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STATE OF  
**MISSISSIPPI**  
Annual Comprehensive Financial Report



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021

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# Mississippi



Fiscal Year Ended June 30, 2021

**Department of Finance and Administration**  
Post Office Box 267  
Jackson, MS 39205

**Liz Welch**  
Executive Director

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**TATE REEVES**  
GOVERNOR



April 9, 2022

To the Members of the Legislature and fellow Mississippians:

As the 65th Governor of the great state of Mississippi, I present the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2021. This report provides an overview of state government fiscal activity and accounting controls.

Despite a global pandemic and recession, Mississippi and its citizens have persevered. We exceeded revenue collections by more than a billion dollars last year and are on pace to accomplish that again. Mississippi's economy is stronger than ever before. We have pressed past the challenges set before us and have shepherded our state to the best fiscal and financial shape in its history.

While many states have struggled to recover from the challenges brought on by the pandemic, Mississippi has thrived. Our job numbers continue to rise, companies continue to invest in the state, and entrepreneurs continue to create new small businesses.

The bedrock of this successful economy is our skilled workforce. This is the competitive advantage that will pave the pathway for Mississippi's future growth.

I am proud of the work that we have done over the last two years, and I am looking forward to the continued success that we will achieve in the future. Working together, we can ensure that Mississippi can continue to make our state the best in the nation to live, work, and raise a family.

Sincerely,

Tate Reeves  
Governor

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# Mississippi

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# *Mississippi*

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## Introduction

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**STATE OF MISSISSIPPI  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**LIZ WELCH  
EXECUTIVE DIRECTOR**

April 9, 2022

To Governor Reeves, Members of the Legislature, and Citizens of the State of Mississippi:

It is my pleasure to transmit to you the Annual Comprehensive Financial Report (ACFR) of the State of Mississippi for the year ended June 30, 2021, as provided in Section 27-104-4, Mississippi Code Annotated (1972). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentations in the financial statements, including all disclosures, rests with the State's management. This report was prepared in conformity with generally accepted accounting principles (GAAP).

State managers are responsible for establishing and maintaining internal controls to ensure that adequate accounting data is compiled to allow preparation of financial statements in conformity with GAAP. Because the cost of a control should not exceed the benefits likely to be derived, internal controls have been implemented to provide reasonable, but not absolute, assurance regarding the reliability of the financial statements. I believe the information as presented is complete and accurate in all material respects.

Pursuant to Section 7-7-211(d), Mississippi Code Annotated (1972), the Office of the State Auditor has performed an audit, 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, of the State's basic financial statements. An unmodified opinion is presented as the first page of the financial section of this report. Also, as required by federal law, the State Auditor has undertaken a single audit of the State as a whole, which will include a report on compliance and internal control over compliance on major federal program funds expended by state government. This report, along with the report on internal control over financial reporting and on compliance and other matters, will be published separately.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The State's MD&A can be found immediately following the Auditor's report.

**Profile of the Government**

Mississippi is named for the Mississippi River, which forms its western boundary and empties into the Gulf of Mexico. The name translated from Native American folklore means "Father of Waters." Mississippi was organized as a territory in 1798 and was admitted as the 20th State to the Union on December 10, 1817. The state's constitution separates the legal powers of state government into three distinct branches - the legislative, the executive, and the judicial.

The financial statements present information on the financial position and operations of state government as a single comprehensive reporting entity. The state's various agencies, commissions, departments, and boards that comprise the state's reporting entity are included in this report in accordance with criteria established by the Governmental Accounting Standards Board (GASB). The state's reporting entity is also comprised of its discretely presented component units for which the State is financially accountable. The criteria used in defining the State's reporting entity are fully discussed in Note 1 to the financial statements.

The state provides a full range of services to enhance and protect the lives of its citizenry. These services include among others: education; health and social services; public safety and justice; recreation and resource development and protection; business regulation; and highway construction and maintenance.

The Governor and Joint Legislative Budget Committee (JLBC) submit a budget based on revenue projections at the beginning of each legislative session for the upcoming fiscal year. The Legislature enacts the annual state budget through the passage of specific departmental appropriation bills. The Governor has the power to approve or veto each line item appropriation; however, vetoes are subject to legislative override. For the majority of the appropriations, the legal level of budgetary control is at the agency level by activity or function as well as by major expenditure classification. Unexpended appropriations at June 30 are available for subsequent expenditure if they have been encumbered and are presented for payment during the succeeding two-month lapse period.

### **Factors Affecting Financial Condition**

Mississippi's economy contracted 1.8 percent in 2020 as measured by real gross domestic product (GDP) according to the most recent estimate from the U.S. Bureau of Economic Analysis (BEA). That decrease was considerably less than the contraction in U.S. real GDP in 2020 of 3.4 percent. The state surpassed its pre-recession high in real GDP, which occurred in the fourth quarter of 2019, in the first quarter of 2021. The pre-recession high in U.S. real GDP also occurred in the fourth quarter of 2019 but was not surpassed until the second quarter of 2021.

Like the U.S. economy, the Mississippi economy rebounded in 2021 from the 2020 recession. The preliminary estimates from BEA indicate real GDP for the state increased at annualized rates of 2.5 percent in both the first and second quarters of 2021. The U.S. economy, in contrast, increased at annualized rates of 6.3 percent and 6.7 percent in the first and second quarters, respectively. Growth in the state and national economies decelerated in the third quarter. U.S. real GDP increased at an annualized rate of 2.3 percent in the third quarter, while growth in Mississippi real GDP slowed to an increase of 0.6 percent at an annualized rate. Growth in the U.S. economy accelerated in the fourth quarter of 2021 as U.S. real GDP increased at an annualized rate of 6.9 percent. The growth rate in Mississippi real GDP in the fourth quarter likely quickened as well. In its preliminary estimate for the change in U.S. real GDP for all of 2021 BEA reported an increase of 5.7 percent, which marks the largest annual growth in the U.S. economy since 1984.

Payroll employment in Mississippi increased 2.2 percent in 2021, which was the largest annual increase since 1998. However, that number will likely change when the Bureau of Labor Statistics completes its annual revisions to employment data in March. Through December the state had recovered 91.0 percent of the jobs lost in 2020, a higher rate than the 84.0 percent of jobs recovered for the U.S. economy. Nevertheless, 13,600 fewer people in the state were employed as of December compared to February 2020, a 1.2 percent difference. Moreover, 24,000 fewer people were in the labor force in Mississippi as of December compared to the pre-recession monthly high in October 2019, a 1.9 percent decrease. The labor force participation rate reached 56.1 percent in February of 2021, the same as the pre-recession rate in February 2020. However, the rate maintained a downward trend in the following months and as of December was 55.2 percent. Therefore, considerable progress remains before the state's labor market fully recovers.

The firm IHS Markit projects the U.S. economy will grow 3.7 percent in 2022, which if realized would mark the first time real GDP expanded by more than 3.0 percent in consecutive years since 2004 and 2005.

We estimate Mississippi real GDP increased 4.5 percent in 2021, which would mark the largest annual growth for the state since 2003. The projection for the change in Mississippi real GDP in 2022 is an increase of 1.5 percent. If these forecasts are realized it will mark the first time the state's real GDP expanded by more than 1.0 percent in consecutive years since 2007 and 2008.

### **Long-term Financial Planning**

For the first half of fiscal year 2022, General Fund revenue collected by the Department of Revenue was \$322.8 million above the prior year and \$531.7 million above the Sine Die estimate. Projections for fiscal year 2023 General Fund revenue are \$566.5 million or 9.6 percent above the fiscal year 2022 estimate.

At the conclusion of fiscal year 2021, the State of Mississippi had an unencumbered cash balance of \$1.18 billion in the General Fund. As required by § 27-103-213, Mississippi Code Annotated (1972), the state deposited \$16.88 million of the unencumbered funds into the Working Cash Stabilization Reserve Fund (WCSRF) which brought the total fund to its statutory maximum limit for fiscal year 2021 with a balance of approximately \$558.6

million. This is the largest balance the WCSRF has had since its creation in the early 1990's which puts the State in a strong financial position to handle future downturns in the economy. Additionally, \$1.16 billion of the unencumbered funds was deposited into the Capital Expense Fund to be used as determined by the legislature.

### **Major Initiative**

The American Rescue Plan Act of 2021 (ARPA) was signed by the President on March 11, 2021, to provide resources needed to respond to the Coronavirus pandemic, its economic effects and to build a stronger, more equitable economy during the recovery. The Coronavirus State and Local Fiscal Recovery Funds (SLFRP), established by the ARPA Act, provided \$240 billion in aid to state, local and tribal governments. Mississippi was allocated \$1.8 billion, split into two equal payments. The first payment of \$903 million was received May 2021; the remainder is expected May 2022. Through Legislative appropriation, ARPA funds will be allocated to assist with fiscal recovery projects across the state.

Economic development continues to be the focus in the State. Nissan will invest approximately \$500 million to transform and modernize its Canton facility to build two all-new, all-electric vehicles in the State. The investment will also improve the skills of nearly 2,000 employees. Walmart will invest approximately \$90 million into a fulfillment center in Olive Branch. The fulfillment center will support its supply chain and e-Commerce business. The investment will create 250 jobs.

### **Tax Abatements**

To help provide continuing employment opportunities, the State Legislature created the Mississippi Major Economic Impact Authority (MMEIA) to secure major economic impact projects by providing assistance and incentives in connection with certain businesses to locate or expand operations in the State.

In accomplishing this purpose, MMEIA acts for the benefit of the people of the State by entering into agreements with individuals and businesses in the performance of essential public functions to promote the health, welfare and prosperity of its citizenry. During fiscal year 2021, eight eligible tax abatement programs existed under MMEIA of which five provided tax reductions to businesses to locate or expand in the State. The long-term benefits of these abatements were to promote economic development and job growth.

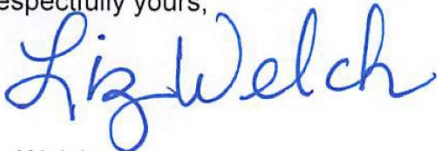
### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Mississippi for its ACFR for the fiscal year ended June 30, 2020. This was the thirty-fourth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was possible by the dedicated services of the staff of the Office of Financial Reporting within the Department of Finance and Administration, along with the cooperation and support of the Office of the State Auditor, and the various agency heads and employees who assisted and contributed to its preparation.

Respectfully yours,



Liz Welch

# Mississippi

## Officials of State Government

### Executive Branch

**Governor**

Tate Reeves

**Lieutenant Governor**

Delbert Hosemann

**Secretary of State**

Michael Watson

**State Auditor**

Shad White

**State Treasurer**

David McRae

**Attorney General**

Lynn Fitch

**Commissioner of Agriculture  
and Commerce**

Andy Gipson

**Commissioner of Insurance**

Mike Chaney

**Transportation Commissioners**

John Caldwell

Tom King

Willie Simmons

**Public Service Commissioners**

Brandon Presley

Brent Bailey

Dane Maxwell

**State Fiscal Officer**

Liz Welch

### Legislative Branch

**Speaker of the House of Representatives**

Philip Gunn

**Speaker Pro Tempore**

of the House of Representatives

Jason White

**President Pro Tempore of the Senate**

Dean Kirby

**Secretary of Senate**

Buck Clarke

**Clerk of the House of Representatives**

Andrew Ketchings

**Legislative Budget Office**

Tony M. Greer, Director

**Joint Legislative Committee on**

Performance Evaluation and  
Expenditure Review

James A. Barber, Director

### Judicial Branch

**Supreme Court of Mississippi****Chief Justice**

Michael K. Randolph

**Presiding Justices**

James W. Kitchens

Leslie D. King

**Justices**

David M. Ishee

T. Kenneth Griffis

Josiah D. Coleman

James D. Maxwell II

Dawn H. Beam

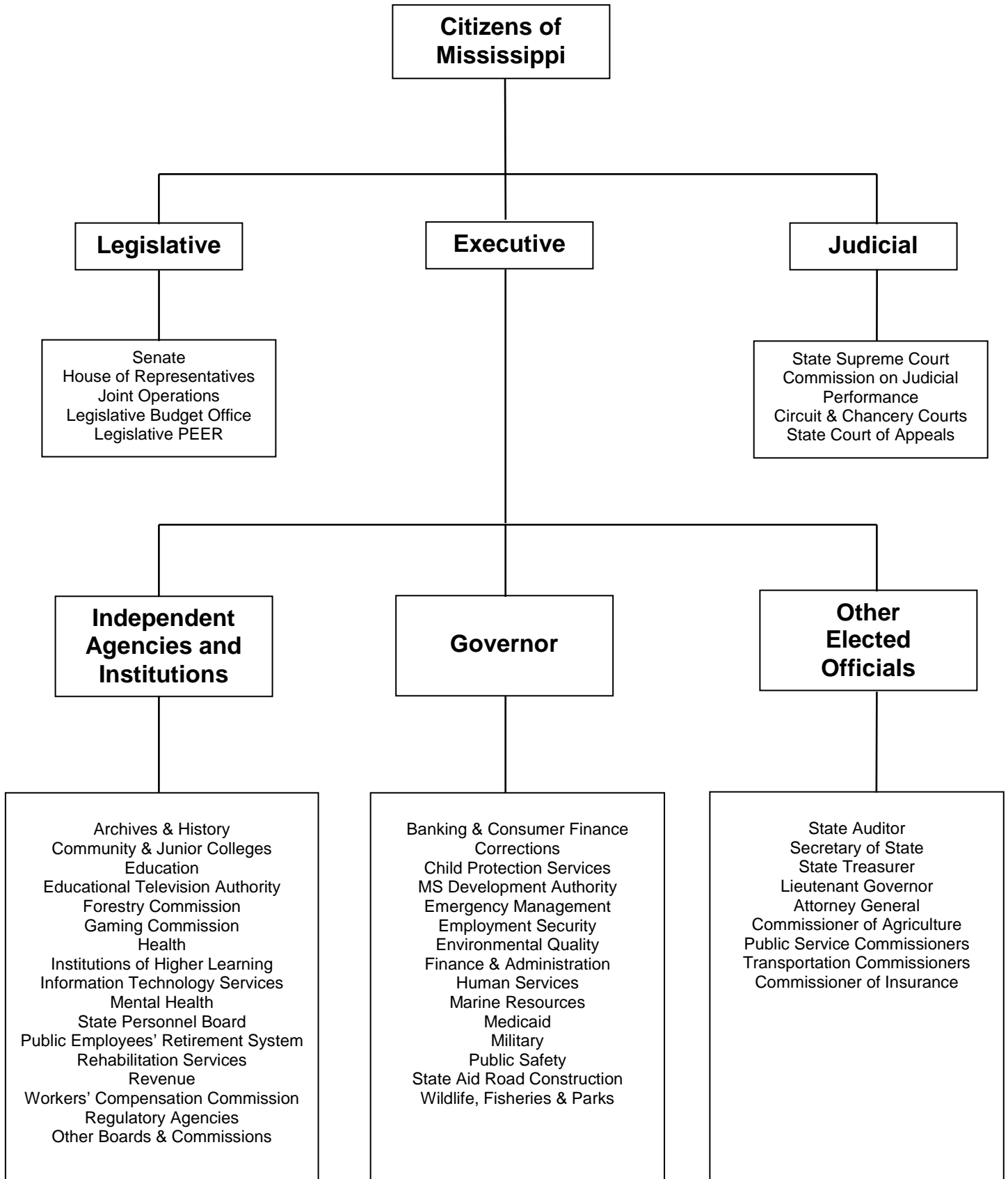
Robert P. Chamberlin

**Clerk of the Supreme Court**

Jeremy Whitmire

# Mississippi

## Organization Chart





Government Finance Officers  
Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**State of Mississippi**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



*Mississippi*

**Financial Section**



**STATE OF MISSISSIPPI**  
**OFFICE OF THE STATE AUDITOR**  
**SHAD WHITE**  
AUDITOR  
**INDEPENDENT AUDITOR'S REPORT**

The Governor, Members of the Legislature  
and Citizens of the State of Mississippi

**Report on the Financial Statements**

We have audited the accompanying 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 the State of Mississippi (the State), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of:

▪ Government-wide Financial Statements

• Governmental Activities

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation which, in the aggregate, represent 11 percent, 15 percent, and 13 percent, respectively, of the assets, net position, and revenues of the governmental activities;

• Business-type Activities

- AbilityWorks, Inc. within the Department of Rehabilitation Services, the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, the Veterans' Home Purchase Board, and the Department of Finance and Administration State Life and Health Plan which, in the aggregate, represent 63 percent, 63 percent, and 26 percent, respectively, of the assets, net position, and revenues of the business-type activities;

• Component Units

- the Universities and the nonmajor component units.

- Fund Financial Statements

- Governmental Funds

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation, which, in the aggregate, represent 29 percent, 33 percent, and 12 percent, respectively, of the assets, fund balance, and revenues of the governmental activities;

- Proprietary Funds

- the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, and the Department of Finance and Administration State Life and Health Plan which are considered major enterprise funds which, in the aggregate, represent 51 percent, 48 percent, and 28 percent, respectively, of the assets, fund balance, and revenues of the proprietary funds;

- Aggregate Remaining Funds

- Nonmajor enterprise funds for AbilityWorks, Inc. within the Department of Rehabilitation Services and the Veterans' Home Purchase Board;
- Other Employee Benefits Trust Fund – State Life and Health Insurance Plan;
- the Pension Trust Funds;
- the Private-Purpose Trust Funds of the Mississippi Affordable College Savings Program;

all of which represent 99 percent, 100 percent, and 100 percent, respectively, of the assets, net position, and revenues of the aggregate remaining funds.

Those statements were audited by other auditors whose reports have been furnished to us; and our opinions, insofar as they relate to the amounts included for those agencies, funds, and component units, are based solely on the reports of the other auditors.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 State's internal control. Accordingly, we express no such opinion. The financial statements of the Mississippi State University Foundation, Inc., the University of Mississippi Foundation, the University of Southern Mississippi Foundation, the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund and the State Institutions of Higher Learning Tort Liability Fund, which were audited by other auditors upon whose reports we are relying, were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with *Government Auditing Standards*. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we and other auditors have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the reports of the other auditors, the 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 the State of Mississippi, as of June 30, 2021, 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.

### ***Emphasis of Matter***

As described in Note 1 to the basic financial statements, in 2021, the State of Mississippi adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Additionally, the State of Mississippi early implemented GASB 98, *The Annual Comprehensive Annual Report*. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule and corresponding notes, the Schedules of Employer Contributions and corresponding notes, the Schedules of Changes in the Net Pension Liability, the Schedule of Proportionate Share of the Net Pension Liability, the Schedule of the Proportionate Share of the Net OPEB Liability, and the Schedule of Employer Contributions and corresponding notes listed in the accompanying table of contents be presented to supplement the basic financial statements. Such 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. We and the 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.

#### ***Other Information***

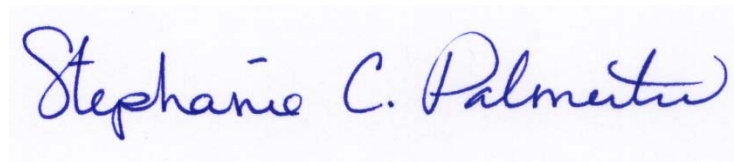
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Mississippi's basic financial statements. The introductory section, the supplementary information such as the combining and individual fund financial statements and supporting schedules and the statistical section as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and supporting schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund financial statements and supporting schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2022, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State'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 the State's internal control over financial reporting and compliance.



**STEPHANIE C. PALMERTREE, CPA, CGMA**  
Director, Financial and Compliance  
Audit Division

Jackson, Mississippi  
April 8, 2022

## Management's Discussion and Analysis

The following discussion and analysis of the State of Mississippi's financial performance provides an overview of the State's financial activities for the fiscal year ended June 30, 2021. Readers are encouraged to consider the information presented here in conjunction with the transmittal letter, which is located in the Introduction of this report, and the State's financial statements, which immediately follow this discussion and analysis.

### Financial Highlights

**Government-wide** - The assets and deferred outflows of resources of the State exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$17,206,941,000 (reported as "net position"). Of this amount, a negative \$4,297,117,000 was reported as "unrestricted net position", which means that it would be necessary to convert a portion of the restricted component of net position to unrestricted if the government's ongoing obligations to citizens and creditors were immediately due and payable. The restricted component of net position amounted to \$5,167,128,000. Net position of governmental activities and business-type activities increased by \$1,829,147,000 and \$225,453,000, respectively.

**Fund Level** - At the end of the fiscal year, the State's governmental funds reported combined ending fund balances of \$6,854,534,000, which is \$1,761,887,000 more than the previous year. Revenues from lottery proceeds, federal assistance, and taxes increased from the prior year. As overall revenues increased, expenditures followed suit.

**Long-term Debt** - The total outstanding net long-term bonds and notes were \$5,828,556,000 at June 30, 2021. During the year, the State issued \$955,093,000 in bonds and notes, including premiums. These bonds and notes were issued primarily for refunding and capital improvements.

### Overview of the Financial Statements

This discussion and analysis serves as an introduction to the State's basic financial statements, which include government-wide financial statements, fund financial statements, and the notes to the financial statements. This report also contains required supplementary information and other supplementary information.

#### Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the State's finances. These statements consist of the statement of net position and the statement of activities, which are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The statement of net position presents all of the State's nonfiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in the State's net position may serve as a useful indicator of whether its financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements for the primary government report two types of activities:

**Governmental Activities** - The State's basic services are reported here, including general government; education; health and social services; law, justice and public safety; recreation and resource development; regulation of business and professions; and transportation. Taxes and federal grants finance most of these activities.

**Business-type Activities** - The cost of providing goods or services to the general public, which is financed or recovered primarily through user charges, is reported here. State fair and coliseum operations; home mortgage loans to veterans; port facilities; and unemployment compensation services are examples of these activities.

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The State, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The State's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds. These categories use different accounting approaches and should be interpreted differently.

**Governmental Funds** - The State's general activities are reported in governmental funds. Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds are accounted for using the modified accrual basis of accounting and the flow of current financial resources

# Mississippi

measurement focus. This approach focuses on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at year end. The governmental fund statements provide a detailed view of the State's near-term financing requirements. Governmental funds are comprised of the General Fund, which is presented separately as a major fund, and nonmajor funds, which consist of permanent funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may gain a better understanding of the long-term impact of the State's near-term financing decisions. Both the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Proprietary Funds** - The State reports the enterprise fund type as proprietary funds. Enterprise funds charge fees for services to outside customers. They are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting, and are used to report the same functions presented as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Unemployment Compensation Fund, the Port Authority at Gulfport Fund, the Prepaid Affordable College Tuition Fund, and the State Life and Health Insurance Plan are presented separately as major funds, with the nonmajor enterprise funds combined into a single column. The eight nonmajor enterprise funds are presented in detail in the combining financial statements.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the state government. Because these resources are not available to support the State's own programs, fiduciary funds are not reported in the government-wide financial statements. The State's fiduciary activities are presented in a statement of fiduciary net position and a statement of changes in fiduciary net position, with related combining financial statements. These funds, which include pension and other employee benefits trust funds, private-purpose trust funds, and custodial funds, are reported using the accrual basis of accounting.

## Reconciliation of Government-wide and Fund Financial Statements

The financial statements include two schedules that reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the two statements:

Capital assets used in governmental activities are not reported on governmental funds financial statements. Capital outlay spending results in capital assets on government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.

Bond and note proceeds result in liabilities on the government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements. Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the component unit financial statements.

## Other Information

This report also contains the following required supplementary information (RSI): the Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds, the Schedule of Employer Contributions for each pension plan, the Schedules of Changes in the Net Pension Liability for the single employer plans, the Schedule of Proportionate Share of the Net Pension Liability for the multiple employer plan, the Schedule of Proportionate Share of the Net Other Post-Employment Benefits (OPEB) Liability, and the Schedule of Employer Contributions OPEB along with the accompanying notes. The combining financial statements are presented as supplementary information immediately following RSI.

## Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the State of Mississippi's finances and to demonstrate the State's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact: Department of Finance and Administration, Office of Financial Reporting, P. O. Box 1060, Jackson, MS 39215.

# Mississippi

## Government-wide Financial Analysis

### Net Position

The State's combined net position for governmental and business-type activities increased \$2,041,433,000 in fiscal year 2021. Current year net position is \$17,206,941,000 in contrast to the prior year balance of \$15,165,508,000. Business-type activities reported positive balances in all three components of net position, while governmental activities and the State as a whole continued to reflect a negative balance in the unrestricted component of net position.

Net position consisted primarily of investment in capital assets such as land, buildings, machinery and equipment, and infrastructure, less any outstanding debt used to acquire those assets. The State uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the State's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Net investment in capital assets increased \$160,447,000 from the previous year. The governmental activities' increase of \$171,810,000 was primarily due to additions to construction in progress related to building projects, as well as, additions to infrastructure for roads, highways, and bridges. Most of business-type activities decrease of \$11,363,000 was the result of damage to buildings and port operations experienced during Hurricane Zeta by the Port Authority at Gulfport.

Restricted net position represents resources that are subject to externally imposed restrictions. Restricted net position increased by \$767,943,000, or .18 percent during fiscal year 2021.

The remaining net position is classified as unrestricted. As of June 30, 2021, the State had a deficit unrestricted net position of \$4,297,117,000. The deficit is due, in part, to the State issuing debt on behalf of component units and other entities for construction, repair and renovation of non-state capital assets. The positive unrestricted balance of \$511,400,000 in business-type activities may be used to meet ongoing obligations to citizens and creditors; however, internally imposed designations of certain resources further limit the purposes for which those resources may be used.

### Net Position

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
Current and other assets	\$ 10,574,162	\$ 8,799,603	\$ 1,822,651	\$ 1,573,372	\$ 12,396,813	\$ 10,372,975
Capital assets	17,174,319	16,920,086	670,227	680,864	17,844,546	17,600,950
Total Assets	27,748,481	25,719,689	2,492,878	2,254,236	30,241,359	27,973,925
Deferred outflows of resources	535,114	408,307	4,812	3,070	539,926	411,377
Noncurrent liabilities	9,203,703	8,790,861	312,573	379,501	9,516,276	9,170,362
Other liabilities	3,594,752	3,608,102	365,938	282,143	3,960,690	3,890,245
Total Liabilities	12,798,455	12,398,963	678,511	661,644	13,476,966	13,060,607
Deferred inflows of resources	96,361	158,174	1,017	1,013	97,378	159,187
Net position:						
Net investment in capital assets	15,673,638	15,501,828	663,292	674,655	16,336,930	16,176,483
Restricted	4,523,658	3,900,595	643,470	498,590	5,167,128	4,399,185
Unrestricted (deficit)	(4,808,517)	(5,831,564)	511,400	421,404	(4,297,117)	(5,410,160)
Total Net Position	\$ 15,388,779	\$ 13,570,859	\$ 1,818,162	\$ 1,594,649	\$ 17,206,941	\$ 15,165,508

\*The 2020 amounts presented here have not been restated for the implementation of GASB 84.



# Mississippi

## Changes in Net Position

Operating grants and contributions of \$11,808,010,000 and taxes of \$8,593,428,000 were the State's major revenue sources. Together, they accounted for 85.4 percent of total revenues. Revenue from taxes increased \$899,775,000. Operating grants and contributions increased by \$2,336,636,000 over the prior year as a result of additional federal funding in support of COVID-19. As in the prior year, the majority of the State's total expenses were related to the health and social services function at \$8,643,887,000 or 39.6 percent as medical expenses continued their upswing. Expenses within this function increased over the prior year by \$356,326,000. Unemployment compensation expenses were up by \$235,709,000 as demand for unemployment compensation benefits increased.

### Changes in Net Position (amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
Revenues:						
Program Revenues:						
Charges for services	\$ 1,859,949	\$ 1,693,007	\$ 903,506	\$ 899,682	\$ 2,763,455	\$ 2,592,689
Operating grants and contributions	9,747,825	7,640,360	2,060,185	1,831,014	11,808,010	9,471,374
Capital grants and contributions	609,699	600,990	254		609,953	600,990
General Revenues:						
Taxes	8,593,428	7,693,653			8,593,428	7,693,653
Investment income	24,296	108,246	95,536	34,364	119,832	142,610
Total Revenues	<u>20,835,197</u>	<u>17,736,256</u>	<u>3,059,481</u>	<u>2,765,060</u>	<u>23,894,678</u>	<u>20,501,316</u>
Expenses:						
General government	3,082,051	2,467,094			3,082,051	2,467,094
Education	3,999,625	3,764,765			3,999,625	3,764,765
Health and social services	8,643,887	8,287,561			8,643,887	8,287,561
Law, justice and public safety	985,135	980,190			985,135	980,190
Recreation and resource development	601,528	378,211			601,528	378,211
Regulation of business and professions	46,066	46,280			46,066	46,280
Transportation	975,611	897,040			975,611	897,040
Interest on long-term debt	252,159	224,121			252,159	224,121
Unemployment compensation			2,383,437	2,147,728	2,383,437	2,147,728
Port Authority at Gulfport			41,393	37,026	41,393	37,026
Prepaid affordable college tuition			(39,396)	(2,222)	(39,396)	(2,222)
State life and health plan			840,168	790,519	840,168	790,519
Other business-type			27,536	28,149	27,536	28,149
Total Expenses	<u>18,586,062</u>	<u>17,045,262</u>	<u>3,253,138</u>	<u>3,001,200</u>	<u>21,839,200</u>	<u>20,046,462</u>
Excess/(Deficit) before extraordinary Items and Transfers	2,249,135	690,994	(193,657)	(236,140)	2,055,478	454,854
Extra item, impairment loss from hurricane damage, net of insurance recovery			(878)		(878)	
Transfers	(419,988)	(5,819)	419,988	5,819		
Change in Net Position	<u>1,829,147</u>	<u>685,175</u>	<u>225,453</u>	<u>(230,321)</u>	<u>2,054,600</u>	<u>454,854</u>
Net Position - Beginning, as restated	<u>13,559,632</u>	<u>12,885,684</u>	<u>1,592,709</u>	<u>1,824,970</u>	<u>15,152,341</u>	<u>14,710,654</u>
Net Position - Ending	<u>\$ 15,388,779</u>	<u>\$ 13,570,859</u>	<u>\$ 1,818,162</u>	<u>\$ 1,594,649</u>	<u>\$ 17,206,941</u>	<u>\$ 15,165,508</u>

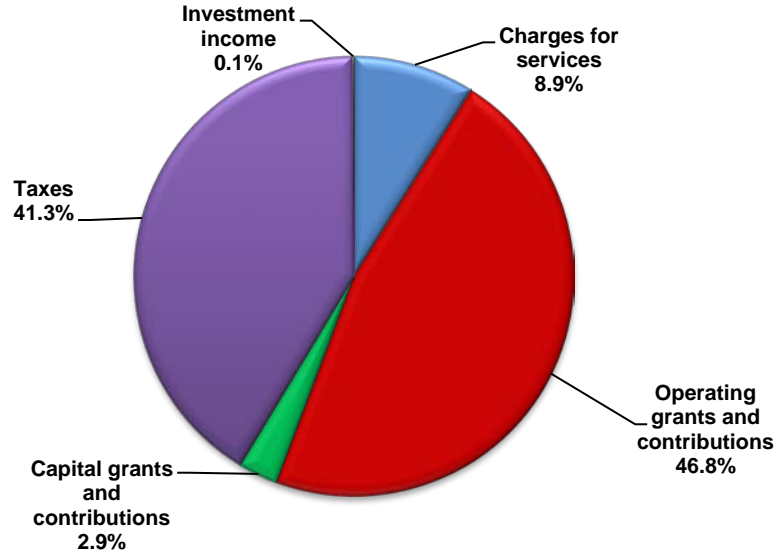
\*The 2020 amounts presented have not been restated for the implementation of GASB Statement 84.

# Mississippi

## Governmental Activities

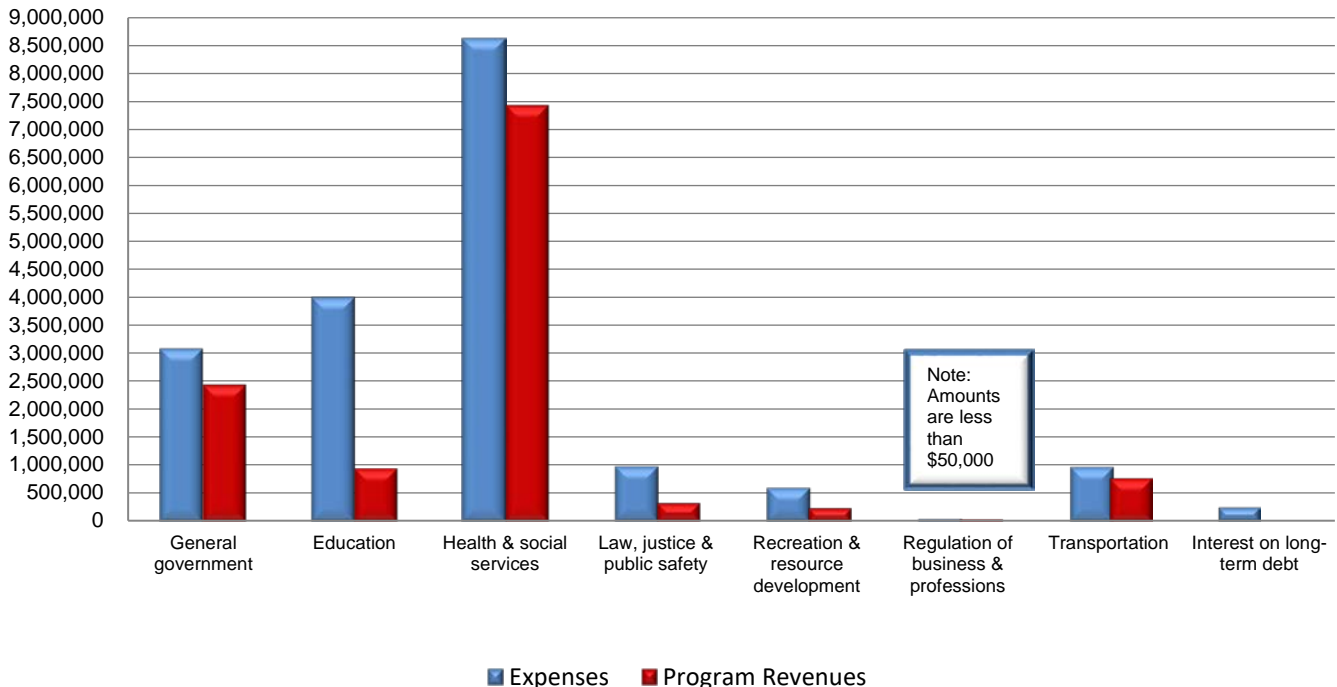
Governmental activities increased the State's net position by \$1,829,147,000 for fiscal year 2021. Taxes increased by \$899,775,000, in comparison to the prior year. The majority of both expenses and program revenues were in the health and social services function at \$8,643,887,000 and \$7,438,765,000, respectively. Education expenses of \$3,999,625,000 exceeded program revenues of \$952,646,000 resulting in a negative \$3,046,979,000 to be funded from general revenues.

**Governmental Activities - Revenues by Source**



**Governmental Activities - Expenses and Program Revenues**

(amounts expressed in thousands)

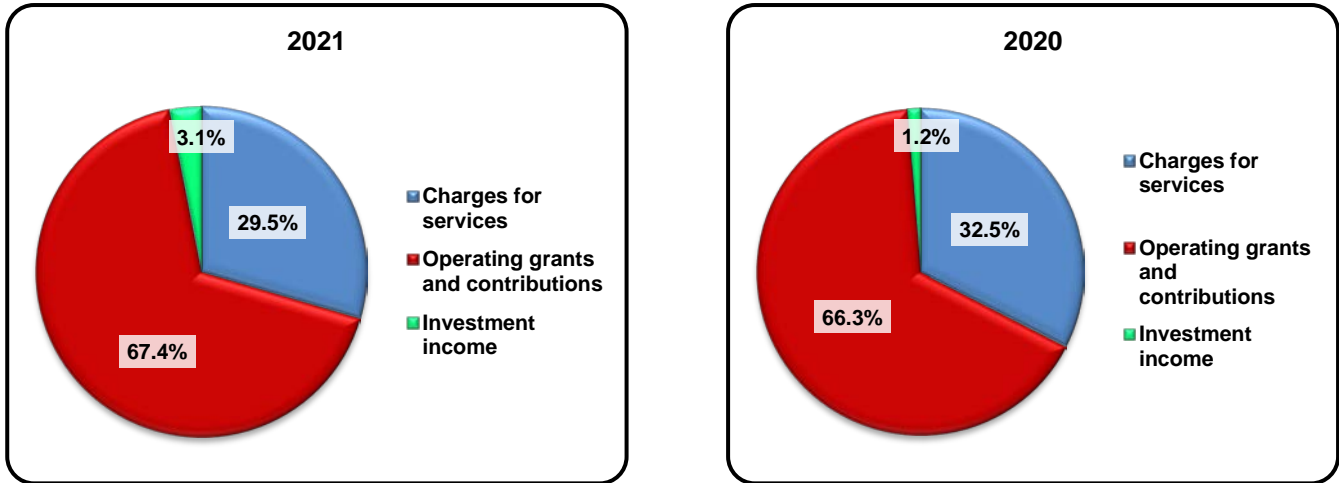


# Mississippi

## Business-type Activities

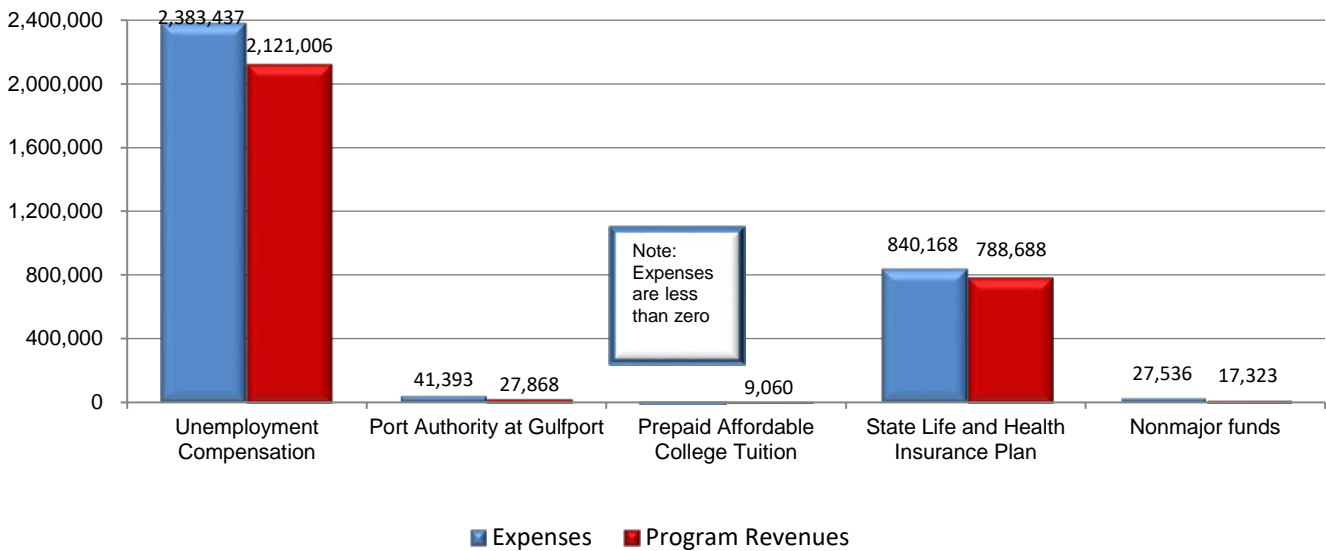
Business-type activities increased the State's net position by \$225,453,000. The percentage of revenues from charges for services continued to decrease while federal revenue for the Emergency Unemployment Compensation program increased slightly. Additionally, \$2.3 billion or 73 percent of expenses for the Emergency Unemployment Compensation program is associated with the demand for unemployment compensation benefits. The amount of investment income increased from the prior year, as did the investment income as a percentage of total revenues, due to market conditions. Operations at the Port Authority at Gulfport added \$2,513,000 to net position in the current year.

### Business-type Activities - Revenues by Source



### Business-type Activities - Expenses and Program Revenues

(amounts expressed in thousands)



# Mississippi

## Financial Analysis of the State's Individual Funds

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental Funds

At June 30, 2021, the governmental funds reported combined fund balances of \$6,854,534,000, indicating an increase of \$1,761,887,000 from the prior year. Within fund balances, \$106,146,000 or 1.5 percent was classified as nonspendable. The majority of the fund balance, \$4,417,512,000 or 64.4 percent was restricted. Committed fund balance equaled \$334,606,000 or 4.9 percent of the total. Assigned fund balance comprised \$26,816,000 or .4 percent while the remaining 28.8 percent, or \$1,969,454,000, of fund balance was unassigned.

The General Fund is the chief operating fund of the State. The fund balance for the General Fund increased \$1,761,472,000 from the prior year. The increase resulted in an ending fund balance of \$6,781,293,000. Overall, taxes increased \$935,536,000 or 12.2 percent. The \$100,234,000 increase in corporate income and franchise tax revenues can be attributed to an extension in tax filing deadline for calendar year 2020. Sales and use tax revenues were relatively strong, fueled by an increase in consumer spending, causing an increase of \$541,419,000. Individual income tax revenues increased \$210,917,000 as a result of an increase in personal income. Federal revenues increased by \$2,112,892,000 or 25.8 percent as a result of additional federal funding related to COVID-19. Lottery proceeds increased by \$67,015,000 as more instant ticket games were introduced. General government expenditures increased by \$569,970,000, or 23.1 percent due to payments from the State's allotted CARES Act funds to provide relief due to COVID-19 pandemic. The Department of Medicaid, which is reported within the General Fund, experienced a decrease in expenditures of \$216,844,000 or 3.52 percent during fiscal year 2021 due to the implementation of the Families First Coronavirus Response Act (FFCRA) and a reduction of service utilization. FFCRA provided an additional level of federal funding, decreasing the need for state funding for the payments made for medical services. The enrollment increases, due to the FFCRA requirements, will continue until the end of the public health emergency, as will the associated costs for those beneficiaries.

### Proprietary Funds

The Unemployment Compensation Fund experienced an increase in net position of \$146,820,000 as compared to prior year, largely due to transfer of CARES Act funds. Claims and benefits expense increased as the economy declined. Assessments' revenue decreased by \$3,588,000 or 5.57 percent due to a decline in taxable wages because of the COVID-19 pandemic. Additionally, federal revenue used to pay claims increased by \$229,171,000.

The Port Authority at Gulfport Fund increased net position by \$2,513,000 as compared to \$1,589,000 increase reported in the prior year. Operating revenues and expenses decreased by \$2,088,000 and \$3,510,000, respectively. The increase in net position can be attributed to the increase in federal pass through grants from other state agencies to assist in restoration projects.

The Prepaid Affordable College Tuition Fund's net position increased by \$125,298,000. Tuition receipts decreased by 5 percent over the prior year due to reduced cash receipts of contract payments in current year. The \$37,313,000 decrease in claims and benefits expense are due to a decrease in the actuarial value of future contract benefits. Investment income increased by \$73,569,000 due to more realized gains from the sale of investments in the current year.

The State Life and Health Insurance Fund reported a decrease in net position by \$52,907,000 as compared to \$11,137,000 decrease from the prior year. Operating revenue experienced an increase of \$10,956,000 due to a 6 percent premium increase. Claims and benefits expense increased by \$50,845,000 due to an increase in COVID-19 claims and pharmacy utilization.

## General Fund Budgetary Highlights

Actual fiscal year 2021 General Fund revenue collections increased by \$927,825,000 or 16 percent over the prior year. These revenues were \$1,050,685,000 above estimated amounts. Individual income tax increased by \$406,550,000 or 22.3 percent, sales tax collection increased by \$88,239,000 or 4.1 percent, and corporate income and franchise tax increased by \$296,404,000 or 54 percent.

The final expenditure budget was \$1,465,000 less than the original budget and actual expenditures were \$15,777,000 less than the final budget. Amounts budgeted but not expended during the year are reappropriated in the following year or retained in the General Fund and made available for the subsequent year budget allocations.

# Mississippi

## Capital Assets and Debt Administration

### Capital Assets

The State's investment in capital assets for governmental and business-type activities as of June 30, 2021 were \$24,416,789,000, less accumulated depreciation of \$6,572,243,000, resulting in a net book value of \$17,844,546,000. For the current fiscal year, governmental activities increased by \$254,233,000, and business-type activities decreased by \$10,637,000. These changes amount to 1.5 percent increase and 1.6 percent decrease, respectively, over the prior year.

Major capital asset events during fiscal year 2021 included the following:

Construction in progress for governmental activities increased by \$767,201,000 and had the largest amount of decreases of any asset class with \$1,368,167,000. Mississippi Department of Transportation accounts for the majority of the increase with \$733,347,000. The Department of Finance and Administration added \$15,973,000 which included building projects for East Mississippi State Hospital's Receiving Units and Mississippi State Fairground improvements. Decreases to construction in progress are primarily for completed Mississippi Department of Transportation projects moved to infrastructure.

Governmental activities added \$1,318,554,000 to infrastructure for roads, highways, and bridges. These additions included pavement rehabilitation projects in Rankin, Madison, and Yalobusha counties. The Surface Transportation Program (Urban street projects) was completed in Rankin and Jackson counties. Interstate projects were completed in Hinds County, and Vision 21 highway projects were completed for Pontotoc, Union, Madison, and Tate counties.

During fiscal year 2021, net capital assets for business-type activities decreased by \$10,637,000. The Port Authority at Gulfport added \$16,595,000 to Construction in Progress, which includes the following current projects: Port connector road, Northport land improvements, North Harbor Ditch, and Ocean Enterprise Facility. Projects completed and moved to infrastructure included the East Pier Water Main Replacement Project, Ilmenite Facility Enhancement Project and Northport Fencing Project. The completed projects were valued at \$2,277,000.

Additional information about the State's capital assets is presented in Note 8 to the financial statements. Note 17 addresses the State's outstanding long-term contracts related to the construction of state and county roads, highways, and bridges, as well as building projects for various state agencies.

### Capital Assets, Net of Depreciation

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,524,770	\$ 2,503,258	\$ 132,534	\$ 132,044	\$ 2,657,304	\$ 2,635,302
Software	95,427	105,883			95,427	105,883
Buildings	1,518,623	1,474,019	124,678	128,825	1,643,301	1,602,844
Land improvements	99,391	102,904	134,276	140,909	233,667	243,813
Machinery and equipment	230,072	231,435	25,067	26,415	255,139	257,850
Infrastructure	9,079,014	8,274,599	225,960	239,480	9,304,974	8,514,079
Construction in progress	3,627,022	4,227,988	27,712	13,191	3,654,734	4,241,179
Total	<u>\$ 17,174,319</u>	<u>\$ 16,920,086</u>	<u>\$ 670,227</u>	<u>\$ 680,864</u>	<u>\$ 17,844,546</u>	<u>\$ 17,600,950</u>

# Mississippi

## Debt Administration

As of June 30, 2021, outstanding general obligation debt for the State was \$4,594,688,000, including premiums. General Obligation Refunding bonds of \$1,715,280,000, Capital Improvements bonds of \$1,335,470,000, and Industry Incentive Financing bonds of \$206,069,000 comprise 71 percent of this outstanding debt. During the current fiscal year, the State issued \$911,165,000 in general obligation bonds and notes which are reported in governmental activities. Within business-type activities, general obligation bonds decreased by \$71,000 as the Port Authority at Gulfport continued to repay its long-term debt.

The State issued \$4,785,000 of notes payable for advanced refunding. This amount is reported in governmental activities.

### Outstanding Long-term Debt Bonds and Notes (amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds and notes	\$ 4,594,578	\$ 4,446,881	\$ 110	\$ 181	\$ 4,594,688	\$ 4,447,062
Limited obligation bonds	473,179	490,602			473,179	490,602
Notes payable	755,933	824,131	4,756	5,252	760,689	829,383
Total	<u>\$ 5,823,690</u>	<u>\$ 5,761,614</u>	<u>\$ 4,866</u>	<u>\$ 5,433</u>	<u>\$ 5,828,556</u>	<u>\$ 5,767,047</u>

Mississippi has a rating of AA from Standard and Poor's, AA from Fitch, and Aa2 from Moody's. These ratings are based upon the State's conservative fiscal management practices, manageable debt levels, favorable effects of various budgetary reforms and the potential for future economic diversification.

The State's constitutional debt limit is established at one and one-half times the sum of all revenues collected by the State during any one of the four preceding fiscal years, whichever may be higher. Current practice restricts revenues included in the computation of this debt limitation to the following: taxes; licenses, fees and permits; investment income; rental income; service charges including net income from the Alcoholic Beverage Control Division; and fines, forfeitures and penalties. As of June 30, 2021, the State had established a constitutional debt limit of \$13,922,864,000, which significantly exceeds the amount of debt applicable to the debt limit. Additional information about the State's long-term debt can be found in Notes 9 through 13 to the financial statements.

## Economic Factors and Next Year's Budget

Mississippi's average unemployment rate for the calendar year 2020 was 6.5 percent, which is lower than the national average of 8.1 percent. In calendar year 2020, Mississippi's personal income increased by 6.9 percent and per capita personal income increased by 7.3 percent compared to national average increases of 6.1 percent and 5.8 percent, respectively.

Fiscal year 2022 revenue collected by the Department of Revenue (DOR) continues to outperform revenue collected in fiscal year 2021. DOR collections from the beginning of fiscal year 2022 through January 2022 were up by \$357,857,000 or 10.3 percent. Mississippi's two largest revenue generators are collected from sales and individual income taxes. To-date, sales taxes and individual income taxes are outperforming projections by 12.4 percent and 21.4 percent, respectively. Sales and individual income taxes account for approximately 71 percent of Mississippi's revenue, which has the state optimistic, that revenue collections will either meet or exceed expectations.

# *Mississippi*

## **Basic Financial Statements**

# Mississippi

## Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Current assets:				
Equity in internal investment pool	\$ 7,023,163	\$ 210,026	\$ 7,233,189	\$ 2,188
Cash and cash equivalents	146,365	756,045	902,410	1,043,409
Investments	9,175		9,175	329,305
Receivables, net	1,223,177	253,744	1,476,921	377,335
Due from other governments, net	584,029	7,572	591,601	146
Internal balances	(16,279)	16,279		
Due from component units	11,617	104	11,721	
Due from primary government				7,909
Inventories	42,824	340	43,164	43,475
Prepaid items		949	949	26,594
Capital lease receivable		180	180	
Investment in lease		732	732	
Loans and notes receivable, net	59,147	5,867	65,014	44,312
Other assets				15,904
Total Current Assets	9,083,218	1,251,838	10,335,056	1,890,577
Noncurrent assets:				
Investments	142,855	403,660	546,515	962,988
Capital lease receivable		3,916	3,916	
Investment in lease		11,036	11,036	
Receivables, net	576,133		576,133	
Due from other governments, net	595,076		595,076	
Loans and notes receivable, net	176,880	152,201	329,081	162,850
Restricted assets:				
Cash and cash equivalents				144,065
Investments				1,456,181
Capital assets:				
Land and construction in progress	6,151,792	160,246	6,312,038	418,746
Other capital assets, net	11,022,527	509,981	11,532,508	4,118,318
Other assets				134,661
Total Noncurrent Assets	18,665,263	1,241,040	19,906,303	7,397,809
Total Assets	27,748,481	2,492,878	30,241,359	9,288,386
<b>Deferred Outflows of Resources</b>				
Refunding	76,434		76,434	50,082
Pensions	416,392	4,368	420,760	398,073
Other postemployment benefits	42,288	444	42,732	33,004
Total Deferred Outflows	\$ 535,114	\$ 4,812	\$ 539,926	\$ 481,159

(Continued on Next Page)



# Mississippi

## Statement of Net Position

June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Liabilities</b>				
Current liabilities:				
Warrants payable	\$ 132,005	\$ 432	\$ 132,437	\$
Accounts payable and other liabilities	672,474	9,913	682,387	372,563
Contracts payable	81,156	745	81,901	
Income tax refunds payable	264,718		264,718	
Due to other governments	497,343	200,979	698,322	
Due to component units	7,909		7,909	
Due to primary government				11,721
Claims and benefits payable	66,053	125,309	191,362	
Deposits	144,587		144,587	
Unearned revenues	1,241,184	27,916	1,269,100	164,908
Pollution remediation obligation	8,628		8,628	
Bonds and notes payable, net	469,733	580	470,313	53,551
Lease obligations payable	2,184		2,184	1,593
Net other postemployment benefit liability	6,778	64	6,842	40
Other liabilities				204,299
Total Current Liabilities	3,594,752	365,938	3,960,690	808,675
Noncurrent liabilities:				
Due to other governments	875		875	
Claims and benefits payable	34,708	276,219	310,927	
Pollution remediation obligation	37,996		37,996	
Bonds and notes payable, net	5,353,957	4,286	5,358,243	1,163,780
Lease obligations payable	4,222		4,222	4,818
Net pension liability	3,452,564	29,685	3,482,249	3,145,892
Net other postemployment benefit liability	167,921	1,692	169,613	147,095
Other liabilities	151,460	691	152,151	257,935
Total Noncurrent Liabilities	9,203,703	312,573	9,516,276	4,719,520
Total Liabilities	12,798,455	678,511	13,476,966	5,528,195
<b>Deferred Inflows of Resources</b>				
Refunding				4,254
Pensions	40,635	569	41,204	27,101
Other postemployment benefits	55,726	448	56,174	33,805
Beneficial interest in irrevocable trusts				43,992
Total Deferred Inflows	\$ 96,361	\$ 1,017	\$ 97,378	\$ 109,152

# Mississippi

## Statement of Net Position

June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Net Position</b>				
Net investment in capital assets	15,673,638	663,292	16,336,930	3,341,084
Restricted for:				
Expendable:				
General government	143,755		143,755	
Education	359,510		359,510	
Health and social services	925,559		925,559	
Law, justice and public safety	65,983		65,983	
Recreation and resources development	1,615,610		1,615,610	
Regulation of business and professions	43,104		43,104	
Transportation	638,436		638,436	
Capital projects	426,540		426,540	
Debt service	241,839		241,839	
Capital Improvements				2,756
Unemployment compensation benefits		643,470	643,470	
Other purposes				1,137,404
Nonexpendable:				
Education	46,990		46,990	937,720
Health and social services	2,025		2,025	
Recreation and resources development	14,307		14,307	
Unrestricted (deficit)	(4,808,517)	511,400	(4,297,117)	(1,286,766)
Total Net Position	\$ 15,388,779	\$ 1,818,162	\$ 17,206,941	\$ 4,132,198

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

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# Mississippi

## Statement of Activities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 3,082,051	\$ 963,628	\$ 1,483,369	\$ 8
Education	3,999,625	73,534	879,112	
Health and social services	8,643,887	473,343	6,965,422	
Law, justice and public safety	985,135	86,939	240,728	2,248
Recreation and resource development	601,528	86,959	151,065	95
Regulation of business and professions	46,066	40,505	619	
Transportation	975,611	135,041	27,510	607,348
Interest on long-term debt	252,159			
Total Governmental Activities	18,586,062	1,859,949	9,747,825	609,699
Business-type activities:				
Unemployment compensation	2,383,437	60,821	2,060,185	
Port Authority at Gulfport	41,393	27,868		
Prepaid affordable college tuition	(39,396)	9,060		
State life and health insurance plan	840,168	788,688		
Other business-type	27,536	17,069		254
Total Business-type Activities	3,253,138	903,506	2,060,185	254
Total Primary Government	\$ 21,839,200	\$ 2,763,455	\$ 11,808,010	\$ 609,953
<b>Component units:</b>				
Universities	\$ 3,957,204	\$ 2,321,555	\$ 553,293	\$ 59,089
Nonmajor	508,828	505,798		3,436
Total Component Units	\$ 4,466,032	\$ 2,827,353	\$ 553,293	\$ 62,525

### General revenues:

#### Taxes:

Sales and use  
Gasoline and other motor fuel  
Individual income  
Corporate income and franchise  
Insurance  
Other

#### Investment income

#### Other

Payment from State of Mississippi

Contributions to permanent endowments

Extraordinary item - Impairment loss from hurricane damage, net of insurance recovery

#### Transfers

Total General Revenues, Contributions  
and Transfers

Change in Net Position

Net Position - Beginning, as restated

Net Position - Ending

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

**Net (Expense) Revenue and Changes in Net Position**

<b>Primary Government</b>				<b>Component Units</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>		
\$ (635,046)	\$	\$ (635,046)		
(3,046,979)		(3,046,979)		
(1,205,122)		(1,205,122)		
(655,220)		(655,220)		
(363,409)		(363,409)		
(4,942)		(4,942)		
(205,712)		(205,712)		
(252,159)		(252,159)		
<u>(6,368,589)</u>		<u>(6,368,589)</u>		
	(262,431)	(262,431)		
	(13,525)	(13,525)		
	48,456	48,456		
	(51,480)	(51,480)		
	(10,213)	(10,213)		
	<u>(289,193)</u>	<u>(289,193)</u>		
<u>(6,368,589)</u>	<u>(289,193)</u>	<u>(6,657,782)</u>		
			\$ (1,023,267)	
			406	
			<u>(1,022,861)</u>	
4,288,970		4,288,970		
439,632		439,632		
2,177,134		2,177,134		
746,748		746,748		
398,038		398,038		
542,906		542,906		
24,296	95,536	119,832	429,037	
			397,824	
			725,148	
			50,830	
	(878)	(878)		
<u>(419,988)</u>	<u>419,988</u>			
<u>8,197,736</u>	<u>514,646</u>	<u>8,712,382</u>	<u>1,602,839</u>	
<u>1,829,147</u>	<u>225,453</u>	<u>2,054,600</u>	<u>579,978</u>	
<u>13,559,632</u>	<u>1,592,709</u>	<u>15,152,341</u>	<u>3,552,220</u>	
<u>\$ 15,388,779</u>	<u>\$ 1,818,162</u>	<u>\$ 17,206,941</u>	<u>\$ 4,132,198</u>	

# Mississippi

## Governmental Funds

### Balance Sheet

June 30, 2021 (Expressed in Thousands)

	General	Permanent	Totals
<b>Assets</b>			
Equity in internal investment pool	\$ 7,019,551	\$ 3,612	\$ 7,023,163
Cash and cash equivalents	146,027	338	146,365
Investments	83,005	69,025	152,030
Receivables, net	1,798,772	521	1,799,293
Due from other governments, net	1,179,105		1,179,105
Due from other funds	1,468		1,468
Due from component units	11,617		11,617
Inventories	42,824		42,824
Loans receivable, net	236,027		236,027
<b>Total Assets</b>	<b>\$ 10,518,396</b>	<b>\$ 73,496</b>	<b>\$ 10,591,892</b>
<b>Liabilities, Deferred Inflows and Fund Balances</b>			
<b>Liabilities:</b>			
Warrants payable	\$ 132,005	\$	\$ 132,005
Accounts payable and accruals	762,001	255	762,256
Contracts payable	81,156		81,156
Income tax refunds payable	264,718		264,718
Due to other governments	498,218		498,218
Due to other funds	17,730		17,730
Due to component units	7,909		7,909
Claims payable	66,053		66,053
Unearned revenues	1,241,184		1,241,184
<b>Total Liabilities</b>	<b>3,070,974</b>	<b>255</b>	<b>3,071,229</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	666,129		666,129
<b>Fund balances:</b>			
<b>Nonspendable</b>			
Inventories	42,824		42,824
Principal		63,322	63,322
<b>Restricted</b>			
General government	142,777		142,777
Education	350,988	5,407	356,395
Health and social services	909,288	1,070	910,358
Law, justice and public safety	58,899		58,899
Recreation and resources development	1,612,090	3,442	1,615,532
Regulation of business and professions	43,104		43,104
Transportation	622,068		622,068
Capital projects	426,540		426,540
Debt service	241,839		241,839
<b>Committed</b>			
General government	158,811		158,811
Education	3,947		3,947
Health and social services	143,022		143,022
Law, justice and public safety	19,799		19,799
Recreation and resources development	7,831		7,831
Regulation of business and professions	358		358
Transportation	838		838
<b>Assigned</b>			
General government	20,181		20,181
Education	14		14
Health and social services	3,809		3,809
Recreation and resources development	2,812		2,812
Unassigned	1,969,454		1,969,454
<b>Total Fund Balances</b>	<b>6,781,293</b>	<b>73,241</b>	<b>6,854,534</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 10,518,396</b>	<b>\$ 73,496</b>	<b>\$ 10,591,892</b>

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

# Mississippi

## Governmental Funds

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

June 30, 2021 (Expressed in Thousands)

Total fund balances for governmental funds \$ 6,854,534

Amounts reported for governmental activities in the statement of net position  
are different because:

Capital assets used in governmental activities are not financial resources and  
therefore are not reported in the governmental funds:

Land	\$ 2,524,770	
Construction in progress	3,627,022	
Software	171,924	
Buildings	2,383,954	
Land improvements	295,970	
Machinery and equipment	817,758	
Infrastructure	13,764,599	
Accumulated depreciation	<u>(6,411,678)</u>	17,174,319

Deferred outflows of resources reported in governmental activities are not  
financial resources and therefore are not reported in the governmental funds:

Refunding of debt	76,434	
Pensions	416,392	
Other postemployment benefits	<u>42,288</u>	535,114

Deferred inflows of resources reported in governmental activities are not  
financial resources and therefore are not reported in the governmental funds:

Pensions	(40,635)	
Other postemployment benefits	<u>(55,726)</u>	(96,361)

Some of the State's revenues will be collected after year-end but are not  
available soon enough to pay for the current period's expenditures and  
therefore are deferred in the funds as deferred inflows of resources.

666,129

Long-term liabilities and related accrued interest are not due and payable in the  
current period and therefore are not reported in the governmental funds:

General obligation bonds	(4,270,335)	
General obligation notes	(87,000)	
Limited obligation bonds	(424,835)	
Notes payable	(706,169)	
Unamortized premiums	(335,351)	
Capital lease obligations	(6,406)	
Accrued compensated absences	(128,466)	
Pollution remediation obligation	(46,624)	
Net pension liability	(3,452,564)	
Net other postemployment benefits liability	(174,699)	
Claims payable	(34,708)	
Accrued interest payable	(45,004)	
Other liabilities	<u>(32,795)</u>	<u>(9,744,956)</u>

**Net position of governmental activities** \$ 15,388,779

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

# Mississippi

## Governmental Funds

### Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General	Permanent	Totals
<b>Revenues</b>			
Taxes:			
Sales and use	\$ 4,294,532	\$	\$ 4,294,532
Gasoline and other motor fuel	439,581		439,581
Individual income	2,170,810		2,170,810
Corporate income and franchise	744,188		744,188
Insurance	398,038		398,038
Other	542,906		542,906
Licenses, fees and permits	598,663	867	599,530
Federal government	10,314,533		10,314,533
Investment income	24,486	(190)	24,296
Charges for sales and services	500,856		500,856
Rentals	1,309	840	2,149
Court assessments and settlements	218,936		218,936
Lottery proceeds	137,718		137,718
Other	438,452	16	438,468
Total Revenues	20,825,008	1,533	20,826,541
<b>Expenditures</b>			
Current:			
General government	3,036,298		3,036,298
Education	3,991,562	78	3,991,640
Health and social services	8,582,332		8,582,332
Law, justice and public safety	1,007,913		1,007,913
Recreation and resources development	595,038	40	595,078
Regulation of business and professions	44,629		44,629
Transportation	1,196,051		1,196,051
Debt service:			
Principal	361,732		361,732
Interest and other fiscal charges	265,157		265,157
Total Expenditures	19,080,712	118	19,080,830
Excess of Revenues over (under) Expenditures	1,744,296	1,415	1,745,711
<b>Other Financing Sources (Uses)</b>			
Bonds and notes issued	369,550		369,550
Capital leases issued	1,907		1,907
Insurance recovery	1,666		1,666
Payments to refunded bonds and note escrow agent	(522,502)		(522,502)
Premiums on bonds issued	39,143		39,143
Refunding bonds and notes issued	546,400		546,400
Transfers in	4,065		4,065
Transfers out	(423,053)	(1,000)	(424,053)
Net Other Financing Sources (Uses)	17,176	(1,000)	16,176
Net Change in Fund Balances	1,761,472	415	1,761,887
Fund Balances - Beginning, as restated	5,019,821	72,826	5,092,647
Fund Balances - Ending	\$ 6,781,293	\$ 73,241	\$ 6,854,534

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



# Mississippi

## Governmental Funds

### Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2021 (Expressed in Thousands)

**Net change in fund balances - total governmental funds** \$ 1,761,887

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 885,659	
Depreciation expense	<u>(626,584)</u>	259,075

Various capital asset related transactions affect the statement of activities but have no impact on governmental funds. These transactions include disposition of capital assets by sale, trade, or scrap. (4,932)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the statement of activities.

Premiums on bonds issued	(39,143)	
Bonds and notes issued	(369,550)	
Capital leases issued	(1,907)	
Payments of debt principal	361,732	
Payments to refunded bonds and note escrow agent	522,502	
Refunding bonds and notes issued	(546,400)	
Accrued interest payable	3,056	
Interest at refunding	<u>(34,192)</u>	(103,902)

Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:

Donations of equipment	90	
Change in claims payable	(3,664)	
Change in compensated absences	(2,704)	
Change in unavailable revenues	(16,350)	
Change in other postemployment benefit payable, net	4,645	
Change in pollution remediation obligation	(1,623)	
Change in fair value of investment derivative	36,045	
Change in fair value of borrowing derivative	(12,911)	
Change in pension costs, net	(88,476)	
Change in other liabilities	(18,836)	
Amortization of premiums	36,486	
Amortization of deferred amount on refunding	<u>(15,683)</u>	<u>(82,981)</u>

**Change in net position of governmental activities** \$ 1,829,147

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

# Mississippi

## Proprietary Funds

### Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Business-type Activities -		
	Department of Employment Security	Port Authority at Gulfport	State Treasurer
	Unemployment Compensation		Prepaid Affordable College Tuition
<b>Assets</b>			
Current assets:			
Equity in internal investment pool	\$	\$ 737	\$ 455
Cash and cash equivalents	620,317	17,719	8,459
Receivables, net	246,493	2,444	846
Due from other governments, net	7,287	285	
Due from other funds	1,856	2,141	
Due from component units	104		
Inventories			
Prepaid items		176	
Capital lease receivable			
Investment in lease		732	
Loans and notes receivable			
Total Current Assets	876,057	24,234	9,760
Noncurrent assets:			
Investments		62,961	340,699
Capital lease receivable			
Investment in lease		11,036	
Loans and notes receivable			
Capital assets:			
Land and construction in progress		148,952	
Other capital assets, net		479,835	
Total Noncurrent Assets		702,784	340,699
Total Assets	\$ 876,057	\$ 727,018	\$ 350,459
<b>Deferred Outflows of Resources</b>			
Pension		977	113
Other postemployment benefits		64	9
Total Deferred Outflows of Resources		1,041	122

**Enterprise Funds**

<b>Department of Finance and Administration</b>			
<b>State Life and Health Insurance Plan</b>	<b>Nonmajor Funds</b>	<b>Totals</b>	
\$ 110,065	\$ 98,769	\$	210,026
92,956	16,594		756,045
	3,961		253,744
			7,572
16	13,717		17,730
			104
	340		340
	773		949
	180		180
			732
	5,867		5,867
203,037	140,201		1,253,289
			403,660
	3,916		3,916
			11,036
	152,201		152,201
	11,294		160,246
	30,146		509,981
	197,557		1,241,040
\$ 203,037	\$ 337,758	\$	2,494,329
	3,278		4,368
	371		444
	3,649		4,812

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# Mississippi

## Proprietary Funds

### Statement of Net Position

June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

	Business-type Activities -		
	Department of Employment Security	Port Authority at Gulfport	State Treasurer
	Unemployment Compensation		Prepaid Affordable College Tuition
<b>Liabilities</b>			
Current liabilities:			
Warrants payable	\$	\$	\$ 284
Accounts payable and other liabilities	1,065	1,894	569
Retainage payable		745	
Due to other governments	200,976		
Due to other funds	1,397		
Claims and benefits payable	13,776		37,314
Bonds and notes payable		74	
Unearned revenues	15,373	500	
Net other postemployment benefits liability		7	1
Total Current Liabilities	232,587	3,220	38,168
Noncurrent liabilities:			
Claims and benefits payable			276,219
Bonds and notes payable		36	
Net pension liability		8,421	968
Net other postemployment benefits liability		211	36
Other liabilities		286	37
Total Noncurrent Liabilities		8,954	277,260
Total Liabilities	232,587	12,174	315,428
<b>Deferred Inflows of Resources</b>			
Pension		25	128
Other postemployment benefits		47	16
Total Deferred Inflows of Resources		72	144
<b>Net Position</b>			
Net investment in capital assets		626,607	
Restricted for:			
Expendable			
Unemployment compensation benefits	643,470		
Unrestricted		89,206	35,009
Total Net Position	\$ 643,470	\$ 715,813	\$ 35,009

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

**Enterprise Funds**

<b>Department of Finance and Administration</b>			
<b>State Life and Health Insurance Plan</b>	<b>Nonmajor Funds</b>	<b>Totals</b>	
\$	\$	148	\$ 432
2,444	3,941		9,913
			745
	3		200,979
	54		1,451
74,219			125,309
	506		580
12,043			27,916
	56		64
88,706	4,708		367,389
			276,219
	4,250		4,286
	20,296		29,685
	1,445		1,692
	368		691
	26,359		312,573
88,706	31,067		679,962
			416
			569
			385
			448
			801
			1,017
			36,685
			663,292
			643,470
114,331	272,854		511,400
\$ 114,331	\$ 309,539	\$	\$ 1,818,162

# Mississippi

## Proprietary Funds

### Statement of Revenues, Expenses, and Changes in Fund Net Position

For the Year Ended June 30, 2021 (Expressed in Thousands)

#### Business-type Activities -

	Department of Employment Security	Port Authority at Gulfport	State Treasurer Prepaid Affordable College Tuition
	Unemployment Compensation		
<b>Operating Revenues</b>			
Charges for sales and services/premiums	\$	\$	\$
Assessments	60,821		
Investment income			
Federal agencies	2,060,185		
Rentals			
Fees			
Tuition receipts			9,060
Other			
Total Operating Revenues	2,121,006	26,390	9,060
<b>Operating Expenses</b>			
Cost of sales and services			
General and administrative		4,040	456
Contractual services		10,235	1,224
Commodities		396	1
Depreciation		18,295	
Claims and benefits	2,383,437		(41,077)
Other			
Total Operating Expenses	2,383,437	32,966	(39,396)
Operating Income (Loss)	(262,431)	(6,576)	48,456
<b>Nonoperating Revenues</b>			
Revenue from counties		1,238	
Insurance recovery		240	
Investment income	11,518	832	76,842
Total Nonoperating Revenues	11,518	2,310	76,842
<b>Nonoperating Expenses</b>			
Loss on disposal of capital assets		8,420	
Interest and other fiscal charges		7	
Total Nonoperating Expenses		8,427	
Income (Loss) before Capital Contributions, Extraordinary Items, and Transfers	(250,913)	(12,693)	125,298
Capital contributions			
Extraordinary item - Impairment loss from hurricane damage		(878)	
Transfers In	398,791	16,084	
Transfers Out	(1,058)		
Change in Net Position	146,820	2,513	125,298
Total Net Position - Beginning, as restated	496,650	713,300	(90,289)
Total Net Position - Ending	\$ 643,470	\$ 715,813	\$ 35,009

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

**Enterprise Funds**

<b>Department of Finance and Administration</b>		
<b>State Life and Health Insurance Plan</b>	<b>Nonmajor Funds</b>	<b>Totals</b>
\$ 788,668	\$ 11,336	\$ 826,394
		60,821
	5,410	5,410
		2,060,185
	4,344	4,344
	152	152
		9,060
20	1,237	1,257
788,688	22,479	2,967,623
	7,347	7,347
	10,512	15,008
31,502	5,907	48,868
	1,961	2,358
	1,475	19,770
808,666		3,151,026
	88	88
840,168	27,290	3,244,465
(51,480)	(4,811)	(276,842)
		1,238
		240
573	361	90,126
573	361	91,604
	23	8,443
	223	230
	246	8,673
(50,907)	(4,696)	(193,911)
	254	254
		(878)
	19,278	434,153
(2,000)	(11,107)	(14,165)
(52,907)	3,729	225,453
167,238	305,810	1,592,709
\$ 114,331	\$ 309,539	\$ 1,818,162

# Mississippi

## Proprietary Funds

### Statement of Cash Flows

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Business-type Activities -		
	Department of Employment Security	Port Authority at Gulfport	State Treasurer
	Unemployment Compensation		Prepaid Affordable College Tuition
<b>Cash Flows from Operating Activities</b>			
Cash receipts from federal agencies	\$ 2,219,953	\$	\$
Cash receipts/premiums from customers		28,982	8,860
Cash receipts from assessments	(143,190)		
Cash payments to suppliers for goods and services		(16,413)	(1,022)
Cash payments to employees for services		(3,594)	(462)
Cash payments for claims and benefits	(2,312,018)		(29,500)
Other operating cash receipts			1
Other operating cash payments			
Principal and interest received on program loans			
Issuance of program loans			
Net Cash Provided by (Used for) Operating Activities	(235,255)	8,975	(22,123)
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers in	398,791	20,744	
Transfers out	(1,058)		
Revenues from counties		979	
Net Cash Provided by (Used for) Noncapital Financing Activities	397,733	21,723	
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition and construction of capital assets		(15,059)	
Principal received from capital lease receivable			
Principal received from investment in lease		714	
Proceeds from sales of capital assets		54	
Principal paid on bonds and capital asset contracts		(71)	
Interest paid on bonds and capital asset contracts		(8)	
Proceeds from insurance recovery		721	
Net Cash Used for Capital and Related Financing Activities		(13,649)	
<b>Cash Flows From Investing Activities</b>			
Proceeds from sales of investments		14,505	118,778
Purchases of investments		(44,102)	(100,338)
Investment income	11,518	4,153	3,259
Net Cash Provided by (Used for) Investing Activities	11,518	(25,444)	21,699
Net Change in Cash and Cash Equivalents	173,996	(8,395)	(424)
Cash and Cash Equivalents - Beginning, as restated	446,321	26,851	9,338
Cash and Cash Equivalents - Ending	\$ 620,317	\$ 18,456	\$ 8,914



**Enterprise Funds**

<b>Department of Finance and Administration</b>		
<b>State Life and Health Insurance Plan</b>	<b>Nonmajor Funds</b>	<b>Totals</b>
\$	\$	\$
779,511	11,056	2,219,953
		828,409
		(143,190)
(31,264)	(15,761)	(64,460)
	(10,311)	(14,367)
		(2,341,518)
	2,347	2,348
(800,746)	(38)	(800,784)
	31,933	31,933
	(16,219)	(16,219)
(52,499)	3,007	(297,895)
		426,627
(2,000)	7,092	(1,979)
	1,079	979
(2,000)	8,171	425,627
	(2,319)	(17,378)
	174	174
		714
	16	70
	(497)	(568)
	(223)	(231)
		721
	(2,849)	(16,498)
		133,283
		(144,440)
576	361	19,867
576	361	8,710
(53,923)	8,690	119,944
256,944	106,673	846,127
\$	\$	\$
203,021	115,363	966,071

*(Continued on Next Page)*

# Mississippi

## Proprietary Funds

### Statement of Cash Flows

For the Year Ended June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

	Business-type Activities -		
	Department of Employment Security	Port Authority at Gulfport	State Treasurer
	Unemployment Compensation		Prepaid Affordable College Tuition
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>			
Operating income (loss)	\$ (262,431)	\$ (6,576)	\$ 48,456
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation		18,295	
Change in assets and liabilities:			
(Increase) decrease in assets:			
Receivables, net	(210,462)	2,580	
Due from other governments	154,725		
Due from other funds	(1,829)		
Due from component units	(104)		
Inventories			
Prepaid items		(6)	
Loans and notes receivable			
Increase (decrease) in liabilities:			
Warrants payable			(231)
Accounts payable and other liabilities	(4,847)	(5,936)	20
Due to other governments	193,323		
Due to other funds	(5,486)		
Claims and benefits payable	(111,528)		(70,346)
Unearned revenues	13,427	12	
Pension cost		612	(16)
Other postemployment benefits cost		(6)	(6)
Other liabilities	(43)		
Total adjustments	27,176	15,551	(70,579)
Net Cash Provided by (Used for) Operating Activities	\$ (235,255)	\$ 8,975	\$ (22,123)
<b>Noncash Capital and Related Financing and Investing Activities</b>			
Capital contributions			
Loss on disposal of capital assets		8,420	
Impairment loss from hurricane damage		878	
Change in fair value of investments		(3)	39,571

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

**Enterprise Funds**

<b>Department of Finance and Administration</b>		
<b>State Life and Health Insurance Plan</b>	<b>Nonmajor Funds</b>	<b>Totals</b>
\$ (51,480)	\$ (4,811)	\$ (276,842)
	1,475	19,770
	32	(207,850)
		154,725
	(4,347)	(6,176)
		(104)
	(54)	(54)
	22	16
	9,664	9,664
	(711)	(942)
(12,177)	930	(22,010)
		193,323
	41	(5,445)
		(181,874)
(9,177)	(123)	4,139
	900	1,496
	(4)	(16)
20,335	(7)	20,285
(1,019)	7,818	(21,053)
\$ (52,499)	\$ 3,007	\$ (297,895)

	254	254
	23	8,443
		878
(176)		39,392

# Mississippi

## Fiduciary Funds

### Statement of Fiduciary Net Position

June 30, 2021 (Expressed in Thousands)

	Pension and Other Employee Benefits Trust Funds	Private-purpose Trust Fund	Custodial Funds
<b>Assets</b>			
Equity in internal investment pool	\$ 1,295	\$ 69	\$ 6,298
Cash and cash equivalents	1,093,626		96,680
Investments, at fair value:			
Short-term investments	584,522		
Long-term debt securities	6,434,331	74,690	
Equity securities	21,585,571	152,231	
Private equity	3,567,438		
Real estate investments	3,093,473	15,242	
Life insurance contracts		57,729	
Securities lending:			
Short-term investments	2,248,203		
Long-term debt securities	546,056		
Receivables, net:			
Employer contributions	62,828		
Employee contributions	31,113		
Investment proceeds	419,727		
Interest and dividends	99,279	136	
Other	695	265	12,493
Capital assets:			
Land and construction in progress	1,717		
Other capital assets, net	11,452		
Total Assets	<u>39,781,326</u>	<u>300,362</u>	<u>\$ 115,471</u>
<b>Deferred Outflow of Resources</b>			
Pension		23	
Other postemployment benefits	219	2	
Total Deferred Outflows	<u>219</u>	<u>25</u>	
<b>Liabilities</b>			
Investment purchases payable	1,132,869		
Warrants payable	72	2	95
Accounts payable and accruals	10,120	551	791
Due to other governments			109
Net Pension Liability		194	
Obligations under securities lending	2,773,060		
Net other postemployment benefits liability	1,042	9	
Due to state of Mississippi	17		
Total Liabilities	<u>3,917,180</u>	<u>756</u>	<u>\$ 995</u>
<b>Deferred Inflow of Resources</b>			
Pension		38	
Other postemployment benefits	217	4	
Total Deferred Inflows	<u>217</u>	<u>42</u>	
<b>Net Position</b>			
<b>Restricted for:</b>			
Pensions	35,863,104		
Postemployment benefits other than pensions	1,044		
Other trust beneficiaries		299,589	
Individuals, organizations and other governments			114,476
Total Net Position	<u>\$ 35,864,148</u>	<u>\$ 299,589</u>	<u>\$ 114,476</u>

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

# Mississippi

## Fiduciary Funds

### Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Pension and Other Employee Benefits Trust Funds	Private-purpose Trust Fund	Custodial Funds
<b>Additions</b>			
Contributions:			
Employer	\$ 1,230,617	\$	\$
Plan participant	597,499	37,674	
Total Contributions	<u>1,828,116</u>	<u>37,674</u>	
Net Investment Income:			
Net change in fair value of investments	8,462,851	46,693	
Interest and dividends	534,619	4,878	121
Securities lending:			
Income from securities lending	12,405		
Interest expense and trading costs from securities lending	(1,740)		
Managers' fees and trading costs	(110,484)		
Net Investment Income	<u>8,897,651</u>	<u>51,571</u>	<u>121</u>
Other Additions:			
Administrative fees		179	2,892
Tax collection for other governments			7,253
Child support collections			99,475
Legal settlement collections			90,600
Inmates' account collections			26,631
Patients' account collections			35,808
Other	6		20,028
Total Other Additions	<u>6</u>	<u>179</u>	<u>282,687</u>
Total Additions	<u>10,725,773</u>	<u>89,424</u>	<u>282,808</u>
<b>Deductions</b>			
Benefits	3,091,496	35,141	371
Refunds to terminated employees	101,116		
Administrative expenses	15,671	1,623	18,374
Tax payments to other governments			7,260
Child support payments			99,394
Legal settlement payments			55,844
Inmates' account payments			22,727
Patients' account payments			35,778
Depreciation	651		
Total Deductions	<u>3,208,934</u>	<u>36,764</u>	<u>239,748</u>
Change in Net Position	<u>7,516,839</u>	<u>52,660</u>	<u>43,060</u>
Net Position - Beginning, as restated	<u>28,347,309</u>	<u>246,929</u>	<u>71,416</u>
Net Position - Ending	<u>\$ 35,864,148</u>	<u>\$ 299,589</u>	<u>\$ 114,476</u>

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

# Mississippi

## Component Units

### Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Universities	Nonmajor	Totals
<b>Assets</b>			
Current assets:			
Equity in internal investment pool	\$	\$ 2,188	\$ 2,188
Cash and cash equivalents	979,894	63,515	1,043,409
Investments	297,362	31,943	329,305
Receivables, net	363,309	14,026	377,335
Due from other governments		146	146
Due from primary government	7,839	70	7,909
Inventories	42,071	1,404	43,475
Prepaid items	26,286	308	26,594
Notes receivable, net	44,312		44,312
Other assets	12,705	3,199	15,904
Total Current Assets	1,773,778	116,799	1,890,577
Noncurrent assets:			
Investments	962,988		962,988
Notes receivable, net	162,850		162,850
Restricted assets:			
Cash and cash equivalents	144,065		144,065
Investments	1,456,181		1,456,181
Capital assets:			
Land and construction in progress	407,273	11,473	418,746
Other capital assets, net	4,068,492	49,826	4,118,318
Other assets	134,661		134,661
Total Noncurrent Assets	7,336,510	61,299	7,397,809
Total Assets	9,110,288	178,098	9,288,386
<b>Deferred Outflows of Resources</b>			
Refunding	50,082		50,082
Pension	393,867	4,206	398,073
Other postemployment benefits	32,723	281	33,004
Total Deferred Outflows	476,672	4,487	481,159

(Continued on Next Page)

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

# Mississippi

## Component Units

### Statement of Net Position

June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

	Universities	Nonmajor	Totals
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and other liabilities	327,182	45,381	372,563
Due to primary government	3,184	8,537	11,721
Unearned revenues	163,949	959	164,908
Bonds and notes payable	53,551		53,551
Lease obligations payable	1,576	17	1,593
Net other postemployment benefits liability		40	40
Other liabilities	204,299		204,299
Total Current Liabilities	753,741	54,934	808,675
Noncurrent liabilities:			
Bonds and notes payable	1,163,780		1,163,780
Lease obligations payable	4,818		4,818
Net pension liability	3,123,010	22,882	3,145,892
Net other postemployment benefits liability	146,002	1,093	147,095
Other liabilities	257,361	574	257,935
Total Noncurrent Liabilities	4,694,971	24,549	4,719,520
Total Liabilities	5,448,712	79,483	5,528,195
<b>Deferred Inflows of Resources</b>			
Refunding	4,254		4,254
Pension	26,358	743	27,101
Other postemployment benefits	33,475	330	33,805
Beneficial interest in irrevocable trusts	43,992		43,992
Total Deferred Inflows	108,079	1,073	109,152
<b>Net Position</b>			
Net investment in capital assets	3,279,814	61,270	3,341,084
Restricted for:			
Capital Improvements		2,756	2,756
Other purposes	1,137,404		1,137,404
Permanent endowments:			
Nonexpendable	937,720		937,720
Unrestricted (deficit)	(1,324,769)	38,003	(1,286,766)
Total Net Position	\$ 4,030,169	\$ 102,029	\$ 4,132,198

# Mississippi

## Component Units

### Statement of Activities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Universities	Nonmajor	Total
Universities	\$ 3,957,204	\$ 2,321,555	\$ 553,293	\$ 59,089	\$ (1,023,267)	\$	\$ (1,023,267)
Nonmajor	508,828	505,798		3,436		406	406
Total	\$ 4,466,032	\$ 2,827,353	\$ 553,293	\$ 62,525	(1,023,267)	406	(1,022,861)
General revenues:							
					428,471	566	429,037
					394,384	3,440	397,824
					725,148		725,148
					50,830		50,830
					1,598,833	4,006	1,602,839
					575,566	4,412	579,978
					3,454,603	97,617	3,552,220
					\$ 4,030,169	\$ 102,029	\$ 4,132,198

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



## Notes to the Financial Statements

June 30, 2021

### Note 1 - Significant Accounting Policies

The significant accounting policies applicable to the State of Mississippi are described below.

- A. Basis of Presentation** - The accompanying financial statements of the State have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles.
- B. Financial Reporting Entity** - For GAAP financial reporting purposes, the State's reporting entity includes all funds of the State's various commissions, departments, boards, elected officials, universities, and other organizational units (hereinafter referred to collectively as "agencies"). Management has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete.

GASB has set forth criteria to be considered in determining financial accountability. These criteria include the following considerations: 1) appointment of a voting majority of an organization's governing authority and the ability of the primary government to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or 2) an organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board.

As required by GAAP, these financial statements present the primary government and its component units. Blended component units, although legally separate entities, are in substance part of the government's operations and so data from these units are combined with that of the primary government. The blended component unit is:

Public Employees' Retirement System of Mississippi (PERS) - The System was created having all the powers and privileges of a public corporation for the purpose of providing pension benefits for public employees of the State and its political subdivisions. The Board of Trustees is composed of the State Treasurer, one member appointed by the Governor and eight members elected by its members. The administrative expenses are subject to legislative budget controls. Its four pension trust funds and one agency fund are reported as part of the State using the blended component method. The funds were audited by independent auditors for the period ended June 30, 2021, and their report has been issued under separate cover. The Annual Comprehensive Financial Report may be obtained by writing to Public Employees' Retirement System, Accounting Department, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

Discretely presented component units, which are legally separate from the State, are reported in a separate column of the government-wide financial statements. The State reports the following major discretely presented component unit:

Universities – The Board of Trustees of State Institutions of Higher Learning (IHL) is appointed by the primary government. IHL includes Alcorn State University, Delta State University, Jackson State University, Mississippi State University, Mississippi University for Women, Mississippi Valley State University, the University of Southern Mississippi, and the University of Mississippi. IHL is a body corporate and politic. The State provides financial support to IHL through state appropriations, tuition, federal grants, and private donations and grants. Also included in the Universities are the financial data of their significant fund-raising foundations. Because the restricted resources held by the foundations can only be used by, or for the benefit of, the specific universities, the foundations are considered component units of the Universities. The audited financial statements may be obtained from IHL at 3825 Ridgewood Road, Jackson, MS 39211.

The State reports the following nonmajor discretely presented component units:

Mississippi Business Finance Corporation – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and a financial benefit/burden relationship exists. The Corporation and the State work together, providing support, one to the other, in the State's economic development. The audited financial statements may be obtained from Mississippi Business Finance Corporation at 735 Riverside Drive, Suite 300, Jackson, MS 39202-1166.

# Mississippi

Mississippi Development Bank – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and a financial benefit/burden relationship exists. The Bank and the State work together, providing support, one to the other, in the State's economic development. The audited financial statements may be obtained from Mississippi Development Bank at 735 Riverside Drive, Suite 300, Jackson, MS 39202-1166.

Mississippi Lottery Corporation – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and may impose its will on the corporation. A financial benefit/burden relationship exists. The Corporation conducts and administers lottery games within the State resulting in maximization of revenues to support various State programs. The audited financial statements may be obtained from Mississippi Lottery Corporation at P.O. Box 321433, Flowood, MS 39232.

Mississippi Prison Industries Corporation – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and may impose its will on the corporation. A financial benefit/burden relationship exists. The Corporation leases and manages the prison industry programs of the Mississippi Correctional Industries. The audited financial statements may be obtained from Mississippi Prison Industries Corporation at 663 North State Street, Jackson, MS 39202.

Pat Harrison Waterway District – This is a legally separate entity created and established as a body corporate and politic. The State does not appoint the voting majority of the board. The District is fiscally dependent and a financial benefit/burden relationship exists. Expenditures are subject to legislative budget approval. The District provides flood relief along the Pascagoula River and its tributaries and preserves and protects these waters for future generations and for economic enhancement of the area and its industrial growth. The audited financial statements may be obtained from Pat Harrison Waterway District at P.O. Drawer 1509, Hattiesburg, MS 39403-1509.

Pearl River Valley Water Supply District – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and may impose its will. A financial benefit/burden relationship exists. Expenditures are subject to legislative budget approval. The District operates and maintains the Ross Barnett Reservoir and surrounding district lands to provide water supply, flood reduction and recreational opportunities. The audited financial statements may be obtained from Pearl River Valley Water Supply District at P.O. Box 2180, Ridgeland, MS 39158-2180.

Tombigbee River Valley Water Management District – This is a legally separate entity created and established as a body corporate and politic. The State appoints the voting majority of the board and may impose its will. A financial benefit/burden relationship exists. Expenditures are subject to legislative budget approval. The District provides for a plan of conservation, recreation, water control and utilization, agricultural development and economic advancement within the district. The audited financial statements may be obtained from Tombigbee River Valley Water Management District at P.O. Box 616, Tupelo, MS 38802-0616.

State officials are also responsible for appointing the members of the boards of other related organizations, but the primary government's financial accountability for these related organizations does not extend beyond making the appointments. These related organizations are Mississippi Hospital Equipment and Facilities Authority, Mississippi Home Corporation and Mississippi Industries for the Blind.

## C. Government-wide and Fund Financial Statements

**Government-wide Financial Statements** - The Statement of Net Position and the Statement of Activities report information on all nonfiduciary activities of the primary government and its component units. The primary government is further subdivided between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents all of the State's nonfiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. GAAP requires that net position be subdivided into three categories:

Net investment in capital assets - capital assets net of accumulated depreciation and related deferred outflows of resources reduced by outstanding balances for bonds, notes and other debt net of unspent debt proceeds and related deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - assets and deferred outflows of resources less any related liabilities and deferred inflows of resources that are restricted externally by creditors, grantors, contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - assets that are not classified as net investment in capital assets or restricted net position.

# Mississippi

The Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, thus, are clearly identifiable to a particular function. Certain indirect costs have been included as part of the program expenses reported for the various functions and activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. General revenues include taxes and any sources of revenue that are not reported as program revenues.

**Fund Financial Statements** - Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds, and component units. Major individual enterprise funds are reported as separate columns in the fund financial statements.

- D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation** – The government-wide financial statements and the financial statements of the proprietary funds and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The revenues and expenses of proprietary funds are classified as operating or nonoperating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's primary operations. All other revenues and expenses are reported as nonoperating.

Governmental fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. Assets, deferred outflows of resources, liabilities and deferred inflows of resources are included on the balance sheet as applicable. Revenues are recognized when measurable and available to finance operations of the current fiscal year. Available means collectible within the current year or soon enough after fiscal year end to liquidate liabilities existing at the end of the fiscal year. The State considers revenues received within 60 days after fiscal year end as available. Significant revenue sources that are susceptible to accrual include sales taxes, individual income taxes, corporate income taxes and federal grants. Licenses, fees, permits and other miscellaneous revenues are recognized when received since they normally are measurable only at that time. Expenditures are recognized upon receipt of goods and services.

The State reports the following major governmental fund:

The General Fund accounts for all activities of the State not specifically required to be accounted for in other Funds. Transactions are related to general government, education, health and social services, law, justice and public safety, recreation and resource development, regulation of business and professions, transportation, capital projects, and debt service.

The State reports the following major enterprise funds:

The Unemployment Compensation Fund accounts for the collection of unemployment insurance assessments from employers and the payment of unemployment benefits to eligible claimants. Funds are also provided by the federal government and investment income.

The Port Authority at Gulfport Fund accounts for operations of a public port providing facilities for foreign and domestic trade. Funding is provided by gross receipts from port operations, proceeds from bond issues and investment income. Expenses include port operation, construction and the payment of maturing bond interest and principal.

The Prepaid Affordable College Tuition Fund accounts for operations of a prepaid college tuition program. Funding is provided by the purchasers' specified actuarially determined payments and investment income.

The State Life and Health Insurance Plan Fund accounts for resources and transactions pertaining to the State's self-insured medical plan and life insurance program as mandated by state law to be offered to state and public education employees. Funding is provided by premiums collected from active and retired employees, local school districts, and the State's operating fund.

Additionally, the State reports the following nonmajor funds:

Governmental funds:

Permanent Funds account for transactions related to resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry.

# Mississippi

## Proprietary Funds:

Enterprise Funds account for operations where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic measurement of the results of operations is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

## Fiduciary Funds:

Pension Trust and Other Employee Benefits Trust Funds account for transactions, assets, liabilities and net position held in trust for plan beneficiaries of the State's Public Employee Retirement System and the State Life and Health Insurance Plan.

Private-purpose Trust Fund accounts for operations of a college savings program under Section 529 of the Internal Revenue Code. Funding is provided by participants' contributions and investment earnings.

Custodial Funds account for funds distributed to the various counties and municipalities of the State; for receipt of various taxes, refundable deposits, inventories, and other monies collected or recovered to be held until the State has the right or obligation to distribute them to state funds or to various entities or individuals; and for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

- E. Equity in Internal Investment Pool and Cash and Cash Equivalents** - Equity in internal investment pool is cash equity with the Treasurer and consists of pooled demand deposits and investments recorded at fair value. Cash and cash equivalents include bank accounts, petty cash, money market demand accounts, money market mutual funds and certificates of deposit with a maturity date within 90 days of the date acquired by the State.

In accordance with IHL policy, all highly liquid investments with an original maturity date of three months or less are included as cash and cash equivalents for the Universities, a major component unit.

- F. Fair Value Measurements** – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB establishes a fair value reporting hierarchy to maximize the use of observable inputs when measuring fair value and defines the three levels of inputs as noted below:

Level 1 – Assets or liabilities for which the identical item is traded on an active exchange, such as publicly-traded instruments or futures contracts.

Level 2 – Assets and liabilities valued based on observable market data for similar instruments. Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly or indirectly.

Level 3 – Assets or liabilities for which significant valuation assumptions are not readily observable in the market and instruments, which are valued based on the best available data. Fair value is estimated using unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3 assets may include instruments for which the determination of fair value requires significant management judgment or estimation.

- G. Investments** - Investments, including any land or other real estate held as investments by endowments, are recorded at fair value with all investment income, including changes in the fair value of investments, reported as revenue in the financial statements. Income from short-term interest bearing securities is recognized as earned. Changes in the fair value of investment derivative instruments, including derivative instruments that are determined to be ineffective as hedges, are reported as investment income in the government-wide Statement of Activities.

Investments of the pension trust funds are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Short-term investments are reported at fair value when published prices are available, or at cost plus accrued interest, which approximates fair value. The fair value of commingled real estate investment funds is based on independent appraisals, while Real Estate Investment Trusts (REIT) traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For individual investments where no readily ascertainable fair value exists, the Public Employees' Retirement System, in consultation with its investment advisors and custodial bank, has determined the fair values.

- H. Receivables** - Receivables represent amounts due to the State for revenues earned that will be collected sometime in the future. Amounts expected to be collected in the next fiscal year are classified as "current" and amounts expected to be collected beyond the next fiscal year are classified as "noncurrent." Receivables are reported net of allowances for uncollectible accounts where applicable.

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- I. **Interfund Activity** – Interfund activity consists primarily of transfers between funds. Transfers represent flows of assets between funds of the primary government without the equivalent flows of assets in return and without a requirement for payment. Eliminations have been made to minimize the internal activity. Transfers between governmental and business-type activities are reported at the net amount on the government-wide financial statements.
- J. **Interfund Balances** - Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position, except for the residual amounts due between governmental and business-type activities. Fiduciary funds' receivables and payables have been reclassified to accounts receivable and accounts payable, respectively, on the government-wide Statement of Net Position.
- K. **Inventories and Prepaid Items** - Inventories of supplies and materials are stated at cost, generally using the first-in, first-out method. Cost of inventories held for use by the Department of Transportation is determined by the weighted average method. Inventories of supplies and materials of governmental funds are recorded as expenditures when consumed rather than when purchased.

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.

- L. **Restricted Assets** - Proprietary fund and component unit assets required to be held and/or used as specified in bond indentures, bond resolutions, trustee agreements, board resolutions and donor specifications have been reported as restricted assets.
- M. **Capital Assets** - Capital assets are reported, net of depreciation, in the applicable governmental or business-type activities columns in the government-wide financial statements. Purchased or constructed capital assets are reported at cost. Donated capital assets are recorded at their acquisition value on the date of donation. Classes of capital assets and their related capitalization thresholds are: land - cost or acquisition value on the date of donation, software - \$1,000,000, buildings - \$50,000, land improvements - \$25,000, machinery and equipment - \$5,000, infrastructure - \$100,000, and construction in progress - based on the project's class. Infrastructure acquired prior to July 1, 1980 is not reported in the basic financial statements. The costs of normal maintenance and repairs that do not add to the value of capital assets or materially extend their respective lives are not capitalized. Interest expenditures are not capitalized on capital assets.

Capital assets, excluding land and construction in progress, are depreciated using the straight-line method over the estimated service lives of the respective assets. Estimated service lives include 5 to 20 years for software, 40 years for buildings, 20 years for land improvements, 5 to 15 years for machinery and equipment, 3 years for computer equipment, 5 to 15 years for heavy and outdoor equipment, and 3 to 10 years for vehicles. The estimated service life varies from 12 to 50 years for infrastructure, based on the individual asset.

The State owns various collections, works of art and historical treasures that have not been capitalized because they are held for public exhibition, education or research, and are protected and preserved. The proceeds from sales of such items are used to acquire other items for the collections. These collections include paintings, photographs, various objects of art, historical and scientific artifacts, antique furniture, clothing, books, and relics.

- N. **Claims and Benefits Payable** - In the government-wide and proprietary fund financial statements, a liability for an insurance claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable.

In the Prepaid Affordable College Tuition Fund (a major proprietary fund), claims and benefits payable represents the actuarially determined present value of future tuition obligations. In the Unemployment Compensation Fund (a major proprietary fund), claims and benefits payable represents amounts incurred prior to the reporting date.

- O. **Accumulated Unpaid Leave** - State law authorizes payment for a maximum of 30 days accrued personal leave in a lump sum upon termination of employment. Additionally, in accordance with the Fair Labor Standards Act, nonexempt employees may accrue up to 240 hours of compensatory leave (480 hours for emergency response personnel). No payment is authorized for accrued major medical leave unless employees present medical evidence that their physical condition is such that they can no longer work in a capacity of state government.

The State's obligation for accumulated unpaid personal leave, up to the maximum of 30 days per employee, is reported as "Other Liabilities" in the government-wide financial statements, as well as proprietary and fiduciary fund financial statements. In the governmental funds, only the amounts that normally would be liquidated with expendable available financial resources are accrued as current year expenditures. The reported liability applicable to all funds includes the related fringe benefits that the State as employer is required to pay when the accrued compensated absences are liquidated.

Accumulated unpaid major medical leave is not accrued, except in the Universities, because it is not probable that the compensation will be paid in a lump sum other than in the event of severe illness. However, state law authorizes the Universities to make payment for a maximum of 30 days in a lump sum upon termination of employment for nine-month faculty members eligible to receive retirement benefits.

# Mississippi

- P. Unearned Revenues and Deferred Inflows of Resources** - Unearned revenues are recognized when assets are received prior to being earned in an exchange transaction. Unavailable revenues are reported in the governmental fund financial statements as deferred inflows of resources until such time as the revenues become available.
- Q. Pensions** – Net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense have been measured using the same basis as the PERS fiduciary net position. For the purpose of determining the PERS fiduciary net position, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension system reports investments at fair value.
- R. Postemployment Benefits Other Than Pensions (OPEB)** – The OPEB liability is the actuarial present value of projected healthcare benefit payments to be provided to employees in the period after employment. The net OPEB liability, deferred outflows of resources, deferred inflows of resources related to OPEB and OPEB expense have been measured using the same basis as the State Life and Health Insurance Plan's fiduciary net position. For the purpose of determining the OPEB fiduciary net position, benefit payments are recognized when due and payable in accordance with benefit terms. The OPEB Plan reports investments at fair value.
- S. Net Position/Fund Balance** - Net Position is the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources on government-wide, proprietary and fiduciary funds financial statements and Fund Balance on governmental funds financial statements. Fund Balances of governmental funds are classified as:

Nonspendable - amounts that cannot be spent because they are not in a spendable form (not expected to be converted to cash) or are legally required to be maintained intact. Examples include inventories and permanent fund principal.

Restricted - amounts where legally enforceable constraints are imposed by an external party such as a grantor, or by the constitution, or by the State Legislature at the same time the revenue is created.

Committed - amounts where constraints are imposed by bills which become law after passage by the State Legislature, the highest decision-making authority in the State. These constraints are imposed separately from the creation of the revenue. The revenue cannot be used for any other purpose unless the State Legislature removes or changes the specified use by taking the same formal action that originally imposed the constraint.

Assigned - amounts where constraints are imposed on the use of resources through the intent of the State Legislature or by its delegation to each agency director.

Unassigned - the residual amount of the General Fund, which is the only fund that reports a positive unassigned fund balance.

When an expenditure is incurred for purposes in which all classifications of spendable fund balance are available, it is the State's general policy to use the fund balances in the following order: restricted, committed, assigned, and unassigned.

- T. Federal Grants** - Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.
- U. Bonds and Notes** - Bond and note proceeds, premiums and discounts are reported as other financing sources or uses in the governmental fund financial statements. In the government-wide and proprietary fund financial statements, bond and note premiums and discounts, as well as refunding charges (the difference between the carrying amount of redeemed/defeased debt and its reacquisition price), are deferred and amortized over the life of the bonds and notes using the straight-line method. Bonds and notes payable are reported net of the applicable unamortized bond and note premium and discount while refunding charges are reported as deferred outflows or deferred inflows of resources. Issuance costs are recognized as debt service expenditures/expenses in the period incurred.
- V. Changes in Accounting Standards** - The State implemented GASB Statement No. 84, *Fiduciary Activities* issued by GASB in the current fiscal year as required. The State early implemented GASB Statement No. 98, *The Annual Comprehensive Financial Report* in the current fiscal year. The provisions of these standards have been incorporated into the financial statements and notes.

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## Note 2 - Other Accounting Disclosures

- A. Net Position Restricted by Enabling Legislation** - The State's net position restricted by enabling legislation represent resources which a party external to government, such as citizens, public interest groups, or the judiciary, can compel the government to use only for the purpose specified by the legislation. The government-wide statement of net position reports \$5,167,128,000 of restricted net position, of which \$800,559,000 is restricted by enabling legislation.
- B. Deficit Net Position** - At June 30, 2021, the Department of Finance and Administration Office of Surplus Property (a nonmajor enterprise fund) has a deficit net position of \$491,000. The deficit is a result of the actuarially determined net pension liability and net OPEB liability reported in the funds financial statements.
- C. Working Cash Stabilization Reserve Account** - The Budget Reform Act of 1992 created the Working Cash Stabilization Reserve Account (Account) and required that 100% of the unencumbered General Fund cash balance be deposited into the Account at the close of each fiscal year until the balance reaches \$40,000,000. Thereafter, 50% of the unencumbered General Fund ending cash balance must be deposited into the Account until it reaches 10% of General Fund appropriations for the fiscal year that the unencumbered General Fund cash balance represents. As required by law, the Account is not considered as a surplus or available funds when adopting a balanced budget. The Account balance in excess of \$40,000,000 may be permanently transferred to the General Fund to cover deficits up to a maximum of \$50,000,000 in any one fiscal year. These transfers are restored to the Account out of future annual General Fund ending cash balances until the 10% maximum is again attained. At June 30, 2021, the Account, as reported in the General Fund, has an unassigned fund balance of \$541,973,000.
- D. Fund Balances** – At June 30, 2021, the State's restricted, committed and assigned fund balances are summarized by purpose as follows (amounts expressed in thousands):

	Restricted	Committed	Assigned
<b>Governmental Funds</b>			
<b>General</b>			
General Government			
Fiscal Affairs	\$ 69,865	\$ 151,738	\$ 20,181
Regulatory	26,672	284	
Other	46,240	6,789	
Education	350,988	3,947	14
Health and Social Services	909,288	143,022	3,809
Law, Justice and Public Safety			
Disaster Assistance	13,433	8,252	
Highway safety	27,585	4,660	
Other	17,881	6,887	
Recreation and Resources Development			
Industrial Development	784,047	5,533	259
Natural Resources	707,992	526	
Other	120,051	1,772	2,553
Regulation of Business and Professions	43,104	358	
Transportation			
Highways	410,497		
State Roads and Bridges	108,604		
Other	102,967	838	
Capital Projects	426,540		
Debt Service	241,839		
Total General Fund	<u>4,407,593</u>	<u>334,606</u>	<u>26,816</u>
<b>Permanent</b>			
Education	5,407		
Health and Social Services	1,070		
Recreation and Resources Development			
Wildlife Conservation	3,442		
Total Permanent Fund	<u>9,919</u>		
Total Governmental Funds	<u>\$ 4,417,512</u>	<u>\$ 334,606</u>	<u>\$ 26,816</u>

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**E. Restatements of Fund Balance and Net Position** – During fiscal year 2021, the State implemented GASB 84, Fiduciary Activities. The provisions of this statement established standards of accounting and financial reporting for fiduciary activities. As a result of implementation of this statement, fund balance in governmental funds decreased while total net position increased. There was a prior period adjustment made for the overpayment of unemployment insurance from employers in a major enterprise fund. A prior period adjustment was also made to correct the overstatement of accounts payable and accrued expenses in a nonmajor component unit.

The restatement of fund balance and net position is summarized as follows (amounts expressed in thousands):

Fund Balance	June 30, 2020 as previously reported	Implementation of GASB Statement No. 84 Fiduciary Activities	Prior Period Adjustment	June 30, 2020 as restated
<b>Governmental Funds</b>				
General Fund	\$ 5,031,048	\$ (11,227)		\$ 5,019,821
Permanent Fund	72,826			72,826
<b>Total Governmental Funds</b>	<b>\$ 5,103,874</b>	<b>\$ (11,227)</b>		<b>\$ 5,092,647</b>
<b>Net Position</b>				
<b>Governmental Activities</b>				
Net Investment in capital assets	\$ 15,501,828		\$	\$ 15,501,828
Restricted	3,900,595			3,900,595
Unrestricted (deficit)	(5,831,564)	(11,227)		(5,842,791)
<b>Total Governmental Activities</b>	<b>13,570,859</b>	<b>(11,227)</b>		<b>13,559,632</b>
<b>Business-type Activities</b>				
Net Investment in capital assets	674,655			674,655
Restricted	498,590		(1,940)	496,650
Unrestricted (deficit)	421,404			421,404
<b>Total Business-type Activities</b>	<b>1,594,649</b>		<b>(1,940)</b>	<b>1,592,709</b>
<b>Total Primary Government</b>	<b>\$ 15,165,508</b>	<b>\$ (11,227)</b>	<b>\$ (1,940)</b>	<b>\$ 15,152,341</b>
<b>Fiduciary Funds</b>				
Restricted for:				
Pension	\$ 28,346,272		\$	\$ 28,346,272
OPEB	1,037			1,037
Other Trust beneficiaries, Individuals, organization, etc.	246,929	71,416		318,345
<b>Total Fiduciary Funds</b>	<b>28,594,238</b>	<b>71,416</b>		<b>28,665,654</b>
<b>Component Units</b>				
Net Investment in capital assets	\$ 3,314,088		\$	\$ 3,314,088
Restricted	1,684,064			1,684,064
Unrestricted (deficit)	(1,446,003)		71	(1,445,932)
<b>Total Component Units</b>	<b>3,552,149</b>		<b>71</b>	<b>3,552,220</b>
<b>Total Reporting Entity</b>	<b>\$ 47,311,895</b>	<b>\$ 60,189</b>	<b>\$ (1,869)</b>	<b>\$ 47,370,215</b>



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## Note 3 - Interfund Transactions

At June 30, 2021, interfund receivables and interfund payables consisted of (amounts expressed in thousands):

Due From	Due To					Total
	General	Unemployment Compensation	Port Authority at Gulfport	State Life and Health Insurance Plan	Nonmajor Enterprise	
Governmental:						
General	\$	\$ 1,856	\$ 2,141		\$ 16	\$ 17,730
Fiduciary	17					17
Proprietary:						
Unemployment Compensation	1,397					1,397
Nonmajor Enterprise	54					54
<b>Total</b>	<b>\$ 1,468</b>	<b>\$ 1,856</b>	<b>\$ 2,141</b>	<b>\$ 16</b>	<b>\$ 13,717</b>	<b>\$ 19,198</b>

Interfund receivables and payables are the results of 1) timing differences between the date expenses/expenditures occur and the date payments are made and 2) the accrual of tax distributions for taxes collected in the following fiscal year.

At June 30, 2021, amounts due from/to primary government and component units consisted of (amounts expressed in thousands):

Due From	Due To				
	Primary Government		Component Units		Total
	General	Unemployment Compensation	Universities	Nonmajor	
Primary Government:					
General	\$	\$	\$ 7,839	\$ 70	\$ 7,909
Component Units:					
Universities	3,080	104			3,184
Nonmajor	8,537				8,537
<b>Total</b>	<b>\$ 11,617</b>	<b>\$ 104</b>	<b>\$ 7,839</b>	<b>\$ 70</b>	<b>\$ 19,630</b>

Amounts due to and due from the primary government and component units are the results of timing differences between the date expenses/expenditures occur and the date payments are made.

At June 30, 2021, interfund transfers consisted of (amounts expressed in thousands):

Transfer From	Transfer To				Total
	General	Port Authority at Gulfport	Unemployment Compensation	Nonmajor Enterprise	
Governmental:					
General	\$	\$ 16,084	\$ 398,791	\$ 8,178	\$ 423,053
Permanent	1,000				1,000
Proprietary:					
Unemployment Compensation	1,058				1,058
Nonmajor enterprises	7			11,100	11,107
State Life and Health Insurance Plan	2,000				2,000
<b>Total</b>	<b>\$ 4,065</b>	<b>\$ 16,084</b>	<b>\$ 398,791</b>	<b>\$ 19,278</b>	<b>\$ 438,218</b>

Interfund transfers are primarily used to 1) move revenues from funds required to collect them to funds required to expend them, 2) use revenues collected in the General Fund to finance various programs accounted for in other funds in accordance

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with budgetary authorizations, and 3) transfer capital facility construction and debt service expenditures to the funds making the payments.

The State Legislature authorized transfers of \$181,775,000 from the Coronavirus Relief Fund to the Unemployment Compensation Fund for Coronavirus relief.

## Note 4 - Deposits and Investments

The State Treasurer maintains a cash and short-term investment pool for all state treasury funds and for investments of certain other state agencies. In addition, the Public Employees' Retirement System (the System), and a small number of other agencies carry out investment activities separate from the State Treasurer. A discussion of statutory authority for these investments follows.

The State Treasurer is authorized to invest all excess treasury funds of the state under Section 27-105-33, Mississippi Code Ann. (1972). Funds in the Working Cash-Stabilization Reserve Account and the Education Improvement Trust Account are invested by the State Treasurer as authorized by Sections 27-103-203 and 7-9-103, respectively, Mississippi Code Ann. (1972).

Sections 37-155-9 and 37-155-115, Mississippi Code Ann. (1972) authorize the Board of Directors of the College Savings Plans of Mississippi Trust Funds (the Board) to invest funds held in the Mississippi Affordable College Tuition (MPACT) Account and the Mississippi Affordable College Savings (MACS) Account, respectively.

The System is authorized to invest funds under Section 25-11-121, Mississippi Code Ann. (1972). All investments are governed by the Board of Trustee's policy of the prudent person rule. The prudent person rule establishes a standard for all fiduciaries, to act as a prudent person would be expected to act, with discretion and intelligence, while investing for income and preservation of principal.

### Primary Government Deposits (except for the System)

Section 27-105-5, Mississippi Code Ann. (1972) authorizes the State Treasurer to implement a statewide collateral pool program which secures all state and local public funds deposits through a centralized system of pledging securities to the State Treasurer. The program requires the State Treasurer as pledgee of all public funds to monitor the security portfolios of approved financial institutions and ensure public funds are adequately secured.

Section 27-105-5, Mississippi Code Ann. (1972) establishes the requirements for a financial institution to be approved as a qualified public funds depository. Generally, financial institutions make annual application to the State Treasurer for state funds by signing a contract and supplying the financial report as provided to its regulatory authority to assure the statutory required 5.5 percent primary capital to total assets ratio. When so approved by the State Treasurer, the financial institution is required to place on deposit with the State Treasurer collateral equal to at least 105 percent of the amount of public funds on deposit in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC). Collateral may be held by a third party custodian, with approval of the State Treasurer, if conditions are met which protect the State's interests.

Sections 27-105-5 and 27-105-6, Mississippi Code Ann. (1972) establish a public funds guaranty pool administered by the Guaranty Pool Board and the State Treasurer. The Guaranty Pool Board is composed of the State Treasurer, Commissioner of Banking and Consumer Finance, five members nominated by the Mississippi Bankers Association, one member nominated by the Mississippi Supervisors Association, and one member nominated by the Mississippi Municipal League. The Guaranty Pool Board is responsible for reviewing and recommending criteria to be used by the State Treasurer in order to protect public deposits and the depositories in the guaranty pool program.

Sections 27-105-5 and 27-105-6, Mississippi Code Ann. (1972) establish criteria for a financial institution that has been in existence for three years or more to be approved as a qualified public funds depository and a public funds guaranty pool member. Potential guaranty pool members must submit an application and supply financial information to the State Treasurer as provided to its regulatory authority to verify the institution meets certain financial criteria established in the law. In addition to the requirements in the law, the Guaranty Pool Board has established additional membership requirements pursuant to its statutory authority. Once approved as a member of the public funds guaranty pool, the members must submit quarterly financial information to the State Treasurer. The Guaranty Pool Board uses this information to monitor the financial status of each member and the fiscal soundness of the guaranty pool.

Under the criteria established by the Guaranty Pool Board, an approved guaranty pool member must meet the 75 percent security requirement by depositing eligible collateral with the State Treasurer (or an approved custodian). The agreement provides that if a loss to a public depositor in the guaranty pool is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment against other guaranty pool members on a pro rata basis.

Custodial credit risk for deposits is the risk that in the event of the failure of a financial institution, the government will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2021, of the statewide collateral pool cash deposits reported by the financial institutions, \$7,420,598 was uninsured and uncollateralized. Of the cash

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deposits not included in the statewide collateral pool, \$971,636 was uninsured and uncollateralized, and \$17,451,000 was uninsured and collateral held by the pledging financial institution's trust department or agent was not in the government's name.

## **Primary Government Investment Policies (except for the System)**

The State Treasurer is authorized to invest all funds in the state pool in the following:

Certificates of deposit or term repurchase agreements with approved financial institutions, banks and savings associations domiciled in Mississippi;

Repurchase agreements and securities lending transactions (with at least 80 percent of the total dollar amount with qualified state depositories);

Direct U.S. Treasury obligations fully guaranteed by the U.S. Government;

U.S. Government agency, U.S. Government instrumentality, or U.S. Government sponsored enterprise obligations, the principal and interest of which are fully guaranteed by U.S. Government, U.S. Government agency, U.S. Government instrumentality, or U.S. Government sponsored enterprise; and

Any open-end or closed-end management type investment company or investment trust registered under the provisions of 15 U.S.C. Section 80(a)-1 et seq., provided that the portfolio is limited to direct obligations issued by the U.S. (or its agencies, instrumentalities or sponsored enterprises) and to repurchase agreements fully collateralized by direct obligations of the U.S. (or its agencies, instrumentalities or sponsored enterprises). The total dollar amount of funds invested in all open-end and closed-end management type companies and investment trust cannot exceed 20 percent of total investments. Not more than \$500,000 may be invested with foreign financial institutions.

The State Treasurer, for the Working Cash-Stabilization Reserve Account and the Education Improvement Trust Account and the Board for the MPACT Account, are authorized to invest in the following:

Bonds, notes, certificates and other valid general obligations of the State, or of any county, city, or supervisor's district of any county of the State;

School district bonds of the State;

Notes or certificates of indebtedness issued by the Veterans' Home Purchase Board, not to exceed five percent of total investments;

Highway bonds of the State;

Corporate bonds of Grade A or better as rated by Standard & Poor's Corporation (S&P) or by Moody's Investors Service. The Board may invest up to 5 percent of the book value of the total fixed income investment in corporate bonds of Grade BBB/Baa or better as rated by S&P or by Moody's Investors Service;

Short-term obligations of corporations, or of wholly-owned subsidiaries of corporations, whose short-term obligations are rated A-3 or better by S&P or rated P-3 or better by Moody's Investors Service;

Bonds of the Tennessee Valley Authority;

Bonds, notes, certificates and other valid obligations of the U.S. or any federal instrumentality that issues securities under authority of an act of Congress and are exempt from registration with the U.S. Securities and Exchange Commission (SEC);

Bonds, notes, debentures and other securities issued by any federal instrumentality and fully guaranteed by the U.S.; and

Interest-bearing bonds or notes which are general obligations of any other state in the U.S. or any city or county therein, provided such city or county had a population as shown by the federal census next preceding such investment of not less than 25,000 inhabitants, and provided that such state, city, or county has not defaulted for a period longer than 30 days in the payment of principal or interest on any of its general obligation indebtedness during a period of ten calendar years immediately preceding such investment.

In addition, the Board for the MPACT Account, is authorized to invest in the following:

Bonds rated A or better, stocks and convertible securities of established non-U.S. companies which are listed on primary national stock exchanges of foreign nations and foreign government securities rated A or better by a recognized rating agency. The Board is authorized to hedge such transactions through foreign banks and generally deal in foreign exchange through the use of foreign currency, interbank forward contracts, futures contracts, options contracts, swaps and other related derivative instruments;

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Shares of stock, common and/or preferred, of corporations created by or existing under the laws of the U.S. or any state, district or territory thereof;

Covered call and put options on securities traded on one or more of the regulated exchanges;

Pooled or commingled funds managed by a corporate trustee or by a SEC registered investment advisory firm and shares of investment companies and unit investment trusts registered under the Investment Company Act of 1940, where such pooled or commingled funds or shares are comprised of common or preferred stocks, bonds, money market instruments or other authorized investments; and

Pooled or commingled real estate funds or real estate securities managed by a corporate trustee or by a SEC registered investment advisory firm retained as an investment manager by the Board.

The Board is authorized to invest for the MACS account as permitted under Section 529 of the Internal Revenue Code of 1986.

## Primary Government Investments (except for the System)

- A. Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The primary government follows the statutes as previously discussed as its policy for limiting exposure to credit risk. The Moody's or S&P credit ratings for the primary government's investments as of June 30, 2021 are as follows (amounts expressed in thousands):

Investment Type	Quality Ratings				
	AAA	AA	A	BBB	Not Rated
Asset backed securities	\$ 3,179	\$ 1,951	\$ 1,964	\$ 697	\$ 326
Collateralized mortgage obligations					230,320
Corporate bonds	307	2,012	20,299	8,125	2,061
International Equities		2,136			
Mortgage pass-throughs					274,818
Mutual funds	48,023				74,690
State and local obligations		2,177			271
U.S. Government agency obligations	73,619	3,389,188	342,904		744,554
Total	\$ 125,128	\$ 3,397,464	\$ 365,167	\$ 8,822	\$ 1,327,040

- B. Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The primary government has no formal policy on limiting exposure to interest rate risk. As of June 30, 2021, the primary government had the following investments and maturities (amounts expressed in thousands):

Investment Type	Fair Value (in thousands)	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Asset backed securities	\$ 8,717	\$ 406	\$ 3,678	\$ 2,405	\$ 2,228
Collateralized mortgage obligations	432,252			52,183	380,069
Corporate bonds	39,962	4,097	21,454	7,072	7,339
Fixed income securities	54,253		9,492	44,761	
International fixed	24,815	10,000	11,243	2,694	878
Mortgage pass-throughs	280,060		10,272	238,048	31,740
State and local obligations	2,448	475	1,728	245	
Mutual funds	34,878	34,878			
Other pass-throughs	221,160	193	6,862	58,443	155,662
U.S. Government agency obligations	4,530,991	1,227,273	1,732,549	1,527,674	43,495
U.S. Treasury Obligations	837,951	1,596	804,285	25,389	6,681
U.S. Treasury bills	199,908	199,908			
Zero coupon bonds	500		500		
Total Primary Government	\$ 6,667,895	\$ 1,478,826	\$ 2,602,063	\$ 1,958,914	\$ 628,092

Collateralized mortgage obligations (CMOs) are bonds that are collateralized by whole loan mortgages, mortgage pass-through securities or stripped mortgage-backed securities. Income is derived from payments and prepayments of principal and interest generated from collateral mortgages. Cash flows are distributed to different investment classes or tranches in accordance with that CMO's established payment order. Some CMO tranches have more stable cash flows relative to changes in interest rates while others are significantly sensitive to interest rate fluctuations.

# Mississippi

Asset backed securities (ABS) are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other credit providers. The originator of the loan or accounts receivable paper sells it to a specially created trust, which repackages it as securities. Similar to CMOs, ABS have been structured as pass-throughs and as structures with multiple bond classes.

Mortgage pass-through securities are issued by the FNMA, FHLMC, and Government National Mortgage Association (GNMA). These investments are backed by mortgage loans in which the borrowers have the option of prepaying.

- C. Fair Value Measurements** - The State categorizes its fair value measurements within the fair value hierarchy established by GASB Statement 72. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. As of June 30, 2021, the primary government has the following recurring fair value measurements (amounts expressed in thousands):

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using:	
		Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<b>Debt securities:</b>			
Asset backed securities	\$ 8,717	\$	\$ 8,717
Collateralized mortgage obligations	432,252		432,252
Corporate bonds	39,962	2,689	37,273
Fixed income securities	54,253	54,253	
International fixed	24,815	2,694	22,121
Mortgage pass-throughs	280,060		280,060
Mutual funds	44,295	44,295	
Other pass-throughs	221,161		221,161
Real estate investments	15,242	15,242	
State and local obligations	2,448		2,448
U.S. Government agency obligations	4,530,992	21,286	4,509,706
U.S. Treasury obligations	837,951	837,951	
U.S. Treasury bills	199,908	199,908	
<b>Total Debt Securities</b>	<b>6,692,056</b>	<b>\$ 1,178,318</b>	<b>\$ 5,513,738</b>
<b>Equity securities:</b>			
Domestic equities	248,005	248,005	
International equities	63,404	63,404	
<b>Total Equity Securities</b>	<b>311,409</b>	<b>311,409</b>	
<b>Total Investments By Fair Value Level</b>	<b>7,003,465</b>	<b>\$ 1,489,727</b>	<b>\$ 5,513,738</b>
Open-ended comingled funds - foreign	88,320		
Real estate funds	11,209		
<b>Total Investments Measured at NAV</b>	<b>99,529</b>		
<b>Total Investments Measured at Fair Value</b>	<b>\$ 7,102,994</b>		

Certain investments that are measured at fair value using the Net Asset Value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Investments measured at NAV per share (or its equivalent) are (amounts expressed in thousands):

# Mississippi

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Open-ended comingled funds - foreign	\$ 88,320	\$ -	Daily	Up to 30 days
Real estate funds	11,209	-	Daily	Up to 60 days
<b>Total Investments at NAV</b>	<b>\$ 99,529</b>	<b>-</b>		

Open-ended comingled funds include two investments that take both long and short positions, primarily in foreign common stocks. Real estate funds include three real estate funds that invest primarily in U.S. commercial real estate and timberland. The investment in the timberland fund can be redeemed upon maturity of the fund. Distributions from the timberland fund will be made as the underlying investments of the funds are liquidated. The U.S. commercial real estate funds have quarterly liquidity availability.

**D. Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The primary government limits investment in the Veteran's Home Purchase Board notes or certificates to not more than five percent of total investment holdings. By statute, the Board's investments in stocks of any one corporation are limited to not more than three percent of the book value of their assets. The primary government has the following investments that represent more than five percent of net investments (amounts expressed in thousands):

Federal Home Loan Bank	\$ 1,624,395	20.82%
Federal Home Loan Mortgage Corporation	625,349	8.02%
Federal Farm Credit Bank	1,867,395	23.93%
Federal Agricultural Mortgage Corporation	713,617	9.15%

## System Deposits

Section 25-11-121, Mississippi Code Ann. (1972), requires the System's Board of Trustees to determine the degree of collateralization necessary for both foreign and domestic demand deposits in addition to that which is guaranteed by federal insurance programs. These statutes also require that, when possible, the types of collateral securing deposits be limited to securities in which the System itself may invest. The Board of Trustees has established a policy to require collateral equal to at least 100 percent of the amount on deposit in excess of that which is guaranteed by federal insurance programs to the credit of the System for domestic demand deposit accounts. No collateral is required for foreign demand deposit accounts, and at June 30, 2021, the System had no deposits in foreign demand deposit accounts.

For deposits, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Section 25-11-121, Mississippi Code Ann. (1972), provides that the deposits of the System in any U.S. bank shall, where possible, be safeguarded and guaranteed by the posting of bonds, notes, and other securities as security by the depository. The System's Board of Trustees has formally adopted a short-term investment policy that requires that the fair value of securities guaranteeing the deposits shall at all times be equal to 100 percent of the amount of funds on deposit.

## System Investment Policies

The System is authorized to invest in the following:

Bonds, notes, certificates and other valid general obligations of the State, or of any county, city, or supervisor's district of any county of the State;

School district bonds of the State;

Notes or certificates of indebtedness issued by the Veterans' Home Purchase Board, not to exceed five percent of total investments;

Highway bonds of the State;

Corporate bonds rated by S&P or by Moody's Investors Service;

Short-term obligations of corporations, or of wholly-owned subsidiaries of corporations, whose short-term obligations are rated A-2 or better by S&P or rated P-2 or better by Moody's Investors Service;

Bonds of the Tennessee Valley Authority;

Bonds, notes, certificates and other valid obligations of the U.S. or any federal instrumentality that issues securities under authority of an act of Congress and are exempt from registration with the SEC;

# Mississippi

Bonds, notes, debentures and other securities issued by any federal instrumentality and fully guaranteed by the U.S.;

Bonds, stocks, and convertible securities of established foreign companies that are listed on primary national stock exchanges of foreign nations and in foreign government securities. The System is authorized to hedge such transactions through foreign banks and generally deal in foreign exchange through the use of foreign currency, interbank forward contracts, futures contracts, options contracts, swaps and other related derivative instruments;

Interest-bearing bonds or notes that are general obligations of any other state in the U.S. or any city or county therein, provided such city or county had a population as shown by the most recent federal census of not less than 25,000 inhabitants, and provided that such state, city, or county has not defaulted for a period longer than 30 days in the payment of principal or interest on any of its general obligation indebtedness during a period of ten calendar years immediately preceding such investment;

Shares of common and/or preferred stock of corporations created by or existing under the laws of the U.S. or any state, district or territory thereof;

Covered call and put options on securities traded on one or more of the regulated exchanges;

Pooled or commingled funds managed by a corporate trustee or by a SEC registered investment advisory firm and shares of investment companies and unit investment trusts registered under the Investment Company Act of 1940, where such pooled or commingled funds or shares are comprised of common or preferred stocks, bonds, money market instruments or other authorized investments;

Pooled or commingled real estate funds or real estate securities managed by a corporate trustee or by a SEC registered investment advisory firm retained as an investment manager by the System. Section 25-11-121, Mississippi Code Ann. (1972), allows the System to invest up to ten percent of the total portfolio in real estate only via real estate securities and commingled funds. Direct ownership of real estate assets is prohibited. The portfolio is divided between core commingled and value added real estate fund investments, which directly invest in properties, and in managed portfolios of Real Estate Investment Trusts (REITs). REITs are exchange traded securities that provide indirect exposure to real estate properties and real estate management companies. Fair values of commingled fund properties are based on the most recent independent appraisal values. Independent appraisal firms which are Members of Appraisal Institute (MAI) are required to conduct valuations at least annually; and

Up to ten percent of the total book value of investments can be types of investments not specifically authorized by this section, if the investments are in the form of a separate account managed by a SEC registered investment advisory firm retained as an investment manager by the Board of Trustees, or a limited partnership, or commingled fund.

## System Investments

- A. Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System follows the statutes as previously discussed as its policy for limiting exposure to credit risk. The Board of Trustees has adopted a short-term investment policy which further restricts commercial paper to be of corporations with long-term debt to be rated A or better by S&P or Moody's, and whose short-term obligations are of A-2 or P-2 or better ratings by S&P and Moody's, respectively. This applies to all short-term investments. Credit risk for derivatives results from the same considerations as other counterparty risk assumed by the System.

The Moody's or S&P credit ratings for the System's investments as of June 30, 2021 are as follows (amounts expressed in thousands):

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Investment Type	Quality Ratings					
	Aaa/AAA	Aa/AA	A/A	Baa/BBB	Ba/BB	B/B
Asset backed securities	\$ 391,256	\$ 28,027	\$ 39,504	\$ 31,028	\$ 2,628	2,213
Collateralized mortgage obligations	325,989	112,134	14,159	45,537	12,639	9,272
Commercial paper		914,088	968,097			
Corporate bonds	86,530	169,206	610,133	1,164,167	386,320	116,265
Mortgage pass-throughs		692,018				
Repurchase agreements			481			
Sovereign governments debt	85,081	137,380	273,247	226,416	148,274	165,576
State and local obligations	6,486	21,318	12,649	5,060	76	
U.S. Government agency obligations		61,356				
Yankee/Global bonds	18,107	342	5,563	20,093	77	
<b>Total</b>	<b>\$ 913,449</b>	<b>\$ 2,135,869</b>	<b>\$ 1,923,833</b>	<b>\$ 1,492,301</b>	<b>\$ 550,014</b>	<b>\$ 293,326</b>

Investment Type	Quality Ratings				
	Caa/CCC	Ca/CC	C/C	D/D	Not Rated
Asset backed securities	\$ 2,967	\$ 2	\$ 13	\$ 1,365	11,816
Collateralized mortgage obligations	3,249	596			39,764
Commercial paper					
Corporate bonds	20,624	811			8,003
Repurchase agreements					523,035
Sovereign governments debt	43,640	410		1,475	230,495
State and local obligations					1,729
Yankee/Global bonds					176
<b>Total</b>	<b>\$ 70,480</b>	<b>\$ 1,819</b>	<b>\$ 13</b>	<b>\$ 2,840</b>	<b>\$ 815,018</b>

- B. Custodial Credit Risk** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Section 25-11-121, Mississippi Code Ann. (1972), requires that all investments be clearly marked as to ownership, and to the extent possible, shall be registered in the name of the System. Of the System's \$38,059,594,000 in investments at June 30, 2021, \$3,068,706,000 was exposed to custodial credit risk. These are cash collateral reinvestment securities held in the name of the custodian who acquired them as the lending agent/counterparty and the securities on loan for securities collateral that is held in the name of the lending agent. This is consistent with the securities lending agreement in place with the custodian.

The fair value of the System's cash collateral securities and the underlying securities on non-cash loans as of June 30, 2021, consisted of (amounts expressed in thousands):

Investment Type	Fair Value
Cash collateral securities	
Asset backed securities	\$ 248,570
Commercial paper	1,882,185
Corporate bonds	297,486
Repurchase agreements	366,018
<b>Total cash collateral securities</b>	<b>2,794,259</b>
Underlying securities on non-cash loans	
Debt securities	79,972
Equities	192,404
Real Estates Investment Trusts	2,071
<b>Total underlying securities on non-cash loans</b>	<b>274,447</b>
<b>Total</b>	<b>\$ 3,068,706</b>



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- C. Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The System has no formal policy on limiting exposure to interest rate risk. As of June 30, 2021, the System had the following investments and maturities (amounts expressed in thousands):

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Asset backed securities	\$ 510,819	\$ 325,019	\$ 61,727	\$ 32,358	\$ 91,715
Collateralized mortgage obligations	563,339	222,816	6,938	9,810	323,775
Commercial paper	1,882,185	1,882,185			
Corporate bonds	2,562,059	238,600	999,552	628,368	695,539
Mortgage pass-throughs	738,652		3,251	4,894	730,507
Repurchase agreements	523,516	523,516			
Sovereign governments debt	1,311,994	23,999	389,267	432,204	466,524
State and local obligations	47,318	76	9,843	11,240	26,159
U.S. Government agency obligations	61,356	2,900	41,467	785	16,204
U.S. Treasury obligations	1,207,939	74,230	523,942	169,578	440,189
Yankee/Global bonds	44,358	1,355	27,288	9,784	5,931
Total	<u>\$ 9,453,535</u>	<u>\$ 3,294,696</u>	<u>\$ 2,063,275</u>	<u>\$ 1,299,021</u>	<u>\$ 2,796,543</u>

During fiscal year 2021, the investments in derivatives were exclusively in asset/liability based derivatives such as interest-only (IO) strips, CMOs and ABS. The System reviews fair values of all securities on a monthly basis and prices are obtained from recognized pricing sources. Derivative securities are held, in part, to maximize yields. IO and principal-only (PO) strips are transactions which involve the separation of the interest and principal components of a security. They are highly sensitive to prepayments by mortgagors which may result from a decline in interest rates. The System held IO strips valued at \$18,500,000 at fiscal year-end. The derivatives policy limits IO and PO strips to three percent of the investment portfolio.

CMOs are bonds that are collateralized by whole loan mortgages, mortgage pass-through securities or stripped mortgage-backed securities. Income is derived from payments and prepayments of principal and interest generated from collateral mortgages. Cash flows are distributed to different investment classes or tranches in accordance with that CMO's established payment order. Some CMO tranches have more stable cash flows relative to changes in interest rates while others are significantly more sensitive to interest rate fluctuations. In a declining interest rate environment, some CMOs may be subject to a reduction in interest payments as a result of prepayments of mortgages which make up the collateral pool. A reduction in interest payments causes a decline in cash flows and, thus a decline in the fair value of the CMO security. Rising interest rates may cause an increase in interest payments, thus an increase in the value of the security. The System held \$563,300,000 in CMOs at June 30, 2021. Of this amount, \$14,600,000 were tranches that are highly sensitive to future changes in interest rates. CMO residuals are prohibited under the derivatives policy.

ABS are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other credit providers. The originator of the loan or accounts receivable paper sells it to a specially created trust, which repackages it as securities. Similar to CMOs, ABS have been structured as pass-throughs and as structures with multiple bond classes. Of the \$510,800,000 in ABS held at June 30, 2021, \$14,600,000 are highly sensitive to changes in interest rates. ABS which are leveraged structures or residual interests are prohibited by the derivatives policy.

At June 30, 2021, the System has invested in \$738,700,000 in mortgage pass-through securities issued by the FNMA, FHLMC, and GNMA. These investments are moderately sensitive to changes in interest rates because they are backed by mortgage loans in which the borrowers have the option of prepaying.

- D. Foreign Currency Risk** - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The investment asset allocation policy does not limit foreign currency-denominated investments of the System. The Investment Committee of the Board of Trustees evaluates the actual investment asset allocation quarterly, in accordance with the adopted phase-in policy. Based on current market conditions, the Board adjusts the allocation as necessary. The System's exposure to foreign currency risk at June 30, 2021, is as follows (amounts expressed in thousands):

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Currency	Cash and Equivalents	Equities and REITs	Debt Securities	Total Fair Value
Argentina peso	\$ 794	\$	\$ 214	\$ 1,008
Australian dollar	(20,259)	399,588	37,330	416,659
Brazilian real	(11,557)	177,412	643	166,498
British pound sterling	(72,159)	860,811	81,572	870,224
Canadian dollar	(47,595)	203,740	52,197	208,342
Chilean peso	14	9,107	646	9,767
Chinese yuan renminbi	(13,134)	111,626	31,065	129,557
Columbian peso	(2,309)	982	2,925	1,598
Czech koruna	29	2,847	618	3,494
Danish krone	(24,729)	144,342	27,616	147,229
Egyptian pound		131		131
Euro	(410,605)	1,928,235	421,090	1,938,720
Hong Kong dollar	1,114	725,202		726,316
Hungarian forint	(1,635)	21,605	2,369	22,339
Indian rupee	10,835	183,269		194,104
Indonesian rupiah	(712)	39,798	3,355	42,441
Israeli shekel	(11,040)	21,656	11,177	21,793
Japanese yen	(187,470)	1,454,773	196,803	1,464,106
Kenyan shilling		1,757		1,757
Kuwaiti dinar	11	507		518
Malaysian ringgit	(3,479)	6,126	3,522	6,169
Mexican peso	(17,552)	76,014	36,970	95,432
New Taiwan dollar	115	305,429		305,544
New Zealand dollar	(602)	9,066	819	9,283
Norwegian krone	11,940	35,087		47,027
Pakistani rupee		1,545		1,545
Peruvian nuevo sol	(9,086)		8,935	(151)
Philippines peso	9	2,682		2,691
Polish zloty	93	22,000	627	22,720
Qatari riyal	21	1,698		1,719
Russian ruble	7,352	2,185	1,621	11,158
Saudi Arabia riyal	51	3,026		3,077
Singapore dollar	247	105,612	3	105,862
South African rand	(8,024)	93,445	507	85,928
South Korean won	(31,269)	502,368	35,133	506,232
Swedish krona	(6,902)	291,916		285,014
Swiss franc	15,065	438,791		453,856
Thailand baht	(2,359)	34,074	2,397	34,112
Turkish lira	532	6,060		6,592
UAE dirham	29	1,003		1,032
Uruguayan peso			15,136	15,136
<b>Total</b>	<b>\$ (834,226)</b>	<b>\$ 8,225,515</b>	<b>\$ 975,290</b>	<b>\$ 8,366,579</b>

**E. Investment Derivatives** - The System's derivatives policy limits foreign currency forwards to no more than 100 percent of the aggregate value of the portfolio securities denominated in the hedged currency. At June 30, 2021, the counterparties of the foreign currency forwards primarily had short term credit ratings of A as rated by the nationally recognized statistical rating organizations. The System's general policy requires that the counterparty has a long term credit rating of A or better and a short term credit rating of A1/P1 at a minimum. More specifically, the System's policy requires that all over-the-counter derivatives be rated AA or better by the nationally recognized statistical rating organizations. The counterparties of the to-be-announced securities were primarily rated A by the nationally recognized statistical rating organizations. The foreign currency forwards are presented in the foreign currency risk table, and the to-be-announced securities are disclosed in the interest rate risk table by years to maturity. The investment derivative instruments outstanding as of June 30, 2021, are as follows (amounts expressed in thousands):

# Mississippi

Investment Type	Notional Amount	Changes in Fair Value		Fair Value at June 30, 2021	
		Classification	Amount	Classification	Amount
Foreign currency forwards	\$ (72,206,744)	Investment income	\$ 20,882	Investment	\$ (20,882)
To-be-announced securities	174,363	Investment income	379	Debt Securities	177,653

**F. Securities Lending Transactions** - The Board of Trustees has authorized the System to lend its securities to broker-dealers with a simultaneous agreement to return the collateral for the same securities in the future. The System's custodian, pursuant to a written agreement, is permitted to lend all long-term securities to authorized broker-dealers subject to the receipt of acceptable collateral. The System lends securities for collateral in the form of either cash or other securities. The types of securities on loan at June 30, 2021, by the System are long-term U.S. Government and agency obligations, corporate bonds, REITs, and domestic and international equities. The contractual agreement with the custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the System income distributions by the securities' issuers while the securities are on loan. There have been no significant violations of the provisions of the agreement during the period of this statement.

At the initiation of a cash loan, borrowers are required to provide collateral amounts of 102 percent on U.S. securities and international securities denominated in the same currency of the loaned security. For international securities that are denominated in a currency other than the currency of the loaned security, 105 percent collateral is required at the initiation of the loan. In the event the collateral fair value on U.S. securities and sovereign debt falls to less than 100 percent of the respective fair value of the securities lent, the borrower is required to provide additional collateral by the end of the next business day. In the event the collateral fair value falls below 102 percent for international same-currency transactions or 105 percent for cross-currency transactions, the borrower is required to provide additional collateral.

For non-cash loans, 110 percent collateral is required from the borrowers. The System cannot pledge, lend, or sell securities received as collateral unless the borrower defaults. As such, these securities are not presented on the Statement of Fiduciary Net Position. Authorized securities' collateral includes U.S. and non-U.S. government debt obligations and securities, supranational debt obligations, U.S. and non-U.S. equity securities listed on specified indices, U.S. and non-U.S. corporate bonds, and convertible securities. Equities were held as collateral on the non-cash loans as of June 30, 2021.

The maturities of the investments made with cash collateral generally do not match the maturities of the securities loans. All securities loans can be terminated on demand by either the System or the borrower, although the average term of these loans was three days at June 30, 2021. Cash collateral was invested in commercial paper, repurchase agreements, corporate bonds, and asset-backed securities. The weighted average effective duration and the weighted average maturity of all collateral investments at June 30, 2021, were 42 days.

Securities lent at year end for cash and non-cash collateral are presented by type. Securities lent for securities collateral are classified according to the custodial credit risk category for the collateral. There were \$274,447,000 securities lent for securities collateral as of June 30, 2021. The investments purchased with the cash collateral are presented in the discussion of custodial credit risk, since the custodian, as agent, is the counterparty in acquiring these securities in a separate account for the System.

At year end, the System had no credit risk exposure to borrowers because the amount the System owed the borrowers exceeded the amount the borrowers owed the System. At June 30, 2021, the aggregate cost of securities lending holdings, including accrued interest, was \$2,793,965,000 (fair value of \$2,794,972,000) and the aggregate fair value, including accrued interest, of the underlying securities lent was \$2,971,246,000. The value of the collateral pledged by borrowers at year end was \$3,064,363,000.

**G. Fair Value Measurements** - The System categorizes its fair value measurements within the fair value hierarchy established by GASB Statement 72. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the NAV value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The System's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. As of June 30, 2021, the System has the following recurring fair value measurements (amounts expressed in thousands):

# Mississippi

Investment by Fair Value Level	Fair Value	(Level 1)	(Level 2)	(Level 3)
<b>Debt securities:</b>				
Commercial paper	\$ 1,882,185	\$	\$ 1,882,185	\$
Repurchase agreement	523,516		523,516	
U.S. Government agency obligations	61,356		61,356	
U.S. Treasury obligations	1,207,939	1,207,939		
Collateralized mortgage obligations	563,339		558,343	4,996
U.S. Corporate bonds	1,559,865		1,498,325	61,540
Non-U.S. Corporate bonds	1,002,194		1,001,410	784
Mortgage pass-throughs	738,652		738,652	
State and local obligations	47,318		47,318	
Asset-Backed securities	510,819		510,819	
Yankee/Global bonds	44,358		44,358	
Sovereign government debt	1,311,994		1,311,994	
<b>Total Debt Securities</b>	<b>9,453,535</b>	<b>\$ 1,207,939</b>	<b>\$ 8,178,276</b>	<b>\$ 67,320</b>
<b>Equity securities:</b>				
Basic materials	913,485	913,485		
Communications	3,146,941	3,146,941		
Consumer, cyclical	2,374,181	2,373,641	540	
Consumer, non-cyclical	4,168,259	4,168,258		1
Diversified	31,996	31,996		
Energy	702,292	702,292		
Financial	4,121,155	4,121,155		
Industrial	2,438,002	2,438,002		
Technology	3,835,566	3,835,566		
Utilities	414,325	414,325		
<b>Total Equity Securities</b>	<b>22,146,202</b>	<b>22,145,661</b>	<b>540</b>	<b>1</b>
<b>Total Investments By Fair Value Level</b>	<b>31,599,737</b>	<b>\$ 23,353,600</b>	<b>\$ 8,178,816</b>	<b>\$ 67,321</b>
<b>Investments measured at NAV:</b>				
Real estate funds	2,532,842			
Private equity funds	3,567,438			
<b>Total Investments Measured at NAV</b>	<b>6,100,280</b>			
<b>Total Investments Measured at Fair Value</b>	<b>\$ 37,700,017</b>			
<b>International Currency</b>	<b>\$ 359,577</b>			
<b>Total Investments</b>	<b>\$ 38,059,594</b>			
<b>Investment derivative instruments:</b>				
Foreign exchange contracts (Liabilities)	1,222,455			
<b>Total Investment Derivative Instruments</b>	<b>\$ 1,222,455</b>			

**Debt and Equity** - The System's debt and equity securities in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using a proprietary pricing source. The primary proprietary pricing source utilizes continuous evaluations throughout the trading day based on factors such as dealer quotes and trades, trade execution data, and transaction reporting services. Along with market sources, relative credit information, observed market movements, and sector news is integrated and incorporated into evaluation pricing applications and models. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using a proprietary model that monitors structured product markets, interest rate movements, new issue information, and other pertinent data. Evaluations of tranches (non-volatile and volatile) are based on market modeling, trading, and pricing conventions. New issue features are analyzed on data such as pricing speed, spread, and volatility. Information is also solicited from outside sources including secondary dealers, portfolio managers and research analysts.

**Derivative Instruments** – The System held derivative instruments in the form of U.S. Treasury strips, collateralized mortgage obligations, asset-backed securities, and currency conversions as of June 30, 2021.

**Real Estate** - The System's real estate funds include open-end funds and closed-end limited partnerships that invest primarily in US commercial real estate. The fair values of these investments have been determined using the NAV per share (or its equivalent) of the System's ownership interest in the fund or partners' capital, as applicable. The governing document for each open-end real estate fund provides investors the ability to request the redemption of all or part of their fund investments. The funds resulting from an investor's redemption request are raised by the sale of underlying real estate investments held by the open-end fund. Closed-end real estate funds, governed by limited partnership agreements, do not contain provisions for limited

# Mississippi

partner redemptions on demand. Closed-end funds have a finite life or term, which is defined in the limited partnership agreement. Typically, real estate investments must be made within the first three to four years of the partnership's lifespan, and liquidated by the end of the 10<sup>th</sup> year. As underlying real estate investments are sold over the life of the closed-end fund, pro-rata distributions of the proceeds are made to each partner in the fund partnership. The standard liquidation period of 10 years with the option of two one-year extensions applies to the one percent of the total portfolio invested in closed-end funds.

**Private Equity** – The System's private equity investments consist of two fund-of-funds (FOF) limited partnerships that invest in multiple private equity funds on behalf of the System. Private equity funds invest primarily in non-public companies whose prices are not quoted on a stock exchange; therefore, these investments are typically illiquid in nature. The System's ownership in the underlying private equity funds consists of limited partnership interests. Because these partnership interest are illiquid, the System's investments cannot be redeemed on demand. Instead pro-rata distributions are received through the liquidation of the assets of the underlying partnerships. Based on the terms of each limited partnership within the System's FOFs, all partnership assets should be liquidated over the 10-to-12 year life of the individual partnership.

As of June 30, 2021, it is probable that all the System's private equity underlying investments will be sold at an amount different from the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. Therefore, the fair values of these underlying investments have been determined using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments of each partnership. As of June 30, 2021, a buyer (or buyers) for these investments has not yet been identified. Each underlying private equity fund's general partner has full discretion for the disposition of each partnership investment. The general partner is solely responsible for determining the most appropriate timing for the sale of each investment and the best exit strategy to utilize. In addition, the general partner is responsible for identifying all buyers and approving all sale transactions of partnership investments.

Investments measured at the NAV (amounts expressed in thousands):

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Real Estate Funds:</b>				
Core - Open End	\$ 2,038,785	\$	Quarterly	45-90 days
Value Added - Closed End	411,494	371,356	N/A	10-12 years
Timber	82,563		Various*	Various*
<b>Total Real Estate</b>	<u>2,532,842</u>	<u>371,356</u>		
<b>Private Equity Funds:</b>				
Diversified	3,567,438	1,818,358	10-12 years	N/A
Total Private Equity	<u>3,567,438</u>	<u>1,818,358</u>		
Total Investment Measured at NAV	<u>\$ 6,100,280</u>	<u>\$ 2,189,714</u>		

*\*Based on partnership agreement terms*

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## Note 5 - Receivables

At June 30, 2021, receivables consisted of (amounts expressed in thousands):

	Governmental Activities			
	General	Permanent	Receivables Reclass	Total
Accounts	\$ 496,532	\$ 305	\$ 17	\$ 496,854
Settlements	480,000			480,000
Taxes:				
Sales	533,541			533,541
Income	346,019			346,019
Gasoline	42,723			42,723
Other	92,196			92,196
Interest and dividends	9,074	216		9,290
Other	5			5
Gross receivables	2,000,090	521	17	2,000,628
Allowance for uncollectibles	(201,318)			(201,318)
Receivables, net	\$ 1,798,772	\$ 521	\$ 17	\$ 1,799,310
Amounts not scheduled for collection in subsequent year	\$ 576,133			\$ 576,133

	Business-type Activities				
	Unemployment Compensation	Port Authority at Gulfport	Prepaid Affordable College Tuition	Nonmajor	Total
Accounts	\$ 473,787	\$ 2,170	\$ 551	\$ 3,519	\$ 480,027
Assessments	30,916				30,916
Interest and dividends		274	295	442	1,011
Gross receivables	504,703	2,444	846	3,961	511,954
Allowance for uncollectibles	(258,210)				(258,210)
Receivables, net	\$ 246,493	\$ 2,444	\$ 846	\$ 3,961	\$ 253,744

Due to the influx of Covid-19 funds, unemployment compensations for uncollectible receivables were reevaluated based on the new economic conditions, collection methods, and the ongoing status of the pandemic. The methodology used to calculate the allowance was changed from a one year collection to a historical five year collection. This change in assumption used in the estimate more accurately depicts the collectability of overpayments. While the percentage of uncollectibles decreased, the total allowance increased by \$153,031,000 due to the overall increase in claims paid.

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## Component Units

	Universities	Nonmajor	Total
Accounts	\$ 1,093,698	\$ 19,013	\$ 1,112,711
Interest	3,497	69	3,566
Gross receivables	1,097,195	19,082	1,116,277
Allowance for uncollectibles	(731,780)	(5,056)	(736,836)
Receivables, net	\$ 365,415	\$ 14,026	\$ 379,441

Amounts not  
scheduled for collection  
in subsequent year

\$ 2,106	\$ 2,106
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## Note 6 - Due From Other Governments

At June 30, 2021, due from other governments consisted of (amounts expressed in thousands):

### Governmental Activities

#### General

Due from other governments	\$ 1,207,397
Allowance for uncollectibles	(28,292)
Due from other governments, net	\$ 1,179,105

Amounts not scheduled for  
collection in subsequent year

\$ 595,076
------------

### Business-type Activities

	Unemployment Compensation	Port Authority at Gulfport	Total
Due from other governments	\$ 8,598	\$ 285	\$ 8,883
Allowance for uncollectibles	(1,311)		(1,311)
Due from other governments, net	\$ 7,287	\$ 285	\$ 7,572

# Mississippi

## Note 7 - Loans and Notes Receivable

At June 30, 2021, loans and notes receivables consisted of (amounts expressed in thousands):

	<u>Primary Government</u>	<u>Component Units</u>
	Governmental Activities	
	Governmental Funds	
	General	Universities
Loans and notes receivable	\$ 379,466	\$ 232,896
Allowance for uncollectibles	(143,439)	(25,734)
Loans and notes receivable, net	<u>\$ 236,027</u>	<u>\$ 207,162</u>
Amounts not scheduled for collection in subsequent year	<u>\$ 176,880</u>	<u>\$ 162,850</u>



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## Note 8 - Capital Assets

### Primary Government

Capital asset activity for the year ended June 30, 2021, was as follows (amounts expressed in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,503,258	\$ 22,432	\$ 920	\$ 2,524,770
Construction in progress	4,227,988	767,201	1,368,167	3,627,022
Total capital assets not being depreciated	6,731,246	789,633	1,369,087	6,151,792
Capital assets being depreciated:				
Software	171,924			171,924
Buildings	2,295,556	91,954	3,556	2,383,954
Land improvements	289,015	7,208	253	295,970
Machinery and equipment	808,104	52,378	42,724	817,758
Infrastructure	12,704,308	1,318,554	258,263	13,764,599
Total capital assets being depreciated	16,268,907	1,470,094	304,796	17,434,205
Less accumulated depreciation for:				
Software	66,041	10,456		76,497
Buildings	821,537	44,505	711	865,331
Land improvements	186,111	10,721	253	196,579
Machinery and equipment	576,669	49,135	38,118	587,686
Infrastructure	4,429,709	511,767	255,891	4,685,585
Total accumulated depreciation	6,080,067	626,584	294,973	6,411,678
Total capital assets being depreciated, net	10,188,840	843,510	9,823	11,022,527
Governmental activities capital assets, net	\$ 16,920,086	\$ 1,633,143	\$ 1,378,910	\$ 17,174,319
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 132,044	\$ 490	\$	\$ 132,534
Construction in progress	13,191	17,052	2,531	27,712
Total capital assets not being depreciated	145,235	17,542	2,531	160,246
Capital assets being depreciated:				
Buildings	162,166	540	1,770	160,936
Land improvements	174,156	2,140	4,385	171,911
Machinery and equipment	45,567	1,414	875	46,106
Infrastructure	300,559	137	9,103	291,593
Total capital assets being depreciated	682,448	4,231	16,133	670,546
Less accumulated depreciation for:				
Buildings	33,341	3,073	156	36,258
Land improvements	33,247	6,653	2,265	37,635
Machinery and equipment	19,152	2,525	638	21,039
Infrastructure	61,079	7,519	2,965	65,633
Total accumulated depreciation	146,819	19,770	6,024	160,565
Total capital assets being depreciated, net	535,629	(15,539)	10,109	509,981
Business-type activities capital assets, net	\$ 680,864	\$ 2,003	\$ 12,640	\$ 670,227

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Depreciation expense was charged to functions/programs as follows (amounts expressed in thousands):

**Governmental Activities:**

General government	\$ 34,432
Education	2,403
Health and social services	15,937
Law, justice and public safety	32,601
Recreation and resources development	10,521
Regulation of business and profession	217
Transportation	530,473
Total depreciation expense - governmental activities	<u>\$ 626,584</u>

**Business-type Activities:**

Port Authority at Gulfport	\$ 18,295
Other business-type	1,475
Total depreciation expense - business-type activities	<u>\$ 19,770</u>

Construction in progress is composed of (amounts expressed in thousands):

	<u>Project Authorization</u>	<u>Expended To Date</u>	<u>Outstanding Commitment</u>
<b>Governmental Activities:</b>			
Department of Transportation	\$ 4,352,988	\$ 3,349,987	\$ 1,004,588
Department of Finance and Administration	133,465	119,889	363
Department of Public Safety	49,939	38,044	100
Department of Rehabilitation Services	13,536	13,536	
East MS State Hospital	23,977	20,735	113
Military Department	66,956	15,046	41,843
Fair Commission	36,115	32,742	1,137
Other projects less than \$10 million	91,374	37,043	16,925
Total governmental activities	<u>4,768,350</u>	<u>3,627,022</u>	<u>1,065,069</u>
<b>Business-type Activities:</b>			
Port Authority at Gulfport	39,906	21,892	20,085
Yellow Creek Port Authority	7,046	5,820	1,927
Total business-type activities	<u>46,952</u>	<u>27,712</u>	<u>22,012</u>
Total construction in progress	<u>\$ 4,815,302</u>	<u>\$ 3,654,734</u>	<u>\$ 1,087,081</u>

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## Component Units

At June 30, 2021, capital assets consisted of (expressed in thousands):

	Universities	Nonmajor	Total
Capital assets not being depreciated:			
Land	\$ 116,804	\$ 10,765	\$ 127,569
Construction in progress	290,469	708	291,177
Total capital assets not being depreciated	407,273	11,473	418,746
Capital assets being depreciated:			
Buildings	4,774,628	26,072	4,800,700
Land improvements	523,880	58,572	582,452
Machinery and equipment	1,441,852	25,828	1,467,680
Infrastructure		49,110	49,110
Total capital assets being depreciated	6,740,360	159,582	6,899,942
Less accumulated depreciation	2,671,868	109,756	2,781,624
Total capital assets being depreciated, net	4,068,492	49,826	4,118,318
Component units capital assets, net	\$ 4,475,765	\$ 61,299	\$ 4,537,064

## Note 9 - Long-term General Obligation Bonds and Notes and Limited Obligation Bonds

Bond indebtedness incurred by the State must be authorized by legislation governing the specific programs or projects to be financed. Such legislation provides the state bond commission authority to approve and authorize the sale and issuance of bonds. The state bond commission is comprised of the Governor as chairman, the State Attorney General as secretary, and the State Treasurer.

### A. General Obligation Bonds and Notes

General obligation bonds are issued to provide funds for capital improvements which include repairing, renovating, or constructing state owned facilities, to provide loans and grants to local governments and other entities for economic development and capital improvements, and to provide grants to community colleges and universities for capital improvements. General obligation notes are issued to provide funds for economic development. General obligation refunding bonds are issued to currently refund or advance refund certain outstanding bonds for both capital and non-capital related purposes, the majority of which are non-capital related. All general obligation debt has fixed rates of interest.

The *Tax Reform Act of 1986* requires governmental entities issuing tax-exempt bonds to refund to the U. S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. The State must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. As of June 30, 2021, no arbitrage rebate liability existed.

General obligation bonds and notes are backed by the full faith, credit and taxing power of the state. Although certain general obligation debt is being retired from the resources of the business-type activities and is, therefore, recorded in those funds, the State remains contingently liable for its payment.

In accordance with Statement No. 88 of the Governmental Accounting Standards Board, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, the Series 2019A Note has been separated from the general obligation bonds related to governmental activities. The State has outstanding general obligation notes from direct borrowings and direct placements related to governmental activities totaling \$87,000,000. The Series 2019A Note was issued with a Private Placement Agreement between the State and Trustmark National Bank to provide temporary financing for the Continental Tire Project. The Series 2019A Note constitutes a general obligation of the State, secured by a pledge of the full faith and credit of the State. As stated above, at June 30, 2021 the outstanding balance is \$87,000,000. The Series 2019A Note matures March 15, 2022.

### Refunding and Defeased Bonds

During fiscal year 2021, the State issued the following General Obligation Refunding Bonds and General Obligation Bonds; which are reported in governmental activities:

Taxable General Obligation Refunding Bonds, Series 2020A totaling \$504,225,000 dated August 6, 2020. The Series 2020A Bonds were issued for the purpose of providing funds to (a) advance refund and defease (i) \$5,675,000 of the State's \$353,730,000 (original principal amount) General Obligation Bonds, Series 2011A (Capital Improvements Projects), dated October 26, 2011, (ii) \$4,015,000 of the \$43,900,000 (original principal amount) General Obligation Refunding Bonds (Nissan North America, Inc. Project), Series 2012B, dated August 1, 2012, (iii) \$61,270,000 of the \$171,860,000 (original principal amount) General Obligation Refunding Bonds, Series 2012F, dated August 28, 2012,

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(iv) \$78,275,000 of the \$136,680,000 (original principal amount) General Obligation Bonds, Series 2012H, dated October 30, 2012, (v) \$25,945,000 of the \$179,940,000 (original principal amount) Taxable General Obligation Bonds, Series 2013A, dated December 3, 2013, (vi) \$92,535,000 of the \$159,225,000 (original principal amount) General Obligation Bonds, Series 2013B, dated December 3, 2013, and (vii) \$55,895,000 of the \$182,595,000 (original principal amount) General Obligation Bonds, Series 2015F (Tax-Exempt), dated December 8, 2015, and to currently refund and restructure the State's outstanding \$101,145,000 (original principal amount) Taxable General Obligation Bonds, Series 2017C (LIBOR Term Rate), dated August 30, 2017. These bonds will mature serially beginning in 2021 through 2036 with interest rates ranging from 0.149% to 1.982%. The advance refunding and defeasing was undertaken to reduce debt service payments by \$40,163,000 and to obtain an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$37,116,000.

General Obligation Refunding Bonds, Series 2020B totaling \$37,390,000 dated August 6, 2020. The Series 2020B Bonds were issued for the purpose of providing funds to currently refund and restructure the State's outstanding \$61,260,000 (original principal amount) General Obligation Bonds, Series 2017B (LIBOR Term Rate), dated August 30, 2017. These bonds will mature serially beginning 2022 through 2027 with an interest rate of 5%. The advance refunding and restructuring was undertaken to reduce debt service payments by \$877,000 and to obtain an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,211,000.

In prior years, the State defeased certain outstanding general obligation bonds of the primary government by depositing the proceeds in irrevocable trusts to be used solely for satisfying all future scheduled principal and interest payments on the refunded debt. Accordingly, for financial reporting purposes, the defeased bonds and related trust accounts are not included in the financial statements. At June 30, 2021, \$757,705,000 of outstanding general obligation bonds are considered defeased.

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At June 30, 2021, the primary government's outstanding general obligation bonds and notes as presented in governmental activities and business-type activities are (amounts expressed in thousands):

Purpose	Outstanding Amount	Interest Rates	Final Maturity Date	Original Amount
<b>Governmental Activities:</b>				
Bonds:				
Technology Alliance	\$ 1,467	1.80% - 3.14%	Oct. 2032	\$ 2,000
Farish Street Historic District	141	3.93% - 4.35%	Nov. 2023	500
Heritage, History, and Culture Tourism	200	3.93% - 4.35%	Nov. 2023	700
Small Business and Existing Forestry Industry	1,405	3.93% - 4.35%	Nov. 2023	5,000
State Railroad Revitalization	285	3.93% - 4.35%	Nov. 2023	1,000
Sustainable Energy	140	3.93% - 4.35%	Nov. 2023	500
Local Governments Capital Improvements	6,290	2.20% - 2.98%	Oct. 2026	12,500
State Shipyard Improvements	161,578	1.80% - 4.00%	Oct. 2032	199,961
Hinds County Development Project Loans	9,985	0.41% - 3.85%	Jun. 2030	23,500
Job Protection	1,190	2.20% - 3.85%	Oct. 2026	3,000
Railroad Lines and Bridges Improvement	2,346	2.20% - 4.35%	Oct. 2026	5,900
Workforce Training	3,444	2.20% - 5%	Jun. 2040	7,000
Industry Incentive Financing	206,069	0.41% - 4.35%	Jun. 2030	413,010
Small Enterprise Development Finance	1,050	4.80% - 4.88%	Jul. 2023	9,025
ACE Fund	87,638	0.41% - 5.54%	Oct. 2032	125,672
Existing Industry	19,836	3.24% - 5.54%	Oct. 2029	38,000
Rural Impact	2,022	3.24% - 5.54%	Oct. 2029	4,700
Statewide Wireless Communication System	20,924	3.24% - 5.54%	Oct. 2029	37,000
Major Economic Impact	286,230	0.41% - 5.54%	Oct. 2039	425,155
Rail Authority of East Mississippi	1,111	3% - 5%	Nov. 2035	1,384
North Central MS Regional Railroad Grant	15,869	2.47% - 3.16%	Nov. 2025	30,000
Railroad Improvements	1,375	2.47% - 3.16%	Nov. 2025	2,600
Farm Reform	3,368	0.41% - 5.67%	Oct. 2034	4,000
Small Municipalities and Limited				
Population Counties	26,172	0.41% - 5.67%	Oct. 2034	35,747
Business Investment	52,098	0.41% - 5.25%	Nov. 2034	68,382
Economic Development Highway	134,955	1.80% - 5.54%	Nov. 2034	177,996
Capital Improvements	1,335,470	0.41% - 5.67%	Jun. 2040	1,474,865
General Obligation Refunding Bonds	1,715,170	0.25% - 5.54%	Nov. 2036	2,473,812
Local Governments Water System Improvement	8,155	0.41% - 5.25%	Nov. 2034	9,399
Local System Bridge Replacement and Rehabilitation	77,694	4.00% - 5.25%	Nov. 2038	77,694
Rural Fire Truck Acquisition	5,900	4.35% - 5.67%	Nov. 2034	5,900
Transportation	80,758	1.80% - 5.45%	Jun. 2040	129,198
Total Bonds	4,270,335			5,805,100
Premiums	237,243			-
Notes:				
Major Economic Impact	87,000	3.25%	Mar 2022	87,000
Total Governmental Activities	4,594,578			5,892,100
<b>Business-type Activities:</b>				
General Obligation Refunding Bonds	110	5.25%	Nov. 2022	1,025
Total General Obligation Bonds and Notes	<u>\$ 4,594,688</u>			<u>\$ 5,893,125</u>

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At June 30, 2021, future general obligation debt service requirements for the primary government are (amounts expressed in thousands):

Year Ending June 30	Governmental Activities			
	Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2022	\$ 267,756	\$ 159,306	\$ 87,000	\$ 2,426
2023	269,979	149,603		
2024	284,025	140,981		
2025	281,185	132,434		
2026	289,340	122,934		
2027-2031	1,277,185	458,654		
2032-2036	1,271,985	200,348		
2037-2040	328,880	20,575		
Total	4,270,335	1,384,835	87,000	2,426
Premiums	237,243			
Total Debt Service, Net	\$ 4,507,578	\$ 1,384,835	\$ 87,000	\$ 2,426

Year Ending June 30	Business-type Activities	
	Principal	Interest
2022	\$ 74	\$ 4
2023	36	1
Total	110	5
Premiums		
Total Debt Service, Net	\$ 110	\$ 5

## B. Limited Obligation Bonds

Limited obligation bonds are payable exclusively from specific pledged General Fund revenues. Such obligations are not secured by the full faith, credit and taxing power of the state, and holders of such obligations are not entitled to look to other state resources for payment.

These bonds, with an original issue amount of \$468,775,000, were issued to provide funding for road and bridge projects and mature serially through fiscal year 2039 with interest rates ranging from 4.00% to 5.00%. At June 30, 2021, the primary government's future limited obligation debt service requirements are (amounts expressed in thousands):

Year Ending June 30	Principal	Interest
2022	\$ 15,100	\$ 20,518
2023	15,855	19,744
2024	16,650	18,932
2025	17,480	18,078
2026	18,355	17,182
2027-2031	106,495	70,825
2032-2036	135,925	40,666
2037-2040	98,975	6,719
Total	424,835	212,664
Premiums	48,344	
Total Debt Service, Net	\$ 473,179	\$ 212,664

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## Note 10 – Bonds Authorized but Unissued

At June 30, 2021, authorized but unissued bond indebtedness existed to be used for various purposes as summarized below (amounts expressed in thousands):

Purpose	Authorized	Authorized But Unissued
<b>General Obligation Bonds</b>		
ACE Fund	80,000	66,000
Business Investment Act	397,500	65,223
Capital Improvements	733,255	316,327
Deer Island Project	10,000	1,200
Economic Development Highway	78,000	65,600
Farm Reform	5,000	3,000
Hinds County Development Project	10,000	6,500
Major Economic Impact	579,200	184,350
MS Industry Incentive Financing Program	211,000	91,000
Small Enterprise Development Finance	140,000	138,950
Transportation - Access Roads	15,000	15,000
	<u>\$ 2,258,955</u>	<u>\$ 953,150</u>

## Note 11 - Revenue Bonds and Notes

Revenue bonds and notes are backed by a pledge of resources derived from users of the related facilities and are not supported by the full faith and credit of the State.

At June 30, 2021, outstanding revenue bonds and notes are (amounts expressed in thousands):

Purpose	Outstanding Amount	Interest Rates	Final Maturity Date	Original Amount
<b>Component Units</b>				
Universities:				
Bonds	\$ 1,203,621	.29% - 5.90%	June 2047	\$ 1,521,043
Notes	<u>10,768</u>	1.39% - 3%	June 2033	<u>37,505</u>
Total Component Units	<u>\$ 1,214,389</u>			<u>\$ 1,558,548</u>

At June 30, 2021, future revenue bond and note debt service requirements are (amounts expressed in thousands):

Year Ending June 30	Component Units	
	Principal	Interest
2021	\$ 53,551	\$ 46,417
2022	54,561	44,581
2023	56,650	42,565
2024	55,621	40,457
2025	57,730	38,220
2026-2030	293,630	155,424
2031-2035	286,227	96,865
2036-2040	205,040	53,086
2041-2045	135,388	19,838
2046-2050	15,991	717
	<u>\$ 1,214,389</u>	<u>\$ 538,170</u>

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## Note 12 - Other Long-term Liabilities

- A. Compensated Absences** - The State's liability for compensated absences at June 30, 2021 is \$128,466,000 for governmental activities and \$740,000 for business-type activities. For governmental activities, accrued compensated absences are generally paid out of the general fund. The component units' liability for compensated absences is \$141,789,000 of which \$141,022,000 is for the Universities. The reported liability includes related fringe benefits and excludes any obligations related to leave accumulations in excess of 30 days per employee (see Note 1-O).
- B. Pollution Remediation Obligation** - As of June 30, 2021, five Superfund sites in the State are in various stages of cleanup ranging from initial assessment of contamination to cleanup of chemical spills. Numerous leaking underground storage tank sites exist where motor fuels contaminate soil and groundwater, and present inhalation and explosive hazards. Under federal and state law, the State is legally obligated to remedy the detrimental effects of existing pollution through site investigation and assessment, restoration and replacement, cleanup, and monitoring.

At June 30, 2021, the primary government's pollution remediation obligation is \$46,624,000. This estimate is based on professional judgment, experience, historical cost data, and the use of the expected cash flow technique. Recoveries from other responsible parties, which would reduce the State's remediation liability, are not anticipated. Costs of pollution remediation are paid out of the general fund. Remediation obligation estimates may change over time. Estimated costs will vary due to changes in technology, fluctuation in prices, changes in potential responsible parties, and changes in regulations.

- C. Notes Payable – Direct Borrowings** At June 30, 2021, the primary government's outstanding notes payable from direct borrowings are (amounts expressed in thousands):

Purpose	Outstanding Amount	Interest Rates	Final Maturity Date	Original Amount
<b>Governmental Activities:</b>				
Energy efficiency	1,829	2.39% - 3.51%	Apr. 2023	4,825
Buildings	157,025	1.1% - 5.37%	Feb. 2034	323,264
Roads and bridges	547,315	1% - 6.59%	Jan. 2040	864,490
Total	706,169			1,192,579
Premiums	49,764			
Total Notes Payable, Net	<u>\$ 755,933</u>			<u>\$ 1,192,579</u>
<b>Business-Type Activities:</b>				
Land	\$ 4,756	4.50%	Apr. 2029	\$ 5,750
Total	4,756			5,750
Premiums				
Total Notes Payable, Net	<u>\$ 4,756</u>			<u>\$ 5,750</u>

The State's outstanding notes payable from direct borrowings related to business-type activities of \$4,756,000 is secured with land.

### Refunding and Defeased Notes

During fiscal year 2021, the State issued \$4,785,000 of refunding notes to advance refund a portion of notes payable reported in governmental activities. The advance refunding was undertaken to reduce debt service payments over the next 10 years by \$376,000 and obtain an economic gain (the difference between the present value of the debt service payments for the refunded and refunding) of \$346,000.

The net proceeds of the refunding issues were deposited in irrevocable trusts to be used solely for satisfying all future scheduled principal and interest payments on the refunded debt. Accordingly, for financial reporting purposes, the defeased notes and related trust accounts are not included in the financial statements. At June 30, 2021, \$105,620,000 of outstanding notes are considered defeased.



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At June 30, 2021, the primary government's future debt service requirements for notes payable are (amounts expressed in thousands):

Year Ending June 30	Notes Payable from Direct Borrowings			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 62,527	\$ 36,094	\$ 506	\$ 239
2023	64,491	33,475	534	211
2024	66,266	28,601	562	183
2025	68,983	25,893	593	153
2026	73,615	22,913	624	121
2027-2031	217,632	71,606	1,937	154
2032-2036	107,550	31,610		
2037-2041	45,105	7,382		
Total	706,169	257,574	4,756	1,061
Premiums	49,764			
Total Debt Service, Net	\$ 755,933	\$ 257,574	\$ 4,756	\$ 1,061

- D. Capital Lease Commitments** - The State leases property with varying terms and options. Most leases contain a fiscal funding addendum stating that the lease shall terminate on the last day of the fiscal year if appropriated funds for the ensuing fiscal year are insufficient. However, if renewal is reasonably assured, leases requiring appropriation by the State Legislature are considered non-cancellable leases for financial reporting purposes.

At June 30, 2021, assets recorded under capital leases are as follows (amounts expressed in thousands):

	Governmental Activities	Business-type Activities
Land	\$	\$ 1,150
Machinery and Equipment	15,145	
Accumulated Depreciation	(9,553)	
Total	\$ 5,592	\$ 1,150

The discretely presented component units recorded capital assets acquired through capital leases of \$7,357,000.

At June 30, 2021, future minimum commitments under capital leases are (amounts expressed in thousands):

Year Ending June 30	Governmental Activities	Component Units
2022	\$ 2,365	\$ 1,679
2023	1,742	1,669
2024	1,245	1,662
2025	769	1,604
2026	474	
2027-2031	224	
Total Minimum Lease Payments	6,819	6,614
Less Interest	413	203
Present Value of Minimum Lease Payments	\$ 6,406	\$ 6,411

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## Note 13 - Changes in Long-term Liabilities

Changes in the primary government's long-term liabilities for the year ended June 30, 2021 are summarized below (amounts expressed in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Bonds (Note 9)	\$ 4,195,455	\$ 829,165	\$ 754,285	\$ 4,270,335	\$ 267,756
General Obligation Notes from Direct Borrowings (Note 9)	5,000	82,000		87,000	87,000
Premiums/Discounts (Note 9)	246,426	39,143	48,326	237,243	25,534
Limited Obligation Bonds (Note 9)	439,220		14,385	424,835	15,100
Premiums (Note 9)	51,382		3,038	48,344	3,037
Notes Payable from Direct Borrowings (Note 12)	765,489	4,785	64,105	706,169	62,527
Premiums (Note 12)	58,642		8,878	49,764	8,779
Total Bonds and Notes	5,761,614	955,093	893,017	5,823,690	469,733
Derivative Instruments (Note 9)	36,045		36,045	0	
Capital Lease Obligations (Note 12)	7,637	1,907	3,138	6,406	2,184
Accrued Compensated Absences (Note 12)	125,762	66,667	63,963	128,466	9,801
Pollution Remediation Obligation (Note 12)	45,001	15,452	13,829	46,624	8,628
	<u>\$ 5,976,059</u>	<u>\$ 1,039,119</u>	<u>\$ 1,009,992</u>	<u>\$ 6,005,186</u>	<u>\$ 490,346</u>
<b>Business-type Activities:</b>					
General Obligation Bonds (Note 9)	\$ 181	\$	\$ 71	\$ 110	\$ 74
Accrued Compensated Absences (Note 12)	744	480	484	740	49
Notes Payable from Direct Borrowings (Note 12)	5,252		496	4,756	506
	<u>\$ 6,177</u>	<u>\$ 480</u>	<u>\$ 1,051</u>	<u>\$ 5,606</u>	<u>\$ 629</u>

The current portion of accrued compensated absences is reported in accounts payable and other liabilities and the long-term portion is included in noncurrent other liabilities.

## Note 14 – Tax Abatements

As of June 30, 2021, the State provides tax abatements through eight programs subject to the requirements of GASB Statement No. 77: the Jobs Tax Credit; the Investment Tax Credit; the Income Tax Exemption; the Fee In Lieu of Franchise Tax; the Sales and Use Tax Exemption to Establish and Operate the Project; the Sales and Use Tax Exemption for Machinery, Tooling, Leases, Repair parts and Services; the Withholding Rebate for New Job Creation; and the Withholding Rebate for Maintaining Existing Jobs. The eight programs are available to entities authorized in Section 57-75-5 (f) of Mississippi Code Ann. (1972) to encourage businesses to locate or expand operations in the State and to create significant new job opportunities for State residents.

The Jobs Tax Credit Program provides an income tax credit to eligible entities that commit to make certain capital investments, to create a certain number of new full-time jobs and to maintain those employment levels. The credit amount is based on employment levels. Eligible entities can receive an annual credit equal to \$5,000 per employee at the project site for a set period of time ranging from 10 to 20 years with a three to ten year carryforward. Eligible entities are able to elect the date when their credit period starts within certain parameters. The credit can be used to offset up to 100% of an eligible entity's state income tax liability. There are no recapture provisions for this program.

The Investment Tax Credit Program provides an income tax credit to eligible entities that commit to make certain capital investments, to create a certain number of new full-time jobs and to maintain those employment levels. An annual tax credit equal to 7.5% of the eligible investment is available to offset the entity's state income tax liability. An eligible entity is able to elect the start date for the credit, however, it must be within two years of becoming fully operational. Any credit claimed and not used in any taxable year can be carried forward for ten consecutive years from the close of the tax year in which it was earned. The amount of the credit that can be used in any one tax year is limited to the entity's total state income tax liability for that year and the credit is subject to recapture if the property for which the credit is received is disposed of, or converted to another nonbusiness use.

The Income Tax Exemption Program provides a full exemption from state income tax to eligible entities that commit to make certain capital investments, to create a certain number of jobs and to maintain those employment levels. An eligible entity is granted a full exemption from state income tax for a period of 20 to 25 years, including the year in which the exemption commences. The eligible entity can elect the date on which the exemption begins, though it typically cannot begin until the committed number of jobs is in place and it must start within five years of the start of production. If in any taxable year to which

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the exemption applies the average number of jobs falls below the business's jobs commitment, the income tax exemption may be reduced or suspended until the required number of jobs is restored. There are no recapture provisions for this program.

The Fee in Lieu of Franchise Tax Program allows eligible entities to pay a fee of \$25,000 per year instead of the calculated amount of the franchise tax that would have been due. The fee in lieu of franchise tax typically goes into effect the first year that an eligible entity's franchise tax liability exceeds \$25,000. Eligible entities have to commit to making certain capital investments and/or creating a certain number of jobs and maintaining those employment levels. Each fee in lieu of franchise tax agreement is negotiated with the eligible entity that is investing in the State and is available between ten and thirty years. There are no recapture provisions for this program.

The Sales and Use Tax Exemption to Establish and Operate the Project Program provides a full exemption from sales and use tax for the start-up of a project of eligible entities that commit to make certain capital investments, to create a certain number of jobs and to maintain those employment levels. The State grants eligible entities a full exemption from sales and use taxes on purchases and leases of component building materials and machinery and equipment required for the start-up and operation of a Mississippi Major Economic Impact Authority (MMEIA) eligible project. The amounts exempted under this program are not required to be reported to the State. There are no recapture provisions for this program.

The Sales and Use Tax Exemption for Machinery, Tooling, Leases, Repair Parts and Services Program provides a full exemption from sales and use tax for the perpetual operation of an eligible project to entities that commit to make certain capital investments, to create a certain number of jobs and to maintain those employment levels. The State grants eligible entities with a full exemption from sales and use tax on purchases and leases of machinery, special tooling, repair parts or replacement or leases thereof, supplies and repair services purchased by the eligible entity. The amounts exempted under this program are not required to be reported to the State. There are no recapture provisions for this program.

The Withholding Rebate for New Job Creation Program provides a rebate of new employees' state income tax withholding to eligible entities that commit to create a certain number of new high-paying jobs at certain average annual salary levels that exceed between 110% and 150% of the state or county average annual salary and to maintain those employment levels throughout the possible rebate period. Eligible entities can receive a percentage of the employees', including leased employees, state income tax withholding in a quarterly payment. These withholding tax rebate payments are capped at 3.5% to 4% of the eligible entity's gross payroll or the actual amount of income tax withheld from their employees. Eligible entities can receive rebate payments on a quarterly basis for up to 25 years assuming the committed number of jobs at the required salary levels are met and maintained. There are no recapture provisions for this program.

The Withholding Rebate for Maintaining Existing Jobs Program provides a rebate to current large employers to retain their existing workforce and further invest in their State operations. It provides a rebate of new employees' state income tax withholding to eligible entities that make a new private investment at the project site and maintain a set number of existing jobs with average annual salaries of at least \$45,000. A rebate equal to one percent of existing employees' wages subject to state income withholding taxes is available for eligible entities for up to ten years or until a maximum rebate of \$6,000,000 has been reached. There are no recapture provisions for this program.

The amounts of taxes abated during fiscal year 2021 are (amounts expressed in thousands):

<b>Program</b>	<b>Amount Abated</b>
Jobs Tax Credit	\$ - *
Investment Tax Credit***	-
Income Tax Exemption***	-
Withholding Rebate for New Job Creation***	-
Withholding Rebate for Maintaining Existing Jobs	- *
Fee in Lieu of Franchise Tax	- *
Aggregate total of tax credits, tax rebates, income tax exemption, and franchise tax exemption	24,070
Sales and Use Tax Exemption to Establish and Operate the Project	- **
Sales and Use Tax Exemption for Machinery, Tooling, Leases, Repair Parts and Services	- **
Total Sales and Use Tax Exemptions	10,196
Total	\$ 34,266

\* The amounts abated under these programs are presented in the aggregate. Sections 27-3-73 and 27-7-83 (9) of Miss. Code Ann (1972) prevent disclosure of the individual amounts abated under these programs due to confidentiality of taxpayer reports and returns.

\*\* Amounts of sales and use taxes abated are estimates.

\*\*\*There were no taxes abated under these programs in FY 2021.

# Mississippi

## Note 15 - Retirement Plans

### Plan Description

In accordance with state statutes, Public Employees' Retirement System (PERS) Board of Trustees (System) administers four defined benefit plans. The defined benefit plans are PERS, a cost-sharing multiple-employer public employee retirement system established in 1952, Mississippi Highway Safety Patrol Retirement System (MHSPRS), a single-employer public employee retirement system established in 1958, Supplemental Legislative Retirement Plan (SLRP), a single-employer public employee retirement system established in fiscal year 1990, and the Municipal Retirement Systems (MRS), which are agent multiple-employer defined benefit public employee retirement systems composed of 19 separate municipal retirement and fire and police disability and relief systems.

PERS, MHSPRS, SLRP and MRS are considered part of the State of Mississippi's financial reporting entity and are included in the accompanying financial statements as pension trust funds. The purpose of these plans is to provide pension benefits for all state employees, sworn officers of the state highway patrol, other public employees whose employers have elected to participate, and elected members of the State Legislature and the president of the Senate. The System issues a Comprehensive Annual Financial Report, which includes PERS, MHSPRS, SLRP and MRS, that is available from Public Employees' Retirement System of Mississippi.

### Membership and Benefit Provisions

**Public Employees' Retirement System:** Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by the political subdivisions and instrumentalities of the State, membership is contingent upon approval of the entity's participation in PERS by the System's Board of Trustees. If approved, membership for these employees is a condition of employment and eligibility is granted to those who qualify upon hiring. A member who terminates employment from all covered employers and who is not eligible to receive monthly retirement benefits may request a refund of his or her accumulated member contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions.

Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2 percent of their average compensation for each year of credited service up to and including 30 years (25 years for those who became members before July 1, 2011) plus 2.5 percent for each additional year of credited 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 credited service. A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. 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. Benefit provisions are established by Section 25-11-1 et seq., Mississippi Code Ann. (1972) and may be amended only by the State Legislature.

A Cost-of-Living Adjustment (COLA) is made to eligible retirees and beneficiaries. The COLA is equal to 3 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3 percent compounded for each fiscal year thereafter. For the year ended June 30, 2021, the total annual COLA payments for PERS were \$800,170,000.

**Mississippi Highway Safety Patrol Retirement System:** Membership in MHSPRS is a condition of employment granted upon hiring for all officers of the Mississippi Highway Safety Patrol who have completed a course of instruction in an authorized highway patrol training school on general law enforcement and who serve as sworn officers of the highway patrol in the enforcement of the laws of the State. Participating members who withdraw from service at or after age 55 with at least five years of membership service, or after reaching age 45 with at least 20 years of credited service, or with 25 years of service at any age, are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.5 percent of average compensation during the four highest consecutive years of earnings, reduced 3 percent for each year below age 55 or 3 percent for each year under 25 years of service, whichever is less. MHSPRS also provides certain death and disability benefits. A member who terminates employment from the highway patrol and who is not eligible to receive monthly retirement benefits may request a refund of his or her accumulated employee contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions. Benefit provisions for MHSPRS are established by Section 25-13-1 et seq., Mississippi Code Ann. (1972) and may be amended only by the State Legislature.

A COLA payment is made to eligible retirees and beneficiaries. The COLA is equal to 3 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, with 3 percent compounded for each fiscal year thereafter. For the year ended June 30, 2021, the total annual COLA payments for MHSPRS were \$11,400,000.

**Supplemental Legislative Retirement Plan:** Membership in SLRP is composed of all elected members of the State Legislature and the president of the Senate. This plan is designed to supplement the provisions of PERS. Those serving when SLRP

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became effective July 1, 1989, had 30 days to waive membership. Those elected after July 1, 1989, automatically become members. Members and employers are statutorily required to contribute certain percentages of salaries and wages as specified by the Board of Trustees.

The retirement allowance is 50 percent of an amount equal to the retirement allowance payable by PERS, determined by credited service as an elected senator or representative in the State Legislature or as president of the Senate. Benefits vest upon completion of the requisite number of membership service years in PERS. SLRP also provides certain death and disability benefits. A member who terminates legislative employment and who is not eligible to receive monthly retirement benefits may request a refund of his or her accumulated employee contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions. Benefit provisions for SLRP are established by Section 25-11-301 et seq., Mississippi Code Ann. (1972) and may be amended only by the State Legislature.

Retirees and beneficiaries of SLRP may receive COLAs calculated identically to PERS retirees and beneficiaries. For the year ended June 30, 2021, the total COLAs for SLRP were \$394,000.

**Municipal Retirement Systems:** Membership in the two general Municipal Retirement Systems and the 17 Fire and Police Disability and Relief Systems was granted to all municipal employees, fire fighters, and police officers who were not already members of PERS and who were hired prior to July 1, 1976. Two fire and police plans elected to extend the eligibility period for membership to July 1, 1987. Eligible employees hired after these periods automatically become members of PERS. The Municipal Retirement Systems were all closed to new members by July 1, 1987.

Regardless of age, participating employees who retire with at least 20 years of membership service are entitled to an annual retirement allowance payable monthly for life in an amount equal to 50 percent of their average monthly compensation and an additional 1.7 percent for each year of credited service beyond 20 years, not to exceed 66.67 percent of average monthly compensation, except as may otherwise be provided through local and private legislation. Average monthly compensation for the two Municipal Retirement Systems and the 17 Fire and Police Disability and Relief Systems is the monthly average for the last six months of service. Certain participating employers provide a minimum monthly retirement allowance. Benefits vest upon reaching 20 years of credited service. MRS plans also provide certain death and disability benefits. Members who terminate employment from all covered employers and are not eligible to receive monthly retirement benefits may request a full refund of employee contributions. Members covered by MRS do not receive interest on their accumulated contributions. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions. Benefit provisions are established by Sections 21-29-1 et seq., Articles 1, 3, 5 and 7, Mississippi Code Ann. (1972) and annual local and private legislation. Statutes may be amended only by the State Legislature.

The retirees and beneficiaries of MRS plans with provisions for COLAs, who are receiving a retirement allowance on July 1 of each fiscal year, may be entitled to a COLA. This payment is equal to the annual percentage change of the Consumer Price Index (CPI) but not to exceed 2.5 percent of the annual retirement allowance for each full fiscal year of retirement. Certain MRS plans may adopt a COLA other than one linked to the change in the CPI. These additional payments will be made only when funded by the employers. For the year ended June 30, 2021, the total COLAs for MRS plans were \$5,348,000.

## Contribution Requirements

Contribution provisions for PERS, MHSPRS and SLRP are established by state statute. The adequacy of these rates is assessed annually by actuarial valuation. Contribution provisions for MRS are established by state statute and annual local and private legislation. State statutes may be amended only by the State Legislature.

The following table provides information concerning funding policies (amounts expressed in thousands):

	PERS	MHSPRS	SLRP	MRS
Contribution rates as a percent of covered payroll:				
State	17.4%	49.08%	7.4%	N/A
Other employers	N/A	N/A	N/A	.85 - 5.82 mills***
Plan members	9%	7.25%	3%*	N/A
Employer contributions made	\$1,169,679	\$19,563**	\$604	\$14,907

\* In addition to 9% required by PERS

\*\* Includes fees authorized by the State Legislature, which are reported as employer contributions in the pension trust funds. Due to Senate Bill No. 2659 enacted in 2004, an estimated additional contribution of \$3,700,000 was used to calculate the actuarially determined contributions for MHSPRS. The actual amount received in 2021 was \$3,544,000.

\*\*\* Based on assessed property values.

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

At June 30, 2021, the State reported a net pension liability of \$3,287,003,000 for its proportionate share of the net pension liability in PERS. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate

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the net pension liability was determined by an actuarial valuation as of June 30, 2019. The State's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For governmental activities, net pension liability is typically paid from the general fund. At the measurement date, the State's proportion was 16.98%, an increase of .08% from the prior year.

At June 30, 2021, the State reported a net pension liability of \$191,047,000 and \$4,393,000 for MHSPRS and SLRP, respectively. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019.

## Changes in the Net Pension Liability

The following table details the changes in the net pension liability from the beginning to the end of the measurement year for the single-employer plans, MHSPRS and SLRP (amounts expressed in thousands):

MHSPRS	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<b>Balances at June 30, 2020</b>	\$ 541,931	\$ 366,165	\$ 175,766
<b>Changes for the Year:</b>			
Service Cost	8,104		8,104
Interest	40,624		40,624
Difference between Expected and Actual Experience	(7)		(7)
Contributions - employer		20,144	(20,144)
Contributions - employee		2,428	(2,428)
Net investment income		11,196	(11,196)
Benefit payment, including refunds of employee contributions	(35,503)	(35,503)	0
Administrative expense		(328)	328
<b>Net Changes</b>	<b>13,218</b>	<b>(2,063)</b>	<b>15,281</b>
<b>Balances at June 30, 2021</b>	<b>\$ 555,149</b>	<b>\$ 364,102</b>	<b>\$ 191,047</b>

SLRP	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<b>Balances at June 30, 2020</b>	\$ 22,075	\$ 18,609	\$ 3,466
<b>Changes for the Year:</b>			
Service Cost	589		589
Interest	1,638		1,638
Difference between expected and actual experience	(37)		(37)
Contributions - employer		512	(512)
Contributions - employee		208	(208)
Net investment income		553	(553)
Benefit payment, including refunds of employee contributions	(1,877)	(1,877)	0
Administrative expense		(10)	10
<b>Net Changes</b>	<b>313</b>	<b>(614)</b>	<b>927</b>
<b>Balances at June 30, 2021</b>	<b>\$ 22,388</b>	<b>\$ 17,995</b>	<b>\$ 4,393</b>

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For the year ended June 30, 2021, the State recognized pension expense of \$278,056,000 for PERS, \$25,711,000 for MHSPRS, and \$567,000 for SLRP for a total of \$304,334,000. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (amounts expressed in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>PERS</b>		
Difference between expected and actual experience	\$ 28,542	\$
Net difference between projected and actual earnings on pension plan investments	132,435	
Changes in proportion	10,958	40,257
Changes of assumptions	18,300	
Contributions subsequent to the measurement date	194,673	
Total PERS	384,908	40,257
<b>MHSPRS</b>		
Differences between expected and actual experience	4,552	493
Net difference between projected and actual earnings on pension plan investments	9,409	
Changes of assumptions	1,260	306
Contributions subsequent to the measurement date	19,563	
Total MHSPRS	34,784	799
<b>SLRP</b>		
Differences between expected and actual experience		70
Net difference between projected and actual earnings on pension plan investments	472	
Changes of assumptions	15	116
Contributions subsequent to the measurement date	604	
Total SLRP	1,091	186
Total	\$ 420,783	\$ 41,242

Contributions subsequent to the measurement date of \$194,673,000 for PERS, \$19,563,000 for MHSPRS and \$604,000 for SLRP reported as deferred outflows of resources, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (amounts expressed in thousands):

Year ended June 30	<u>PERS</u>	<u>MHSPRS</u>	<u>SLRP</u>
	Net Outflows & Inflows of Resources	Net Outflows & Inflows of Resources	Net Outflows & Inflows of Resources
2022	\$ (16,236)	\$ 3,087	\$ (208)
2023	56,247	4,107	160
2024	66,499	3,896	181
2025	43,468	3,332	168
Total	\$ 149,978	\$ 14,422	\$ 301

## Actuarial Assumptions

The collective total pension liability was determined by an actuarial valuation prepared as of June 30, 2019. Subsequent to the June 30, 2019 valuation, the Board adopted new actuarial assumptions based on the experience investigation for the four-year period ending June 30, 2019. The following actuarial assumptions are applied to all periods included in the measurement:

	<u>PERS</u>	<u>MHSPRS</u>	<u>SLRP</u>
Inflation	2.75 %	2.75 %	2.75 %
Salary increases, including inflation	3% - 18.25 %	3% - 8.56 %	3 %
Investment rate of return*	7.75 %	7.75 %	7.75 %
Increases in benefits after retirement**	3 %	3 %	3 %

\* net of pension plan investment expense, including inflation

\*\* PERS and SLRP calculated 3% for each full fiscal year of retirement to age 60 (55 for those who became members before July 1, 2011), with 3% compounded for each fiscal year thereafter. MHSPRS calculated 3% simple interest to age 60, compounded each fiscal year thereafter.

# Mississippi

## Changes of Assumption

Mortality rates for PERS, MHSPRS and SLRP were based on 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. Mortality rates are projected generationally using the MP-2018 projection scale to account for future improvements in life expectancy.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2014 to June 30, 2018. The experience report is dated April 2, 2019.

The long-term expected rate of return on pension plan investments for PERS, MHSPRS and SLRP 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 weighing 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 as of June 30, 2020, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Real Rate of Return
Domestic equity	27 %	4.90 %
International equity	22	4.75
Global equity	12	5.00
Fixed income	20	0.50
Real estate	10	4.00
Private equity	8	6.25
Cash	1	0.00
Totals	100 %	

## Single-Employer Benefit Plan Employees

The following employees were covered by the benefit terms of MHSPRS and SLRP at June 30, 2019:

	MHSPRS	SLRP
Inactive employees or beneficiaries currently receiving benefits	734	215
Inactive employees assumed eligible for a benefit at retirement date	44	35
Inactive employees assumed not to receive service retirement benefits	17	19
Active employees	522	170
<b>Totals</b>	<b>1,317</b>	<b>439</b>

## Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate of 9%, 7.25% and 3% for PERS, MHSPRS and SLRP, respectively, and that employer contributions will be made at the current employer contribution rate 17.4%, 49.08% and 7.4% for PERS, MHSPRS and SLRP, respectively. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plans 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.



# Mississippi

## Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the State's proportionate share of the net pension liability using the discount rate of 7.75%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate (amounts expressed in thousands):

Net Pension Liability	1% Decrease	Current	1% Increase
	6.75%	Discount Rate 7.75%	8.75%
PERS	\$ 4,254,622	\$ 3,287,003	\$ 2,488,329
MHSPRS	259,957	191,047	134,144
SLRP	6,630	4,393	2,482
Total	\$ 4,521,209	\$ 3,482,443	\$ 2,624,955

Detailed information about the PERS, MHSPRS and SLRP pension plans is available on the PERS of Mississippi website at [www.pers.ms.gov](http://www.pers.ms.gov).

## Note 16 - Other Postemployment Benefits

### Plan Description

The State and School Employees' Health Insurance Management Board (the Board) administers the State Life and Health Insurance Plan (the Plan) established by Section 25-15-3 et seq., Mississippi Code Ann. (1972), which is amended annually by the Board. 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 Plan. The Plan provides other postemployment benefits (OPEB) as a cost-sharing multiple-employer defined benefit OPEB plan.

The 14-member Board, which administers the Plan, is comprised of the Chairman of the Workers' Compensation Commission; the State Personnel Director; the Commissioner of Insurance; the Commissioner of Higher Education; the State Superintendent of Public Education; the Executive Director of the Department of Finance and Administration; the Executive Director of the Mississippi Community College Board; the Executive Director of the Public Employees Retirement System; two appointees of the Governor; the Chairman of the Senate Insurance Committee, or his designee; the Chairman of the House of Representatives Insurance Committee, or his designee; the Chairman of the Senate Appropriations Committee, or his designee; and the Chairman of the House of Representatives' Appropriations Committee, or his designee. The Board has a fiduciary responsibility to manage the funds of the Plan.

### Benefits Provided

Benefits of the Plan consist of an implicit rate subsidy, which is essentially the difference between the average cost of providing healthcare benefits to retirees under age 65 and the average cost of providing healthcare 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 affect 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 level for Medicare eligible retirees, Medicare eligible surviving spouses and Medicare eligible dependents of retirees and surviving spouses.

### Contributions

Pursuant to the authority granted by Mississippi Statute, the Board has the authority to establish and change premium rates for the participants, employers, and other contributing entities. The required premiums vary based on the plan selected and the type of participant. Employees' premiums are paid primarily by the employer. Employers do not pay premiums for retirees nor premiums for active employee spouse and dependent medical coverage. At June 30, 2021, the State's actuarially determined contributions to the OPEB plan were \$5,788,000.

# Mississippi

## OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the State reported a liability of \$177,506,000 for its proportionate share of the net OPEB liability. The liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The State's proportion of the OPEB liability was based on a projection of the long-term share of contribution to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. For governmental activities, the net OPEB liability is typically paid from the general fund. At the measurement date the State's proportion was 22.81% which is a decrease of .08% from the previous year.

For the year ended June 30, 2021, the State recognized OPEB expense of \$1,067,000. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (amounts expressed in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 226	\$ 30,890
Net difference between projected and actual OPEB		
Plan investments	6	
Changes in proportion	9,371	18,013
Changes of assumptions	27,562	7,492
Contributions subsequent to the measurement date	5,788	
Total	\$ 42,953	\$ 56,395

Contributions subsequent to the measurement date of \$5,788,000 reported as deferred outflows of resources will be recognized as a reduction of the collective net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (amounts expressed in thousands):

Year ended June 30	Net Outflows & Inflows of Resources
2022	\$ (5,291)
2023	(5,302)
2024	(4,609)
2025	(1,930)
2026	(2,098)
	\$ (19,230)

### Actuarial Assumptions

The collective total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to the periods included in the measurement:

Inflation	2.75%
Salary increases, including inflation	3% - 18.25%
Investment rate of return	4.5%
Municipal bond index rate	
Measurement Date	2.19%
Prior Measurement Date	3.5%
Year FNP is projected to be deleted	
Measurement Date	2020
Prior measurement date	2019
Single equivalent interest rate, net of OPEB plan	
Investment expense, including price inflation	
Measurement Date	2.19%
Prior measurement date	3.5%

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Healthcare cost trend rates	
Medicare supplement claims	7% for 2021 decreasing to an ultimate rate of 4.5% by 2030
Pre-Medicare	
Retirement age – by employee type shown:	
Highway safety patrol	Any age with 25 years of service Age 55 with at least 5 years of service Age 45 with at least 20 years of service
General state and school employees hired before July 1, 2011	Any age with 25 years of service or hired before July 1, 2007 Age 60 with at least 4 years of service or hired after July 1, 2007 Age 60 with at least 8 years of service
General state and school employees hired on or after July 1, 2011	Any age with 30 years of service or Age 60 with at least 8 years of service

Mortality rates were based on 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. Mortality rates will be projected generationally using the MP-2018 projection scale to account for future improvements in life expectancy.

The demographic actuarial assumptions used in the June 30, 2020 valuation were based on the results of the last actuarial experience study, dated April 2, 2019;

The remaining actuarial assumptions (e.g., initial per capital costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 valuation.

The long-term expected return on plan assets is reviewed as part of the valuation process. Since there were very little assets in the trust fund on the Measurement Date, there is no long-term expected return determination.

## Changes to Benefit Terms

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

## Changes in Actuarial Assumptions and Methods

The discount rate was changed from 3.5% for the prior measurement date to 2.19% for the current measurement date.

### Discount Rate

The discount rate used to measure the total OPEB liability was 2.19%. The trust was established on June 28, 2018 with an initial contribution of \$1,000,000. As of June 30, 2020 the trust has \$1,037,000. The fiduciary net position is projected to be depleted immediately; therefore, the Municipal Bond Index Rate is used in the determination of the discount rate for both the June 30, 2019 and the June 30, 2020 total OPEB liability. The discount rate used to measure the total OPEB liability at June 30, 2020 was based on a monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

### Sensitivity of the State's proportionate Share of the collective OPEB Liability to Changes in the Discount Rate

The following table presents the State's proportionate share of the net OPEB liability using the discount rate of 2.19%, as well as what the State's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower (1.19%) or 1-percentage-point higher (3.19%) than the current rate (amounts expressed in thousands):

	1% Decrease 1.19%	Current Discount Rate 2.19%	1% Increase 3.19%
State's proportionate share of net OPEB liability	\$ 196,156	\$ 177,506	\$ 161,509

### Sensitivity of the State's proportionate Share of the collective OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following table presents the State's proportionate share of the net OPEB liability using the healthcare trend rate of 7% decreasing to 4.5% by 2030, as well as what the State's proportionate share of the net OPEB liability would be if it were calculated

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using a healthcare trend rate that is 1-percentage-point lower (6% decreasing to 3.5%) or 1-percentage-point higher (8% decreasing to 5.5%) than the current rate (amounts expressed in thousands):

	1% Decrease (6% decreasing to 3.5%)	Current Discount Rate (7% decreasing to 4.5%)	1% Increase (8% decreasing to 5.5%)
State's proportionate share of net OPEB liability	\$ 163,900	\$ 177,506	\$ 192,921

Detailed information about the Life and Health OPEB Plan is available on the Department of Finance and Administration website at [www.dfa.ms.gov](http://www.dfa.ms.gov).

## Note 17 - Commitments

### A. Operating Leases

The State has entered into numerous agreements to lease land and buildings which are classified as operating leases. These agreements generally contain the provision that, at the expiration date of the lease, the State may renew the operating lease on a month-to-month basis. It is expected that in the normal course of business most of these leases will be renewed or replaced by similar leases. Although the lease terms vary, most leases are subject to annual appropriation by the State Legislature to continue the lease obligation. If an appropriation is reasonably assured, leases are considered non-cancellable for financial reporting purposes. Any escalation clauses, sublease rentals, and contingent rents are considered immaterial to the future minimum lease payments and current rental expenditures.

Operating lease payments are recorded as expenditures or expenses when paid or incurred. Future minimum commitments due under non-cancellable operating leases for land and buildings as of June 30, 2021 are as follows (amounts expressed in thousands):

Year Ending June 30	Amount
2022	20,691
2023	20,253
2024	17,470
2025	14,312
2026	12,008
2027-2031	48,195
2032-2036	21,856
2037-2041	8,075
2042-2046	168
2047-2051	12
2052-2056	12
Total Minimum Commitments	<u>\$ 163,052</u>

Expenditures for rental of land and buildings under operating leases for the year ended June 30, 2021 amounted to \$25,150,000.

### B. Contracts

At June 30, 2021, the Department of Transportation had contracts outstanding of approximately \$915,631,000 with performance continuing during fiscal year 2022. Of this amount \$62,862,000 is related to local public agencies, such as planning and development districts, counties and municipalities. These contracts were primarily for construction, repair and maintenance and will be paid through the General Fund. Approximately 65 percent of future expenditures related to these commitments are expected to be reimbursed from proceeds of federal grants when the actual costs are incurred. The remaining portion will be funded by specific gasoline taxes.

The State Aid Road Division had contracts of \$56,806,000 outstanding at June 30, 2021 for construction, repair and maintenance of state and county roads. These contracts will be paid through the General Fund. Approximately 19 percent of future expenditures related to these commitments are expected to be reimbursed from proceeds of federal grants when the actual costs are incurred. The remaining portion will be funded by specific tax levies.

The Office of Building, Grounds and Real Property Management had outstanding construction, repair and maintenance contracts of \$98,155,000 at June 30, 2021. These contracts will be paid from the General fund.

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The Military Department had contracts outstanding of approximately \$16,525,000 at June 30, 2021. Approximately 100 percent of future expenditures related to these commitments are expected to be reimbursed from proceeds of federal grants when the actual costs are incurred.

The Port Authority at Gulfport (a major enterprise fund) had contracts outstanding of approximately \$18,014,000 at June 30, 2021. These contracts were primarily for construction costs related to the port. These contracts will be paid from Port Authority at Gulfport's revenues and federal grants.

## C. Encumbrances

Encumbrances represent executed but unperformed purchase orders that are reported within governmental funds as restricted, committed, or assigned fund balance. At June 30, 2021, the encumbrance amounts in the General Fund were \$35,283,000.

## Note 18 - Risk Management

The State has elected to finance most exposures to risk through the retention of risk. The exposures to risk retained by the State are health and life benefits, tort liability, unemployment benefits and workers' compensation benefits. The State utilizes the Risk Management Fund to account for these activities with the noted exception in workers' compensation benefits. Estimates of liabilities for incurred but unpaid claims include both reported and unreported insured events. Nonincremental claims adjustment expenses have not been included as part of the liability for claims and judgments due to immateriality. Changes in claim liabilities for fiscal years 2020 and 2021 are as follows (amounts expressed in thousands):

	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance	Due within one year
2020	\$ 168,546	\$ 805,158	\$ 824,400	\$ 149,304	\$ 118,261
2021	149,304	861,837	836,161	174,980	140,272

**Health and Life Benefits:** The State has elected to manage the health benefit through the retention of all exposure. The life benefit is purchased from a commercial insurance company for death benefit distribution under tax law but management of the risk is accomplished by self insuring within an insured shell. State law mandates that all state, public education, library, junior and community college and retiring employees be offered health and life benefit coverage through this plan.

Estimates of the liability for unpaid claims are actuarially determined using the development method. This method uses past observed patterns of time between claim incurred and payment to estimate incurred claims from available claims data. Liabilities are based on the estimated ultimate cost of settling the claims, including inflation and other factors, and provisions for estimated claims adjustment expenses.

**Tort Liability:** The State manages tort claims through the retention of all liability exposure. The State Legislature created the Tort Claims Board to administer these claims beginning in fiscal year 1994. Statutory regulations provide some protection, as well as a limitation of liability, for claims filed against state agencies and state employees. There is some limited purchase of commercial insurance by state agencies for excess auto liability and other lines of coverage to fulfill some contractual requirements on out of state operations. There is purchase of insurance for protection of some fleet vehicles, some specified watercraft and specific fixed wing aircraft. In the last three years, settled claims have not exceeded commercial coverage.

Claims payments are financed through an annual assessment to all state agencies based on amount of payroll and past loss history. Estimates of the liability for unpaid claims are actuarially determined based on observed patterns of claims payments, as well as the experience of similar programs in other states.

**Unemployment Benefits:** Unemployment benefits are established in statute and administered by the Mississippi Department of Employment Security. The State elects to manage the financial risk for state agencies through retention of all liability exposure. Benefits are financed through collection of premiums from agencies, which provides a stable cash flow for payment of claims.

Estimates of the liability for unpaid claims are actuarially determined based on observed patterns of claims payments, adjusted for changes in covered payrolls.

**Workers' Compensation Benefits:** Workers' compensation benefits are established in statute and the rules and regulations are established by the Mississippi Workers' Compensation Commission and the Mississippi State Agencies Self-Insured Workers' Compensation Trust Board of Trustees. Three major state agencies have been granted exemption from participation in the Risk Management Fund.

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The exposure of risk in the Risk Management Fund is financed mostly through retention of all exposure, with limited purchase of commercial excess insurance. The benefits are financed through collection of premiums, based on an actuarial estimate, from agencies which provides a stable cash flow for claims payments. In the last three years, settled claims have not exceeded commercial coverage. Estimates of the liability for unpaid claims are actuarially determined based on observed patterns of claims payments and case reserves development. Liabilities are based on the ultimate costs of settling claims, including inflation and other factors, and include provisions for estimated claims adjustment expenses.

Exempted state agencies cover all claim settlements and judgments with the resources of the General Fund. Claim expenditures and estimates of the related liability are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

## Note 19 - Contingencies

- A. Federal Grants** - The State 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 an audit may become a liability of the State. The State estimates that the ultimate disallowance pertaining to these grants, if any, will be immaterial to its overall financial condition.

The Division of Medicaid, which is reported within the General Fund, has been notified by the Centers for Medicare and Medicaid Services (CMS) of a potential claim relative to potential overpayments by CMS under Medical Assistance Program grants that may have been made between 1981 and 2009 to a number of states, including Mississippi. CMS is working with the Division of Medicaid, as well as various other states, to resolve the discrepancies. The amount questioned by CMS for the Division of Medicaid is approximately \$28,000,000.

Additionally, the Division of Medicaid has also been notified by the Office of the Inspector General (OIG) of a potential claim relative to unallowable school-based Medicaid administrative costs for federal fiscal years 2010 through 2012. The amount determined by the OIG to be unallowable was \$21,200,000.

- B. Litigation** - The State is party to various legal proceedings that arise in the normal course of governmental operations. The State's legal counsel believes that they will be successful in defending the State and its agencies in a majority of these cases. Of the \$32,795,000 in pending litigation, the State considers \$32,795,000 probable and reasonably estimable that a liability has occurred and is reported in the accompanying financial statements. In the opinion of the State, the ultimate disposition of these matters will not have a material adverse effect on the financial position of the State.
- C. Loan Guarantees** - The Mississippi Development Authority (MDA), a state agency, is authorized by state law to provide loan guarantees through the Small Business Loan Guarantee Program, funded through the Federal State Small Business Credit Initiative, in order to increase the amount of capital made available by private lenders to small businesses. The length of the loan guarantees range from five to fifteen years. In the case of default by the borrower, following the private lender's normal collection procedures to seek reimbursement from the loan recipient, the State pays the private lender a percentage of the outstanding loan amount. At June 30, 2021, outstanding MDA loan guarantees totaled \$5,174,000. The State has co-signed promissory notes issued by the Federal Emergency Management Agency under the Federal Community Disaster Loan Program (CDL) on behalf of local governments as authorized by state law. The program provides operational funding for local governments or political subdivisions of the State that incurred a significant loss in revenue due to a presidentially declared disaster that adversely affected their ability to provide essential governmental services. At June 30, 2021, the remaining outstanding CDL loan guarantees totaled \$2,923,000. The loan guarantees expire September 30, 2035.
- D. Conduit Debt** - The Mississippi Development Bank (a nonmajor component unit) issues special obligation bonds in order to provide funds for making loans to governmental units. Although the special obligation bonds bear the name of the Bank, the Bank is not responsible for the payment of the bonds but rather the bonds are secured only by the payments agreed to be paid by the governmental units under the terms of the loan agreements. The outstanding balance of special obligation bonds issued by the Bank was approximately \$2,221,519,000 at June 30, 2021. The faith, credit and taxing power of the State and the Bank are not pledged to the payment of such bonds.

## Note 20 - Subsequent Events

Subsequent to year end, the State issued the following bonds:

Tax-Exempt General Obligation Bonds, Series 2021C totaling \$166,120,000, dated December 9, 2021. These bonds were issued to provide funding to finance or refinance various capital improvements for institutions of higher learning, community and junior colleges in the State, and various State agencies. These bonds have principal payments beginning October 2032 and will mature serially through October 2041 with interest payments ranging from 4% to 5%.

Taxable General Obligation Bonds, Series 2021D totaling \$126,820,000 dated December 9, 2021. These bonds were issued to provide funds to finance or refinance various economic development loans, grants and programs, and certain

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capital improvements in the State. These bonds have principal payments beginning October 2022 and will mature serially through October 2032 with interest payments ranging from 0.844% to 2.50%.

Taxable General Obligation Refunding Bonds, 2021E totaling \$838,030,000 dated December 9, 2021. The Series 2021E Bonds are being issued for the purpose of (a) advance refunding and defeasing (i) \$150,695,000 of the States \$154,685,000 (original principal amount) General Obligation Bonds, Series 2015A (Tax-Exempt), dated February 18, 2015, (ii) \$28,640,000 of the States \$249,980,000 (original principal amount) General Obligation Bonds, Series 2015C (Tax-Exempt), dated February 18, 2015, (iii) \$112,060,000 of the States \$182,595,000 (original principal amount) General Obligation Bonds, Series 2015F (Tax-Exempt, dated December 8, 2015, (iv ) \$139,180,000 of the States \$188,850,000 (original principal amount) General Obligation Bonds, Series 2016B (Tax-Exempt), dated December 22, 2016, (v) \$149,020,000 of the States \$442,775,000 (original principal amount) General Obligation Bonds, Series 2017A, dated June 28, 2017, and (vi) \$137,960,000 of the States \$188,860,000 (original principal amount) General Obligation Bonds, Series 2018A (Tax-Exempt), dated November 7, 2018. These bonds have principal payments beginning October 2022 and will mature serially through October 2036 with interest payments ranging from 0.304% to 2.537%. The advance refunding and defeasing was undertaken to reduce debt service payments by \$64,395,000 and to obtain an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$53,334,000.

The American Rescue Plan Act of 2021 (ARPA) was signed by the President on March 11, 2021 to provide resources needed to respond to the Coronavirus pandemic, its economic effects and to build a stronger, more equitable economy during the recovery. The Coronavirus State and Local Fiscal Recovery Funds (SLFRP), established by the ARPA Act, provided \$240 billion in aid to state, local and tribal governments. Mississippi was allocated \$1.8 billion, split into two equal payments. The first payment of \$903 million was received May 2021; the remainder is expected May 2022. Through Legislative appropriation, ARPA funds will be allocated to assist with fiscal recovery projects across the state.

The full extent of the impact of the financial position of the State will depend on the length of the pandemic, restrictions placed on the State, the effects of the financial markets, and the effects of the overall markets. All of these factors are highly uncertain and cannot be predicted.

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# *Mississippi*

## Required Supplementary Information

# Mississippi

## Required Supplementary Information

### Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds

For the Year Ended June 30, 2021 (Expressed in Thousands)

	General Fund			
	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Over (Under)
<b>Revenues</b>				
Sales tax	\$ 2,002,600	\$ 2,002,600	\$ 2,244,361	\$ 241,761
Individual income tax	2,005,000	2,005,000	2,226,160	221,160
Corporate income and franchise taxes	480,700	480,700	845,133	364,433
Use and wholesale compensating taxes	288,400	288,400	408,776	120,376
Tobacco, beer and wine taxes	162,700	162,700	175,026	12,326
Insurance tax	349,600	349,600	377,734	28,134
Oil and gas severance taxes	22,000	22,000	18,183	(3,817)
Alcoholic Beverage Control excise and privilege taxes and net profit on sale of alcoholic beverages	90,800	90,800	108,763	17,963
Other taxes	12,200	12,200	12,457	257
Interest	14,500	14,500	12,815	(1,685)
Auto privilege, tag and title fees	11,500	11,500	13,262	1,762
Gaming fees	121,300	121,300	158,453	37,153
Highway Safety Patrol fees	18,700	18,700	20,087	1,387
Other fees and services	95,500	95,500	101,364	5,864
Miscellaneous	14,000	14,000	13,498	(502)
Court assessments and settlements			4,113	4,113
Special Fund revenues				
Total Revenues	5,689,500	5,689,500	6,740,185	1,050,685
<b>Expenditures by Major Budgetary Function</b>				
Legislative	28,514	28,468	28,377	(91)
Judiciary and justice	100,058	99,361	98,925	(436)
Executive and administrative	15,239	15,339	14,868	(471)
Fiscal affairs	140,060	139,990	137,435	(2,555)
Public education	2,251,826	2,251,826	2,244,085	(7,741)
Higher education	720,658	721,590	721,425	(165)
Public health	31,553	31,553	31,179	(374)
Hospitals and hospital schools	211,625	211,625	211,481	(144)
Agriculture, commerce and economic development	107,775	107,775	107,656	(119)
Conservation and recreation	42,966	42,866	42,859	(7)
Insurance and banking	16,042	16,042	15,919	(123)
Corrections	310,899	310,899	309,588	(1,311)
Social welfare	954,659	953,075	952,546	(529)
Public protection and veterans assistance	109,114	109,114	108,753	(361)
Local assistance	79,013	79,013	79,014	1
Motor vehicle and other regulatory agencies				
Miscellaneous	20,452	20,452	19,545	(907)
Public works				
Debt service	436,433	436,433	435,989	(444)
Total Expenditures	5,576,886	5,575,421	5,559,644	(15,777)
Excess of Revenues over (under) Expenditures	112,614	114,079	1,180,541	1,066,462
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,200	1,200	1,200	
Transfers out			(1,180,824)	(1,180,824)
Other sources/uses of cash			508	508
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	113,814	115,279	1,425	(113,854)
Budgetary Fund Balances - Beginning	8,723	8,723	8,723	
Budgetary Fund Balances - Ending	\$ 122,537	\$ 124,002	\$ 10,148	\$ (113,854)

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

Education Enhancement Fund				Special Fund			
Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Over (Under)
\$ 258,706	\$ 285,870	\$ 347,946	\$ 62,076	\$	\$	\$	\$
35,535	47,475	72,323	24,848				
		40	40				
		76	76				
				16,855,456	18,440,602	12,404,457	(6,036,145)
294,241	333,345	420,385	87,040	16,855,456	18,440,602	12,404,457	(6,036,145)
				50	50	35	(15)
				54,155	62,174	43,957	(18,217)
				16,655	49,794	41,276	(8,518)
				444,608	419,934	375,150	(44,784)
278,844	277,028	273,751	(3,277)	1,474,913	2,202,090	1,124,891	(1,077,199)
107,991	107,991	107,983	(8)	2,608,485	2,611,485	73,002	(2,538,483)
				590,514	776,292	462,625	(313,667)
				367,275	401,892	332,228	(69,664)
2,966	2,966	2,966		532,175	406,900	336,279	(70,621)
125	125	125		418,365	538,068	228,154	(309,914)
				32,814	35,939	26,816	(9,123)
				68,900	71,960	59,041	(12,919)
				7,710,584	8,154,513	7,208,632	(945,881)
				1,140,638	1,150,014	477,264	(672,750)
				25,822	25,822	22,222	(3,600)
450	450	444	(6)	2,679	3,014	2,256	(758)
				1,339,162	1,502,999	1,293,420	(209,579)
				27,662	27,662	2,476	(25,186)
390,376	388,560	385,269	(3,291)	16,855,456	18,440,602	12,109,724	(6,330,878)
(96,135)	(55,215)	35,116	90,331			294,733	294,733
		172,230	172,230				
(96,135)	(55,215)	207,346	262,561			294,733	294,733
		309,817	309,817			411,978	411,978
\$ (96,135)	\$ (55,215)	\$ 517,163	\$ 572,378	\$ 0	\$ 0	\$ 706,711	\$ 706,711

# Mississippi

## Required Supplementary Information

### Notes to Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds

For the Year Ended June 30, 2021

The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds presents the original legally adopted budget, as well as comparisons of the final legally adopted budget with actual data on a budgetary basis. The State's basis of budgeting is the cash basis plus commitments. The State has established three budgetary fund groups to account for its budgetary activities and functions. The General Fund group is established to receive and distribute general tax revenues and other general fund revenues and interest generated thereon. The Education Enhancement Fund group is established to receive specific tax revenues to support various educational programs. The Special Fund group is established to receive federal grants, fees, proceeds from the sale of goods and services, taxes levied for specific purposes and interest generated thereon, and to support the functional activities of the agencies that generate such revenues.

General Fund and Education Enhancement Fund original budget revenues represent the General Fund and Education Enhancement Fund revenue estimates adopted by the Legislative Budget Office at the date of sine die adjournment. Special Fund revenue estimates include anticipated revenues during the year and the amount of beginning cash balances on hand at the beginning of the year that are anticipated to be expended for special fund purposes.

Due to the complexity of the State's budget, a separate *Annual Report of Budgetary Basis Expenditures* has been prepared to present final budget to actual comparisons at the legal level of control. This budgetary report is available at the Department of Finance and Administration.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of differences between budgetary and GAAP presentations for the year ended June 30, 2021 is presented below (amounts expressed in thousands):

<b>Budgetary Funds</b>	<b>General</b>	<b>Education Enhancement</b>	<b>Special</b>
<b>Financial Statement Major Fund</b>	<b>General</b>		
Net Change in Budgetary Fund Balances	\$ 1,425	\$ 207,346	\$ 294,733
Reclassifications:			
Budgetary fund excesses are reclassified to the General Fund for GAAP reporting	(495,155)	(207,346)	(287,809)
The State reports amounts in the budgetary funds that are reported in other major and nonmajor funds			(6,924)
Adjustments:			
The financial reporting fund structure includes funds that are not part of the budgetary fund structure	(1,396,825)		
Financial statements are presented using a modified accrual basis of accounting while budgetary basis is cash plus commitments		3,637,172	
Net Change in GAAP Fund Balances	\$ 1,746,617	\$ 0	\$ 0

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# Mississippi

## Required Supplementary Information

### Schedule of Employer Contributions

#### Mississippi Highway Safety Patrol Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
Actuarially determined employer contribution	\$ 19,563	\$ 20,144	\$ 19,375	\$ 15,128	\$ 14,809
Contributions in relation to actuarially determined contribution	(19,563)	(20,144)	(19,375)	(15,128)	(14,809)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 29,780	\$ 32,346	\$ 31,811	\$ 29,555	\$ 28,845
Actual contributions as a percentage of covered payroll	65.69%	62.28%	60.91%	51.19%	51.34%

#### Notes to Schedule of Employer Contributions:

**Method and assumptions used in calculations of actuarially determined contributions.** The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, 2019, two years prior to the end of the fiscal year in which contributions are reported. 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	17.7 years
Asset valuation method	5-year smoothed market
Price Inflation	2.75%
Salary increase	3% to 8.56%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

#### Other information:

Effective July 1, 2018, the employer contribution rate was increased by the MHSPRS Administrative Board from 37% to 49.08%. Motor vehicle and driver's license reinstatement fees augment employer contributions. The amount of fees vary each year depending on activity, with \$3,554,000 collected for fiscal year 2021.

*\*Only seven fiscal years are presented because 10-year data is not yet available.*

<u>2016</u>	<u>2015</u>
\$ 14,755	\$ 13,695
<u>(14,755)</u>	<u>(13,695)</u>
<u>\$ 0</u>	<u>\$ 0</u>
\$ 27,380	25,505
53.89%	53.7%

# Mississippi

## Required Supplementary Information

### Schedule of Employer Contributions Supplemental Legislative Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
Actuarially determined employer contribution	\$ 604	\$ 512	\$ 525	\$ 513	\$ 522
Contributions in relation to actuarially determined contribution	(604)	(512)	(525)	(513)	(522)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 8,030	\$ 6,891	\$ 6,937	\$ 6,833	\$ 6,928
Actual contributions as a percentage of covered payroll	7.52%	7.43%	7.57%	7.51%	7.53%

**Notes to Schedule of Employer Contributions:**

**Method and assumptions used in calculations of actuarially determined contributions.** The actuarially determined contribution rates in schedule of employer contributions are calculated as of June 30, 2019, two years prior to the end of the fiscal year in which contributions are reported. 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	22.9 years
Asset valuation method	5-year smoothed market
Price Inflation	2.75%
Salary increase	3%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

\*Only seven fiscal years are presented because 10-year data is not yet available.



	<u>2016</u>		<u>2015</u>
\$	514	\$	511
	<u>(514)</u>		<u>(511)</u>
\$	<u>0</u>	\$	<u>0</u>
\$	6,862	\$	6,861
	7.49%		7.45%

# Mississippi

## Required Supplementary Information

### Schedule of Employer Contributions Public Employees' Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
Contractually required employer contribution	\$ 194,673	\$ 196,508	\$ 173,162	\$ 172,818	\$ 177,852
Contributions in relation to contractually required contribution	(194,673)	(196,508)	(173,162)	(172,818)	(177,852)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 1,118,808	\$ 1,129,357	\$ 1,099,260	\$ 1,097,260	\$ 1,129,216
Actual contributions as a percentage of covered payroll	17.40%	17.40%	15.75%	15.75%	15.75%

#### Notes to Schedule of Employer Contributions:

**Method and assumptions used in calculations of contractually required contributions.** The contractually required contribution rates in the schedule of employer contributions are calculated as of June 30, 2019, two years prior to the end of the fiscal year in which contributions are reported. The following contractually required rates 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	28.8 years
Asset valuation method	5-year smoothed market
Price Inflation	2.75%
Salary increase	3% to 18.25%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

#### Other information:

At its June 26, 2018 meeting, the Board voted to increase the employer contribution rate from 15.75 percent to 17.4 percent effective July 1, 2019. Along with this increase, the Board revised its funding policy which sets forth funding goals, objectives, and metrics for possible changes to the contribution rate for prospective fiscal years.

**\*Only seven fiscal years are presented because 10-year data is not yet available.**

<u>2016</u>	<u>2015</u>
\$ 179,792	\$ 179,936
<u>(179,792)</u>	<u>(179,936)</u>
<u>\$ 0</u>	<u>\$ 0</u>
\$ 1,141,539	\$ 1,142,452
15.75%	15.75%

# Mississippi

## Required Supplementary Information

### Schedule of Changes in the Net Pension Liability

#### Mississippi Highway Safety Patrol Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
<b>Total pension liability</b>					
Service Cost	\$ 8,104	\$ 7,372	\$ 7,205	\$ 7,328	\$ 6,858
Interest	40,624	39,532	37,338	37,086	35,869
Differences between expected and actual experience	(7)		17,311	(5,780)	3,536
Changes in assumptions		2,286		(3,598)	
Benefit payments	(35,455)	(34,671)	(32,315)	(31,001)	(29,913)
Refund of contributions	(48)	(16)	(103)	(144)	(52)
<b>Net change in total pension liability</b>	13,218	14,503	29,436	3,891	16,298
<b>Total pension liability - beginning</b>	541,931	527,428	497,992	494,101	477,803
<b>Total pension liability - ending</b>	\$ 555,149	\$ 541,931	\$ 527,428	\$ 497,992	\$ 494,101
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 20,144	\$ 19,375	\$ 15,128	\$ 14,809	\$ 14,755
Contributions - employee	2,428	2,340	2,271	2,147	2,128
Net investment income	11,196	25,280	27,719	44,499	1,704
Benefit payments	(35,455)	(34,671)	(32,315)	(31,001)	(29,913)
Refund of contributions	(48)	(16)	(103)	(144)	(52)
Administrative expense	(328)	(312)	(250)	(203)	(217)
<b>Net Change in plan fiduciary net position</b>	(2,063)	11,996	12,450	30,107	(11,595)
<b>Plan fiduciary net position - beginning</b>	366,165	354,169	341,719	311,612	323,207
<b>Plan fiduciary net position - ending</b>	364,102	366,165	354,169	341,719	311,612
<b>Net pension liability - ending</b>	\$ 191,047	\$ 175,766	\$ 173,259	\$ 156,273	\$ 182,489
Total pension liability	555,149	541,931	527,428	497,992	494,101
Total plan fiduciary net position	364,102	366,165	354,169	341,719	311,612
Net Pension liability	\$ 191,047	\$ 175,766	\$ 173,259	\$ 156,273	\$ 182,489
Plan fiduciary net position as a percentage of the total pension liability	65.59%	67.57%	67.15%	68.62%	63.07%
Covered payroll	\$ 32,346	\$ 31,811	\$ 29,555	\$ 28,845	\$ 27,380
Net pension liability as a percentage of covered payroll	590.64%	552.53%	586.23%	541.77%	666.50%

\* Only seven fiscal years are presented because 10-year data is not yet available.

The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

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

	<u>2016</u>		<u>2015</u>
\$	6,361	\$	6,461
	34,503		33,396
	1,013		2,652
	19,176		
	(28,909)		(28,220)
	(163)		(42)
	<u>31,981</u>		<u>14,247</u>
	445,822		431,575
\$	<u><u>477,803</u></u>	\$	<u><u>445,822</u></u>

\$	13,695	\$	13,500
	1,938		1,963
	10,812		51,575
	(28,909)		(28,220)
	(163)		(42)
	(198)		(200)
	<u>(2,825)</u>		<u>38,576</u>
	<u>326,032</u>		<u>287,456</u>
	323,207		326,032
\$	<u><u>154,596</u></u>	\$	<u><u>119,790</u></u>

	477,803		445,822
	323,207		326,032
\$	<u><u>154,596</u></u>	\$	<u><u>119,790</u></u>

	67.64%		73.13%
\$	25,505	\$	25,554
	606.14%		468.77%

# Mississippi

## Required Supplementary Information

### Schedule of Changes in the Net Pension Liability Supplemental Legislative Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
<b>Total pension liability</b>					
Service Cost	\$ 589	\$ 590	\$ 431	\$ 433	\$ 420
Interest	1,638	1,595	1,557	1,593	1,586
Differences between expected and actual experience	(37)		(58)	(204)	(468)
Changes in assumptions		31		(868)	(6)
Benefit payments	(1,858)	(1,442)	(1,410)	(1,397)	(1,454)
Refund of contribution	(19)		(18)	(17)	(32)
<b>Net change in total pension liability</b>	313	774	502	(460)	46
<b>Total pension liability - beginning</b>	22,075	21,301	20,799	21,259	21,213
<b>Total pension liability - ending</b>	\$ 22,388	\$ 22,075	\$ 21,301	\$ 20,799	\$ 21,259
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 512	\$ 525	\$ 513	\$ 522	\$ 514
Contributions - employee	208	214	207	212	208
Net investment income	553	1,287	1,412	2,264	86
Benefit payments	(1,858)	(1,442)	(1,410)	(1,397)	(1,454)
Refund of contributions	(19)		(18)	(17)	(32)
Administrative expense	(10)	(11)	(10)	(10)	(10)
<b>Net Change in plan fiduciary net position</b>	(614)	573	694	1,574	(688)
<b>Plan fiduciary net position - beginning</b>	18,609	18,036	17,342	15,768	16,456
<b>Plan fiduciary net position - ending</b>	17,995	18,609	18,036	17,342	15,768
<b>Net pension liability - ending</b>	\$ 4,393	\$ 3,466	\$ 3,265	\$ 3,457	\$ 5,491
Total pension liability	22,388	22,075	21,301	20,799	21,259
Total plan fiduciary net position	17,995	18,609	18,036	17,342	15,768
Net Pension liability total	\$ 4,393	\$ 3,466	\$ 3,265	\$ 3,457	\$ 5,491
Plan fiduciary net position as a percentage of the total pension liability	80.38%	84.30%	84.67%	83.38%	74.17%
Covered payroll	\$ 6,891	\$ 6,937	\$ 6,833	\$ 6,926	\$ 6,862
Net pension liability as a percentage of covered payroll	63.75%	49.96%	47.78%	49.90%	80.02%

\* Only seven fiscal years are presented because 10-year data is not yet available.

The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

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

	<u>2016</u>		<u>2015</u>
\$	406	\$	404
	1,569		1,549
	(333)		(453)
	588		
	(1,220)		(1,216)
	(37)		(22)
	973		262
	20,240		19,978
\$	<u>21,213</u>	\$	<u>20,240</u>

\$	511	\$	514
	207		208
	552		2,605
	(1,220)		(1,216)
	(37)		(22)
	(10)		(10)
	3		2,079
	16,453		14,374
	16,456		16,453
\$	<u>4,757</u>	\$	<u>3,787</u>

	21,213		20,240
	16,456		16,453
\$	<u>4,757</u>	\$	<u>3,787</u>

	77.58%		81.29%
\$	6,861		6,918
	69.33%		54.74%

# Mississippi

## Required Supplementary Information

### Schedule of the Proportionate Share of the Net Pension Liability Public Employees' Retirement System

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019	2018	2017
State's proportion of the net pension liability	16.98%	16.90%	17.20%	17.62%	17.86%
State's proportionate share of the net pension liability	\$ 3,287,003	\$ 2,972,649	\$ 2,860,867	\$ 2,928,709	\$ 3,190,148
State's covered payroll	\$ 1,129,357	\$ 1,099,440	\$ 1,097,260	\$ 1,129,216	\$ 1,141,515
State's proportionate share of the net pension liability as a percentage of its covered payroll	291.05%	270.38%	260.73%	259.4%	279.5%
Plan fiduciary net position as a percentage of the total pension liability	58.97%	61.59%	62.54%	61.49%	57.47%

\* Only seven fiscal years are presented because 10-year data is not yet available.

The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

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



	<u>2016</u>	<u>2015</u>
	18.19%	18.67%
\$	2,811,832	\$ 2,265,840
\$	1,135,172	\$ 1,139,512
	247.7%	198.84%
	61.7%	67.21%

# Mississippi

## Required Supplementary Information

### Notes to Required Supplemental Information Mississippi Highway Safety Patrol Retirement System For the Year Ended June 30, 2021

The changes of assumption for the years presented are as follows:

- 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% to 2.75%.
  - The wage inflation assumption was reduced from 3.25% to 3%.
  - Pre-retirement mortality rates were also adjusted to more closely reflect actual experience.
- 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.
  - The wage inflation assumption was reduced from 3.75% to 3.25%.
  - Pre-retirement mortality, withdrawal and disability rates retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
- 2016
  - The assumed rate of interest credited to employee contributions was changed from 3.5% to 2%.
- 2015
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.
  - The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
  - The price inflation and investment rate of return assumptions were changed from 3.5% to 3% and 8% to 7.75%, respectively.

The changes in benefit provision for the year presented is as follows:

- 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.

## Required Supplementary Information

### Notes to Required Supplemental Information Supplemental Legislative Retirement System For the Year Ended June 30, 2021

The changes of assumption for the years presented are as follows:

- 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% to 2.75%.
  - The wage inflation assumption was reduced from 3.25% to 3%.
  - Pre-retirement mortality rates were also adjusted to more closely reflect actual experience.
- 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.
  - Pre-retirement mortality rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
  - The beginning of the attribution period was changed to be the first period in which a member's service accrues pension under the Supplemental Legislative Retirement Plan.
- 2016
  - The assumed rate of interest credited to employee contributions was changed from 3.5% to 2%.
- 2015
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.
  - The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
  - The price inflation and investment rate of return assumptions were changed from 3.5% to 3% and 8% to 7.75%, respectively.

The changes in benefit provision for the year presented is as follows:

- 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.

## Required Supplementary Information

### Notes to Required Supplemental Information Public Employees Retirement System For the Year Ended June 30, 2021

The changes of assumption for the years presented are as follows:

- 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% to 2.75%.
  - The wage inflation assumption was reduced from 3.25% to 3%.
  - Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.
  - The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.
- 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 more closely reflect actual experience.
  - The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.
- 2016
  - The assumed rate of interest credited to employee contributions was changed from 3.5% to 2%.
- 2015
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.
  - The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
  - The price inflation and investment rate of return assumptions were changed from 3.5% to 3% and 8% to 7.75%, respectively.

The changes in benefit provision for the year presented is as follows:

- 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.

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# Mississippi

## Required Supplementary Information

### Schedule of the Proportionate Share of the Net OPEB Liability

#### State Life and Health Insurance OPEB Plan

Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	2021	2020	2019
State's proportion of the net OPEB liability	22.81%	22.89%	23.51%
State's proportionate share of the net OPEB liability	\$ 177,506	\$ 194,255	\$ 181,836
State's covered employee payroll**	\$ 1,069,584	\$ 721,196	\$ 1,001,976
State's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	16.60%	26.94%	18.15%
Plan fiduciary net position as a percentage of the total OPEB liability	0.13%	0.12%	0.13%

*\*Only four fiscal years are presented because 10-year data is not yet available.*

*\*\*OPEB contributions are not based on a measure of pay.*

*The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the prior year to the fiscal year presented.*

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

**2018**

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24.07%

\$ 188,888

\$ 1,053,049

17.94%

0.00%

# Mississippi

## Required Supplementary Information

### Schedule of Employer Contributions OPEB State Life and Health Insurance OPEB Plan Last 10 Fiscal Years (Amounts Expressed in Thousands)\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined employer contribution	\$ 5,788	\$ 7,079	\$ 7,813
Contributions in relation to actuarially determined contribution	<u>(5,788)</u>	<u>(7,079)</u>	<u>(7,813)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered employee payroll	\$ 1,018,907	\$ 1,069,584	\$ 721,196
Actual contributions as a percentage of covered employee payroll	0.57%	0.66%	1.10%

#### Notes to Schedule of Employer Contributions:

**Method and assumptions used in calculations of actuarially determined contributions.** The actuarially determined contribution rates used to determine the actuarially determined contribution amounts in the Schedule of Employer Contribution are calculated as of June 30, 2020. The following actuarial methods and assumptions were used to determine the most recent contribution rates reported in that schedule.

Actuarial cost method	Entry Age
Amortization method	Level dollar
Remaining amortization period	30 years, open
Asset valuation method	Fair value of assets
Price Inflation	2.75%
Salary increases, including wage inflations	3% to 18.25%
Initial health care cost trend rates	
Medicare supplement claims - Pre Medicare	7%
Ultimate health care cost trend rates	
Medicare supplement claims - Pre Medicare	4.75%
Year of ultimate trend rates	
Medicare supplement claims - Pre Medicare	2028
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	2.19%

\*Only four fiscal years are presented because 10-year data is not yet available.



**2018**

\$ 8,097

(8,097)

\$ 0

\$ 1,001,976

0.81%

## Required Supplementary Information

### Notes to Required Supplemental Information State Life and Health Insurance OPEB Plan Methods and Assumptions

#### The changes to benefit terms were as follows:

- 2020
  - The schedule of monthly retiree contributions was increased as of January 1, 2021.
  - The deductible and coinsurance maximums were increased for the Select Coverage and the coinsurance maximums were increased for the Base Coverage beginning January 1, 2021.

#### The changes in actuarial assumptions and methods were as follows:

- 2020
  - The SEIR was changed from 3.5% for the prior Measurement Date to 2.19% for the current Measurement Date.
- 2019
  - The SEIR was changed from 3.89% for the prior Measurement Date to 3.5% for the current Measurement Date. In addition, the following changes were made in the actuarial assumptions due to the PERS experience study for the four year period ending June 30, 2018:
    - 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% to 2.75%.
    - The wage inflation assumption was reduced from 3.25% to 3%.
    - Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.

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# *Mississippi*

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## Supplemental Information

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## Nonmajor Enterprise Funds

Enterprise funds account for the operations of the state that provide goods or services to the general public on a user charge basis.

### Nonmajor Enterprise Funds Descriptions

**Fair Commission** - The Fair Commission Fund accounts for expenses of the Fair Commission's operation of the coliseum, Dixie National Livestock Show and Industrial Showcase Building. Funding sources include gross receipts from the state fair, livestock show, Industrial Building and other events conducted at the coliseum and fairgrounds, as well as transfers from the General Fund.

**Veterans' Home Purchase Board** - The **Veterans' Home Purchase Board Fund** provides home mortgage loans to qualified Mississippi veterans and accounts for administrative expenses of the Veterans' Home Purchase Board. Revenue is derived from interest earned on loans.

**Department of Finance and Administration** - The **Office of Surplus Property Fund** receives and maintains an inventory of surplus federal property and redistributes it to state agencies and departments, counties, municipalities and other eligible donees within the state. Fees are collected from the donees to offset operating costs.

**Yellow Creek Inland Port Authority** - The **Yellow Creek Inland Port Authority Fund** accounts for operations of a public port facility at the conjunction of the Tennessee River and Yellow Creek in Tishomingo County, Mississippi. All costs of operating this port are accounted for in this fund. Funding is provided by gross receipts from port operations, proceeds from other governments and investment income.

**Department of Rehabilitation Services** - The **AbilityWorks Fund** accounts for a statewide system of sheltered workshop facilities through which handicapped citizens receive work experience to prepare them for employment outside the AbilityWorks setting. Revenue is generated from the sale of goods and services and transfers from the rehabilitation services fund.

**Department of Agriculture and Commerce** - The **Agriculture and Forestry Museum Fund** accounts for operations of the museum. Revenue is generated from the sale of goods, ticket sales and rental income. The **Fairground Operations Fund** accounts for expenses of the Fairground operation of the coliseum, Dixie National Livestock Show and Industrial Showcase Building. Funding sources include gross receipts from the state fair, livestock show, Industrial Building and other events conducted at the coliseum and fairgrounds, as well as transfers from the General Fund.

**Department of Corrections** - The **Prison Agricultural Enterprises Fund** accounts for a farming operation. Revenue sources include proceeds from the sale of row crops and rental income from leased land.

# Mississippi

## Nonmajor Enterprise Funds

### Combining Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Fair Commission	Veterans' Home Purchase Board	Department of Finance and Administration	
			Office of Surplus Property	Yellow Creek Inland Port Authority
<b>Assets</b>				
Current assets:				
Equity in internal investment pool	\$	\$ 95,753	\$ 268	\$
Cash and cash equivalents		46		1,962
Receivables, net		447		281
Due from other funds		15		
Inventories				
Prepaid items		11		3
Capital lease receivable				180
Loans and notes receivable		5,867		
Total Current Assets		102,139	268	2,426
Noncurrent assets:				
Capital lease receivable				3,916
Loans and notes receivable		151,593		608
Capital assets:				
Land and construction in progress		226	100	8,438
Other capital assets, net		926	152	14,474
Total Noncurrent Assets		152,745	252	27,436
Total Assets		254,884	520	29,862
<b>Deferred Outflow of Resources</b>				
Pension		474	207	307
Other postemployment benefits		24	15	19
Total Deferred outflow resources		498	222	326
<b>Liabilities</b>				
Current liabilities:				
Warrants payable		11	5	
Accounts payable and other liabilities		135	11	212
Due to other governments				
Due to other funds		17	6	
Notes payable				506
Net other postemployment benefits liability		5	2	2
Total Current Liabilities		168	24	720
Noncurrent liabilities:				
Notes payable				4,250
Net pension liability		2,697	968	1,725
Net other postemployment benefits liability		110	60	67
Other liabilities		95	39	60
Total Noncurrent Liabilities		2,902	1,067	6,102
Total Liabilities		3,070	1,091	6,822
<b>Deferred Inflow of Resources</b>				
Pension		54	128	
Other postemployment benefits		28	14	16
Total deferred inflow resources		82	142	16
<b>Net Position</b>				
Net investment in capital assets		1,152	252	18,157
Unrestricted (deficit)		251,078	(743)	5,193
Total Net Position	\$ 0	\$ 252,230	\$ (491)	\$ 23,350

Department of Rehabilitation Services		Department of Agriculture and Commerce		Department of Corrections				
AbilityWorks	Agriculture and Forestry Museum	Fairground Operations	Prison Agricultural Enterprises	Totals				
\$	\$	46	\$	1,297	\$	1,405	\$	98,769
14,410	93	83						16,594
3,059		174						3,961
13,694		8						13,717
315	12				13			340
759								773
								180
								5,867
32,237	151	1,562	1,418					140,201
								3,916
								152,201
	1,690	840						11,294
	1,279	11,257	2,058					30,146
	2,969	12,097	2,058					197,557
32,237	3,120	13,659	3,476					337,758
1,377		855	58					3,278
257		50	6					371
1,634		905	64					3,649
	9	48	75					148
2,800	28	106	649					3,941
		3						3
		31						54
								506
41		5	1					56
2,841	37	193	725					4,708
								4,250
11,615		2,710	581					20,296
1,038		143	27					1,445
	55	60	59					368
12,653	55	2,913	667					26,359
15,494	92	3,106	1,392					31,067
156			78					416
280		36	11					385
436		36	89					801
	2,969	12,097	2,058					36,685
17,941	59	(675)	1					272,854
\$ 17,941	\$ 3,028	\$ 11,422	\$ 2,059	\$	\$	\$	\$	309,539

# Mississippi

## Nonmajor Enterprise Funds

### Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Department of Finance and Administration			
	Fair Commission	Veterans' Home Purchase Board	Office of Surplus Property	Yellow Creek Inland Port Authority
<b>Operating Revenues</b>				
Charges for sales and services	\$	\$	\$ 296	\$ 1,427
Investment income		5,410		
Rentals				819
Fees		112		
Other		3		154
Total Operating Revenues		5,525	296	2,400
<b>Operating Expenses</b>				
Cost of sales and services				
General and administrative		1,393	563	954
Contractual services		394	131	396
Commodities		77	15	71
Depreciation		37	35	818
Other		83		
Total Operating Expenses		1,984	744	2,239
Operating Income (Loss)		3,541	(448)	161
<b>Nonoperating Revenues</b>				
Investment income		181	1	156
Total Nonoperating Revenues		181	1	156
<b>Nonoperating Expenses</b>				
Loss on disposal of capital assets		6		10
Interest				223
Total Nonoperating Expenses		6		233
Income (Loss) before Capital Contributions and Transfers		3,716	(447)	84
Capital contributions				
Transfers In				
Transfers Out	(11,100)			
Change in Net Position	(11,100)	3,716	(447)	84
Total Net Position - Beginning	11,100	248,514	(44)	23,266
Total Net Position - Ending	\$ 0	\$ 252,230	\$ (491)	\$ 23,350



Department of Rehabilitation Services		Department of Agriculture and Commerce		Department of Corrections	
AbilityWorks	Agriculture and Forestry Museum	Fairground Operations	Prison Agricultural Enterprises	Totals	
\$ 6,828	\$ 170	\$ 150	\$ 2,465	\$ 11,336	
	133	3,392		5,410	
	40			4,344	
872	8	200		152	
7,700	351	3,742	2,465	1,237	
				22,479	
7,212	56	79		7,347	
5,423	673	1,328	178	10,512	
768	378	3,042	798	5,907	
37	71	369	1,321	1,961	
	57	362	166	1,475	
	5			88	
13,440	1,240	5,180	2,463	27,290	
(5,740)	(889)	(1,438)	2	(4,811)	
				361	
23				361	
				23	
			7	223	
			7	246	
(5,717)	(889)	(1,438)	(5)	(4,696)	
		254		254	
5,846	819	12,613		19,278	
		(7)		(11,107)	
129	(70)	11,422	(5)	3,729	
17,812	3,098	0	2,064	305,810	
\$ 17,941	\$ 3,028	11,422	\$ 2,059	\$ 309,539	

# Mississippi

## Nonmajor Enterprise Funds

### Combining Statement of Cash Flows

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Department of Finance and Administration			
	Fair Commission	Veterans' Home Purchase Board	Office of Surplus Property	Yellow Creek Inland Port Authority
<b>Cash Flows from Operating Activities</b>				
Cash receipts from customers	\$ 98	\$	\$ 296	\$ 2,105
Cash payments to suppliers for goods and services	(168)	(1,718)	(109)	(511)
Cash payments to employees for services	(1,802)	(1,238)	(532)	(825)
Other operating cash receipts		1		600
Other operating cash payments		(38)		
Principal and interest received on program loans		31,933		
Issuance of program loans		(16,219)		
Net Cash Provided by (Used for) Operating Activities	(1,872)	12,721	(345)	1,369
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers in				
Transfers out	1,086			
Net Cash Provided by Noncapital Financing Activities	1,086			
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition and construction of capital assets			(25)	(2,215)
Proceeds from sale of capital assets				16
Principal received from capital lease receivable				174
Principal paid on bonds and capital asset contracts				(497)
Interest paid on bonds and capital asset contracts				(223)
Net Cash Used for Capital and Related Financing Activities			(25)	(2,745)
<b>Cash Flows from Investing Activities</b>				
Investment income		181	1	156
Net Cash Provided by Investing Activities		181	1	156
Net Change in Cash and Cash Equivalents	(786)	12,902	(369)	(1,220)
Cash and Cash Equivalents - Beginning, as restated	786	82,897	637	3,182
Cash and Cash Equivalents - Ending	\$ 0	\$ 95,799	\$ 268	\$ 1,962

Department of Rehabilitation Services		Department of Agriculture and Commerce		Department of Corrections		
AbilityWorks	Agriculture and Forestry Museum	Fairground Operations	Prison Agricultural Enterprises	Totals		
\$ 2,329	\$ 343	\$ 3,419	2,466	\$ 11,056		
(7,887)	(494)	(3,308)	(1,566)	(15,761)		
(5,041)	(654)		(219)	(10,311)		
872	7	867		2,347		
				(38)		
				31,933		
				(16,219)		
(9,727)	(798)	978	681	3,007		
5,846	819	427		7,092		
		(7)		1,079		
5,846	819	420		8,171		
		(18)	(61)	(2,319)		
				16		
				174		
				(497)		
				(223)		
		(18)	(61)	(2,849)		
23				361		
23				361		
(3,858)	21	1,380	620	8,690		
18,268	118		785	106,673		
\$ 14,410	\$ 139	\$ 1,380	\$ 1,405	\$ 115,363		

(Continued on Next Page)

# Mississippi

## Nonmajor Enterprise Funds

### Combining Statement of Cash Flows

For the Year Ended June 30, 2021 (Expressed in Thousands)

(Continued from Previous Page)

		Fair Commission	Veterans' Home Purchase Board	Department of Finance and Administration	
				Office of Surplus Property	Yellow Creek Inland Port Authority
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>					
Operating income (loss)	\$		\$ 3,541	\$ (448)	\$ 161
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation			37	35	818
Change in assets and liabilities:					
(Increase) decrease in assets:					
Receivables, net	94		(9)		304
Due from other funds	4		(27)		
Due from component units					
Inventories				32	
Prepaid items			2		25
Loans and notes receivable			9,664		
Increase (decrease) in liabilities:					
Warrants payable	(41)		(638)	(5)	
Accounts payable and other liabilities	(177)		103	11	(57)
Due to other governments	(3)				
Due to other funds	(13)		17	6	
Unearned revenues			(123)		
Pension cost	(1,605)		163	31	118
Other postemployment benefit cost	(131)		(2)	(7)	
Other liabilities			(7)		
Total adjustments	(1,872)		9,180	103	1,208
Net Cash Provided by (Used for) Operating Activities	\$	(1,872)	\$ 12,721	\$ (345)	\$ 1,369
<b>Noncash Capital and Related Financing Activities</b>					
Capital contributions					
Loss on disposal of capital assets			6		10
Transfer in/out of capital assets	(12,186)				

<u>Department of Rehabilitation Services</u>	<u>Department of Agriculture and Commerce</u>		<u>Department of Corrections</u>	
AbilityWorks	Agriculture and Forestry Museum	Fairground Operations	Prison Agricultural Enterprises	Totals
\$ (5,740)	\$ (889)	\$ (1,438)	\$ 2	\$ (4,811)
	57	362	166	1,475
(183) (4,316)		(174) (8)		32 (4,347)
(84) (5)	(5)		3	(54) 22 9,664
	(3)	48	(72)	(711)
219	42	164	625	930
		3		0
		31		41
				(123)
362		1,856	(25)	900
20		134	(18)	(4) (7)
(3,987)	91	2,416	679	7,818
\$ (9,727)	\$ (798)	\$ 978	\$ 681	\$ 3,007

254		254
	7	23
12,186		0

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Fiduciary funds account for assets held in a trustee or agency capacity for others and cannot be used to support government's own programs.

### Fiduciary Funds Descriptions

#### Pension Trust Funds

**Public Employees' Retirement System** - The **Public Employees' Retirement System Fund** provides retirement and disability benefits to substantially all employees of the state and its political subdivisions. Benefits are funded by contributions from the members, the state and political subdivisions, and by investment income. The **Mississippi Highway Safety Patrol Retirement System Fund** provides retirement and disability benefits to sworn officers of the Department of Public Safety. Benefits are funded by contributions from the members and the state and by investment income. The **Supplemental Legislative Retirement Plan Fund** provides retirement and disability benefits supplemental to the benefits of the Public Employees' Retirement System to all elected members of the legislature and the president of the senate. Benefits are funded by contributions from the members and the state and by investment income. The **Municipal Retirement Systems Fund** provides retirement and disability benefits to employees, firefighters and police officers of participating municipalities. Benefits are funded by contributions from the members and the municipalities and by investment income.

#### Other Employee Benefits Trust Fund

**State Life and Health Insurance Plan** – The State Life and Health Insurance Plan Fund provides post employment healthcare benefits to employees of the State and its political subdivisions. Benefits are funded by premiums from employers, employees and retirees, and by investment income.

#### Custodial Funds

The **Local Government Distributive Fund** serves as a clearing mechanism for funds distributed to the various counties and municipalities of the state. The **Program Fund** accounts for receipt of various taxes, refundable deposits, inventories, and other monies collected or recovered to be held until the state has the right or obligation to distribute them to state operating funds or to various entities or individuals. The **Institutional Fund** accounts for deposits to various institutional accounts and other receipts held by the state until there is proper authorization to disburse them directly to others.

# Mississippi

## Pension and Other Employee Benefits Trust Funds

### Combining Statement of Fiduciary Net Position

June 30, 2021 (Expressed in Thousands)

	Pension Trust Funds		
	Public Employees' Retirement System	Mississippi Highway Safety Patrol Retirement System	Supplemental Legislative Retirement System
<b>Assets</b>			
Equity in internal investment pool	\$ 251	\$	\$
Cash and cash equivalents	1,076,728	12,147	602
Investments, at fair value:			
Short-term investments	573,940	7,607	377
Long-term debt securities	6,317,850	83,736	4,148
Equity securities	21,194,808	280,913	13,915
Private equity	3,502,857	46,426	2,300
Real estate investments	3,037,471	40,259	1,994
Securities lending:			
Short-term investments	2,207,504	29,258	1,449
Long-term debt securities	536,171	7,106	352
Receivables:			
Employer contributions	60,863	625	1
Employee contributions	31,113		
Investment proceeds	412,129	5,462	271
Interest and dividends	97,482	1,292	64
Other	683		
Capital assets:			
Land and construction in progress	1,717		
Other capital assets, net	11,452		
Total Assets	39,063,019	514,831	25,473
<b>Deferred Outflows of Resources</b>			
Other postemployment benefits	219		
Total Deferred Outflows of Resources	219		
<b>Liabilities</b>			
Investment purchases payable	1,112,361	14,743	730
Warrants payable	72		
Accounts payable and accruals	10,073	16	4
Net other postemployment benefit liability	1,042		
Obligations under securities lending	2,722,859	36,088	1,788
Due to State of Mississippi	17		
Total Liabilities	3,846,424	50,847	2,522
<b>Deferred Inflows of Resources</b>			
Other postemployment benefits	217		
Total Deferred Inflows of Resources	217		
<b>Net Position</b>			
Net position restricted for pensions and other employee benefits	\$ 35,216,597	\$ 463,984	\$ 22,951



**Other Employee  
Benefits  
Trust Fund**

<b>Municipal Retirement Systems</b>		<b>State Life and Health Insurance Plan</b>	
	<b>Totals</b>		<b>Totals</b>
\$	251	\$	1,295
4,149	1,093,626	1,044	1,093,626
2,598	584,522		584,522
28,597	6,434,331		6,434,331
95,935	21,585,571		21,585,571
15,855	3,567,438		3,567,438
13,749	3,093,473		3,093,473
9,992	2,248,203		2,248,203
2,427	546,056		546,056
1,339	62,828		62,828
	31,113		31,113
1,865	419,727		419,727
441	99,279		99,279
12	695		695
	1,717		1,717
	11,452		11,452
176,959	39,780,282	1,044	39,781,326
	219		219
	219		219
5,035	1,132,869		1,132,869
	72		72
27	10,120		10,120
	1,042		1,042
12,325	2,773,060		2,773,060
	17		17
17,387	3,917,180		3,917,180
	217		217
	217		217
\$	35,863,104	\$	1,044
159,572		1,044	35,864,148

# Mississippi

## Pension and Other Employee Benefits Trust Funds

### Combining Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2021 (Expressed in Thousands)

	Pension Trust Funds		
	Public Employees' Retirement System	Mississippi Highway Safety Patrol Retirement System	Supplemental Legislative Retirement System
<b>Additions</b>			
Contributions:			
Employer	\$ 1,169,679	\$ 19,563	\$ 604
Employee	594,876	2,378	245
Total Contributions	1,764,555	21,941	849
Net Investment Income:			
Net change in fair value of investments	8,309,648	110,135	5,455
Interest and dividends	524,996	6,925	341
Securities lending:			
Income from securities lending	12,180	162	8
Interest expense and trading costs from securities lending	(1,708)	(23)	(1)
Managers' fees and trading costs	(108,484)	(1,438)	(71)
Net Investment Income	8,736,632	115,761	5,732
Other Additions	6		
Total Additions	10,501,193	137,702	6,581
<b>Deductions</b>			
Benefits	2,995,255	37,433	1,608
Refunds to terminated employees	101,044	67	5
Administrative expenses	15,040	320	12
Depreciation	651		
Total Deductions	3,111,990	37,820	1,625
Change in Net Position	7,389,203	99,882	4,956
Net Position - Beginning	27,827,394	364,102	17,995
Net Position - Ending	\$ 35,216,597	\$ 463,984	\$ 22,951

**Other Employee  
Benefits  
Trust Fund**

<b>Municipal Retirement Systems</b>		<b>State Life and Health Insurance Plan</b>	
<b>Totals</b>		<b>Totals</b>	
\$ 14,907	\$ 1,204,753	\$ 25,864	\$ 1,230,617
	597,499		597,499
14,907	1,802,252	25,864	1,828,116
37,613	8,462,851		8,462,851
2,350	534,612	7	534,619
55	12,405		12,405
(8)	(1,740)		(1,740)
(491)	(110,484)		(110,484)
39,519	8,897,644	7	8,897,651
	6		6
54,426	10,699,902	25,871	10,725,773
31,336	3,065,632	25,864	3,091,496
	101,116		101,116
299	15,671		15,671
	651		651
31,635	3,183,070	25,864	3,208,934
22,791	7,516,832	7	7,516,839
136,781	28,346,272	1,037	28,347,309
\$ 159,572	\$ 35,863,104	\$ 1,044	\$ 35,864,148

# Mississippi

## Custodial Funds

### Combining Statement of Fiduciary Net Position

June 30, 2021 (Expressed in Thousands)

	Local Government			
	Distributive	Program	Institutional	Totals
<b>Assets</b>				
Equity in internal investment pool	\$ 637	\$ 4,320	\$ 1,341	\$ 6,298
Cash and cash equivalents		80,780	15,900	96,680
Receivables, net:				
Other	61	12,338	94	12,493
Total Assets	698	97,438	17,335	115,471
<b>Liabilities</b>				
Warrants payable	8		87	95
Accounts payable and accruals	124		667	791
Due to other governments	109			109
Total Liabilities	241		754	995
<b>Net Position</b>				
Net position restricted for individuals, organizations, and other governments	\$ 457	\$ 97,438	\$ 16,581	\$ 114,476

# Mississippi

## Custodial Funds

### Combining Statement of Changes in Fiduciary Net Position

June 30, 2021 (Expressed in Thousands)

	Local Government Distributive	Program	Institutional	Totals
<b>Additions</b>				
Interest	\$	\$	121	\$ 121
Net Investment Income		121		121
Other Additions:				
Tax collection for other governments	7,253			7,253
Child support collections		99,475		99,475
Legal settlement collections		90,600		90,600
Inmates' account collections			26,631	26,631
Patients' account collections			35,808	35,808
Other	1,520	2,671	15,837	20,028
Administrative fees	1,524	1,368		2,892
Total Other Additions	10,297	194,114	78,276	282,687
Total Additions	10,297	194,235	78,276	282,808
<b>Deductions</b>				
Benefits		371		371
Tax payments to other governments	7,260			7,260
Child support payments		99,394		99,394
Legal settlement payments		55,844		55,844
Inmates' account payments			22,727	22,727
Patients' account payments			35,778	35,778
Administrative expenses	2,588	2,539	13,247	18,374
Total Deductions	9,848	158,148	71,752	239,748
Change in Net Position	449	36,087	6,524	43,060
Net Position - Beginning, as restated	8	61,351	10,057	71,416
Net Position - Ending	\$ 457	\$ 97,438	\$ 16,581	\$ 114,476

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# Mississippi

## Nonmajor Component Units

Component Units are organizations which are legally separate from the state for which the State is financially accountable.

### Nonmajor Component Units Descriptions

**Mississippi Business Finance Corporation** - The corporation coordinates and oversees the delivery of services to small business communities of Mississippi.

**Mississippi Development Bank** - The bank fosters and promotes the provision of adequate markets and facilities for the borrowing of funds for public purposes by governmental units.

**Mississippi Lottery Corporation** – The corporation accounts for the operation of the State's lottery. Revenue is generated from the sale of lottery tickets.

**Mississippi Prison Industries Corporation** - The corporation is engaged in the manufacture of cloth related items, printing of forms, periodicals and manuals, and providing service work for manufacturers. Revenue is generated from the charges for goods and services.

**Pat Harrison Waterway District** - The district accounts for resources used to bring about the full beneficial use of surface and overflow waters of the Pascagoula River Basin.

**Pearl River Valley Water Supply District** - The district accounts for the operation and maintenance of the Ross Barnett Reservoir and surrounding lands, to provide water supply, flood reduction and recreational opportunities.

**Tombigbee River Valley Water Management District** - The district accounts for the development and conservation of the human and natural resources of Mississippi counties in which the Tombigbee River or any of its tributaries lie.

# Mississippi

## Nonmajor Component Units

### Combining Statement of Net Position

June 30, 2021 (Expressed in Thousands)

	Mississippi Business Finance Corporation	Mississippi Development Bank	Mississippi Lottery Corporation
<b>Assets</b>			
Current assets:			
Equity in internal investment pool	\$ 2,188	\$	\$
Cash and cash equivalents	714	1,370	36,936
Investments	15,132	3,689	
Receivables, net	76	13	11,716
Due from other governments			
Due from primary government			
Inventories			
Prepaid items			207
Other assets			428
Total Current Assets	18,110	5,072	49,287
Noncurrent assets:			
Capital assets:			
Land and construction in progress			
Other capital assets, net		4	1,637
Total Noncurrent Assets		4	1,637
Total Assets	18,110	5,076	50,924
Deferred Outflows of Resources			
Pension	172		
Other postemployment benefits	6		
Total Deferred Outflows of Resources	178		
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and other liabilities	77	117	40,273
Due to primary government			8,536
Unearned revenues			478
Lease obligations payable			
Net other postemployment benefits liability	1		
Total Current Liabilities	78	117	49,287
Noncurrent liabilities:			
Net pension liability	1,549		
Net other postemployment benefits liability	27		
Other liabilities	5		
Total Noncurrent Liabilities	1,581		
Total Liabilities	1,659	117	49,287
Deferred Inflows of Resources			
Pension			
Other postemployment benefits	6		
Total Deferred Inflows of Resources	6		
<b>Net Position</b>			
Net investment in capital assets		3	1,637
Restricted for:			
Capital improvements			
Unrestricted (deficit)	16,623	4,956	
Total Net Position	\$ 16,623	\$ 4,959	\$ 1,637



Mississippi Prison Industries Corporation	Pat Harrison Waterway District	Pearl River Valley Water Supply District	Tombigbee River Valley Water Management District	Totals
\$	\$	\$	\$	\$
				2,188
2,074	4,641	14,709	3,071	63,515
	6,114	8	7,000	31,943
1,103	5	1,083	30	14,026
	33		113	146
2		68		70
1,404				1,404
44	57			308
15		2,756		3,199
4,642	10,850	18,624	10,214	116,799
312	1,834	8,397	930	11,473
2,946	3,504	40,312	1,423	49,826
3,258	5,338	48,709	2,353	61,299
7,900	16,188	67,333	12,567	178,098
635	403	2,585	411	4,206
45	39	165	26	281
680	442	2,750	437	4,487
888	2,616	1,374	36	45,381
	1			8,537
52	12	417		959
17				17
7	7	22	3	40
964	2,636	1,813	39	54,934
3,647	3,872	11,615	2,199	22,882
153	202	618	93	1,093
	88	398	83	574
3,800	4,162	12,631	2,375	24,549
4,764	6,798	14,444	2,414	79,483
677	39		27	743
84	79	161		330
761	118	161	27	1,073
3,258	5,338	48,682	2,352	61,270
		2,756		2,756
(203)	4,376	4,040	8,211	38,003
\$ 3,055	\$ 9,714	\$ 55,478	\$ 10,563	\$ 102,029

# Mississippi

## Nonmajor Component Units

### Combining Statement of Activities

For the Year Ended June 30, 2021 (Expressed in Thousands)

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Mississippi Business Finance Corporation	\$ 935	\$ 884	\$	\$	(51)
Mississippi Development Bank	328	230			(98)
Mississippi Lottery Corporation	478,494	478,266			(228)
Mississippi Prison Industries Corporation	6,578	7,152			574
Pat Harrison Waterway District	5,155	3,047		7	(2,101)
Pearl River Valley Water Supply District	15,439	14,346		3,429	2,336
Tombigbee River Valley Water	1,899	1,873			(26)
Total	\$ 508,828	\$ 505,798	\$	\$ 3,436	\$ 406

**General Revenues**

---

	<b>Investment Income</b>	<b>Other</b>	<b>Change in Net Position</b>	<b>Net Position - Beginning, Restated</b>	<b>Net Position - Ending</b>
\$	153	\$	\$ 102	\$ 16,521	\$ 16,623
	41		(57)	5,016	4,959
	57	1	(170)	1,807	1,637
	3	448	1,025	2,030	3,055
	81	2,215	195	9,519	9,714
	46	540	2,922	52,556	55,478
	185	236	395	10,168	10,563
<b>\$</b>	<b>566</b>	<b>\$ 3,440</b>	<b>\$ 4,412</b>	<b>\$ 97,617</b>	<b>\$ 102,029</b>

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# Mississippi

## Statistical Section

The Statistical Section provides additional historical perspective, context, and detail to assist financial statement users in understanding the State of Mississippi's overall financial health.

### Financial Trends

These tables contain trend information to help users in understanding how the State's financial position has changed over time.

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# Mississippi

## Net Position by Component

Table 1

Last Ten Fiscal Years

Accrual Basis of Accounting (Expressed in Thousands)

	2021	2020	2019	2018
<b>Governmental activities</b>				
Net investment in capital assets	\$ 15,673,638	\$ 15,501,828	\$ 15,298,901	\$ 14,991,832
Restricted	4,523,658	3,900,595	3,623,137	3,189,862
Unrestricted	(4,808,517)	(5,831,564)	(6,036,354)	(5,845,872)
Total governmental activities net position	<u>\$ 15,388,779</u>	<u>\$ 13,570,859</u>	<u>\$ 12,885,684</u>	<u>\$ 12,335,822</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 663,292	\$ 674,655	\$ 689,971	\$ 690,841
Restricted	643,470	498,590	739,741	711,365
Unrestricted	511,400	421,404	395,258	407,471
Total business-type activities net position	<u>\$ 1,818,162</u>	<u>\$ 1,594,649</u>	<u>\$ 1,824,970</u>	<u>\$ 1,809,677</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 16,336,930	\$ 16,176,483	\$ 15,988,872	\$ 15,682,673
Restricted	5,167,128	4,399,185	4,362,878	3,901,227
Unrestricted	(4,297,117)	(5,410,160)	(5,641,096)	(5,438,401)
Total primary government net position	<u>\$ 17,206,941</u>	<u>\$ 15,165,508</u>	<u>\$ 14,710,654</u>	<u>\$ 14,145,499</u>

Note: This table has been restated for prior period adjustments, if practical. Complete information necessary to fully restate fiscal years 2014 and 2017 for the implementation of GASB Statement 68 and GASB Statement 75, respectively, was not available.

	2017	2016	2015	2014	2013	2012
\$	14,666,438	\$ 14,372,421	\$ 13,900,211	\$ 13,430,397	\$ 13,107,678	\$ 12,667,849
	3,374,220	3,763,095	3,869,799	3,633,805	3,602,589	3,615,270
	(6,058,425)	(5,532,216)	(6,005,860)	(3,035,755)	(3,188,135)	(3,132,568)
\$	11,982,233	\$ 12,603,300	\$ 11,764,150	\$ 14,028,447	\$ 13,522,132	\$ 13,150,551
\$	605,123	\$ 548,732	\$ 393,507	\$ 297,830	\$ 265,837	\$ 209,497
	686,601	668,662	646,868	602,831	578,710	540,875
	416,087	131,592	181,529	212,462	253,732	228,423
\$	1,707,811	\$ 1,348,986	\$ 1,221,904	\$ 1,113,123	\$ 1,098,279	\$ 978,795
\$	15,271,561	\$ 14,921,153	\$ 14,293,718	\$ 13,728,227	\$ 13,373,515	\$ 12,877,346
	4,060,821	4,431,757	4,516,667	4,236,636	4,181,299	4,156,145
	(5,642,338)	(5,400,624)	(5,824,331)	(2,823,293)	(2,934,403)	(2,904,145)
\$	13,690,044	\$ 13,952,286	\$ 12,986,054	\$ 15,141,570	\$ 14,620,411	\$ 14,129,346

# Mississippi

## Changes in Net Position

Last Ten Fiscal Years

Table 2

Accrual Basis of Accounting (Expressed in Thousands)

	2021	2020	2019	2018
<b>Expenses</b>				
Governmental activities:				
General government	\$ 3,082,051	\$ 2,467,094	\$ 2,412,774	\$ 2,229,648
Education	3,999,625	3,764,765	3,610,869	3,610,796
Health and social services <sup>1</sup>	8,643,887	8,287,561	7,799,755	7,866,652
Law, justice and public safety	985,135	980,190	823,290	860,122
Recreation and resources development	601,528	378,211	525,045	480,745
Regulation of business and professions	46,066	46,280	46,308	45,223
Transportation	975,611	897,040	846,227	803,887
Interest on long-term debt	252,159	224,121	216,247	188,672
Total governmental activities expenses	18,586,062	17,045,262	16,280,515	16,085,745
Business-type activities:				
Unemployment compensation	2,383,437	2,147,728	60,625	73,895
Port Authority at Gulfport	41,393	37,026	36,702	33,447
Prepaid affordable college tuition	(39,396)	(2,222)	14,826	18,290
State life and health insurance plan	840,168	790,519	792,020	782,341
Other business-type activities expenses <sup>2</sup>	27,536	28,149	27,892	26,737
Total business-type activities expenses	3,253,138	3,001,200	932,065	934,710
Total primary government expenses	\$ 21,839,200	\$ 20,046,462	\$ 17,212,580	\$ 17,020,455
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 963,628	\$ 410,915	\$ 827,965	\$ 799,509
Education	73,534	12,523	14,913	15,742
Health and social services	473,343	540,041	567,213	563,693
Law, justice and public safety	86,939	86,531	88,929	77,506
Recreation and resources development	86,959	506,725	77,983	97,124
Regulation of business and professions	40,505	31,884	37,060	28,715
Transportation	135,041	104,388	40,164	52,139
Operating grants and contributions	9,747,825	7,640,360	7,013,833	7,150,268
Capital grants and contributions	609,699	600,990	594,837	561,012
Total governmental activities program revenues	12,217,473	9,934,357	9,262,897	9,345,708
Business-type activities:				
Charges for services:				
Unemployment compensation	60,821	64,409	72,172	82,871
Port Authority at Gulfport	27,868	29,440	29,106	27,456
Prepaid affordable college tuition	9,060	9,549	11,641	10,349
State life and health insurance plan	788,688	777,732	752,604	738,618
Other business-type <sup>3</sup>	17,069	18,552	18,539	20,709
Operating grants and contributions <sup>4</sup>	2,060,185	1,831,014	989	985
Capital grants and contributions	254		8	106
Total business-type activities program revenues	2,963,945	2,730,696	885,059	881,094
Total primary government program revenues	\$ 15,181,418	\$ 12,665,053	\$ 10,147,956	\$ 10,226,802
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (6,368,589)	\$ (7,110,905)	\$ (7,017,618)	\$ (6,740,037)
Business-type activities	(289,193)	(270,504)	(47,006)	(53,616)
Total primary government net expense	\$ (6,657,782)	\$ (7,381,409)	\$ (7,064,624)	\$ (6,793,653)



	2017	2016	2015	2014	2013	2012
\$	2,298,846	\$ 2,814,758	\$ 2,951,973	\$ 2,069,107	\$ 2,028,155	\$ 1,959,116
	3,665,357	3,647,055	3,383,767	3,996,554	3,912,889	4,126,252
	7,924,907	7,851,381	7,679,895	7,394,045	7,372,085	7,074,781
	939,956	858,504	967,422	923,952	983,870	878,668
	502,675	460,031	556,790	637,850	587,367	722,713
	44,841	43,001	40,760	39,174	39,703	37,578
	768,700	725,192	675,713	647,532	596,160	555,955
	231,875	253,752	225,512	243,099	247,012	257,304
	16,377,157	16,653,674	16,481,832	15,951,313	15,767,241	15,612,367
	83,972	101,445	109,468	204,206	338,390	408,399
	43,633	27,120	26,202	25,688	28,589	51,950
	31,489	16,304	27,122	103,134	41,278	56,568
	801,486	34,905	37,902	37,379	35,421	47,009
	960,580	179,774	200,694	370,407	443,678	563,926
\$	17,337,737	\$ 16,833,448	\$ 16,682,526	\$ 16,321,720	\$ 16,210,919	\$ 16,176,293

\$	812,665	\$ 2,210,377	\$ 1,292,467	\$ 1,310,188	\$ 1,305,202	\$ 1,226,107
	17,732	19,932	15,082	23,989	24,539	37,491
	568,504	585,302	705,199	583,738	620,930	659,245
	74,713	131,126	125,231	126,054	118,797	102,689
	84,778	78,449	73,478	79,287	98,496	90,643
	33,686	45,203	44,456	43,764	44,138	42,229
	29,813	36,886	69,386	49,841	34,819	32,865
	7,036,472	7,064,684	7,059,002	6,796,079	6,934,753	7,038,237
	496,734	508,194	487,083	548,283	561,283	612,734
	9,155,097	10,680,153	9,871,384	9,561,223	9,742,957	9,842,240
	86,649	107,658	137,525	158,741	202,715	274,063
	22,892	17,244	15,045	15,603	15,050	15,140
	10,921	12,775	13,220	6,370	12,786	22,458
	758,923	25,461	27,046	28,563	28,016	27,738
	1,481	1,620	3,065	57,162	161,613	244,325
	18			33	904	246
	880,884	164,758	195,901	266,472	421,084	583,970
\$	10,035,981	\$ 10,844,911	\$ 10,067,285	\$ 9,827,695	\$ 10,164,041	\$ 10,426,210

\$	(7,222,060)	\$ (5,973,521)	\$ (6,610,448)	\$ (6,390,090)	\$ (6,024,284)	\$ (5,770,127)
	(79,696)	(15,016)	(4,793)	(103,935)	(22,594)	20,044
\$	(7,301,756)	\$ (5,988,537)	\$ (6,615,241)	\$ (6,494,025)	\$ (6,046,878)	\$ (5,750,083)

(Continued on Next Page)

# Mississippi

## Changes in Net Position

Table 2

Last Ten Fiscal Years

Accrual Basis of Accounting (Expressed in Thousands)

(Continued from Previous Page)

	2021	2020	2019	2018
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Sales and use	\$ 4,288,970	\$ 3,765,465	\$ 3,629,500	\$ 3,462,757
Gasoline and other motor fuel	439,632	416,820	430,764	415,738
Individual income	2,177,134	1,976,858	1,917,567	1,812,862
Corporate income and franchise	746,748	654,257	648,347	588,260
Insurance	398,038	359,957	360,047	340,743
Other	542,906	520,296	513,111	505,642
Investment income	24,296	108,246	113,085	39,300
Transfers	(419,988)	(5,819)	(17,901)	(95,075)
Total governmental activities	8,197,736	7,796,080	7,594,520	7,070,227
Business-type activities:				
Investment income	95,536	34,364	44,695	50,331
Extraordinary item - debt forgiveness				12,791
Extraordinary item - impairment loss from hurricane damage, net of insurance recovery	(878)			
Transfers	419,988	5,819	17,901	94,075
Total business-type activities	514,646	40,183	62,596	157,197
Total primary government	\$ 8,712,382	\$ 7,836,263	\$ 7,657,116	\$ 7,227,424
<b>Change in Net Position</b>				
Governmental activities	\$ 1,829,147	\$ 685,175	\$ 576,902	\$ 330,190
Business-type activities	225,453	(230,321)	15,590	103,581
Total primary government	\$ 2,054,600	\$ 454,854	\$ 592,492	\$ 433,771

Note: This table has been restated for prior period adjustments, if practical. Complete information necessary to fully restate fiscal years 2014 and 2017 for the implementation of GASB Statement 68 and GASB Statement 75, respectively, was not available.

<sup>1</sup> Health and social services expenses increased from 2014 to 2015 as Medicaid enrollment increased in response to the Affordable Care Act mandate for health insurance.

<sup>2</sup> Other business-type activities expenses increased from 2016-2017. This is a result of the State Life and Health Insurance Plan being reclassified from an internal service fund to an enterprise fund.

<sup>3</sup> Other business-type activities charges for services increased from 2016-2017 as a result of the State Life and Health Insurance Plan being reclassified from an internal service fund to an enterprise fund.

<sup>4</sup> Operating grants and contributions decreased from 2014-2015 as federal funding for unemployment compensation programs came to an end.

Operating grants and contributions increased from 2019-2020. This can be attributed to additional federal funding for unemployment compensation programs under the CARES Act.

	2017	2016	2015	2014	2013	2012
\$	3,392,712	\$ 3,361,075	\$ 3,300,516	\$ 3,263,643	\$ 3,118,658	\$ 3,031,689
	429,929	425,205	414,779	408,667	402,724	419,811
	1,721,862	1,734,040	1,744,620	1,703,736	1,666,840	1,572,334
	569,856	577,114	689,171	677,168	533,246	476,423
	328,109	314,756	273,710	267,971	216,173	209,937
	498,986	474,045	513,203	541,496	531,494	551,119
	34,939	56,300	53,689	82,307	9,208	50,607
	(79,494)	(129,864)	(103,182)	(48,583)	(82,478)	(36,514)
	6,896,899	6,812,671	6,886,506	6,896,405	6,395,865	6,275,406
	63,121	12,234	28,585	70,196	59,600	21,800
	79,494	129,864	103,182	48,583	82,478	36,514
	142,615	142,098	131,767	118,779	142,078	58,314
\$	7,039,514	\$ 6,954,769	\$ 7,018,273	\$ 7,015,184	\$ 6,537,943	\$ 6,333,720
\$	(325,161)	\$ 839,150	\$ 276,058	\$ 506,315	\$ 371,581	\$ 505,279
	62,919	127,082	126,974	14,844	119,484	78,358
\$	(262,242)	\$ 966,232	\$ 403,032	\$ 521,159	\$ 491,065	\$ 583,637

# Mississippi

## Fund Balances of Governmental Funds

Last Ten Fiscal Years

Table 3

Modified Accrual Basis of Accounting (Expressed in Thousands)

	2021	2020	2019	2018	2017
<b>General Fund</b>					
Nonspendable	\$ 42,824	\$ 41,638	\$ 39,579	\$ 46,513	\$ 48,671
Restricted	4,407,593	3,786,131	3,515,329	3,079,797	3,262,166
Committed	334,606	271,812	112,429	129,083	56,179
Assigned	26,816	30,576	26,265	14,309	10,865
Unassigned	1,969,454	900,891	849,408	531,384	405,825
Total General Fund	<u>\$ 6,781,293</u>	<u>\$ 5,031,048</u>	<u>\$ 4,543,010</u>	<u>\$ 3,801,086</u>	<u>\$ 3,783,706</u>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ 63,322	\$ 61,582	\$ 60,080	\$ 58,485	\$ 57,994
Restricted	9,919	11,244	8,149	5,067	5,389
Committed					
Total All Other Governmental Funds	<u>\$ 73,241</u>	<u>\$ 72,826</u>	<u>\$ 68,229</u>	<u>\$ 63,552</u>	<u>\$ 63,383</u>

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$	51,896	\$ 52,877	\$ 52,061	\$ 50,480	\$ 52,236
	3,647,183	3,754,248	3,448,681	3,491,146	3,528,727
	41,724	88,919	139,936	112,788	192,939
	10,072	12,121	10,503	10,729	45,757
	546,979	232,990	571,580	520,612	452,744
<b>\$</b>	<b>4,297,854</b>	<b>\$ 4,141,155</b>	<b>\$ 4,222,761</b>	<b>\$ 4,185,755</b>	<b>\$ 4,272,403</b>
\$	57,305	\$ 57,201	\$ 56,450	\$ 55,711	\$ 54,918
	6,709	5,473	5,163	5,252	7,132
<b>\$</b>	<b>64,014</b>	<b>\$ 62,674</b>	<b>\$ 61,613</b>	<b>\$ 60,963</b>	<b>\$ 62,050</b>

# Mississippi

## Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

Table 4

Modified Accrual Basis of Accounting (Expressed in Thousands)

	2021	2020	2019	2018
<b>Revenues</b>				
Taxes				
Sales and use	\$ 4,294,532	\$ 3,753,113	\$ 3,626,296	\$ 3,466,388
Gasoline and other motor fuel	439,581	417,306	430,910	414,770
Individual income	2,170,810	1,959,893	1,908,011	1,829,073
Corporate income and franchise	744,188	643,954	650,618	592,988
Insurance	398,038	359,957	360,047	340,743
Other	542,906	520,296	513,111	505,642
Licenses, fees and permits	599,530	504,012	551,619	529,731
Federal government	10,314,533	8,201,641	7,575,374	7,671,041
Investment income	24,296	108,246	113,085	41,696
Charges for sales and services	500,856	464,522	423,684	388,401
Rentals	2,149	1,751	2,427	1,405
Court assessments and settlements	218,936	246,024	239,531	202,735
Lottery proceeds	137,718	70,703		
Other	438,468	466,223	492,774	534,320
Total Revenues	20,826,541	17,717,641	16,887,487	16,518,933
<b>Expenditures</b>				
General government	3,036,298	2,466,328	2,356,261	2,186,733
Education	3,991,640	3,761,275	3,614,734	3,603,390
Health and social services <sup>1</sup>	8,582,332	8,246,255	7,757,625	7,782,448
Law, justice and public safety	1,007,913	908,341	835,203	823,278
Recreation and resources development	595,078	404,345	514,244	460,451
Regulation of business and professions	44,629	45,477	45,536	42,942
Transportation	1,196,051	1,147,155	1,126,873	1,104,440
Debt service				
Principal	361,732	336,004	354,249	323,203
Interest and other fiscal charges	265,157	246,655	231,184	235,639
Defeasance of debt				
Capital outlay				
Total Expenditures	19,080,830	17,561,835	16,835,909	16,562,524
Excess of revenues over (under) expenditures	\$ 1,745,711	\$ 155,806	\$ 51,578	\$ (43,591)

	2017	2016	2015	2014	2013	2012
\$	3,399,477	\$ 3,375,755	\$ 3,324,776	\$ 3,264,343	\$ 3,122,591	\$ 3,037,136
	430,162	424,615	419,622	406,647	409,730	415,508
	1,728,682	1,733,198	1,747,961	1,676,064	1,680,470	1,551,576
	567,316	573,873	691,769	677,501	539,174	497,879
	328,109	314,756	273,710	267,971	216,173	209,937
	498,986	474,045	515,596	541,496	531,494	551,119
	546,216	569,717	564,702	522,824	533,880	533,573
	7,499,244	7,494,821	7,500,282	7,343,489	7,495,005	7,647,096
	28,487	68,870	57,002	69,134	10,897	47,037
	353,640	382,441	361,793	363,976	346,611	347,252
	1,658	25,504	15,789	32,662	27,698	27,641
	204,378	384,080	163,915	169,497	141,008	156,163
	537,349	616,830	653,608	562,028	607,047	535,500
	16,123,704	16,438,505	16,290,525	15,897,632	15,661,778	15,557,417
	2,269,629	2,228,370	2,475,434	1,493,951	1,495,665	1,414,395
	3,656,763	3,643,209	3,381,946	3,994,332	3,909,703	4,121,827
	7,823,462	7,806,591	7,685,805	7,404,608	7,373,548	7,064,468
	866,469	861,793	959,927	930,805	985,149	933,574
	487,526	458,957	555,793	639,569	590,813	715,739
	42,704	42,123	41,284	39,444	39,654	37,440
	1,157,251	1,062,860	1,047,355	1,143,230	1,109,584	1,204,625
	399,019	358,206	319,916	319,798	307,377	290,870
	243,751	244,996	224,400	244,164	246,962	240,940
						68,471
	16,946,574	16,707,105	16,691,860	16,209,901	16,058,455	16,092,349
\$	(822,870)	\$ (268,600)	\$ (401,335)	\$ (312,269)	\$ (396,677)	\$ (534,932)

(Continued on Next Page)

# Mississippi

## Changes in Fund Balances of Governmental Funds

**Table 4**

**Last Ten Fiscal Years**

Modified Accrual Basis of Accounting (Expressed in Thousands)

(Continued from Previous Page)

	2021	2020	2019	2018
<b>Other Financing Sources (Uses)</b>				
Bonds and notes issued	\$ 369,550	\$ 422,540	\$ 727,919	\$ 151,651
Capital leases issued	1,907	3,087	2,840	1,819
Discounts on bonds and notes issued				
Insurance recovery	1,666	1,047	177	810
Payments on refunded bond anticipation notes				
Payments on refunded bonds and notes				
Payments to note escrow agent	(522,502)	(111,000)		
Payments to refunded bond, note and lease escrow agents		(48,448)	(39,000)	(263,616)
Premiums on bonds, notes, and refunding bonds and notes issued	39,143	26,387	48,028	16,487
Refunding bonds and notes issued	546,400	49,035		221,850
Transfers in	4,065	8,173	3,184	3,117
Transfers out	(424,053)	(13,992)	(21,085)	(98,192)
Net Other Financing Sources (Uses)	16,176	336,829	722,063	33,926
Net Change in Fund Balances	\$ 1,761,887	\$ 492,635	\$ 773,641	\$ (9,665)
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	3.4%	3.5%	3.7%	3.6%

Note: This table has been restated for prior period adjustments.

<sup>1</sup> Health and social services expenditures increased from 2014 to 2015 as Medicaid enrollment increased in response to the Affordable Care Act mandate for health insurance.



	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$	334,135	\$ 498,895	\$ 366,575	\$ 348,777	\$ 341,420	\$ 603,030
	1,637	3,420	2,322	16,107	487	9,524
			(353)			
	478	1,498	22,732	17,826	7,303	332
						(19,000)
	(650,120)	(76,405)	(483,163)		(776,032)	(115,002)
	136,029	56,328	86,758	15,838	120,265	40,400
	551,030	71,125	429,115		697,790	123,075
	3,017	4,082	3,513	4,508	4,461	196,971
	(82,511)	(132,304)	(106,709)	(53,131)	(86,752)	(233,940)
	293,695	426,639	320,790	349,925	308,942	605,390
\$	(529,175)	\$ 158,039	\$ (80,545)	\$ 37,656	\$ (87,735)	\$ 70,458
	4.0%	3.8%	3.4%	3.5%	3.7%	3.6%

# Mississippi

## Taxable Sales by Industry

Table 5

**Last Ten Fiscal Years**

(Expressed in Thousands)

	2020	2019	2018	2017
Accommodation and Food Services	\$ 5,376,072	\$ 5,693,692	\$ 5,456,740	\$ 5,248,968
Administrative, Support, Waste Management	413,690	439,645	438,035	411,341
Arts, Entertainment, Recreation	118,593	153,094	133,364	124,183
Construction	5,927,635	5,543,854	5,064,972	5,271,234
Information	2,450,463	2,616,450	2,602,386	2,666,288
Manufacturing	928,649	892,263	871,331	806,532
Mining, Quarrying and Oil and Gas Extraction	158,219	225,382	169,696	156,831
Other Services	1,685,538	1,622,592	1,562,639	1,511,868
Real Estate, Rental, and Leasing	1,293,039	1,224,385	1,134,767	1,089,123
Retail Trade	28,412,102	27,161,867	28,201,445	26,554,174
Utilities	1,087,713	1,187,300	1,196,302	1,126,915
Wholesale Trade	4,104,402	4,082,259	3,872,348	3,772,150
Other Industries	494,053	471,075	436,595	389,628
<b>Total taxable sales</b>	<b>\$ 52,450,168</b>	<b>\$ 51,313,858</b>	<b>\$ 51,140,620</b>	<b>\$ 49,129,235</b>
Gross tax collections	\$ 3,326,544	\$ 3,255,559	\$ 3,264,296	3,113,618
Average effective rate	6.34%	6.34%	6.38%	6.34%

	2013	2012	2011
Automotive	\$ 6,282,431	\$ 5,903,776	\$ 5,443,950
Contracting	5,353,835	5,418,884	5,694,497
Food and Beverage	8,449,285	8,193,223	7,889,072
Furniture	853,711	865,405	864,544
General Merchandise	7,896,794	7,732,806	7,592,421
Lumber and Building Materials	2,672,756	2,574,449	2,587,393
Machinery, Equipment and Supplies	3,578,629	3,099,301	2,704,961
Miscellaneous Retail	3,715,848	3,591,929	3,453,367
Miscellaneous Services	2,683,214	2,719,817	2,796,299
Public Utilities	4,369,849	4,126,438	4,174,681
Recreation	153,087	152,721	145,519
Wholesale	816,077	799,970	785,349
<b>Total taxable sales</b>	<b>\$ 46,825,516</b>	<b>\$ 45,178,719</b>	<b>\$ 44,132,053</b>
Gross tax collections	\$ 2,879,001	\$ 2,785,750	\$ 2,725,830
Average effective rate	6.15%	6.17%	6.18%

**Notes:**

During Fiscal year 2014, the Mississippi Department of Revenue converted sales tax collection data from the Standard Industrial Classification (SIC) System to the North American Industry Classification System (NAICS). Due to confidentiality issues, the names of the ten largest tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

The most current fiscal year available is fiscal year 2020.

**Source:** Mississippi Department of Revenue

	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	5,069,440	\$ 4,802,372	\$ 4,590,836
	391,177	361,743	335,163
	123,077	122,846	124,955
	4,994,170	5,461,065	5,716,050
	2,696,693	2,706,468	2,635,722
	797,074	783,109	896,040
	170,269	398,300	412,702
	1,489,721	1,389,561	1,335,779
	946,120	929,136	862,594
	26,582,734	25,604,974	25,048,766
	1,147,208	1,271,311	1,439,020
	3,577,702	3,624,257	3,658,202
	367,121	339,919	325,675
<b>\$</b>	<b>48,352,506</b>	<b>\$ 47,795,061</b>	<b>\$ 47,381,504</b>
	3,070,307	3,014,604	2,945,016
	6.35%	6.31%	6.22%

# Mississippi

## Sales Tax Revenue Payers by Industry

Fiscal Years 2020 and 2011

Table 6

	2020			
	Number of Filers	Percentage of Total	Tax Liability (expressed in thousands)	Percentage of Total
Accommodation and Food Services	10,567	11.6 %	\$ 376,249	11.3 %
Administrative, Support, Waste Management	1,853	2.0	28,836	0.9
Arts, Entertainment, Recreation	1,873	2.1	8,293	0.2
Construction	11,074	12.1	247,490	7.4
Information	1,018	1.1	171,532	5.2
Manufacturing	4,824	5.3	56,942	1.7
Mining, Quarrying and Oil and Gas Extraction	658	0.7	9,684	0.3
Other Services	6,415	7.0	116,354	3.5
Real Estate, Rental, and Leasing	2,258	2.5	83,770	2.5
Retail Trade	36,755	40.3	1,879,710	56.5
Utilities	752	0.8	76,121	2.3
Wholesale Trade	8,749	9.6	238,406	7.2
Other Industries	4,367	4.9	33,157	1.0
Total taxable sales	91,163	100.0 %	\$ 3,326,544	100.0 %

### Notes:

During Fiscal year 2014, the Mississippi Department of Revenue converted sales tax collection data from the Standard Industrial Classification (SIC) System to the North American Industry Classification System (NAICS). Due to confidentiality issues, the names of the ten largest sales tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

The most current fiscal year available is 2020.

**Source:** Mississippi Department of Revenue

2011

	<b>Number of Filers</b>	<b>Percentage of Total</b>	<b>Tax Liability (expressed in thousands)</b>	<b>Percentage of Total</b>
Automotive	9,006	11.5 %	\$ 314,515	11.6 %
Contracting	9,984	12.7	219,548	8.1
Food and Beverage	13,464	17.2	552,228	20.3
Furniture	1,959	2.5	60,516	2.2
General Merchandise	5,025	6.4	531,907	19.5
Lumber and Building Materials	4,571	5.8	181,113	6.6
Machinery, Equipment, and Supplies	5,961	7.6	143,102	5.2
Miscellaneous Retail	20,480	26.2	238,128	8.7
Miscellaneous Services	6,077	7.8	192,528	7.1
Public Utilities	1,176	1.5	227,085	8.3
Recreation	573	0.7	10,186	0.4
Wholesale	37	0.1	54,974	2.0
Total taxable sales	<b>78,313</b>	<b>100.0 %</b>	<b>\$ 2,725,830</b>	<b>100.0 %</b>

# Mississippi

## Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Expressed in Thousands, except Per capita)

Table 7

	2021	2020	2019	2018
<b>Governmental Activities</b>				
General Obligation Bonds and Notes <sup>1</sup>	\$ 4,594,578	\$ 4,446,881	\$ 4,389,027	\$ 4,263,174
Limited Obligation Bonds	473,179	490,602	507,839	215,158
Capital Lease Obligations	6,406	7,637	7,404	7,872
Notes Payable <sup>1</sup>	755,933	824,131	889,397	957,165
Total Governmental Activities	5,830,096	5,769,251	5,793,667	5,443,369
<b>Business-type Activities</b>				
General Obligation Bonds	110	181	309	6,496
Capital Lease Obligations				40
Notes Payable	4,756			
Total Business-type Activities	4,866	181	309	6,536
Total Primary Government	\$ 5,834,962	\$ 5,769,432	\$ 5,793,976	\$ 5,449,905
Amount of Debt Per capita <sup>2</sup>	\$ 1,967	\$ 1,939	\$ 1,940	\$ 1,826
Debt as a percentage of Personal Income <sup>3</sup>	4.7%	4.9%	5.1%	5.0%
<b>Net General Obligation Bonded Debt<sup>4</sup></b>				
General Obligation Bonds and Notes <sup>1</sup>	\$ 4,594,578	\$ 4,446,881	\$ 4,389,027	\$ 4,263,174
Less: Debt Service	241,456	235,600	258,252	280,295
Net General Obligation Bonded Debt	\$ 4,353,122	\$ 4,211,281	\$ 4,130,775	\$ 3,982,879
Amount of Net General Obligation Bonded Debt Per capita <sup>2</sup>	\$ 1,467	\$ 1,415	\$ 1,383	\$ 1,335
Net General Obligation Bonded Debt as a percentage of Taxable Sales <sup>5</sup>	8.3%	8.2%	8.1%	8.1%

**Notes:**

<sup>1</sup> Fiscal years 2009 - 2012 have been restated for GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, presentation.

<sup>2</sup> See Table 9 for population data. For the current fiscal year, the prior year population data is used in the calculation.

<sup>3</sup> See Table 9 for personal income data. For the current fiscal year, the prior year personal income data is used in the calculation.

<sup>4</sup> Net General Obligation Bonded Debt is long-term debt reported in governmental activities.

<sup>5</sup> See Table 5 for taxable sales data. For the current fiscal year, the prior year taxable sales data is used in the calculation.

	2017	2016	2015	2014	2013	2012
\$	4,409,839	\$ 4,389,749	\$ 4,381,327	\$ 4,297,643	\$ 4,207,238	\$ 4,239,834
	221,727	226,507				
	11,124	15,262	20,209	22,775	13,158	18,079
	1,030,160	1,055,789	1,113,994	1,078,967	1,140,010	989,336
	5,672,850	5,687,307	5,515,530	5,399,385	5,360,406	5,247,249
	6,673	9,696	12,670	15,503	18,210	20,792
	120	198	272	344	131	381
	6,793	9,894	12,942	15,847	18,341	21,173
\$	5,679,643	\$ 5,697,201	\$ 5,528,472	\$ 5,415,232	\$ 5,378,747	\$ 5,268,422
\$	1,900	\$ 1,904	\$ 1,847	\$ 1,811	\$ 1,805	\$ 1,768
	5.3%	5.4%	5.4%	5.3%	5.4%	5.3%
\$	4,409,839	\$ 4,389,749	\$ 4,381,327	\$ 4,297,643	\$ 4,207,238	\$ 4,239,834
	252,787	335,687	340,515	369,002	339,308	344,061
\$	4,157,052	\$ 4,054,062	\$ 4,040,812	\$ 3,928,641	\$ 3,867,930	\$ 3,895,773
\$	1,391	\$ 1,355	\$ 1,350	\$ 1,313	\$ 1,298	\$ 1,307
	8.6%	8.5%	8.5%	8.4%	8.6%	8.6%

# Mississippi

## Legal Debt Margin

**Last Ten Fiscal Years**  
(Expressed in Thousands)

**Table 8**

	2021	2020	2019	2018	2017
Legal debt limit	\$ 13,922,864	\$ 13,922,864	\$ 13,370,476	\$ 13,312,194	\$ 13,312,194
Less: Net debt applicable to limit	4,353,122	4,211,281	4,130,775	3,982,879	4,157,052
Legal debt margin	\$ 9,569,742	\$ 9,711,583	\$ 9,239,701	\$ 9,329,315	\$ 9,155,142
Net debt applicable to the limit as a percentage of legal debt limit	31.3%	30.2%	30.9%	29.9%	31.2%

	2016	2015	2014	2013	2012
Legal debt limit	\$ 13,312,194	\$ 13,312,194	\$ 12,823,921	\$ 12,505,104	\$ 12,451,109
Less: Net debt applicable to limit	4,054,062	4,040,812	3,928,641	3,867,930	3,847,744
Legal debt margin	\$ 9,258,132	\$ 9,271,382	\$ 8,895,280	\$ 8,637,174	\$ 8,603,365
Net debt applicable to the limit as a percentage of legal debt limit	30.5%	30.4%	30.6%	30.9%	30.9%

**Legal Debt Margin Calculation for Fiscal Year 2021:**

Legal debt limit <sup>1</sup>		\$ 13,922,864
Amount of debt applicable to limit <sup>2</sup>	\$ 4,594,578	
Less: amounts available for debt service	241,456	
Less: Net debt applicable to limit		4,353,122
Legal debt margin		\$ 9,569,742

**Notes:**

<sup>1</sup> The State's constitutional debt limit is established under Section 115 of the Mississippi Constitution at one and one-half times the sum of all revenues collected by the State during any one of the four preceding fiscal years, whichever may be higher. Revenues included in the foregoing debt limitation computation are restricted by current practice to the following revenues: taxes, licenses, fees and permits, investment income, rental income, service charges (including net income from the sale of alcoholic beverages), fines, forfeits, and penalties. Defined revenues for the four preceding years were:

Fiscal Year	Applicable Revenues
2020	\$ 9,164,375
2019	9,281,909
2018	8,913,650
2017	8,607,236

<sup>2</sup> The legal debt limit applies to total governmental activities long-term bonded debt.



# Mississippi

## Demographic and Economic Statistics

Last Ten Calendar Years

Table 9

Year	Population	Unemployment Rate		Personal Income	Per capita Personal Income
		Mississippi	U. S.		
2020	2,966,786	6.5%	8.1%	\$ 123,849,000,000	\$ 41,745
2019	2,976,149	5.4	3.7	117,165,000,000	39,368
2018	2,986,530	4.8	3.9	113,469,000,000	37,994
2017	2,984,100	5.1	4.4	108,460,000,000	36,346
2016	2,988,726	5.8	4.9	107,403,000,000	35,936
2015	2,993,000	6.4	5.3	106,075,000,000	35,444
2014	2,994,000	7.5	6.2	102,795,000,000	34,333
2013	2,991,000	8.6	7.4	103,132,000,000	34,478
2012	2,980,000	9.0	8.1	98,722,000,000	33,128
2011	2,980,000	10.0	8.9	95,313,000,000	31,984

**Sources:**

U.S. Bureau of Economic Analysis  
 Mississippi Department of Employment Security  
 U.S. Department of Labor, Bureau of Labor Statistics

## Employment by Industry

Most Current Calendar Year and Nine Years Prior

Table 10

(Ranked by Number of Employees)

Industry	2020			2011		
	Rank	Average Number of Employees	Percentage of All Employees	Rank	Average Number of Employees	Percentage of All Employees
Government	1	236,100	20.4 %	1	241,900	20.0 %
Manufacturing	2	139,400	12.0	2	147,100	12.2
Retail Trade	3	132,400	11.4	3	135,900	11.3
Health Care and Social Assistance	4	128,400	11.1	4	135,000	11.2
Accommodation and Food Services	5	110,000	9.5	5	126,600	10.5
Professional and Business Services	6	106,200	9.2	6	108,000	8.9
Transportation and Warehousing	7	54,000	4.7	8	60,600	5.0
Construction	8	44,000	3.8	7	44,400	3.7
Other Services	9	39,100	3.4	9	40,600	3.4
Wholesale Trade	10	33,700	2.9	10	34,500	2.9
Total		1,023,300	88.4 %		1,074,600	89.1 %
Total Employed Labor Force		1,157,500	100.0 %		1,206,900	100.0 %

**Note:** This schedule is presented as an alternative to the principal employer schedule for which employer data could not be obtained. Information contained in the schedule represents nonagricultural employment.

**Source:** Mississippi Department of Employment Security

# Mississippi

## Public School Enrollment

Last Ten Academic Years

Table 11

	2020/2021	2019/2020	2018/2019	2017/2018
Kindergarten	36,636	42,129	41,573	41,710
Grades 1-3	96,936	105,278	106,264	110,730
Grades 4-6	100,707	108,231	114,268	113,468
Grades 7-9	108,473	109,202	106,953	107,099
Grades 10-12	93,053	93,531	94,197	97,149
Special Education	6,822	7,542	7,413	7,477
Total Enrollment	442,627	465,913	470,668	477,633

Source: Mississippi Department of Education

## Community and Junior College Enrollment

Last Ten Academic Years

Table 12

	2020/2021	2019/2020	2018/2019	2017/2018
Coahoma Community College	1,261	1,666	1,899	1,940
Copiah-Lincoln Community College	2,230	2,607	2,944	2,986
East Central Community College	1,957	2,310	2,593	5,006
East Mississippi Community College	2,670	3,509	3,871	4,049
Hinds Community College	7,260	9,447	10,398	10,701
Holmes Community College	4,475	5,154	5,582	5,509
Itawamba Community College	3,871	4,506	5,580	5,525
Jones County Junior College	3,683	4,195	4,627	4,860
Meridian Community College	2,360	2,900	3,553	3,965
Mississippi Delta Community College	1,691	2,172	2,513	2,534
Mississippi Gulf Coast Community College	6,835	7,834	10,102	9,979
Northeast Mississippi Community College	2,630	3,199	4,023	3,911
Northwest Mississippi Community College	5,182	6,115	6,585	7,322
Pearl River Community College	4,386	4,340	4,890	4,325
Southwest Mississippi Community College	1,585	1,845	1,945	1,953
Total Enrollment	52,076	61,799	71,105	74,565

Source: Mississippi Community College Board

## University Enrollment

Last Ten Academic Years

Table 13

	2020/2021	2019/2020	2018/2019	2017/2018
Alcorn State University	3,230	3,523	3,658	3,716
Delta State University	2,999	3,761	3,716	3,789
Jackson State University	6,921	7,020	7,250	8,558
Mississippi State University	22,986	22,226	21,974	21,883
Mississippi University for Women	2,704	2,811	2,711	2,789
Mississippi Valley State University	2,032	2,147	2,285	2,385
University of Mississippi	21,676	22,273	23,090	23,780
University of Southern Mississippi	14,606	14,133	14,509	14,478
Total Enrollment	77,154	77,894	79,193	81,378

Source: Institutions of Higher Learning, Office of Strategic Data Management

<b>2016/2017</b>	<b>2015/2016</b>	<b>2014/2015</b>	<b>2013/2014</b>	<b>2012/2013</b>	<b>2011/2012</b>
42,003	42,427	44,950	46,297	47,198	44,890
116,066	121,392	120,791	119,432	116,562	114,814
111,169	108,320	108,968	110,211	111,609	114,498
107,929	109,425	112,337	113,675	113,490	111,616
97,724	97,213	95,767	95,399	96,485	97,292
7,555	7,694	7,412	7,572	7,503	7,509
482,446	486,471	490,225	492,586	492,847	490,619

<b>2016/2017</b>	<b>2015/2016</b>	<b>2014/2015</b>	<b>2013/2014</b>	<b>2012/2013</b>	<b>2011/2012</b>
1,943	1,913	1,746	2,722	2,694	2,889
3,006	3,097	3,040	3,186	3,308	3,578
2,449	2,598	2,621	3,049	3,112	3,091
3,897	4,070	3,676	3,712	4,367	5,240
10,411	9,904	12,844	10,975	10,609	14,306
5,208	5,064	4,905	6,330	6,728	6,707
6,350	6,398	6,320	6,972	6,977	7,602
5,358	4,966	4,617	5,113	4,192	4,637
3,756	3,647	3,386	3,047	3,330	3,883
2,444	2,417	2,499	3,006	3,001	3,977
9,607	9,476	9,767	11,821	11,350	11,434
3,966	3,651	3,643	3,520	3,603	3,736
6,861	7,235	7,294	8,450	7,202	8,437
4,107	4,107	4,140	4,231	4,675	4,675
2,091	2,091	2,097	2,224	2,143	2,224
71,454	70,634	72,595	78,358	77,291	86,416

<b>2016/2017</b>	<b>2015/2016</b>	<b>2014/2015</b>	<b>2013/2014</b>	<b>2012/2013</b>	<b>2011/2012</b>
3,420	3,518	3,639	3,848	3,950	4,018
3,588	3,460	3,614	4,785	4,763	4,624
9,811	9,802	9,508	9,134	8,819	8,903
21,622	20,873	20,138	20,161	20,365	20,424
2,956	2,673	2,696	2,629	2,650	2,661
2,455	2,309	2,221	2,203	2,479	2,452
24,250	23,838	23,096	22,291	21,528	20,830
14,552	14,551	14,792	15,249	16,468	16,604
82,654	81,024	79,704	80,300	81,022	80,516

# Mississippi

## Capital Asset Statistics by Function

Last Ten Fiscal Years

Table 14

	2021	2020	2019	2018
<b>General Government</b>				
Department of Finance and Administration				
Buildings	62	65	65	62
Vehicles	65	67	51	44
Department of Revenue				
Vehicles	45	52	45	44
<b>Education</b>				
Department of Education				
Vehicles	41	47	40	45
<b>Law, Justice and Public Safety</b>				
Department of Corrections				
Buildings	251	251	252	252
Vehicles	563	825	592	593
Department of Public Safety				
Buildings	74	46	46	46
Vehicles	1,137	1,264	1,189	1,063
<b>Recreation and Resource Development</b>				
Department of Wildlife, Fisheries and Parks				
State Parks	25	25	25	25
Acres of State Parks	23,723	23,723	23,723	21,344
Buildings	228	239	223	215
Vehicles	694	861	742	722
Forestry Commission				
Buildings	20	22	19	23
Vehicles	303	336	305	337
<b>Regulation of Business and Professions</b>				
Workers' Compensation Commission				
Buildings	1	1	1	1
<b>Transportation</b>				
Department of Transportation				
Miles of state highway	10,948	10,936	10,919	10,911
Vehicles	2,153	2,403	2,337	2,213
<b>Health and Social Services</b>				
Department of Mental Health				
Buildings	511	470	470	475
Vehicles	779	800	725	743

Sources:

MAGIC - Mississippi Accountability System for Government Information and Collaboration  
 Mississippi Department of Wildlife, Fisheries and Parks  
 Mississippi Department of Transportation

	2017	2016	2015	2014	2013	2012
	60	60	59	36	37	37
	45	37	44	44	41	42
	50	46	62	49	46	46
	51	52	55	44	45	41
	252	252	252	558	572	576
	610	594	618	691	611	611
	46	46	45	43	41	41
	1,203	1,124	1,118	913	896	963
	25	25	25	25	25	25
	21,344	24,481	24,481	24,481	24,591	24,591
	221	211	211	843	835	842
	712	628	594	558	591	614
	24	24	24	317	369	388
	430	458	490	413	421	429
	1	1	1	1	1	1
	10,888	10,901	10,897	10,898	10,886	10,913
	2,288	2,228	2,272	2,339	2,352	2,554
	476	474	475	538	545	551
	764	752	755	752	756	778

# Mississippi

## State Government Employees by Function

Last Ten Fiscal Years

Table 15

	2021	2020	2019	2018	2017	2016
<b>General Government</b>						
Department of Finance and Administration	411	456	430	436	414	432
Department of Revenue	614	637	655	698	737	753
Treasury	34	35	37	37	36	38
All Other	1,350	1,392	1,372	1,382	1,389	1,399
<b>Education</b>						
Department of Education	568	628	611	603	638	623
All Other	181	217	199	178	175	185
<b>Health and Social Services</b>						
Department of Human Services	3,016	3,066	3,081	3,056	3,208	3,441
Division of Medicaid	843	891	931	938	974	929
Department of Mental Health	5,212	5,964	6,230	6,019	6,635	7,268
Department of Rehabilitation Services	973	952	943	913	982	998
All Other	2,675	2,801	2,729	2,717	2,829	2,992
<b>Law, Justice and Public Safety</b>						
Department of Corrections	1,793	1,737	1,842	2,010	2,158	2,293
Department of Public Safety	1,174	1,209	1,192	1,191	1,200	1,234
All Other	2,217	2,200	2,182	2,171	2,161	2,142
<b>Recreation and Resource Development</b>						
Department of Environmental Quality	381	389	400	398	396	402
Department of Wildlife, Fisheries and Parks	460	467	497	530	519	511
Forestry Commission	255	269	263	263	266	390
Mississippi Development Authority	214	217	227	229	232	241
All Other	378	386	372	357	361	370
<b>Regulation of Business and Professions</b>						
Public Service Commission	55	58	57	58	62	68
Oil and Gas Board	31	31	31	27	28	31
All Other	298	306	303	299	302	290
<b>Transportation</b>						
Department of Transportation	2,859	2,990	3,022	3,100	3,146	3,184
<b>Total</b>	<b>25,992</b>	<b>27,298</b>	<b>27,606</b>	<b>27,610</b>	<b>28,848</b>	<b>30,214</b>

Source: Statewide Payroll and Human Resource System, Total Filled Positions

2015	2014	2013	2012
413	413	418	413
764	727	694	664
38	39	36	37
1,429	1,441	1,454	1,405
607	653	687	714
185	182	187	195
3,411	3,391	3,483	3,302
925	936	923	869
7,460	7,716	7,815	8,189
954	964	969	995
3,251	3,340	3,449	3,476
2,647	2,870	2,958	2,746
1,282	1,215	1,252	1,291
2,087	2,163	2,188	2,192
394	397	401	423
522	522	543	566
401	418	414	423
271	287	300	308
366	365	367	378
67	85	101	100
32	31	32	34
279	260	248	245
3,162	3,277	3,351	3,342
30,947	31,692	32,270	32,307

# Mississippi

## Operating Indicators by Function

Last Ten Fiscal Years

Table 16

	2020	2019	2018	2017
<b>General Government</b>				
Tax returns processed	3,769,958	3,540,043	3,489,318	3,099,217
On-going construction projects	470	470	470	671
Tort claims processed	858	869	1,018	891
Unclaimed property claims paid	6,069	8,406	5,378	5,042
Corporate filings processed **				
UCC filings processed **				
<b>Education</b>				
Average cost per public school student	\$10,655	\$10,421	\$10,034	\$9,781
Public high school graduates	29,118	30,245	29,965	30,083
Public school teachers, K-12	31,601	31,657	31,252	31,658
Third Grade Students Taking the Reading Summative Assessment			37,825	36,544
<b>Health and Social Services</b>				
Average monthly households receiving food assistance***				
Child support collections from non-custodial parents	\$439,663,792	\$371,714,793	\$368,935,532	\$360,687,014
Medicaid recipients receiving medical services	697,178	673,247	687,906	711,923
CHIP Recipients	48,393	46,080	46,585	48,344
<b>Law, Justice and Public Safety</b>				
Custody population per 100,000 Mississippi residents	633	630	619	623
Average inmate population in prisons *				
Supervised offenders in communities *				
Driver licenses issued	514,645	382,223	417,848	600,134
<b>Recreation and Resource Development</b>				
Tourist registered at welcome centers	1,223,500	1,924,736	2,113,594	2,390,882
Land reforested (acres)	35,000	35,000	39,119	30,267
Hunting and fishing licenses sold	454,711	433,557	449,336	500,000
Overnight accommodations at state parks	5,715,378	866,480	844,227	794,504
<b>Regulation of Business and Professions</b>				
Utility complaints investigated	4,432	4,560	4,587	4,612
Well inspections by Oil and Gas Board	31,663	35,761	33,367	31,722
<b>Transportation</b>				
Overlays (miles) *				
Repair and replacement of deficit local system bridges	51	48	31	46

\* Operating indicators for average inmate population in prisons, supervised offenders in communities and overlays (miles) are no longer available beginning fiscal year 2015.

\*\*Operating indicators for corporate and UCC filings processed are no longer available beginning fiscal year 2016.

\*\*\*Operating indicators for average monthly households receiving food assistance are no longer available beginning fiscal year 2017.

Note: The most current fiscal year available is fiscal year 2020.

Sources:

Mississippi Joint Legislative Budget Committee, Legislative Budget Report  
 Mississippi Department of Education, Superintendent's Annual Report  
 Mississippi Department of Education, Office of Reporting



2016	2015	2014	2013	2012	2011
3,054,931	3,367,215	4,950,000	4,950,000	4,950,000	4,950,000
656	690	699	743	783	820
1,135	1,167	929	1,098	986	1,117
10,131	5,352	5,187	5,309	7,298	4,581
	168,421	67,873	110,008	243,634	112,983
	320,819	318,307	322,350	342,552	254,872
\$9,704	\$9,394	\$9,209	\$8,921	\$8,932	\$8,752
29,991	29,802	28,556	28,317	28,933	29,569
32,101	32,230	32,102	32,356	32,170	32,042
279,491	297,854	304,060	303,719	289,660	266,966
\$352,077,839	\$352,077,839	\$333,825,397	\$332,931,089	\$332,298,519	\$314,027,549
726,473	740,937	689,153	643,687	640,957	637,781
609	641				
		9,719	9,868	9,449	9,636
		30,689	30,078	35,097	Not Available
650,757	600,239	594,005	807,582	747,173	821,000
2,441,086	2,494,990	2,454,373	2,502,048	2,471,958	2,462,209
35,000	21,470	32,238	29,732	52,830	38,753
483,751	560,219	571,785	578,154	550,000	493,773
793,777	550,186	689,774	544,887	646,752	573,975
4,538	2,347	3,915	3,988	4,002	8,059
33,179	26,930	25,073	21,893	22,236	12,166
		320	135	64	279
62	62	66	50	55	85

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