

# FRANKLIN COUNTY, MISSISSIPPI

Audited Financial Statements and Special Reports  
For the Year Ended September 30, 2020



## SHAD WHITE

STATE AUDITOR

Stephanie C. Palmertree, CPA  
Director, Financial & Compliance Audit Division

Joe E. McKnight, CPA  
Director, County Audit Section



A Report from the County Audit Section

[www.osa.state.ms.us](http://www.osa.state.ms.us)









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

**Shad White**  
AUDITOR

December 13, 2021

Members of the Board of Supervisors  
Franklin County, Mississippi

Dear Board Members:

I am pleased to submit to you the 2020 financial and compliance audit report for Franklin County. This audit was performed pursuant to Section 7-7-211(e), Mississippi Code Ann. (1972). The audit was performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Shad White", with a large, stylized flourish at the end.

Shad White



# FRANKLIN COUNTY

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FRANKLIN COUNTY

FINANCIAL SECTION

FRANKLIN COUNTY

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

**INDEPENDENT AUDITOR'S REPORT**

Members of the Board of Supervisors  
Franklin County, Mississippi

**Report on the Financial Statements**

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Franklin County, Mississippi, (the County) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government 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 the cash basis of accounting, as described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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, we 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.

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

### ***Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units***

The financial statements do not include financial data for the County's legally separate component units. Accounting principles applicable to the County's cash basis of accounting require the financial data for those component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The amount by which this departure would affect the cash basis assets, net position, receipts, and disbursements of the aggregate discretely presented component units is not reasonably determinable.

### ***Adverse Opinion***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the cash basis financial position of the aggregate discretely presented component units of Franklin County, Mississippi, as of September 30, 2020, or the changes in cash basis financial position thereof for the year then ended in accordance with accounting principles applicable to the County's cash basis of accounting.

### ***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Franklin County, Mississippi, as of September 30, 2020, and the respective changes in cash basis financial position thereof for the year then ended, in accordance with the basis of accounting described in Note 1.

### ***Basis of Accounting***

We draw attention to Note 1 of the financial statements which describes that Franklin County, Mississippi prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Report on Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Franklin County, Mississippi's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is 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 our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Budgetary Comparison Schedules, Schedule of Investments, Schedule of Interfund Loans, Schedule of Capital Assets, Schedule of Changes in Long-term Debt, Schedule of Surety Bonds for County Officials and corresponding notes have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2021 on our consideration of Franklin County, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Franklin County, Mississippi's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Franklin County, Mississippi's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Joe E. Mcknight". The signature is fluid and cursive, with the first name "Joe" and last name "Mcknight" clearly distinguishable.

JOE E. MCKNIGHT, CPA  
Director, County Audit Section

December 13, 2021

## FRANKLIN COUNTY

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FRANKLIN COUNTY

FINANCIAL STATEMENTS

## FRANKLIN COUNTY

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FRANKLIN COUNTY  
Statement of Net Position - Cash Basis  
September 30, 2020

Exhibit 1

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 6,051,236	212,179	6,263,415
Total Assets	<u>6,051,236</u>	<u>212,179</u>	<u>6,263,415</u>
NET POSITION			
Restricted:			
Expendable:			
General government	131,956		131,956
Public safety	926,139		926,139
Public works	3,041,304	212,179	3,253,483
Health and welfare	1,168,509		1,168,509
Debt service	62,296		62,296
Unemployment compensation	21,471		21,471
Unrestricted	699,561		699,561
Total Net Position	<u>\$ 6,051,236</u>	<u>212,179</u>	<u>6,263,415</u>

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

## FRANKLIN COUNTY

Exhibit 2

Statement of Activities - Cash Basis  
For the Year Ended September 30, 2020

Functions/Programs	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 1,697,850	262,712	58,278		(1,376,860)		(1,376,860)
Public safety	960,010	117,496	57,650	261,410	(523,454)		(523,454)
Public works	2,856,652		1,036,318		(1,820,334)		(1,820,334)
Health and welfare	68,927		7,382		(61,545)		(61,545)
Culture and recreation	3,502				(3,502)		(3,502)
Education	313,276		313,276		0		0
Conservation of natural resources	66,995				(66,995)		(66,995)
Economic development and assistance	5,302				(5,302)		(5,302)
Debt service:							
Principal	202,349				(202,349)		(202,349)
Interest	38,134				(38,134)		(38,134)
Total Governmental Activities	6,212,997	380,208	1,472,904	261,410	(4,098,475)	0	(4,098,475)
Business-type activities:							
Solid Waste	760,759	655,385	16,076			(89,298)	(89,298)
Total Business-type Activities	760,759	655,385	16,076	0		(89,298)	(89,298)
Total Primary Government	\$ 6,973,756	1,035,593	1,488,980	261,410	(4,098,475)	(89,298)	(4,187,773)
General receipts:							
Property taxes					\$ 3,375,515	251,550	3,627,065
Road & bridge privilege taxes					115,664		115,664
Grants and contributions not restricted to specific programs					430,614		430,614
Unrestricted interest income					66,585	2,132	68,717
Miscellaneous					32,725	2,928	35,653
Proceeds from debt issuance					392,576		392,576
Sale of county property					29,004		29,004
Transfers					(3,177)	3,177	0
Total General Receipts, Other Cash Sources and Transfers					4,439,506	259,787	4,699,293
Changes in Net Position					341,031	170,489	511,520
Net Position - Beginning					5,710,205	41,690	5,751,895
Net Position - Ending					\$ 6,051,236	212,179	6,263,415

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

FRANKLIN COUNTY  
Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
September 30, 2020

Exhibit 3

	<u>Major Funds</u>				<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Hospital</u>	<u>District Four</u>	<u>Countywide</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Contingency</u>	<u>Maintenance</u>	<u>Bridge &amp; Culvert</u>	<u>Funds</u>	<u>Funds</u>
ASSETS						
Cash	\$ 700,511	1,168,509	362,260	677,693	3,142,263	6,051,236
Total Assets	<u>\$ 700,511</u>	<u>1,168,509</u>	<u>362,260</u>	<u>677,693</u>	<u>3,142,263</u>	<u>6,051,236</u>
FUND BALANCES						
Restricted for:						
General government	\$				131,956	131,956
Public safety					926,139	926,139
Public works			362,260	677,693	2,001,351	3,041,304
Health and welfare		1,168,509				1,168,509
Debt service					62,296	62,296
Unemployment compensation					21,471	21,471
Unassigned	700,511				(950)	699,561
Total Fund Balances	<u>\$ 700,511</u>	<u>1,168,509</u>	<u>362,260</u>	<u>677,693</u>	<u>3,142,263</u>	<u>6,051,236</u>

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

## FRANKLIN COUNTY

Exhibit 4

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

## Governmental Funds

For the Year Ended September 30, 2020

	Major Funds				Other	Total
	General	Hospital	District Four	Countywide	Governmental	Governmental
	Fund	Contingency	Maintenance	Bridge & Culvert	Funds	Funds
		Fund	Fund	Fund		
RECEIPTS						
Property taxes	\$ 1,949,813	74,611	206,056	128,937	1,016,098	3,375,515
Road and bridge privilege taxes					115,664	115,664
Licenses, commissions and other receipts	87,365				694	88,059
Fines and forfeitures	190,657				4,385	195,042
Intergovernmental receipts	738,283	1,055	256,865	88,541	1,080,184	2,164,928
Charges for services	2,200				94,907	97,107
Interest income	9,928	12,602	3,697	7,058	33,300	66,585
Miscellaneous receipts	3,873			2,950	25,902	32,725
Total Receipts	2,982,119	88,268	466,618	227,486	2,371,134	6,135,625
DISBURSEMENTS						
General government	1,622,196				75,654	1,697,850
Public safety	781,858				178,152	960,010
Public works			625,358	110,947	2,120,347	2,856,652
Health and welfare	54,790	14,137				68,927
Culture and recreation					3,502	3,502
Education	313,276					313,276
Conservation of natural resources	66,995					66,995
Economic development and assistance	5,302					5,302
Debt service:						
Principal			11,823		190,526	202,349
Interest			3,848		34,286	38,134
Total Disbursements	2,844,417	14,137	641,029	110,947	2,602,467	6,212,997
Excess (Deficiency) of Receipts over (under) Disbursements	137,702	74,131	(174,411)	116,539	(231,333)	(77,372)
OTHER CASH SOURCES (USES)						
Proceeds from long-term debt issuance			238,000		154,576	392,576
Sale of county property	8,874		14,880		5,250	29,004
Transfers in					92,220	92,220
Transfers out	(3,600)				(91,797)	(95,397)
Total Other Cash Sources and Uses	5,274	0	252,880	0	160,249	418,403
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	142,976	74,131	78,469	116,539	(71,084)	341,031
Cash Basis Fund Balances - Beginning	557,535	1,094,378	283,791	561,154	3,213,347	5,710,205
Cash Basis Fund Balances - Ending	\$ 700,511	1,168,509	362,260	677,693	3,142,263	6,051,236

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

FRANKLIN COUNTY  
Statement of Net Position - Cash Basis - Proprietary Fund  
September 30, 2020

Exhibit 5

	Business-type Activities - Enterprise Fund
	Sanitation and Waste Removal Fund
ASSETS	
Cash	\$ 212,179
Total Assets	<u>212,179</u>
NET POSITION	
Restricted for:	
Public works	212,179
Total Net Position	<u>\$ 212,179</u>

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

## FRANKLIN COUNTY

Exhibit 6

Statement of Cash Receipts, Disbursements and Changes in Net Position - Proprietary Fund  
For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Fund Sanitation and Waste Removal Fund
Operating Receipts	
Charges for services	\$ 655,385
Miscellaneous	2,928
Total Operating Receipts	<u>658,313</u>
Operating Disbursements	
Personal services	405,215
Contractual services	105,509
Materials and supplies	153,161
Total Operating Disbursements	<u>663,885</u>
Operating Income (Loss)	<u>(5,572)</u>
Nonoperating Receipts (Disbursements)	
Property tax	251,550
Interest income	2,132
Intergovernmental grants	16,076
Principal paid	(86,484)
Interest expense	(10,390)
Net Nonoperating Receipts (Disbursements)	<u>172,884</u>
Net Income (Loss) Before Transfers	167,312
Transfers in	<u>3,177</u>
Changes in Net Position	170,489
Net Position - Beginning	<u>41,690</u>
Net Position - Ending	<u>\$ 212,179</u>

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

FRANKLIN COUNTY  
Statement of Fiduciary Assets and Liabilities - Cash Basis  
September 30, 2020

Exhibit 7

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 516,403
Total Assets	<u>\$ 516,403</u>
LIABILITIES	
Amounts held in custody for others	\$ 516,403
Total Liabilities	<u>\$ 516,403</u>

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

## FRANKLIN COUNTY

### Notes to Financial Statements For the Year Ended September 30, 2020

#### (1) Summary of Significant Accounting Policies.

##### A. Financial Reporting Entity.

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

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

- Franklin County Memorial Hospital
- Okhissa Lake Sewer District

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

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

##### B. Basis of Presentation.

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

##### Government-wide Financial Statements:

The Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis display information concerning the County as a whole. The statements include all nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are generally financed through taxes, intergovernmental receipts and other nonexchange receipts and are reported separately from business-type activities. Business-type activities rely mainly on fees and charges for support.

The Statement of Net Position – Cash Basis presents the financial condition of the governmental activities and business-type activities of the County at year-end. The Government-wide Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each function or program of the County's governmental activities and business-type activities. Direct disbursements are those that are specifically associated with a service, program



## FRANKLIN COUNTY

### Notes to Financial Statements For the Year Ended September 30, 2020

or department and therefore, are clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other receipts not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each business-type activity or governmental function is self-financing or draws from the general receipts of the County.

#### Fund Financial Statements:

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

#### C. Measurement Focus and Basis of Accounting.

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

The County reports the following major Governmental Funds:

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

Hospital Contingency Fund - This fund is used to account for funds received for the benefit of the hospital.

District Four Maintenance Fund - This fund is used to account for monies from specific sources that are restricted for district four road maintenance.

Countywide Bridge & Culvert Fund - This fund is used to account for monies from specific revenue sources that are restricted for bridge and culvert maintenance.

The County reports the following major Enterprise Fund:

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

## FRANKLIN COUNTY

### Notes to Financial Statements For the Year Ended September 30, 2020

Additionally, the County reports the following fund types:

#### GOVERNMENTAL FUND TYPES

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

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

#### PROPRIETARY FUND TYPE

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the County has decided that periodic determination of receipts collected, disbursements paid and/or net income is necessary for management accountability.

#### FIDUCIARY FUND TYPE

Agency Funds - These funds account for various taxes, deposits and other monies collected or held by the County, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

#### D. Account Classifications.

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

#### E. Deposits and Investments.

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

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

#### F. Equity Classifications.

Government-wide Financial Statements:

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

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

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

Net Position Flow Assumption:

When a disbursement is paid for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the County's general policy to use restricted

## FRANKLIN COUNTY

### Notes to Financial Statements For the Year Ended September 30, 2020

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

#### Fund Financial Statements:

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

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

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

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

#### Fund Balance Flow Assumption:

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

#### G. Property Tax Receipts.

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

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

#### H. Changes in Accounting Standards.

The Governmental Accounting Standards Board issued GASB 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* in May 2020. The objective of this Statement was to provide temporary relief to governments in light of the COVID-19 pandemic by postponing effective

# FRANKLIN COUNTY

## Notes to Financial Statements For the Year Ended September 30, 2020

dates of certain Statements and Implementation Guides. The effective dates of GASB 83-84, GASB 88-93, and Implementation Guides No. 2017-3, 2018-1, 2019-1, and 2019-2 were postponed one year. The effective dates of GASB 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, were postponed eighteen months.

### (2) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2020, was \$6,779,818, and the bank balance was \$6,871,232. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

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

### (3) Interfund Transfers.

The following is a summary of interfund transfers at September 30, 2020:

#### Transfers In/Out:

Transfers In	Transfers Out	Amount
Other Governmental Funds	General Fund	\$ 423
Other Governmental Funds	Other Governmental Funds	91,797
Sanitation and Waste Removal Fund	General Fund	3,177
Total		\$ 95,397

The principal purpose of the interfund transfers were to repay amounts from prior year interfund loans.

### (4) Claims and Judgments.

#### Risk Financing.

The County finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The County pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2020, to January 1, 2021. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

### (5) Contingencies.

## FRANKLIN COUNTY

### Notes to Financial Statements For the Year Ended September 30, 2020

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

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

(6) Jointly Governed Organizations.

The County participates in the following jointly governed organizations:

Copiah Lincoln Community College operates in a district composed of the counties of Adams, Copiah, Franklin, Jefferson, Lawrence, Lincoln and Simpson. The Franklin County Board of Supervisors appoints two of the 27 members of the college board of trustees. The County contributed \$172,357 for maintenance and support of the district in fiscal year 2020.

Southwest Mississippi Planning and Development District operates in a district composed of the counties of Adams, Amite, Claiborne, Franklin, Jefferson, Lawrence, Lincoln, Pike, Walthall and Wilkinson. The Franklin County Board of Supervisors appoints four of the 40 members of the board of directors. The County contributed \$18,104 for support of the district in fiscal year 2020.

Southwest Mississippi Mental Health Complex operates in a district composed of the counties of Adams, Amite, Claiborne, Franklin, Jefferson, Lawrence, Lincoln, Pike, Walthall and Wilkinson. The Franklin County Board of Supervisors appoints one of the 10 members of the board of commissioners. The County contributed \$18,000 for its support in fiscal year 2020.

Southwest Mississippi Partnership operates in a district composed of the counties of Adams, Amite, Claiborne, Franklin, Jefferson, Lawrence, Lincoln, Pike, Walthall and Wilkinson. The entity is governed by ten members, appointed by each County's lead industrial foundation or chamber of commerce. If no industrial foundation or chamber of commerce is present, the member is appointed by the County's Board of Supervisors. The County contributed \$1,624 for its support in fiscal year 2020.

(7) Defined Benefit Pension Plan.

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

Funding Policy. At September 30, 2020, PERS members were required to contribute 9% of their annual covered salary, and the County is required to contribute at an actuarially determined rate. The rate at September 30, 2020 was 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The County's contributions (employer share only) to PERS for the years ending September 30, 2020, 2019 and 2018 were \$341,457, \$303,151 and \$300,087, respectively, equal to the required contributions for each year.

## FRANKLIN COUNTY

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## FRANKLIN COUNTY

## SUPPLEMENTARY INFORMATION

FRANKLIN COUNTY

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FRANKLIN COUNTY  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2020

Federal Grantor/ Pass-through Grantor/ Program Title or Cluster	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture - Forest Service/ Passed-through the Mississippi State Treasurer's Office Forest service schools and roads cluster: Schools and roads - grants to states*	10.665	N/A	\$ 660,366
Total U.S. Department of Agriculture			660,366
U.S. Department of the Treasury/ Passed-through the Mississippi Emergency Management Agency Coronavirus relief fund	21.019	N/A	144,468
Total U.S. Department of Treasury			144,468
U.S. Department of Homeland Security/ Passed-through the Mississippi Emergency Management Agency Emergency management performance grants	97.042	EMA-2019-EP-000006	14,751
Total U.S. Department of Homeland Security			14,751
Total Expenditures of Federal Awards			\$ 819,585

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Franklin County under programs of the federal government for the year ended September 30, 2020. 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 Franklin County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Franklin County.

Note B - Summary of Significant Accounting Policies

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

Note C - Indirect Cost Rate

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

Note D - Schools and Roads - Grants to States

Of the federal expenditures presented in the Schedule, the County provided federal awards totaling \$292,919 to subrecipients during the year ended September 30, 2020.

\* Denotes major federal award program

## FRANKLIN COUNTY

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## FRANKLIN COUNTY

## OTHER INFORMATION

FRANKLIN COUNTY

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FRANKLIN COUNTY  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 General Fund  
 For the Year Ended September 30, 2020  
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Property taxes	\$ 1,929,175	1,949,813	1,949,813	
Licenses, commissions and other receipts	72,500	87,365	87,365	
Fines and forfeitures	184,300	190,657	190,657	
Intergovernmental receipts	447,050	738,283	738,283	
Charges for services	1,000	2,200	2,200	
Interest income	8,200	9,928	9,928	
Miscellaneous receipts	18,700	3,873	3,873	
Total Receipts	<u>2,660,925</u>	<u>2,982,119</u>	<u>2,982,119</u>	<u>0</u>
<b>DISBURSEMENTS</b>				
Current:				
General government	1,824,050	1,622,196	1,622,196	
Public safety	982,706	781,858	781,858	
Health and welfare	55,542	54,790	54,790	
Education		313,276	313,276	
Conservation of natural resources	71,590	66,995	66,995	
Economic development and assistance	7,002	5,302	5,302	
Total Disbursements	<u>2,940,890</u>	<u>2,844,417</u>	<u>2,844,417</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(279,965)</u>	<u>137,702</u>	<u>137,702</u>	<u>0</u>
<b>OTHER CASH SOURCES (USES)</b>				
Sale of county property		8,874	8,874	
Transfers out		(3,600)	(3,600)	
Total Other Cash Sources and Uses	<u>0</u>	<u>5,274</u>	<u>5,274</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(279,965)</u>	<u>142,976</u>	<u>142,976</u>	<u>0</u>
Cash Basis Fund Balances - Beginning	<u>703,400</u>	<u>557,535</u>	<u>557,535</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 423,435</u>	<u>700,511</u>	<u>700,511</u>	<u>0</u>

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

FRANKLIN COUNTY  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 Hospital Contingency Fund  
 For the Year Ended September 30, 2020  
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 72,300	74,611	74,611	
Intergovernmental receipts	1,000	1,055	1,055	
Interest income	6,500	12,602	12,602	
Total Receipts	<u>79,800</u>	<u>88,268</u>	<u>88,268</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Health and welfare	<u>13,000</u>	<u>14,137</u>	<u>14,137</u>	
Total Disbursements	<u>13,000</u>	<u>14,137</u>	<u>14,137</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	66,800	74,131	74,131	0
Cash Basis Fund Balances - Beginning	<u>1,167,688</u>	<u>1,094,378</u>	<u>1,094,378</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 1,234,488</u>	<u>1,168,509</u>	<u>1,168,509</u>	<u>0</u>

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

FRANKLIN COUNTY  
Budgetary Comparison Schedule -  
Budget and Actual (Non-GAAP Basis)  
District Four Maintenance Fund  
For the Year Ended September 30, 2020  
UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 204,300	206,056	206,056	
Intergovernmental receipts	226,500	256,865	256,865	
Interest income	2,300	3,697	3,697	
Total Receipts	<u>433,100</u>	<u>466,618</u>	<u>466,618</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Public works	625,358	625,358	625,358	
Principal		11,823	11,823	
Interest		3,848	3,848	
Total Disbursements	<u>625,358</u>	<u>641,029</u>	<u>641,029</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(192,258)</u>	<u>(174,411)</u>	<u>(174,411)</u>	<u>0</u>
OTHER CASH SOURCES (USES)				
Proceeds from long-term debt issuance		238,000	238,000	
Sale of county property		14,880	14,880	
Total Other Cash Sources and Uses	<u>0</u>	<u>252,880</u>	<u>252,880</u>	<u>0</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(192,258)</u>	<u>78,469</u>	<u>78,469</u>	<u>0</u>
Cash Basis Fund Balances - Beginning	<u>357,573</u>	<u>283,791</u>	<u>283,791</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 165,315</u>	<u>362,260</u>	<u>362,260</u>	<u>0</u>

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

FRANKLIN COUNTY  
 Budgetary Comparison Schedule -  
 Budget and Actual (Non-GAAP Basis)  
 Countywide Bridge & Culvert Fund  
 For the Year Ended September 30, 2020  
 UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 128,500	128,937	128,937	
Intergovernmental receipts		88,541	88,541	
Interest income	5,000	7,058	7,058	
Miscellaneous receipts		2,950	2,950	
Total Receipts	<u>133,500</u>	<u>227,486</u>	<u>227,486</u>	<u>0</u>
DISBURSEMENTS				
Current:				
Public works	<u>154,587</u>	<u>110,947</u>	<u>110,947</u>	
Total Disbursements	<u>154,587</u>	<u>110,947</u>	<u>110,947</u>	<u>0</u>
Excess (Deficiency) of Receipts over (under) Disbursements	(21,087)	116,539	116,539	0
Cash Basis Fund Balances - Beginning	<u>677,117</u>	<u>561,154</u>	<u>561,154</u>	<u>0</u>
Cash Basis Fund Balances - Ending	<u>\$ 656,030</u>	<u>677,693</u>	<u>677,693</u>	<u>0</u>

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



FRANKLIN COUNTY  
Schedule of Investments  
For the Year Ended September 30, 2020  
UNAUDITED

<u>Fund</u>	<u>Description</u>	<u>Maturity Date</u>	<u>October 1, 2019 Balance</u>	<u>Purchases</u>	<u>Redeemed Sales</u>	<u>September 30, 2020 Balance</u>
OTHER GOVERNMENTAL FUNDS						
	Hancock Horizon Treasury Securities Money Market Mutual Fund	Less than one year	\$ <u>123,660</u>	<u>                    </u>	<u>                    </u>	<u>123,660</u>
TOTAL GOVERNMENTAL FUNDS			\$ <u>123,660</u>	<u>0</u>	<u>0</u>	<u>123,660</u>

FRANKLIN COUNTY  
Schedule of Interfund Loans  
For the Year Ended September 30, 2020  
UNAUDITED

The following is a summary of interfund balances at September 30, 2020:

A. Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Balance at September 30, 2020</u>
General Fund	Other Governmental Funds	\$ <u>950</u>

The amounts due were for operating expenses for the fiscal year ending 2020. All interfund balances are expected to be repaid within one year from the date of the financial statements.

FRANKLIN COUNTY  
Schedule of Capital Assets  
For the Year Ended September 30, 2020  
UNAUDITED

**Governmental activities:**

	Balance Oct. 1, 2019	Additions	Deletions	Adjustments *	Balance Sept. 30, 2020
Land	\$ 332,279	14,335			346,614
Infrastructure	2,953,998				2,953,998
Buildings	1,383,308				1,383,308
Improvements other than buildings	332,052				332,052
Mobile equipment	4,243,455	180,339	159,072	240,334	4,505,056
Furniture and equipment	1,231,987	38,004	5,878		1,264,113
Leased property under capital leases	285,334	238,000		(240,334)	283,000
Total capital assets	\$ 10,762,413	470,678	164,950	0	11,068,141

**Business-type activities:**

	Balance Oct. 1, 2019	Additions	Deletions	Adjustments	Balance Sept. 30, 2020
Land	\$ 1,516				1,516
Mobile equipment	224,824	87,000			311,824
Leased property under capital leases	332,400				332,400
Total capital assets	\$ 558,740	87,000	0	0	645,740

\* Adjustments to capital assets were for the reclassification of paid-off capital leases to mobile equipment.

FRANKLIN COUNTY  
Schedule of Changes in Long-term Debt  
For the Year Ended September 30, 2020  
UNAUDITED

The following is a summary of changes in long-term liabilities and obligations for the year ended September 30, 2020:

Description and Purpose	Issue Date	Maturity Date	Interest Rate	Balance Oct. 1, 2019	Issued	Principal Payments	Balance Sept. 30, 2020
<b>Governmental Activities:</b>							
A. General Obligation Bonds:							
Hospital Bond - Series 2003	10/01/2003	07/01/2023	2.00-5.50%	\$ 430,000		100,000	330,000
B. Capital Leases:							
District 1 - Backhoe	06/15/2019	06/15/2023	3.38%	42,425		10,776	31,649
John Deere motor grader	08/20/2018	08/20/2023	2.75%	71,296		71,296	
District 4 - Backhoe	03/18/2020	03/18/2023	3.19%		83,000	4,664	78,336
District 4 - Backhoe loader	03/18/2020	03/18/2025	3.37%		155,000	7,158	147,842
C. Other Loans:							
District 5 - motor grader overhaul	07/06/2020	07/10/2023	1.75%		154,576	8,455	146,121
Total				\$ 543,721	392,576	202,349	733,948

**Business-type Activities:**

A. Capital Leases:							
(2) Solid Waste trucks	04/30/2019	04/29/2023	3.59%	\$ 306,789		86,484	220,305

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

FRANKLIN COUNTY  
Schedule of Surety Bonds for County Officials  
For the Year Ended September 30, 2020  
UNAUDITED

Name	Position	Company	Bond
Ronald Hunt	Supervisor District 1	FCCI	\$100,000
Henry E. Stebbins	Supervisor District 2	FCCI	\$100,000
Mike Hunt	Supervisor District 3	Western Surety	\$100,000
Pat Larkin	Supervisor District 4	FCCI	\$100,000
Jimmie Bass	Supervisor District 5	FCCI	\$100,000
Jill Gilbert	Chancery Clerk	FCCI	\$100,000
Amanda Perry	Purchase Clerk	FCCI	\$75,000
Jill Gilbert	Assistant Purchase Clerk	FCCI	\$50,000
Melanie Harrell	Receiving Clerk	FCCI	\$75,000
Lawrence Foley	Assistant Receiving Clerk	FCCI	\$50,000
Mary Russell	Assistant Receiving Clerk	FCCI	\$50,000
Thomas Sullivan	Assistant Receiving Clerk	FCCI	\$50,000
Heath Woodcock	Assistant Receiving Clerk	FCCI	\$50,000
Kenneth Bethley	Assistant Receiving Clerk	Western Surety	\$50,000
Derrickl Sullivan	Assistant Receiving Clerk	Western Surety	\$50,000
Tonya Blackwell	Inventory Control Clerk	FCCI	\$75,000
Charles Brown	Constable	FCCI	\$50,000
Dewayne Wetstone	Constable	FCCI	\$50,000
Warren Walker	Circuit Clerk	FCCI	\$100,000
Hannah Duncan	Deputy Circuit Clerk	FCCI	\$50,000
Melissa Bales	Deputy Circuit Clerk	Western Surety	\$10,000
Gregory T. Tindle	Sheriff	FCCI	\$100,000
Otis Dyer	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	FCCI	\$50,000
Gordon Dover	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	FCCI	\$50,000
Roger Causey	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	FCCI	\$50,000
Jyles Lee	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	Western Surety	\$50,000
Josh Evans	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	Western Surety	\$50,000
Tommy Tindle	Sheriff's Deputy (hired under Section 45-5-9 Miss. Code Ann. (1972))	FCCI	\$50,000
Ricky O'Quinn	Justice Court Judge	Western Surety	\$50,000
George L. Wallace	Justice Court Judge	FCCI	\$50,000
Gladys Wilcher	Justice Court Clerk	FCCI	\$50,000
Jennifer Wallace	Deputy Justice Court Clerk	FCCI	\$50,000
Talina Matthews	Tax Assessor-Collector	FCCI	\$100,000
Erica Havard	Deputy Tax Collector	FCCI	\$50,000
Elshekita Dyer	Deputy Tax Collector	Western Surety	\$50,000
Sharon Davis	Deputy Tax Collector	Western Surety	\$50,000
Billy Gill	Coroner	FCCI	\$2,000

FRANKLIN COUNTY

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## FRANKLIN COUNTY

### Notes to the Other Information For the Year Ended September 30, 2020

(1) Budgetary Comparison Information.

A. Budgetary Information.

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

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

B. Basis of Presentation.

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

(2) Long-term Debt Information:

- A. Legal Debt Margin - The amount of debt, excluding specific exempted debt that can be incurred by the County is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the County, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a county issues bonds to repair or replace washed out or collapsed bridges on the public roads of the county. As of September 30, 2020, the amount of outstanding debt was less than one percent of the latest property assessments.

B. Subsequent Events.

Subsequent to September 30, 2020, the County issued the following debt obligation:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Type of Financing</u>	<u>Source of Financing</u>
03/10/2021	2.99%	\$ 83,305	Capital lease	Ad valorem taxes

## FRANKLIN COUNTY

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## FRANKLIN COUNTY

## SPECIAL REPORTS

## FRANKLIN COUNTY

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

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

Members of the Board of Supervisors  
Franklin County, Mississippi

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Franklin County, Mississippi (the County), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 13, 2021. Our report includes an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units which are required by accounting principles applicable to the County's cash basis of accounting to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as 2020-001 that we consider to be a material weakness.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Franklin County, Mississippi's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as items 2020-001.

We also noted certain matters which we have reported to the management of Franklin County, Mississippi, in the Limited Internal Control and Compliance Review Management Report dated December 13, 2021, included within this document.

## **Franklin County's Response to Finding**

Franklin County's response to the finding identified in our audit is described in the accompanying Auditee's Corrective Action Plan. Franklin County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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



JOE E. MCKNIGHT, CPA  
Director, County Audit Section

December 13, 2021



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

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

Members of the Board of Supervisors  
Franklin County, Mississippi

**Report on Compliance for the Major Federal Program**

We have audited Franklin County, Mississippi's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Franklin County, Mississippi's major federal program for the year ended September 30, 2020. Franklin County, Mississippi's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***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***

Our responsibility is to express an opinion on compliance for Franklin County, Mississippi's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our 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 for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we 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 Franklin County, Mississippi's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Franklin County, Mississippi's compliance.

### ***Basis for Qualified Opinion on CFDA 10.665, Schools and Roads – Grants to States***

As described in the accompanying Schedule of Findings and Questioned Costs, Franklin County, Mississippi did not comply with requirements regarding CFDA 10.665, Schools and Roads – Grants to States, as described in finding number 2020-002, for activities allowed or unallowed and allowable costs/cost principles. Compliance with such requirements is necessary, in our opinion, for Franklin County, Mississippi to comply with the requirements applicable to that program.

### ***Qualified Opinion on CFDA 10.665, Schools and Roads – Grants to States***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Franklin County, Mississippi complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 10.665, Schools and Roads – Grants to States federal program for the year ended September 30, 2020.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2020-002.

Franklin County's response to the noncompliance finding identified in our audit is described in the accompanying Auditee's Corrective Action Plan. Franklin County's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of Franklin County, Mississippi, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Franklin County, Mississippi'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, we do not express an opinion on the effectiveness of the County'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 reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2020-002 that we consider to be a material weakness.

Franklin County, Mississippi's response to the internal control over compliance finding identified in our audit is described in the accompanying Auditee's Corrective Action Plan. Franklin County, Mississippi's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

A handwritten signature in black ink, reading "Joe E. McKnight". The signature is fluid and cursive, with the first name "Joe" and last name "McKnight" clearly legible.

JOE E. MCKNIGHT, CPA  
Director, County Audit Section

December 13, 2021

FRANKLIN COUNTY

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

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

Members of the Board of Supervisors  
Franklin County, Mississippi

We have examined Franklin County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with Sections 31-7-101 through 31-7-127, Miss. Code Ann. (1972) and compliance with the purchasing requirements in accordance with the bid requirements of Section 31-7-13, Miss. Code Ann. (1972) during the year ended September 30, 2020. The Board of Supervisors of Franklin County, Mississippi is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements. The Board of Supervisors of Franklin County, Mississippi, has established centralized purchasing for all funds of the County and has established an inventory control system. The objective of the central purchasing system is to provide reasonable, but not absolute, assurance that purchases are executed in accordance with state law.

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

In our opinion, Franklin County, Mississippi complied, in all material respects, with state laws governing central purchasing, inventory and bid requirements for the year ended September 30, 2020.

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

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

A handwritten signature in black ink, reading "Joe E. McKnight". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

JOE E. MCKNIGHT, CPA  
Director, County Audit Section

December 13, 2021

FRANKLIN COUNTY

Schedule of Purchases From Other Than the Lowest Bidder  
For the Year Ended September 30, 2020

Schedule 1

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

FRANKLIN COUNTY  
Schedule of Emergency Purchases  
For the Year Ended September 30, 2020

Schedule 2

Our tests did not identify any emergency purchases.

FRANKLIN COUNTY

Schedule of Purchases Made Noncompetitively From a Sole Source  
For the Year Ended September 30, 2020

Schedule 3

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

## FRANKLIN COUNTY

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

**LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT**

Members of the Board of Supervisors  
Franklin County, Mississippi

In planning and performing our audit of the cash basis financial statements of Franklin County, Mississippi (the County) for the year ended September 30, 2020, we considered Franklin County, Mississippi's internal control to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

In addition, for areas not considered material to Franklin County, Mississippi's financial reporting, we have performed some additional limited internal control and state legal compliance review procedures as identified in the state legal compliance audit program issued by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County's compliance with these requirements. Accordingly, we do not express such an opinion. This report does not affect our report dated December 13, 2021, on the financial statements of Franklin County, Mississippi.

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

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

**Board of Supervisors.**

1. Copiah-Lincoln Community College tax levy should be no lower than the previous year.

**Repeat Finding** Yes

**Criteria** Section 37-29-141(1), Miss. Code Ann. (1972), states that no county shall levy a smaller tax millage for capital improvements and general support of a junior college district than was levied for the previous year, unless requested to make such reduction by the board of trustees of the district. When a county has a general reassessment of property to increase the county ad valorem tax assessments, such county may reduce the millage for general support and capital improvements, provided that its aggregate budget for junior college purposes is not lower than was paid the previous year.

<b>Condition</b>	As reported in the prior year's audit report, the County reduced the tax levy for the Copiah-Lincoln Community College by 0.02 mills, which reduced the total amount the County contributed to the community college by \$4,401.
<b>Cause</b>	The County did not comply with state laws.
<b>Effect</b>	By reducing the tax millage for capital improvements and general support for the community college from the amount that was levied in the previous year, the County is not in compliance with state legal requirements.
<b>Recommendation</b>	The Board of Supervisors should not reduce the tax levy for the Copiah-Lincoln Community College to an amount that is less than the amount levied in the previous year.

**Views of Responsible Official(s)**

We will comply.

2. The County should implement controls to ensure tax levies are within statutorily-imposed limits.

**Repeat Finding** No

**Criteria** Section 27-39-329(2)(b), Miss. Code Ann. (1972), states that each county shall levy each year an ad valorem tax of one (1) mill upon all taxable property of the county which may be used for any purpose for which counties are authorized by law to levy an ad valorem tax.

**Condition** For fiscal year 2020, the County levied 1.47 mills under Section 27-39-329(2)(b).

**Cause** The County did not comply with state laws.

**Effect** The adoption of 1.47 mills resulted in the collection of ad valorem taxes in excess of the statutory limit.

**Recommendation** The Board of Supervisors should reduce the reappraisal levy to 1.00 mill in accordance with state law.

**Views of Responsible Official(s)**

We will comply.

**Board of Supervisors / Payroll Clerk.**

3. PERS Retirees should not be paid more than one-half of the salary of their positions.

**Repeat Finding** Yes

**Criteria** Section 25-11-127(4)(a), Miss. Code Ann. (1972), requires retirees to receive no more than one-half of the salary in effect for the position at the time of employment in a fiscal year.

**Condition** As reported in the prior year's audit report, it was noted that one (1) PERS retiree was paid more than one-half of the salary for their position during fiscal year 2020.

**Cause** The Board of Supervisors and Payroll Clerk did not comply with state laws.

**Effect** Failure to comply with state laws regarding compensation of retired employees could result in retired employees being over compensated. By overpaying PERS retirees, the County is not in compliance with state legal requirements.

**Recommendation** The County should ensure that PERS retirees are not being paid more than the allowable amount.



**Views of Responsible  
Official(s)**

We will comply.

**Circuit Clerk and Deputy Circuit Clerks.**

**4.** Deputy Circuit Clerks should be bonded as required by state statute.

**Repeat Finding** Yes

**Criteria** Section 9-7-123(2), Miss. Code Ann. (1972), requires that each Deputy Circuit Clerk be bonded for three (3%) of the prior year's taxes with a minimum of \$50,000 and a maximum of \$100,000.

**Condition** As reported in the prior year's audit report, it was noted that a Deputy Circuit Clerk was only bonded for \$10,000 in fiscal year 2020.

**Cause** The County did not comply with state laws.

**Effect** Failure to comply with state law would limit the amount available for recovery if a loss occurred.

**Recommendation** The County should ensure that all Deputy Circuit Clerks are bonded in accordance with state law.

**Views of Responsible  
Official(s)**

We will comply.

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

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



JOE E. MCKNIGHT, CPA  
Director, County Audit Section

December 13, 2021

## FRANKLIN COUNTY

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FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FRANKLIN COUNTY

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FRANKLIN COUNTY

Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2020

Section 1: Summary of Auditor's Results

**Financial Statements:**

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

Governmental activities	Unmodified
Business-type activities	Unmodified
Aggregate discretely presented component units	Adverse
General Fund	Unmodified
Hospital Contingency Fund	Unmodified
District Four Maintenance Fund	Unmodified
Countywide Bridge and Culvert Fund	Unmodified
Sanitation and Waste Removal Fund	Unmodified
Aggregate remaining fund information	Unmodified
2. Internal control over financial reporting:
  - a. Material weakness identified? Yes
  - b. Significant deficiency identified? None Reported
3. Noncompliance material to the financial statements noted? Yes

**Federal Awards:**

4. Internal control over major federal programs:
  - a. Material weakness identified? Yes
  - b. Significant deficiency identified? None Reported
5. Type of auditor's report issued on compliance for major federal programs:
  - a. CFDA 10.665, Schools and Roads - Grants to States Qualified
6. Any audit finding(s) disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes
7. Identification of major federal programs:
  - a. CFDA 10.665, Schools and Roads - Grants to States
8. Dollar threshold used to distinguish between type A and type B programs: \$750,000
9. Auditee qualified as low-risk auditee? No
10. Prior fiscal year audit findings and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2 CFR 200.511(b)? Yes

FRANKLIN COUNTY

Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2020

Section 2: Financial Statement Findings

**Board of Supervisors.**

**Material Weakness**

**Material Noncompliance**

**2020-001.** County signed warrants without sufficient money.

**Repeat Finding** Yes

**Criteria** Section 19-13-43, Miss. Code Ann. (1972), prohibits the signing of warrants or the delivery of warrants until there is sufficient money in the fund upon which it is drawn to pay the same.

**Condition** As reported in the prior four years' audit reports, warrants were issued on a fund which did not have sufficient money to pay the warrants. As of September 30, 2020, the Building Fund/Special Project Fund had a negative cash balance of \$950.

**Cause** The County did not comply with state laws.

**Effect** Failure to have sufficient cash balances in County funds prior to issuing warrants on these funds resulted in other funds' cash being used for purposes other than their intended purposes. This situation could result in the Board of Supervisors being held personally liable for such amounts.

**Recommendation** The Board of Supervisors should ensure that no warrants are signed or delivered until there is sufficient money in the fund upon which it is drawn to pay the same, as required by law.

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

FRANKLIN COUNTY

Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2020

Section 3: Federal Award Findings and Questioned Costs

**Compliance  
Requirement**

Activities Allowed or Unallowed and Allowable Costs / Cost Principles

**Material Weakness  
Material Noncompliance**

**2020-002.** The County should establish controls to ensure fifty percent of National Forest Distribution Title I funds are settled to the schools.

**CFDA Number** 10.665

**Federal Award** Schools and Roads – Grants to States

**Pass-through** Mississippi State Treasurer's Office

**Questioned Costs** None

**Repeat Finding** Yes

**Statistically Valid** No

**Criteria** During fiscal year 2020, Franklin County received \$660,366 in National Forest Distribution Title I funds, a portion of the Secure Rural Schools Act State payments, which are used to benefit public schools and public roads in counties where national forests are located. Upon receipt of these funds, fifty percent of the total received should be settled to the County's public school.

**Condition** As reported in the prior year's audit report, the County received a total of fourteen (14) National Forest Distribution Title I payments during fiscal year 2020. However, during our audit testing procedures, we noted four (4) of these payments were not settled to the County's public school as required.

**Cause** The County lacked the necessary controls to ensure fifty percent of the total received from the Secure Rural Schools Act State payments was settled to the County's public school.

**Effect** The County's lack of adequate internal controls resulted in an overstatement of the County's receipts in the amount of \$37,264 for fiscal year 2020.

**Recommendation** The Board of Supervisors should take the necessary steps to ensure that fifty percent of the total National Forest Distribution Title I funds are properly settled to the County's public school.

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

## FRANKLIN COUNTY

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FRANKLIN COUNTY

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

## FRANKLIN COUNTY

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## **Franklin County Board of Supervisors**

**P. O. Box 297    36 Main Street East**

**Meadville, MS 39653**

**Phone: 601-384-2330**

**Fax: 601-384-5864**

### **CORRECTIVE ACTION PLAN**

Office of the State Auditor  
501 N. West Street, Suite 801  
Jackson, Mississippi 39201

Franklin County respectfully submits the following corrective action plan for the year ended September 30, 2020.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

#### **SECTION 2: FINANCIAL STATEMENT FINDINGS**

2020-001.    Corrective Action Planned:

This has been corrected. We will comply.

Anticipated Completion Date: October 2020

Completed

Name of Contact Person Responsible for Corrective Action:

Jill Gilbert, Chancery Clerk. (601) 384 2330

#### **SECTION 3: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

2020-002.    Corrective Action Planned:

This has been corrected and paid to school. We will comply.

Anticipated Completion Date: September 2021

Completed

Name of Contact Person Responsible for Corrective Action:

Jill Gilbert, Chancery Clerk. (601) 384 2330

Jimmie "Bodi" Bam - President (Dist. #5) ~ Mike Hunt, Vice-Pres. (Dist. #3) ~ Ronald Hunt (Dist. #1)  
Eddie Stebbins (Dist. #2) ~ Pat Larkin (Dist. #4)  
Jill Jordan Gilbert - Chancery Clerk & Clerk of Board    William J. (Bill) Halford, Jr. & Morgan Halford Poore - Board Attorneys



## Franklin County Board of Supervisors

P. O. Box 297    36 Main Street East  
Meadville, MS 39653  
Phone: 601-384-2330  
Fax: 601-384-5864

### SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS For the Year Ended September 30, 2020

2019-001    County signed warrants without sufficient money.

NOT CORRECTED.

This was fully corrected in fiscal year 2021.

2019-002    The County should establish controls to ensure fifty percent of National Forest Distribution Title I funds are settled to the schools.

CFDA #10.665            Schools and Roads - Grants to States

NOT CORRECTED.

Once I was informed about the finding concerning U.S. Forestry funds not being settled to the school, I contacted our bookkeeper and she immediately sent a check for the total balance due. She now has a checks and balances program in place to make sure this error doesn't happen in the future.

Signed: \_\_\_\_\_

Franklin County Chancery Clerk



Date: \_\_\_\_\_

9-13-21