

FRANKLIN PARISH SHERIFF
Winnsboro, Louisiana

*Financial Statements
For the Year Ended June 30, 2021*

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

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WINNSBORO, LOUISIANA

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DAVID M. HARTT, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT AUDITOR'S REPORT

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Franklin Parish Sheriff, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff'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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 entity's internal control. Accordingly, I express no such opinion. 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Franklin Parish Sheriff, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana
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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule and the related notes, the Schedule of Net OPEB Liability and Related Ratios, the Schedule of Franklin Parish Sheriff's Contributions to Pension Plan, and the Schedule of Sheriff's Proportionate share of the Net Pension Liability, as listed in the 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do no provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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. In my opinion, the accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnboro, Louisiana
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Other Supplementary Information

The Sheriff Affidavit on page 42 and the Schedule of Compensation, Benefits and Other Payments to Agency Head on page 43 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. In my opinion, the Sheriff Affidavit and the Schedule of Compensation, Benefits and Other Payments to Agency Head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 28, 2021, on my consideration of the Franklin Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Franklin Parish Sheriff's internal control over financial reporting and compliance.

West Monroe, Louisiana
December 28, 2021

David M. Scott, CPA (APSC)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Net Position
June 30, 2021

	Governmental Activities
<i><u>Assets</u></i>	
Cash and Cash Equivalents	\$ 18,996,479
Accounts Receivable	2,359,070
Internal Balances	44,868
Inventory	146,507
Capital Assets:	
Non-Depreciable	90,000
Depreciable	<u>3,918,778</u>
Total Assets	<u>25,555,702</u>
<i><u>Deferred Outflows of Resources</u></i>	
Resources Related to Pensions	2,872,739
OPEB Related	2,666,093
<i><u>Liabilities</u></i>	
Accounts Payable	593,037
Long-Term Liabilities	158,661
Net Post Employment Benefit Obligation	6,638,942
Net Pension Liability	<u>4,366,251</u>
Total Liabilities	11,756,891
<i><u>Deferred Inflows of Resources</u></i>	
Resources Related to Pensions	506,326
<i><u>Net Position</u></i>	
Net Investment in Capital Assets	4,008,778
Net Position - Unrestricted	<u>14,822,539</u>
Total Net Position	<u>\$ 18,831,317</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2021

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:					
Public Safety	\$ 13,896,991	\$ 10,248,574	\$ 1,852,612	\$ -	(1,795,805)
Total Governmental Activities	<u>\$ 13,896,991</u>	<u>\$ 10,248,574</u>	<u>\$ 1,852,612</u>	<u>\$ -</u>	<u>\$ (1,795,805)</u>
General Revenues:					
Property tax levied for public safety				\$ 1,049,882	
Sales tax levied for public safety				1,544,774	
State Revenue Sharing				71,075	
Other				106,948	
Interest Earned				<u>152,134</u>	
			Total General Revenues		2,924,813
			Changes in Net Position		1,129,008
			Net Position - Beginning		<u>17,702,309</u>
			NET POSITION - ENDING		<u>\$ 18,831,317</u>

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

FUND FINANCIAL STATEMENTS

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Balance Sheet, Governmental Funds
June 30, 2021

	General Fund
<u>Assets</u>	
Cash and Cash Equivalents	\$ 18,996,479
Accounts Receivable	2,359,070
Due from Other Funds	44,868
Inventories	146,507
TOTAL ASSETS	\$ 21,546,924

LIABILITIES AND FUND BALANCE

<u>Liabilities</u>	
Accounts Payable	\$ 593,037
Total Liabilities	593,037
<u>Fund Balance</u>	
Nonspendable	146,507
Unassigned	20,807,380
TOTAL LIABILITIES AND FUND BALANCE	\$ 21,546,924

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
JUNE 30, 2021

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

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balance, Governmental Funds:	\$ 20,953,887
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	4,008,778
Net pension liability does not require the use of current financial resources and therefore is not reported in the funds.	(4,366,251)
Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements:	
Current Portion of Long Term Debt	(40,036)
Long term Portion of Long Term Debt	(236,190)
Net OPEB obligation	(6,638,942)
The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>5,032,506</u>
Net Position of Governmental Activities	<u>\$ 18,831,317</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2021

	General Fund
Revenues	
Ad Valorem Taxes	\$ 1,049,882
Sales Taxes	1,544,774
Intergovernmental Revenue	
Federal	1,256,281
State	11,605
Local	141,142
State Revenue Sharing	71,075
Fees, Charges & Services	
Commissions	718,897
Civil & Criminal Fees	191,916
Housing Prisoners	9,337,761
State Supplemental Pay	443,584
Use of Money - Interest Earning	152,134
Other	106,949
TOTAL REVENUES	15,026,000
Expenditures	
Public Safety:	
Personnel Services and Related Benefits	7,437,226
Operating Services	4,779,942
Materials and Supplies	345,035
Travel and Other Charges	16,302
Capital Outlay	541,716
TOTAL EXPENDITURES	13,120,221
Excess (Deficiency) of Revenues Over Expenditures	1,905,779
Fund Balance - Beginning of the Year	19,048,108
FUND BALANCE - END OF THE YEAR	\$ 20,953,887

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2020

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities**

*Amounts reported for governmental activities in the Statement of Activities
are different because:*

Net change in fund balances - total governmental funds \$ 1,905,779

Governmental funds report capital outlays as expenditures,
however, in the statement of activities, the cost of those
assets is depreciated over their estimated useful lives.

Expenditures for capital assets	541,716
Less current year depreciation	<u>(652,464)</u>
	(110,748)

Payments of long-term debt, including contributions to the OPEB obligation,
are reported as expenditures in governmental funds. However, these amounts
are a reduction of long-term liabilities in the Statement of Net Position and
are not reflected in the Statement of Activities:

Change in compensated absences payable	25,364
Change in OPEB obligation	(919,349)
Nonemployer contributions to pension plan	(282,158)
Pension Expense	<u>510,120</u>
Changes in net position of governmental activities	<u>\$ 1,129,008</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPE – AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

FIDUCIARY FUND TYPE - AGENCY FUNDS

These funds account for assets held by the sheriff department in a trust or agency capacity.

LICENSE FUND

The License Fund is a depository for occupational licenses. Payments are made from the fund to the Sheriff's General Fund and the Franklin Parish Police Jury.

CRIMINAL FUND

The Criminal Fund is a depository for fines, forfeitures, and costs in criminal cases. Payments are made from the fund to the Sheriff's General Fund, Police Jury, District Attorney, Clerk of Court, and other recipients in accordance with applicable laws.

CIVIL FUND

The Civil Fund is a depository for collection of funds in civil suits, sheriff's sales, and garnishments. Payments of these collections to recipients are made in accordance with applicable laws.

WORK RELEASE PROGRAM FUND

The Work Release Program Fund accounts for funds paid to the Sheriff's office for the Work Release Program. The funds are then disbursed to the inmates or the Inmate Trust Fund and the Sheriff's General Fund.

TAX COLLECTION FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collection Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

INMATE TRUST FUND

The Inmate Trust Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center. Remaining balances to the credit of a prisoner are refunded upon release or transfer to another prison.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Fiduciary Assets and Liabilities
June 30 , 2021

	License Fund	Criminal Fund	Civil Fund	Work Release Program Fund
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 161	\$ 209,565	\$ 14,098	\$ 32,807
Deposits Due from Others	-	-	-	-
TOTAL ASSETS	<u>161</u>	<u>209,565</u>	<u>14,098</u>	<u>32,807</u>
<u>LIABILITIES</u>				
Internal Balances	-	-	-	-
Deposits Due Others	161	209,565	14,098	32,807
TOTAL LIABILITIES	<u>\$ 161</u>	<u>\$ 209,565</u>	<u>\$ 14,098</u>	<u>\$ 32,807</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Fiduciary Assets and Liabilities (Continued)
June 30, 2021

Tax Collection Fund	Inmate Trust Fund	Total
\$ 998,883	\$ 207,640	\$ 1,463,154
-	-	-
<u>998,883</u>	<u>207,640</u>	<u>1,463,154</u>
998,883	207,640	1,463,154
<u>\$ 998,883</u>	<u>\$ 207,640</u>	<u>\$ 1,463,154</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPES - AGENCY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2021

	License Fund	Criminal Fund	Civil Fund	Work Release Program Fund
BALANCES AT BEGINNING OF YEAR	\$ 58,310	\$ 454,084	\$ 16,088	\$ 26,266
ADDITIONS				
Deposits:				
Licenses	183,201	-	-	-
Fines and Costs	-	607,857	-	-
Sheriff's Sales	-	-	162,250	-
Garnishments	-	-	21,351	-
Other Deposits	-	-	6,570	-
Taxes, Fees, Etc. paid to Tax Collector	-	-	-	-
Work Release Income	-	-	-	261,579
Interest Earned	1,106	581	30	32
Inmate Deposits	-	-	-	-
TOTAL ADDITIONS	184,307	608,438	190,201	261,611
TOTAL AVAILABLE	242,617	1,062,522	206,289	287,877
REDUCTIONS				
Taxes, Fees, Etc. Distributed	-	-	-	-
Deposits Settled To:				
Sheriff's General Fund	36,368	76,189	29,303	175,708
Police Jury	206,088	4,715	-	-
District Attorney	-	196,397	-	-
Clerk of Court	-	21,897	13,089	-
Indigent Defender Board	-	48,922	-	-
Attorneys, Appraisers, Etc.	-	-	147,206	-
Other Settlements	-	504,837	2,593	2,596
Withdrawals by/for Inmates	-	-	-	76,766
TOTAL REDUCTIONS	242,456	852,957	192,191	255,070
BALANCE AT END OF YEAR	\$ 161	\$ 209,565	\$ 14,098	\$ 32,807

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPES - AGENCY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CONTINUED
DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2021

Tax Collection Fund	Inmate Trust Fund	Total
\$ 725,603	\$ 114,690	\$ 1,395,041
-	-	183,201
-	-	607,857
-	-	162,250
-	-	21,351
-	-	6,570
12,429,165	-	12,429,165
-	-	261,579
1,742	239	3,730
-	1,674,635	1,674,635
12,430,907	1,674,874	15,350,338
13,156,510	1,789,564	16,745,379
12,157,559	10	12,157,569
-	1,581,914	1,899,482
-	-	210,803
-	-	196,397
-	-	34,986
-	-	48,922
-	-	147,206
68	-	510,094
-	-	76,766
12,157,627	1,581,924	15,282,225
\$ 998,883	\$ 207,640	\$ 1,463,154

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through establishment of neighborhood watch programs, anti-drug abuse programs, etc. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within Franklin and surrounding parishes.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Franklin Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. REPORTING ENTITY

GASB Statement 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Franklin Parish Sheriff is considered a primary government, since it is a special purpose government that has a separately elected official, is legally separate, and is fiscally independent of other state or local governments. As described in GASB Statement No. 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected official. As such, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. This report only includes all funds which are controlled by or dependent upon the Franklin Parish Sheriff.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

C. BASIC FINANCIAL STATEMENTS - GOVERNMENT - WIDE STATEMENTS

The Government-Wide Financial Statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Sheriff as a whole.

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Sheriff, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary of Assets and Liabilities at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in three parts; net investment in capital assets, net of any related debt; restricted net position; and unrestricted net position.

D. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the Sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the Sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into two categories; governmental and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public. Fiduciary funds are used to account for assets held for others. The Sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the Sheriff are described as follows:

Government Fund Types

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Sheriff and is used to account for the operations of the Sheriff's office. The various fees and charges due to the Sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund. The general fund is the only fund classified as a major fund.

Fiduciary Fund Type - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

E. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Franklin Parish Sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Those revenues susceptible to accrual include ad valorem taxes, state revenue sharing, interest revenue, commissions, and charges for services. Federal, state and local aid and grants are recorded when the Sheriff is entitled to the funds.

Other intergovernmental revenues are accrued, when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available. All miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that principal and interest on general long-term debt is recognized when due.

F. BUDGETARY ACCOUNTING

Formal budgetary accounting is employed as a management control. The Franklin Parish Sheriff prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The budget is legally adopted and amended, as necessary, by the Sheriff. All Budget appropriations lapse at year end. Budget amounts included in the accompanying financial statements include the original budget and all subsequent amendments.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

G. SALES AND USE TAX

The Franklin Parish Sheriff is authorized to collect a one percent sales and use tax within Franklin Parish. The proceeds of the tax, after payment of costs for collecting and administering the tax, are dedicated to constructing, maintaining and operating a jail facility and offices for the Franklin Parish Sheriff, including the payment of salaries for the operation of the jail facilities. The tax was approved for an indefinite time period; however, on March 10, 1993, the voters approved a referendum changing the indefinite expiration date to June 1, 2010. On July 21, 2007, the voters approved a one-half percent sales and use tax within Franklin Parish. The proceeds of the tax, after payment of costs for collection and administering the tax, are dedicated for general operations. On April 24, 2021, the tax was renewed for the period January 1, 2023 through December 31, 2027.

H. ENCUMBRANCES

Encumbrance accounting is not used in the Sheriff's operations.

I. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and time deposits. Under state law, the sheriff must deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

J. INVENTORY

Inventory at June 30, 2021, consists of commissary items purchased during preceding months. Inventory items are valued at unit prices established by purchase prices paid for purchased items. Amounts are recorded as expenditures under the consumption method using the First-In, First-Out (FIFO) cost flow assumption.

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the Sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Depreciation</u>	<u>Estimated Lives</u>
Vehicles	5 Years
Furniture & Fixtures	10-20 Years
Buildings	40 Years

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

L. RISK MANAGEMENT

The Sheriff's office is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Louisiana law provides that the Sheriff may join with other Sheriffs to form an interlocal risk management agency for the development and administration of an interlocal risk management program. The Franklin Parish Sheriff has joined together with other Sheriffs to form the Louisiana Sheriff's Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for Louisiana Sheriffs. The Sheriff pays an annual premium to the pool for its general and professional liability insurance coverage.

In addition to the above, the Sheriff has obtained commercial insurance for all the aforementioned risks and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

M. COMPENSATORY TIME

Compensatory Time (K-time) represents a one and one-half credit for each hour of overtime worked. The maximum for law enforcement personnel (deputies, detectives and guards) is 480 K-time hours which represent not more than 320 hours of actual overtime worked. Employees may take K-time as compensated time-off. An employee shall upon termination be paid for the unused K-time at a rate of compensation not less than: a) the average regular rate received by such employee during the last three years of employment or b) the final regular rate, whichever is higher. All overtime work in excess of K-time limits must be paid in the period earned.

N. BAD DEBTS

Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles. Management feels all receivables at year end are collectable and no allowance for bad debts is necessary.

O. ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

P. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 2021, was made available for public inspection on June 14, 2020. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal as required prior to the public hearing, which was held at the Franklin Parish Sheriff's office June 14, 2020 for comments from taxpayers.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

P. BUDGET PRACTICES - Continued

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balances.

Q. INVESTMENTS

Under state law, the Sheriff may invest in United States bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The Sheriff reports United States Treasury bills and notes as investments.

R. VACATION AND SICK LEAVE

Employees earn two weeks of noncumulative vacation leave and one week of noncumulative sick leave each year. There are no accumulated or vested benefits relating to vacation and sick leave that require accrual or disclosure to conform with generally accepted accounting principles.

S. EQUITY CLASSIFICATIONS - GOVERNMENT-WIDE STATEMENTS

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Sheriff reports three categories of net position, as follows:

- **Net Investment in capital assets** - consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
- **Restricted net position** - net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Sheriff's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- **Unrestricted net position** - consists of all other net position that does not meet the definition of the above two components and is available for general use by the Sheriff.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The Sheriff's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

T. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

T. FUND EQUITY OF FUND FINANCIAL STATEMENTS – Continued

Restricted - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

Assigned - represents balances that are constrained by the Sheriff's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

U. PENSION PLANS

The Franklin Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

V. OTHER POSTEMPLOYMENT BENEFITS

The sheriff follows GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", which requires the accrual of other postemployment benefits for retired employees. The sheriff has recorded a liability for other postemployment benefits (see Note 7). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - LEVIED TAXES

Act 689 of the regular session of the Louisiana Legislature of 1976 provided initial financing authorization for the levy of an ad valorem tax millage for the law enforcement district. Voters of the district subsequently approved an increase in the ad valorem tax beyond initial authorization. The following is a summary of authorized and levied ad valorem taxes:

	<u>Expiration</u>	<u>Authorized</u>	<u>Levied</u>
	Indefinite	<u>Millage</u>	<u>Millage</u>
Law Enforcement District		9.25	9.25

NOTE 3 - CASH AND CASH EQUIVALENTS

For the purpose of these financial statements, the Sheriff considers cash and cash equivalents to be amounts held in demand deposits, interest bearing demand deposits, and time deposits.

At June 30, 2021, the Sheriff has cash and cash equivalents (book balances) totaling \$20,459,633 as follows:

	<u>Statement of Net Position</u>	<u>Statement of Fiduciary Asset & Liabilities</u>	<u>Total</u>
Petty Cash	\$ 1,800	\$ -	\$ 1,800
Demand Deposits	<u>18,994,679</u>	<u>1,463,154</u>	<u>20,457,833</u>
TOTAL	\$ 18,996,479	\$ 1,463,154	\$ 20,459,633

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2021, the Sheriff has \$21,020,892 in deposits (collected bank balances). These deposits are secured from risk by \$816,099 of federal deposit insurance and \$21,646,661 was collateralized by securities by pledging banks in the Sheriff's name.

NOTE 4 - RECEIVABLES

The receivables at June 30, 2021, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Fees, Charges, and Commissions for Services	\$ 301,010	\$ -	\$ 301,010
Federal and State Grants	36,259	-	36,259
Feeding and Keeping of Prisoners	<u>2,021,801</u>	<u>-</u>	<u>2,021,801</u>
TOTAL	\$2,359,070	\$ -	\$ 2,359,070

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2021 follows:

	Balance June 30, <u>2020</u>	Additions	Deletions	Balance June 30, <u>2021</u>
<u>Capital Assets</u>				
Construction in Progress	\$ -	\$ 38,724	\$ -	\$ 38,724
Equipment	2,394,342	300,878	(184,881)	2,510,339
Buildings	8,924,843	202,114	(536)	9,126,421
Land	90,000	-	-	90,000
	<u>\$11,409,185</u>	<u>\$ 541,716</u>	<u>\$ (185,417)</u>	<u>\$11,765,484</u>
<u>Accumulated Depreciation</u>				
Equipment	\$ (1,775,862)	\$ (403,702)	\$ 184,881	\$ (1,994,683)
Buildings	(5,513,797)	(248,762)	-	(5,762,023)
	<u>(7,289,659)</u>	<u>(652,464)</u>	<u>184,881</u>	<u>(7,756,706)</u>
Net Capital Assets	<u>\$ 4,119,526</u>	<u>\$ (110,748)</u>	<u>\$ -</u>	<u>\$ 4,008,778</u>

NOTE 6 - PENSION PLAN

Substantially all employees of the Franklin Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (the System), a multiple-employer (cost sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 6554 Florida Boulevard, Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Plan Description:

The Louisiana Sheriff's Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability and survivor benefits to employees of sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the Sheriff's Pension and Relief Fund's office as provided for in LRS 11:2171.

Members who joined the system on or before December 31, 2011, are eligible for regular retirement benefits upon attaining 30 years of creditable service at any age, or 12 years of creditable service and age 55 years, and are entitled to retirement benefits payable monthly for life, equal to 3.33 percent of their final average compensation for each year of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least 10 years of creditable service may retire at age 60. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service. Members who joined the system on or after January 1, 2012, who retires at or after age 62 with at least 12 years of creditable service, at or after age 60 with at least 20 years of creditable service, or at 55 with 30 years of creditable service is entitled to a retirement benefit payable monthly for life, equal to 3.00 percent.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN – Continued

For members with 30 or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual times the member's final average compensation each year of creditable service. In any case, the retirement benefit cannot exceed 100 percent of their final average salary. Members with 20 or more years of service may retire with a reduced retirement at age 50. For members eligible on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months (60 highest consecutive months for member employed between July 1, 2006 and July 1, 2013) or joined months if service was interrupted. The earnings to be considered for each 12-month period within the 36-month (or 60 month) period shall not exceed 125% of the preceding 12 months. For members joining after July 1, 2013, final compensation is based on the average monthly earnings during the highest 60 consecutive months and the earnings to be considered for each 12-month period within the 60 months shall not exceed 115% of the preceding 12-month period.

A member is eligible to receive disability benefits if the member has at least 10 years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum is paid equal to 50% of the members final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under 18 years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the members final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60%, of final average compensation if there are more than 4 children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit

The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-three, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

The fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN – Continued

At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back- DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Cost of living provisions for the Fund allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost-of-living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2021, the actual employer contribution rate was 12.25%. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2021.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Franklin Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.25% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Franklin Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Franklin Parish Sheriff's contributions to the System for the years ended June 30, 2019, 2020, and 2021 were \$540,459, \$570,513, and \$603,280, respectively, equal to the required contributions for each year.

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

At June 30, 2021, the Sheriff reported a liability of \$4,366,251 for its proportionate share of the net pension liability of the system. 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 that date.

The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Sheriff's proportion was .630856% which was a decrease of .000513% from its proportion measured as of June 30, 2019.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN - Continued

For the year ended June 30, 2021, the Sheriff recognized pension expense of \$510,120 representing its proportionate share of the system's net expense, including amortization of deferred amounts.

At June 30, 2021, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (512,545)
Changes of assumptions	1,073,182	-
Net difference between projected and actual earnings on pension plan investments	1,050,492	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions -	145,785	6,219
Employer contributions subsequent to the measurement date	<u>603,280</u>	-
Total	<u>\$2,872,739</u>	<u>\$(506,326)</u>

The Sheriff reported a total of \$603,280 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2020 which will be recognized as a reduction in net pension liability in the year ended June 30, 2021.

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

Year
2021 \$269,163
2022 494,921
2023 534,18
2024 378,623
2025 49,196
<u>\$ 1,726,321</u>

Actuarial Assumptions

A Summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2020 is as follows:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.00%, net of investment expense
Discount Rate	7.00%

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN – Continued

Projected Salary Increases	5.0% (2.5% inflation, 2.5% merit)
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.
	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% males and 115% females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale.
	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.
Expected Remaining Service Lives	2020 – 6 years 2019 – 6 years 2018 - 6 years 2017 - 7 years 2016 - 7 years 2015 - 6 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Changes in Valuation Methods and Assumptions	The discount rate was lowered from 7.15% to 7.0% for the year ended June 30, 2020.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN – Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and 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 and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Real Return Target Allocation</u>	<u>Long-Term Expected Arithmetic Basis</u>	<u>Real Rate of Return</u>
Equity Securities	62%	6.8%	4.2%
Fixed Income	23%	2.4%	0.6%
Alternative Investments	<u>15%</u>	4.7%	<u>0.7%</u>
Total	<u>100%</u>		5.5%
Inflation			<u>2.4%</u>
Expected Arithmetic Nominal Return			<u>7.9%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the Sheriff's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the Sheriff's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSPRF			
Rates	6.0%	7.0%	8.0%
FPSO Share of NPL	\$7,930,628	\$4,366,251	\$1,393,735

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - PENSION PLAN – Continued

Change in Net Pension Liability

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the pension liability, changes of assumptions about future economic or demographic factors, and changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

NOTE 7 – DEFERRED COMPENSATION PLAN

The Sheriff offers its employees participation in the Louisiana Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission, and established in accordance with the Internal Revenue Code Section 457. Employees are eligible to participate in the Plan. The Plan allows employees to defer a portion of their salary until future years. The Sheriff makes matching contributions of employee's elective deferral. Contributions made by the Sheriff for the year ended June 30, 2021 were \$82,845.

NOTE 8 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

					Amounts
	Balance			Balance	Due
	June 30,			June 30,	Within
	<u>2020</u>		<u>Additional</u>	<u>Reductions</u>	<u>2021</u>
Compensated Absences	184,025		-	(25,364)	158,661
					<u>Year</u>

NOTE 9 - ON - BEHALF PAYMENTS

The Sheriff's office is located in the parish courthouse annex. Expenditures for operation and maintenance of the courthouse annex, as required by Louisiana Revised Statute 33:4715, are paid by the Franklin Parish Police Jury, except for the jail as set forth in the intergovernmental agreement discussed in Note 13.

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The Franklin Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Franklin Parish Sheriff's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS - Continued

Benefits Provided – Medical insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees' retirement eligibility (D.R.O.P. entry) provisions are as follows: at least 24 years of full-time service with the Sheriff's Office; attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1st, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service; and benefits are first earned following 24 years of service.

Life insurance is not considered in this valuation.

Employees covered by benefit terms – At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	13
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>97</u>
	<u><u>110</u></u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$6,638,952 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0%, including inflation
Prior Discount Rate	2.21%
Discount Rate	2.16%
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2018, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS - Continued

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 5,707,995
Changes for the year:	
Service cost	71,700
Interest	126,939
Differences between expected and actual experience	770,840
Changes in assumptions	52,221
Benefit payments and net transfers	(90,743)
Net changes	930,957
Balance at June 30, 2021	<u><u>\$ 6,638,942</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1.0% Decrease (1.16%)	Current Discount Rate (2.16%)	1.0% Increase (3.16%)
Total OPEB liability	\$ 8,130,846	\$ 6,638,942	\$ 5,493,913

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 5,498,700	\$ 6,638,942	\$ 8,104,363

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Sheriff recognized OPEB expense of \$554,176. At June 30, 2021, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,336,007	\$ -
Changes in assumption	1,330,086	
Total	\$ 2,666,093	\$ -

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS - Continued

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

Years ending June 30:	
2022	355,537
2023	355,537
2024	355,537
2025	355,537
2026	355,537
Thereafter	888,410

NOTE 11 – STEWARDSHIP AND ACCOUNTABILITY

The General Fund had actual expenditures which were more than budgeted expenditures for the year ended June 30, 2021:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Capital Outlay	\$ -	\$ 541,716	\$(541,716)

NOTE 12 - TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of this notice, the amount paid is segregated and held by the tax collector for a period of 30 days. If suit is filed within the 30-day period for recovery of such amounts, the funds are held pending outcome of the suit. If the taxpayer prevails, the tax collector refunds the amount due, with interest at the rate of 2 percent per annum from the date the funds were received by the tax collector. The following is a summary of changes in the taxes paid under protest as recorded in the Tax Collector Agency Fund:

Balance, June 30, 2020	\$ 652,695
Additions:	
Taxes	341,606
Interest	-
Settlements to Taxing Bodies and Others	-
Balance, June 30, 2021	<u>\$ 994,301</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 – INTERGOVERNMENTAL AGREEMENT

As provided by Louisiana Revised Statute 33:1324, the Franklin Parish Sheriff has entered into an intergovernmental agreement with the Franklin Parish Police Jury to assume all liabilities and responsibilities of the jail operations within Franklin Parish effective May 1, 1989, and perpetually thereafter, so long as the Franklin Parish Law Enforcement District sales tax remains in force and in effect. The liabilities assumed by the Sheriff include utilities, maintenance and upkeep, feeding and keeping of prisoners, salaries and cost of jail operations, and construction of a new jail. The intergovernmental agreement also states that the parish of Franklin relinquishes, transfers, and assigns to the Franklin Parish Sheriff and the Law Enforcement District of Franklin Parish all jurisdiction, responsibility, and control over the present and any future jail within Franklin Parish.

NOTE 14 - LITIGATION AND CLAIMS

At June 30, 2021, the sheriff has no pending or threatened litigation which would adversely affect the financial status of the Franklin Parish Sheriff's office.

NOTE 15 - RELATED PARTY TRANSACTIONS

There were no related party transactions that came to our attention.

NOTE 16 – EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at June 30, 2021 was \$998,883. The unsettled balances of the Tax Collector Fund at June 30, 2021 consist of:

Collection of current and prior year taxes not yet settled	\$ 4,582
Protested Taxes	<u>994,301</u>
	<u><u>\$ 998,883</u></u>

The amount of taxes collected for the current year by taxing authority was as follows:

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 16 - EX-OFFICIO TAX COLLECTOR - Continued

<u>Taxing Authority</u>	<u>Taxes Collected</u>
Franklin Parish Police Jury	\$ 3,705,080
Franklin Parish School Board	2,666,909
Franklin Medical Center	1,360,877
Franklin Parish Sheriff	1,105,237
Franklin Parish Library	841,122
Franklin Parish Tax Assessor	791,077
Tensas Basin Levee District	369,546
Franklin Parish Council on Aging	216,194
Franklin Parish Fire District II	211,819
Franklin Parish Fire District V	155,981
Teacher's Retirement Fund	122,222
Franklin Parish Fire District I	107,354
Franklin Parish Fire District IV	106,342
Sheriff's Pension and Relief Fund	61,112
Franklin Parish Fire District III	60,946
Assessor's Retirement Fund	38,831
Franklin Parish Clerk of Court Retirement	30,556
Municipal Employees	30,556
Parochial Employees	30,556
Franklin Parish District Attorney Retirement	24,445
Louisiana Tax Commission	13,551
Registrar of Voters Retirement Fund	7,640
La Agriculture & Forestry Commission	5,770
City of Winnsboro	494
Town of Wisner	93
	<u>\$ 12,064,310</u>

There were no taxes uncollected due to bankruptcies. The amount of collection on behalf of other taxing authorities is as follows:

<u>Taxing Authority</u>	<u>Franklin Parish Police Jury</u>	<u>Commission paid to Franklin Parish Sheriff</u>	<u>Final Distribution</u>
Occupational License	<u>\$ 206,088</u>	<u>\$ 36,368</u>	<u>\$ 242,456</u>

The Franklin Parish Sheriff's Office does not collect sales tax, hotel/motel tax, tax incremental finance district, public utility insurance premiums or any other taxes other than ad valorem tax and occupational licenses for tax authorities.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued, December 28, 2021, and determined that one ongoing event requires disclosure. Management has created a retired employees' insurance fund (FREIF) during the current legislative session. To date, no funds have been deposited in the FREIF. The statute established an August 1, 2021, effective date. At the Sheriff's discretion funds may be deposited into the fund to be used to fund insurance premium costs for retired employees and any other related costs lawfully allowed.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

**Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget to Actual
 General Fund
 For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over(Under)	
	Original	Final			
<u>Operating Revenue</u>					
Ad Valorem Taxes	1,000,000	1,050,000	\$ 1,049,882	\$ (118)	
Sales Taxes	1,100,000	1,500,000	1,544,774	44,774	
Intergovernmental Revenue					
Federal	70,000	1,289,850	1,256,281	(33,569)	
State	95,000	11,500	11,605	105	
Local	42,500	61,450	141,142	79,692	
State Revenue Sharing	70,000	71,050	71,075	25	
Fees, Charges, & Services					
Commissions	395,000	710,750	718,897	8,147	
Civil and Criminal Fees	232,500	193,550	191,916	(1,634)	
Housing Prisoners	7,570,000	9,244,850	9,337,761	92,911	
State Supplemental Pay	440,000	443,050	443,584	534	
Use of Money - Interest Earning	75,000	131,100	152,134	21,034	
Other	59,400	92,500	106,949	14,449	
Total Operating Revenues	<u>\$11,149,400</u>	<u>\$14,799,650</u>	<u>\$15,026,000</u>	<u>\$226,350</u>	
<u>Operating Expenditures</u>					
General Government					
Personnel Services	7,310,979	7,420,765	7,437,226	(16,461)	
Operating Services	3,698,880	5,026,300	4,779,942	246,358	
Materials and Supplies	90,000	339,650	345,035	(5,385)	
Travel and Other Charges	34,600	16,100	16,302	(202)	
Capital Outlay	-	-	541,716	(541,716)	
Total Expenditures	<u>11,134,459</u>	<u>12,802,815</u>	<u>13,120,221</u>	<u>(317,406)</u>	
Excess (Deficiency) of Revenues Over Expenditures	\$14,941	\$1,996,835	\$1,905,779	\$543,756	
Fund Balance - Beginning of the Year	<u>19,048,109</u>	<u>19,048,109</u>	<u>19,048,108</u>	<u>-</u>	
FUND BALANCE - END OF THE YEAR	<u>\$ 19,063,050</u>	<u>\$ 21,044,944</u>	<u>\$ 20,953,887</u>	<u>\$ 543,756</u>	

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

A. BUDGETS

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Franklin Parish Sheriff's office during the month of June to allow comments from taxpayers. The budget is then legally adopted by the Sheriff and amended during the year, as necessary. The budget is established and controlled by the Sheriff at the object level of expenditure. Appropriations lapse at year end and must be reappropriated for the following year to be expended.

B. UNFAVORABLE BUDGET VARIANCES

Actual expenditures greater than budgeted expenditures:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Capital Outlay	-	541,716	(541,716)

**FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA**
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND OTHER RATIOS
FOR THE YEAR ENDED JUNE 30, 2021

	Fiscal year ended 6/30 of			
	2018	2019	2020	2021
OPEB Expenses				
Service cost	\$ 60,309	\$ 44,992	\$ 47,882	\$ 71,700
Interest	108,766	113,755	125,500	126,939
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	83,587	298,131	423,088	770,840
Changes of assumptions	-	66,260	1,635,753	52,211
Benefit payments	(77,024)	(81,260)	(86,012)	(90,743)
Net change in total OPEB liability	175,638	441,878	2,146,211	930,947
Total OPEB liability - beginning	2,944,268	3,119,906	3,561,784	5,707,995
Total OPEB liability - ending (a)	\$ 3,119,906	\$ 3,561,784	\$ 5,707,995	\$ 6,638,942
Covered-employee payroll	\$ 3,764,743	\$ 3,877,685	\$ 4,111,457	\$ 4,234,801
Net OPEB liability as a percentage of covered-employee payroll	82.87%	91.85%	138.83%	156.77%
Notes to Schedule:				
<i>Benefit Change:</i>	None	None	None	None
<i>Changes of Assumptions:</i>				
<i>Discount Rate:</i>	3.62%	3.50%	2.21%	2.16%
<i>Mortality:</i>	RP-2000	RP-2000	RP-2014	RP-2014
<i>Trend:</i>	5.5%	5.5%	Variable	Variable

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF FRANKLIN PARISH SHERIFF'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021

Fiscal Year	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution		(a-b) Contribution deficiency	Agency's covered payroll	Contributions as a percentage of covered payroll
2015	\$ 531,592	\$ 531,592		\$ -	\$ 3,731,059	14.25%
2016	\$ 531,940	\$ 531,940		\$ -	\$ 3,868,737	13.75%
2017	\$ 533,853	\$ 533,853		\$ -	\$ 4,029,123	13.25%
2018	\$ 546,629	\$ 546,629		\$ -	\$ 4,286,378	12.75%
2019	\$ 540,459	\$ 540,459		\$ -	\$ 4,411,703	12.25%
2020	\$ 570,513	\$ 570,513		\$ -	\$ 4,657,415	12.25%
2021	\$ 603,280	\$ 603,280		\$ -	\$ 4,928,600	12.24%

Amounts presented were determined as of the end of the fiscal year.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

SCHEDULE OF SHERIFF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021

Fiscal Year	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	56.0699%	\$ 2,220,371	\$ 3,731,059	59.5105%	87.3447%
2016	56.5756%	\$ 2,521,867	\$ 3,868,737	65.1858%	86.6065%
2017	56.5824%	\$ 3,591,225	\$ 4,029,123	89.1317%	82.0969%
2018	58.1696%	\$ 2,518,903	\$ 4,286,378	58.7653%	88.4876%
2019	62.2792%	\$ 2,388,188	\$ 4,411,703	54.1330%	90.4106%
2020	63.1369%	\$ 2,986,520	\$ 4,657,415	64.1240%	88.9085%
2021	63.0856%	\$ 4,366,251	\$ 4,928,600	88.5901%	84.7289%

Amounts presented were determined as of the measurement date (previous fiscal year end).

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

OTHER SUPPLEMENTAL INFORMATION



KEVIN W. COBB

FRANKLIN PARISH

SHERIFF AND EX-OFFICIO TAX COLLECTOR

6556 MAIN STREET . WINNSBORO, LOUISIANA 71295 . TELEPHONE (318) 435-4505 . FACSIMILE (318) 435-5810

STATE OF LOUISIANA, PARISH OF FRANKLIN

AFFADAVIT

KEVIN W. COBB, Sheriff of Franklin Parish

BEFORE ME, the undersigned authority, personally came and appeared Kevin W. Cobb, the sheriff of Franklin Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$998,883 is the amount of cash on hand in the tax collector account on June 30, 2021;

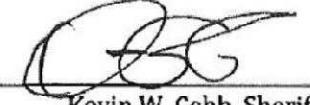
Collected of current and prior year taxes not yet settled: \$4,582.00

Protested taxes held: \$994,301.00

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2020, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.



Kevin W. Cobb, Sheriff
Sheriff of FRANKLIN
(Parish)

SWORN to and subscribed before me, Notary, this 17th day of December, 2021, in my office in Winnsboro, Louisiana.



Kevin W. Cobb, Sheriff

David Wm. Rigdon, Bar Roll No. 32228
Commission Expires on Death

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2021

Agency Head: Kevin Cobb, Sheriff

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 177,955
Benefits - Insurance	19,956
Travel, Registrations and Related Expenses	<u>1,571</u>
Total	<u>\$ 199,482</u>

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Entity Name
 LLA Entity ID #
 Date that reporting period ended

Franklin Parish Sheriff
 3085
 06/30/2021

Cash Basis Presentation

Beginning Balance of Amounts Collected (i.e. cash on hand)

Collections

	First Six Month Period Ended 12/31/20	Second Six Month Period Ended 06/30/21
	\$ 470,172	
Civil Fees	110,155	80,016
Bond Fees	34,080	79,530
Cash Bonds	50,000	15,250
Criminal Seizures	328	20,365
Fines, Fees Court Cost	175,632	211,637
Restitution	12,101	27,485
Subtotal Collections	\$ 382,296	\$ 434,283

Less: Disbursements To Governments & Nonprofits:

Bond Fees-5th Judicial District Criminal Court Fund	7,673	18,353
Bond Fees- Clerk of Court	226	408
Bond Fees- Crime Lab	226	408
Bond Fees- 5th Judicial District Attorney's Office	7,673	18,353
Bond Fees- 5th Judicial District Attorney's Office	791	1,428
Bonds Fees- Indigent Defender Board	226	408
Bond Fees - Indigent Defender Board	7,673	18,353
Criminal Seizures - 5th Judicial District Attorney's Office	55	3,982
Criminal Seizures - 5th Judicial District Criminal Court Fund	55	3,983
Criminal Seizures - Franklin Parish Clerk of Court	50	250
Criminal Seizures - DART	3	204
Fines, Fees Court Cost - DHH TH/SCI T.F.	828	780
Restitution	12,101	27,485
Fines, Fees Court Cost- Indigent Defender Board	10,571	12,274
Fines, Fees Court Cost- Clerk of Court	8,984	12,791
Fines, Fees Court Cost- Franklin Parish Coroner	890	1,480
Fines, Fees Court Cost- North Louisiana Crime Lab	21,799	29,125
Fines, Fees Court Cost- 5th Judicial District Attorney's Office	16,504	20,636
Fines, Fees Court Cost- Louisiana State Police	507	450
Fines, Fees Court Cost- 5th Judicial District Judicial Expense	1,730	2,055
Fines, Fees Court Cost- Louisiana Commission on Law Enforcement	4,040	5,826
Fines, Fees Court Cost- 5th Judicial District Criminal Court Fund	80,166	90,793
Cost of Prosecution - 5th Judicial District Attorney's Office	250	1,150
Clerk of Court, Sheriff Sale Fees	8,670	4,419
Fines, Fees Court Cost- NELSA	4,553	5,698
Fines, Fees Court Cost- Louisiana Supreme Court	698	873
Fines, Fees Court Cost- Franklin Parish Police Jury (Witness Fees)	2,333	2,763

Less: Amounts Retained by Collecting Agency

Civil Fees	19,016	10,194
Bond Fees	9,594	21,821
Criminal Seizures	165	11,947
Cash Bonds Still Held	-	61,193
Interest	-	3,675
Fines, Fees Court Cost	21,783	24,944

Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies

Cash Bond Distributions	280,000	50,000
Civil, Garnishments to Attorney of Record	13,013	7,057
Civil Fees, Appraisal Fees	2,210	1,740
Civil Fees, Advertisements	1,595	1,025
Civil Fees, Payments Due to Attorney of Record Sheriff Sales	59,315	55,581
Civil Fees, Sheriff Sales- Storaage / Wrecker / Etc.	6,336	-

Subtotal Disbursements/Retainage

Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 612,296	\$ 533,901
Ending Balance of "Partial Payments" Collected but not Disbursed	-	\$ 140,554

Ending Balance of "Partial Payments" Collected but not Disbursed	-	\$ 59,875
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**OTHER SUPPLEMENTAL INFORMATION –
COMPLIANCE REQUIREMENTS**

DAVID M. HARTT, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Franklin Parish Sheriff, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued my report thereon dated December 28, 2021.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, I do not express an opinion on the effectiveness of the Sheriff's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin Parish Sheriff's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

This report is intended for the use of management of Franklin Parish Sheriff and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana
December 28, 2021

DAVID M. HARTT, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Report on Compliance for Each Major Federal Program

I have audited the Franklin Parish Sheriff's (Sheriff) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Sheriff's major federal programs for the year ended June 30, 2021. The Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Sheriff's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Sheriff's compliance.

Opinion on Each Major Federal Program

In my opinion, the Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Sheriff is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Sheriff's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Sheriff's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

West Monroe, Louisiana
December 28, 2021

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor	CFDA#	Grant Number	Amount Spent
Department of Justice			
Passed through the Louisiana Commission on Law Enforcement			
Victim Assistance Program 2 (Grant ID 4489)	16.575	4489	\$ 2,920
Victim Assistance Program 2 (Grant ID 5071)	16.575	5071	<u>59,372</u>
Total			<u>62,292</u>
CESF 2020 (Grant ID 5487)	16.751	5487	169,368
Street Sales Disruption (Grant ID 4623)	16.738	4623	3,000
Street Sales Disruption (Grant ID 4899)	16.738	4899	<u>3,587</u>
Total			<u>6,587</u>
Total Department of Justice			238,247
Department of the US Treasury			
Coronavirus Aid, Relief and Economic Security Act (CARES Act)			
Covid 19 Funding 2-B	21.019		1,038,540 *
TOTAL FEDERAL ASSISTANCE			<u>\$ 1,276,787</u>

*Denotes Major Federal Program.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Part I-Summary of Auditor's Results

Financial Statement Audit

- i. The type of audit report was unmodified.
- ii. There were no significant deficiencies or material weaknesses required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were no significant deficiencies or material weaknesses required to be disclosed by the Uniform Guidance (2CFR 200).
- v. The type of report the auditor issued on compliance for the major program was unmodified.
- vi. The audit disclosed no findings which the auditor is required to report under the Uniform Guidance.
- vii. The major federal program was:
Coronavirus Aid, Relief and Economic Security Act (CARES) CFDA #21.019
- viii. The dollar threshold used to identify between Type A and Type B programs as described in the Uniform Guidance was \$750,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance.

Part II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America.

Section I - Internal Control and Compliance Material to the Financial Statements

No findings were reported under this section.

Section II - Financial Statement Findings

No findings were reported under this section.

Section III - Management Letter

No management letter was issued.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Franklin Parish Sheriff for the year ended June 30, 2021. The Sheriff's reporting entity is defined in Note 1 to the Sheriff's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Sheriff, it is not intended to and does not present the financial position or change in net position of the Sheriff.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Sheriff's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 4 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 5 -DE MINIMIS INDIRECT COST RATE The Sheriff has elected not to use the 10- percent de minimis indirect cost rate allowed under the Uniform Guidance.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Section I - Internal Control and Compliance Material to the Financial Statements

2020-1 Under Collateralized Deposit

Condition: At year end, the funds deposited at Farm Bureau Bank were not fully collateralized.

Cause: Management changed the asset holdings at Farm Bureau Bank to maximize the rate of return while considering the upcoming cash needs of operations. Because the holdings in the account changed, the new account type necessitated a pledge of collateral securities.

Criteria: The amount of the security shall at all times be equal to one hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposits insured by any governmental agency insuring bank deposits which is organized under the laws of the United States. LA R.S. 39:1225.

Effect of Condition: Deposits were under collateralized at year end.

Recommendation: Management should review the pledged collateral reports against the bank balance each month to ensure adequate coverage is held at each institution.

Management's Response: Management understands the requirement for all deposits to be fully insured and collateralized. Due to the unusual circumstances during fiscal year 2020 related to the COVID pandemic, and the resulting constraints on management's time, the additional pledged collateral on the Farm Bureau Bank holdings did not happen prior to year-end. The asset holdings changed between March 2020 and April 2020, when the pandemic related use of time and resources was at its peak. The funds are now collateralized, and management will periodically review the pledge reports for adequate coverage.

Status:

Resolved.

Section II - Financial Statement Findings

No findings under this section.

Section III - Management Letter

No management letter was issued.