Section 31-7-101 through 31-7-127, 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 Washington County, Mississippi is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements. The Board of Supervisors of Washington 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, Washington 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 when considered in relation to that examination.

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This report is intended for use in evaluating Washington County, Mississippi's compliance with the aforementioned requirements, and is not intended to be and should not be relied upon for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
December 27, 2024

WASHINGTON COUNTY **Schedule 1**

Schedule of Purchases Not Made From the Lowest Bidder

For the Year Ended September 30, 2023

Date	Item Purchased	Bid Accepted	Vendor	Lowest Bid	Reason for Accepting other than Lowest Bid
3/20/2023	2020 Van	$ 46,913.50	Gray Daniels Auto Family	$ 40,415.00	Newer vehicle with lower miles
9/5/2023	Plastic letters for convention center sign	$ 9,200.00	Manning Signs	$ 8,975.00	Due to past experience with Manning

WASHINGTON COUNTY **Schedule 2**

Schedule of Emergency Purchases

For the Year Ended September 30, 2023

Our test results did not identify any emergency purchases.

WASHINGTON COUNTY **Schedule 3**

Schedule of Purchases Made Noncompetitively From a Sole Source

For the Year Ended September 30, 2023

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

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LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Washington County, Mississippi

In planning and performing our audit of the financial statements of Washington County, Mississippi for the year ended September 30, 2023, we considered Washington 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 Washington 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 December 27, 2024, on the financial statements of Washington 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*, the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

The results of our review procedures and compliance tests identified certain immaterial instances of noncompliance with state laws and regulations that are opportunities for strengthening internal controls and operating efficiencies. Our findings, recommendations, and your responses are disclosed below:

Board of Supervisors

1. <u>All Supervisors must Inspect the Roads and Bridges and Attest to the Clerk of the Board for having done so.</u>

Repeat Finding Yes, 2020-2.; 2021-1.; 2022-1

Criteria *Section 65-7-117, Mississippi Code Annotated (1972)*, states that, "Each member of the board of supervisors shall inspect every road, bridge and ferry in each district at least annually, at times to be fixed by the board, and shall file with the clerk of the board a report, under oath, of the condition of the several roads, bridges and ferries inspected by him, with such recommendations as are needful, which reports shall be presented to the board of supervisors and kept on file for three (3) years."

Condition During the course of our testing we noted that the Board of Supervisors had inspected the roads and bridges but no certifications on the minutes or affidavits from the supervisors were filed to document that they had examined the roads and bridges annually.

Cause Annual inspections of the roads and bridges in the County have not been completed and/or attested to having been done.

Effect Failure to complete annual inspections of roads and bridges and to file an affidavit of said inspection can lead to failure to identify and to complete necessary improvements in a timely manner.

Recommendation The Board of Supervisors should ensure that they complete the requisite inspections of the roads and bridges in their jurisdiction and file an affidavit with the Clerk of the Board for inclusion in the minutes.

Response We will comply.

2. <u>Public Officials Should Ensure that all Sixteenth Section Leases for Central Maintenance Facilities are for a Term of no less than twenty-five (25) years.</u>

Repeat Finding Yes, 2020-3.; 2021-2.; 2022-2

Criteria *Section 65-7-91, Mississippi Code Annotated (1972)*, states that, "The board of supervisors may, for the benefit of the county, purchase, or lease real property upon which to establish facilities for the working of the public roads, and may erect on the real property barns, sheds, and other necessary buildings for the working of the public roads. However, only real property belonging to or under the control of the state or some other governmental entity may be leased at no more than fair market value by the county for such purposes and any such lease shall be for a term of not less than twenty-five (25) years."

Condition During the course of our audit, we noted that the sixteenth section lease with Western Line School District was for a term of five (5) years.

Cause The sixteenth section lease with the Western Line School District for use to place the County Maintenance Headquarters was executed for a term of five (5) years.

Effect Failure to execute a sixteenth section lease for a period of less than twenty-five years could result in noncompliance with the applicable statutes.

Recommendation	The Board of Supervisors should ensure that all sixteenth section leases are for the term prescribed by law.
Response	We will comply.

3.	<u>Public Officials and Employees should ensure compliance with state law over surety bonding requirements.</u>
Repeat Finding	Yes, 2019-2., 2020-5.; 2021-4.; 2022-4
Criteria	*Section 25-1-15, Mississippi Code Annotated (1972*), states, "A new bond in an amount not less than that required by law shall be secured upon employment and coverage shall continue by the securing of a new bond every four (4) years concurrent with the normal election cycle of the Governor or with the normal election cycle of the local government applicable to the employee."
Condition	During the course of our testing we noted the following instances of non-compliance: • One (1) deputy tax assessor was not bonded for the entire period • One (1) deputy tax assessor was not bonded • One (1) deputy tax collector was not bonded for the entire period • The receiving clerk was not bonded for the entire period • Two (2) assistant receiving clerks were not bonded for the entire period • Two (2) assistant receiving clerks were not bonded
Cause	Public Officials and the Board of Supervisors have insufficient control over the requirements for bonding officials and employees.
Effect	Failure to have a bond in place for a specific term could limit the amount available for recovery if a loss occurred over multiple terms, as well as the current terms.
Recommendation	We recommend the Board of Supervisors implement procedures to ensure that County officials' and employees' bonds meet the requirements of State Laws.
Response	We will comply.

Board of Supervisors, Sheriff, Circuit Clerk, Chancery Clerk, and Tax Collector

4.	<u>Public Officials Should Ensure Compliance with State Law over Depositories</u>
Repeat Finding	Yes, 2021-7.; 2022-6
Criteria	*Section 27-105-371, Mississippi Code Annotated (1972*), states, "All county officials who receive funds under the authority of their office shall deposit such funds into a county depository…."
Condition	During the course of our audit we noted that the County approved Guaranty Bank and Trust as the county depository, but we also noted that the following accounts were held at banks other than the approved county depository:

- Trustmark National Bank
    - Metcalfe District Account
- Planters Bank & Trust Company
    - Sheriff's Department Account
    - Sheriff's Department – Triad Account
    - Sheriff's Department – Special Account
    - Circuit Clerk Criminal Account
    - Circuit Clerk Civil Account
    - Circuit Clerk Clearing Account
    - WCRCF-Inmate Trust Fund Account
    - Three unidentified accounts
- CB&S Bank
    - Chancery Clerk – Clearing Account
    - Chancery Clerk – Fee Account
    - Washington County Chancery Court Account
    - Washington County Tax Collector-Operating Account
    - Washington County Tax Collector-Internet Account

Cause Public officials are maintaining public depositor accounts at institutions other than that approved by the Board as the county depository.

Effect Maintaining bank accounts at financial institutions other than the depository approved by the Board of Supervisors could result in the loss of public funds.

Recommendation We recommend that either the Board of Supervisors approves multiple institutions as the county's depositories or that public officials maintain all accounts at the depository approved by the Board.

Response We will comply.
Tax Collector: will comply with the audit finding on my behalf, Washington County Tax Collector

5. Controls over classifications should be strengthened

Repeat Finding No

Criteria Revenues and disbursements should be recorded in the proper accounts.

Condition During the course of our testing, we noted multiple instances in which revenues and disbursements were being coded to the improper accounts.

Cause Internal control is not being properly adhered to concerning the coding of revenues and expenditures within the chart of accounts.

Effect Revenues and expenditures were misclassified.

Recommendation We recommend controls be implemented to review financial information on a monthly basis to ensure proper classification.

Response We will comply.

6. <u>Public Officials should Ensure Compliance with State Law Regarding Quotes for Purchases over $5,000 but not over $75,000.</u>

Repeat Finding No

Criteria Section 31-7-13, Mississippi Code Annotated (1972) states, "All agencies and governing authorities shall purchase their commodities and printing; contract for garbage collection or disposal; contract for solid waste collection or disposal; contract for sewage collection or disposal; contract for public construction; and contract for rentals as herein provided.

(a) Bidding procedure for purchases not over $5,000.00. Purchases which do not involve an expenditure of more than Five Thousand Dollars ($5,000.00), exclusive of freight or shipping charges, may be made without advertising or otherwise requesting competitive bids. However, nothing contained in this paragraph (a) shall be construed to prohibit any agency or governing authority from establishing procedures which require competitive bids on purchases of Five Thousand Dollars ($5,000.00) or less."

Condition During the course of our audit, we noted the following instances of noncompliance:

- One (1) instance where a purchase for commodities was treated as an emergency with verbal authorization given for a purchase of greater then $5,000 without receiving quotes
- One (1) instance where the Board approved payment for a commodity after a trial use without properly receiving quotes

Cause The Board has failed to establish and maintain adequate internal controls to ensure compliance with the public purchasing laws requiring quotes for purchases greater than $5,000.

Effect The County is not in compliance with Public Purchasing Laws: Title 31, Chapter 7, and this could result in the loss or misappropriation of public funds.

Recommendation The Board should establish and maintain an adequate internal control system which would ensure that the County is in compliance with the Public Purchasing Laws: Title 31, Chapter 7.

Response We will comply.

Payroll Clerk

7. <u>Public Officials Should Ensure Compliance with State Law over Rehiring PERS Retirees.</u>

Repeat Finding Yes, 2020-9.; 2021-10.; 2022-7

Criteria *Section 25-11-127, Mississippi Code Annotated (1972)*, states, "No person who is being paid a retirement allowance or a pension after retirement under this article shall be employed or paid for any service by the State of Mississippi, including services as an employee, contract worker, contractual employee or independent contractor, until the retired person has been retired for not less than ninety (90) consecutive days from his or her effective date of retirement. After the person has been retired for not less than ninety (90) consecutive days from his or her effective date of retirement or such later date as established by the board, he or she may be reemployed while being paid a retirement allowance under the terms and conditions provided in this section….

4) The provisions of this section shall not be construed to prohibit any retiree, regardless of age, from being employed and drawing a retirement allowance either:

(a) For a period of time not to exceed one-half (½) of the normal working days for the position in any fiscal year during which the retiree will receive no more than one-half (½) of the salary in effect for the position at the time of employment, or

(b) For a period of time in any fiscal year sufficient in length to permit a retiree to earn not in excess of twenty-five percent (25%) of retiree's average compensation.

To determine the normal working days for a position under paragraph (a) of this subsection, the employer shall determine the required number of working days for the position on a full-time basis and the equivalent number of hours representing the full-time position. The retiree then may work up to one-half (½) of the required number of working days or up to one-half (½) of the equivalent number of hours and receive up to one-half (½) of the salary for the position. In the case of employment with multiple employers, the limitation shall equal one-half (½) of the number of days or hours for a single full-time position.

Notice shall be given in writing to the executive director, setting forth the facts upon which the employment is being made, and the notice shall be given within five (5) days from the date of employment and also from the date of termination of the employment. *[Note: This notice is provided on PERS Form 4B and must be executed annually and sent to PERS]*

(6) (a) A member may retire and continue in municipal or county elective office provided that the member has reached the age and/or service requirement that will not result in a prohibited in-service distribution as defined by the Internal Revenue Service, or a retiree may be elected to a municipal or county office, provided that the person:

(i) Files annually, in writing, in the office of the employer and the office of the executive director of the system before the person takes office or as soon as possible after retirement, a waiver of all salary or compensation and elects to receive in lieu of that salary or compensation a retirement allowance as provided in this section, in which event no salary or compensation shall thereafter be due or payable for those services; however, any such officer or employee may receive, in addition to the retirement allowance, office expense allowance, mileage or travel expense authorized by any statute of the State of Mississippi; or

(ii) Elects to receive compensation for that elective office in an amount not to exceed twenty-five percent (25%) of the retiree's average compensation. In order to receive compensation as allowed in this subparagraph, the retiree shall file annually, in writing, in the office of the employer and the office of the executive director of the system, an election to receive, in addition to a retirement allowance, compensation as allowed in this subparagraph. *[Note: This notice is provided on PERS Form 9C and must executed annually and sent to PERS]*

(b) The municipality or county in which the retired person holds elective office shall pay to the board the amount of the employer's contributions on the full amount of the regular compensation for the elective office that the retired person holds.

Condition During the course of our audit, we noted the following:

- Four (4) retired elected officials completed the wrong PERS form
- Two (2) individuals had forms executed for the incorrect PERS fiscal year
- Two (2) rehired elected officials earned over the amount allowed by PERS
- One (1) individual did not have a form on file; we were unable to draw a conclusion regarding the wages paid
- One (1) individual's wages were not reported to PERS as a retiree

Cause The County did not comply with *Section 25-11-127, Mississippi Code Annotated (1972)* in that it failed to ensure proper notice to PERS, proper execution of required documents, and proper monitoring of wages to ensure the PERS cap was not exceeded.

Effect The failure to comply with the reemployment conditions as reported on PERS Form 4B and 9C could jeopardize the provisions for reemployment.

Recommendation The County should timely and accurately file PERS Form 4Bs and 9Cs for all re-hired retirees and ensure that the statutory conditions for reemployment are met.

Response I will comply.

Chancery Clerk

8. Public officials Should Ensure that Land Redemption Settlements are made Timely.

Repeat Finding Yes, 2020-12.; 2021-14.; 2022-9.

Criteria *Section 27-45-1, Mississippi Code Annotated (1972)*, states that "the clerk shall make redemption settlements within twenty (20) days after the end of each month and shall make a complete report thereof to the board of supervisors. For a failure to report or to pay over the sums to the parties entitled thereto as herein required, he shall be liable on his official bond to a penalty of one percent (1%)

per month on the amount withheld. The chancery clerk shall also note each redemption on the public record of delinquent tax lands, on the day payment of taxes is made, with the date, name and the amount of redemption money paid."

Condition	During the course of our audit, we noted that redemption settlements were made after the 20th of the following month for all months chosen for testing.
Cause	The Chancery Clerk did not make redemption settlements by the 20th of the following month.
Effect	Failure to properly settle redemptions could result in the misappropriation of public funds and a violation of State Law.
Recommendation	The Chancery Clerk should ensure that redemption settlements are made by the 20th of the month following collection.
Response	**N**o response received.
9.	<u>The Chancer Clerk Should Ensure Compliance with State Law Regarding the Timely Deposit of Funds.</u>
Repeat Finding	No
Criteria	*Section 25-1-72, Mississippi Code Annotated (1972)*, states that, "All county officers who receive funds payable into the county treasury shall deposit such funds into the county depository on the day when they are collected or on the next business day thereafter."
Condition	During the course of our test work, we found that ten (10) out of ten (10) deposits tested were not made in a timely manner with some deposits being held as long as three (3) weeks prior to being deposited.
Cause	These delays are due to inadequate internal controls surrounding the statutory requirements for depositing of revenue collected in the Chancery Clerk's Office.
Effect	Inadequate controls surrounding the deposits of revenue collections could result in improper revenue recognition and noncompliance with statutory requirements. Failure to implement controls over cash could result in a delay in the timely reconciliation of bank accounts and settlement of funds.
Recommendation	The Clerk should ensure that the deposits are being made in a timely manner as prescribed by statute.
Response	**N**o response received.
10.	<u>The Chancery Clerk Should Ensure Compliance with State Law over Expenses Claimed.</u>
Repeat Finding	No

Criteria *Section 9-1-43(1), Mississippi Code Annotated (1972)* states, "(1) After making deductions for employer contributions paid by the chancery or circuit clerk to the Public Employees' Retirement System under *Sections 25-11-106.1 and 25-11-123(f)(4)*, employee salaries and related salary expenses, and expenses allowed as deductions by Schedule C of the Internal Revenue Code, no office of the chancery clerk or circuit clerk of any county in the state shall receive fees as compensation for the chancery clerk's or circuit clerk's services in excess of Ninety-nine Thousand five hundred Dollars ($99,500.00)."

Condition The Clerk did not maintain proper supporting documentation to support all expenses claimed.

Auditors were unable to obtain supporting documentation for office expenses claimed totaling **$86.93**.

Cause The Clerk did not maintain the necessary documentation to support that all expenses claimed were Schedule C deductions.

Effect Failure to maintain all necessary supporting documentation for expenses and claiming expenses that are not allowable could result in the loss or misappropriation of public funds.

Recommendation The Clerk should maintain support for all expenses claimed on the AFR.

Response **N**o response received.

Circuit Clerk

11. The Circuit Clerk Should Ensure Compliance with State Laws over Statutorily Imposed Limits on the Salaries Received for Various Duties.

Repeat Finding Yes, 2022-12.

Criteria *Section 25-7-13(3) Mississippi Code Annotated (1972),* states that, "On order of the court, clerks and deputies may be allowed five (5) extra days for attendance upon the court to get up records."

Condition During the course of our test work, we noted that the Circuit Clerk billed in excess of the maximum of five (5) days allowed for getting up records for court in the amount of **$15,525**.

Cause The Circuit Clerk billed for days preparing for court in excess of the statutorily allowed number of days.

Effect The Circuit Clerk was paid for days preparing for court in excess of the statutorily allowed amounts for services rendered.

Recommendation The Circuit Clerk should ensure that the days and amounts billed are in compliance with the applicable statutes.

Response I will comply and have made adjustments to assure we do not bill in excess of these statutory fees further.

Tax Collector

12. Public Officials should ensure compliance with statutorily established compensation requirements.

Repeat Finding Yes, 2022-14.

Criteria *Section 25-3-3 of the Mississippi Code Annotated (1972)* states that "(2) The salary of assessors and collectors of the various counties is fixed as full compensation for their services as county assessors or tax collectors, or both if the office of assessor has been combined with the office of tax collector. The annual salary of each assessor or tax collector, or both if the offices have been combined, shall be based upon the total assessed valuation of his respective county for the preceding taxable year in the following categories and for the following amounts:

(e) For counties having a total assessed valuation of at least Two Hundred Fifty Million Dollars ($250,000,000.00) but less than Five Hundred Million Dollars ($500,000,000.00), a salary of Fifty-eight Thousand Eight Hundred Dollars ($58,800.00) …."

Section 27-1-51 of the Mississippi Code Annotated (1972) further states that, "(6)(a) When any tax collector or deputy tax collector holds a valid certificate of educational recognition from the Education and Certification Board as established by Section 27-1-67 by attaining certification as a Collector of Revenue I (CR 1), he shall receive an additional Two Thousand Dollars ($2,000.00) annually beginning the next fiscal year after completion.

(b) When any tax collector or deputy tax collector holds a valid certificate of educational recognition from the Education and Certification Board as established by Section 27-1-67 by attaining certification as a Collector of Revenue II (CR 2), he shall receive an additional Two Thousand Dollars ($2,000.00) annually beginning the next fiscal year after completion…."

Section 25-3-3 of the Mississippi Code Annotated (1972) states that "(6) In addition to all other compensation paid to assessors and tax collectors, the board of supervisors of a county shall allow for such assessor or tax collector, or both, to be paid additional compensation when there is a contract between the county and one or more municipalities providing that the assessor or tax collector, or both, shall assess or collect taxes, or both, for the municipality or municipalities; and such assessor or tax collector, or both, shall be authorized to receive such additional compensation from the county and/or the municipality or municipalities in any amount allowed by the county and/or the municipality or municipalities for performing those services."

Condition During the course of our audit, we were unable to properly reconcile the compensation paid to the Tax Collector.

It appears that the Tax Collector was paid in excess of statutory limits by $3,990.

Cause The Tax Collector has not ensured that the compensation is determined according to statutory guidance.

Effect Failure to properly calculate statutorily determined compensation could result in an elected official being improperly paid.

Recommendation The Tax Collector should determine the proper calculation of the compensation and ensure that it is in compliance with state statutes.

Response I will comply with the Audit finding on my behalf, Washington County Tax Collector.

Tax Assessor

13. <u>Public Officials should ensure compliance with statutorily established compensation requirements.</u>

Repeat Finding Yes, 2022-15.

Criteria *Section 25-3-3 of the Mississippi Code Annotated (1972)* states that "(2) The salary of assessors and collectors of the various counties is fixed as full compensation for their services as county assessors or tax collectors, or both if the office of assessor has been combined with the office of tax collector. The annual salary of each assessor or tax collector, or both if the offices have been combined, shall be based upon the total assessed valuation of his respective county for the preceding taxable year in the following categories and for the following amounts:

(e) For counties having a total assessed valuation of at least Two Hundred Fifty Million Dollars ($250,000,000.00) but less than Five Hundred Million Dollars ($500,000,000.00), a salary of Fifty-eight Thousand Eight Hundred Dollars ($58,800.00) …."

Section 27-3-52 of the Mississippi Code Annotated (1972) further states that, (5) When any tax assessor and/or his deputies or assistants attend and successfully complete all qualifications pursuant to the Mississippi Education and Certification Program and receive the certification level of Track II, Evaluator I, they shall receive an additional Two Thousand Dollars ($2,000.00) annually beginning the next fiscal year after completion.

(6) When any tax assessor and/or his deputies or assistants attend and successfully complete all qualifications pursuant to the Mississippi Education and Certification Program and receive the certification level of Track II, Evaluator II, they shall receive an additional Two Thousand Dollars ($2,000.00) annually beginning the next fiscal year after completion."

Section 25-3-3 of the Mississippi Code Annotated (1972) states that, "(7) When any tax assessor holds a valid certificate of educational recognition from the Mississippi Cooperative Extension Service or is a licensed appraiser under Section 73-34-1 et seq., he shall receive an additional One Thousand Five Hundred Dollars ($1,500.00) annually beginning the next fiscal year after completion."

Section 25-3-3 of the Mississippi Code Annotated (1972) states that "(6) In addition to all other compensation paid to assessors and tax collectors, the board of supervisors of a county shall allow for such assessor or tax collector, or both, to be paid additional compensation when there is a contract between the county and one or more municipalities providing that the assessor or tax collector, or both, shall assess or collect taxes, or both, for the municipality or municipalities; and such assessor or tax collector, or both, shall be authorized to receive such additional compensation from the county and/or the municipality or municipalities in any amount allowed by the county and/or the municipality or municipalities for performing those services."

Condition During the course of our audit, we were unable to properly reconcile the compensation paid to the Tax Assessor.

It appears that the Tax Assessor was paid in excess of statutory limits by $6,065.04.

Cause The Tax Assessor has not ensured that the compensation is determined according to statutory guidance.

Effect Failure to properly calculate statutorily determined compensation could result in an elected official being improperly paid.

Recommendation The Tax Assessor should determine the proper calculation of the compensation and ensure that it is in compliance with state statutes.

Response No response received.

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

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

Bridgers, Goodman, Baird & Clarke, PLLC

Bridgers, Goodman, Baird & Clarke, PLLC
Certified Public Accountants
Vicksburg, Mississippi
December 27, 2024

WASHINGTON COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COST

WASHINGTON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COST
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 units	Unmodified
	General Fund	Unmodified
	Highway Maintenance Fund	Unmodified
	Bridge & Culvert Fund	Unmodified
	American Rescue Plan Act Fund	Unmodified
	Washington County Regional Correctional Facility 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

Federal Awards:

4.	Internal control over major federal programs:	
	a. Material weaknesses identified?	No
	b. Significant deficiency identified?	None Reported
5.	Type of auditor's report issued on compliance for major federal programs:	Unmodified
6.	Any audit finding disclosed that is required to be reported in accordance with 2 CFR 200.516(a)?	No
7.	Identification of major federal programs	
	Assistance Listing Number 21.027, COVID-19 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 findings 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)?	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*.

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.