

FRANKLIN COUNTY, MISSISSIPPI

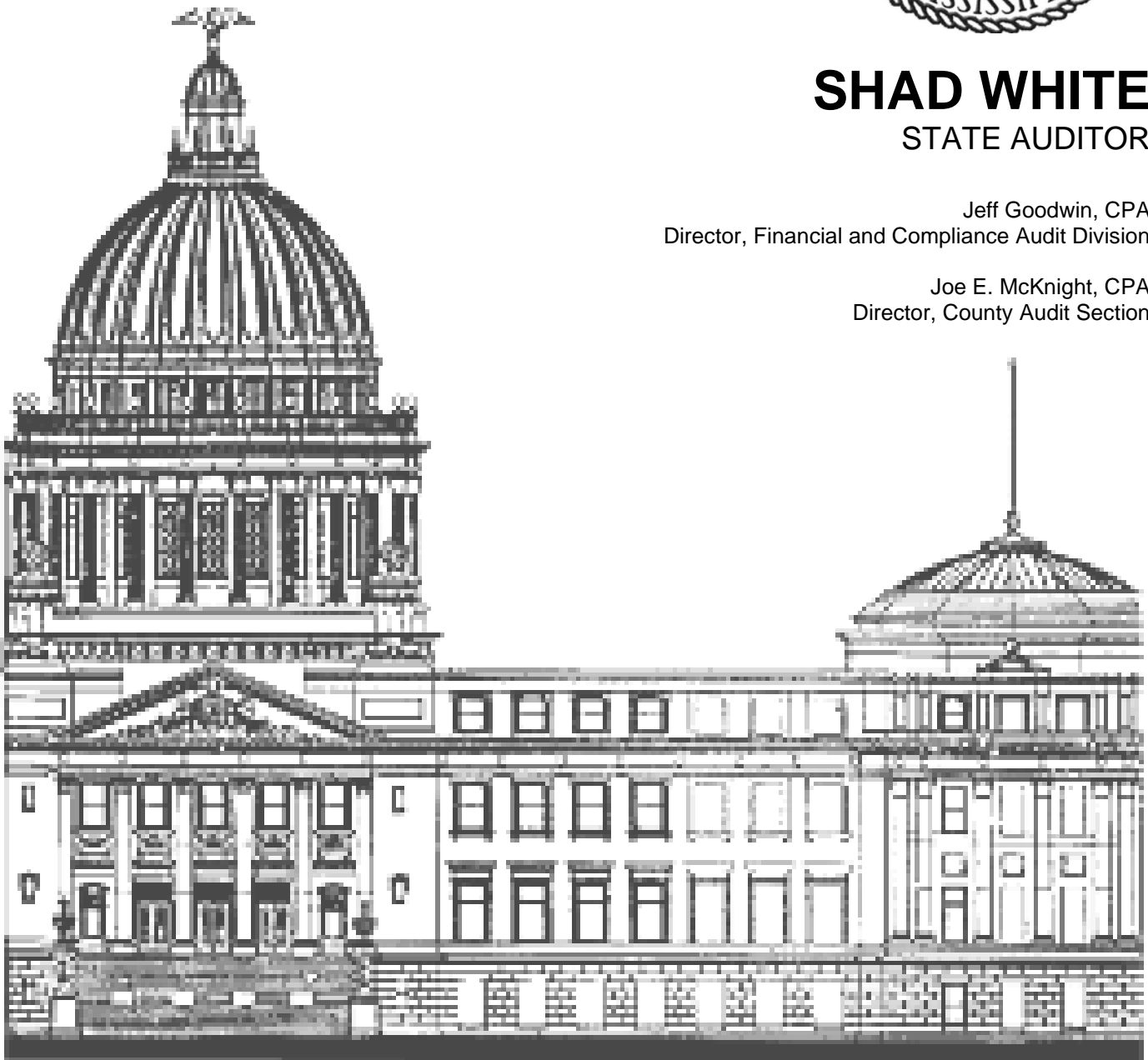
Audited Financial Statements and Special Reports
For the Year Ended September 30, 2022



SHAD WHITE
STATE AUDITOR

Jeff Goodwin, CPA
Director, Financial and Compliance Audit Division

Joe E. McKnight, CPA
Director, County Audit Section



A Report from the County Audit Section

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

Shad White
AUDITOR

March 4, 2024

Members of the Board of Supervisors
Franklin County, Mississippi

Dear Board Members:

I am pleased to submit to you the 2022 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", is written over a horizontal line.

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 Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly the cash basis financial position of the aggregate discretely presented component units of Franklin County, Mississippi, as of September 30, 2022, or the changes in cash basis financial position for the year then ended in accordance with accounting principles applicable to the County's cash basis of accounting.

Unmodified Opinions on Governmental Activities, Business-type Activities, each Major Fund, and the Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Franklin County, Mississippi, as of September 30, 2022, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Adverse and Unmodified Opinions

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

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

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Budgetary Comparison Schedules, Schedule of Capital Assets, Schedule of Changes in Long-term Debt, Schedule of Surety Bonds for County Officials and corresponding notes but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2024 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.



JOE E. MCKNIGHT, CPA
Director, County Audit Section

March 4, 2024

FRANKIN COUNTY

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FRANKLIN COUNTY

FINANCIAL STATEMENTS

FRANKIN COUNTY

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FRANKLIN COUNTY
Statement of Net Position - Cash Basis
September 30, 2022

Exhibit 1

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash	\$ 7,403,162	248,730	7,651,892
Total Assets	<u>7,403,162</u>	<u>248,730</u>	<u>7,651,892</u>
NET POSITION			
Restricted:			
Expendable:			
General government	114,514		114,514
Public safety	970,186		970,186
Public works	3,813,193	248,730	4,061,923
Health and welfare	1,286,600		1,286,600
Unemployment compensation	19,856		19,856
Unrestricted	1,198,813		1,198,813
Total Net Position	<u>\$ 7,403,162</u>	<u>248,730</u>	<u>7,651,892</u>

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

FRANKLIN COUNTY
Statement of Activities - Cash Basis
For the Year Ended September 30, 2022

Exhibit 2

Functions/Programs	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Business-type Activities	Total
Primary government:						
Governmental activities:						
General government	\$ 1,933,871	289,149	3,888	(1,640,834)		(1,640,834)
Public safety	1,145,804	96,007	77,424	(972,373)		(972,373)
Public works	4,265,415		2,115,145	(2,150,270)		(2,150,270)
Health and welfare	71,245		7,575	(63,670)		(63,670)
Culture and recreation	3,507			(3,507)		(3,507)
Education	333,544		333,544	0		0
Conservation of natural resources	75,984			(75,984)		(75,984)
Economic development and assistance	5,302			(5,302)		(5,302)
Debt service:						
Principal	102,146			(102,146)		(102,146)
Interest	17,459			(17,459)		(17,459)
Bond issue costs	923			(923)		(923)
Total Governmental Activities	7,955,200	385,156	2,537,576	(5,032,468)	0	(5,032,468)
Business-type activities:						
Solid Waste	915,623	645,981	15,775		(253,867)	(253,867)
Total Business-type Activities	915,623	645,981	15,775		(253,867)	(253,867)
Total Primary Government	\$ 8,870,823	1,031,137	2,553,351	(5,032,468)	(253,867)	(5,286,335)

FRANKLIN COUNTY
Statement of Activities - Cash Basis
For the Year Ended September 30, 2022

Exhibit 2

Functions/Programs	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Business-type Activities	Total
General receipts:						
Property taxes				\$ 3,697,214	200,012	3,897,226
Road & bridge privilege taxes				119,769		119,769
Grants and contributions not restricted to specific programs				519,831		519,831
Unrestricted interest income				14,065	898	14,963
Miscellaneous				213,489	8,872	222,361
Proceeds from debt issuance				271,561		271,561
Sale of county property				25,066		25,066
Compensation for loss of county property				32,310	8,250	40,560
Total General Receipts and Other Cash Sources				<u>4,893,305</u>	<u>218,032</u>	<u>5,111,337</u>
Changes in Net Position				(139,163)	(35,835)	(174,998)
Net Position - Beginning				<u>7,542,325</u>	<u>284,565</u>	<u>7,826,890</u>
Net Position - Ending				<u>\$ 7,403,162</u>	<u>248,730</u>	<u>7,651,892</u>

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, 2022

Exhibit 3

	<u>Major Funds</u>			
	General	Hospital	Other	Total
	Fund	Contingency	Governmental	Governmental
		Fund	Funds	Funds
ASSETS				
Cash	\$ 1,198,813	1,286,600	4,917,749	7,403,162
Total Assets	<u>1,198,813</u>	<u>1,286,600</u>	<u>4,917,749</u>	<u>7,403,162</u>
FUND BALANCES				
Restricted for:				
General government			114,514	114,514
Public safety			970,186	970,186
Public works			3,813,193	3,813,193
Health and welfare		1,286,600		1,286,600
Unemployment compensation			19,856	19,856
Unassigned	1,198,813			1,198,813
Total Fund Balances	<u>\$ 1,198,813</u>	<u>1,286,600</u>	<u>4,917,749</u>	<u>7,403,162</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, 2022

	Major Funds			
	General Fund	Hospital Contingency Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS				
Property taxes	\$ 2,398,621	82,295	1,216,298	3,697,214
Road and bridge privilege taxes			119,769	119,769
Licenses, commissions and other receipts	105,102			105,102
Fines and forfeitures	179,376		4,671	184,047
Intergovernmental receipts	860,333	1,264	2,195,810	3,057,407
Charges for services	4,760		91,247	96,007
Interest income	2,642	2,188	9,235	14,065
Miscellaneous receipts	4,731	135,362	73,396	213,489
Total Receipts	3,555,565	221,109	3,710,426	7,487,100
DISBURSEMENTS				
General government	1,863,428		70,443	1,933,871
Public safety	1,027,436		118,368	1,145,804
Public works			4,265,415	4,265,415
Health and welfare	55,269	15,976		71,245
Culture and recreation			3,507	3,507
Education	333,544			333,544
Conservation of natural resources	75,984			75,984
Economic development and assistance	5,302			5,302
Debt service:				
Principal			102,146	102,146
Interest		6,187	11,272	17,459
Bond issue costs		923		923
Total Disbursements	3,360,963	23,086	4,571,151	7,955,200
Excess (Deficiency) of Receipts over (under) Disbursements	194,602	198,023	(860,725)	(468,100)
OTHER CASH SOURCES (USES)				
Proceeds from long-term debt issuance			271,561	271,561
Sale of county property	3,803		21,263	25,066
Compensation for loss of county property	32,310			32,310
Transfers in		76,954	384,506	461,460
Transfers out	(27,650)		(433,810)	(461,460)
Total Other Cash Sources and Uses	8,463	76,954	243,520	328,937
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	203,065	274,977	(617,205)	(139,163)
Cash Basis Fund Balances - Beginning	995,748	1,011,623	5,534,954	7,542,325
Cash Basis Fund Balances - Ending	\$ 1,198,813	1,286,600	4,917,749	7,403,162

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, 2022

Exhibit 5

	Business-type Activities - Enterprise Fund
	Sanitation and Waste Removal Fund
ASSETS	
Cash	\$ 248,730
Total Assets	<u>248,730</u>
NET POSITION	
Restricted for:	
Public safety	248,730
Total Net Position	<u>\$ 248,730</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, 2022

	Business-type Activities - Enterprise Fund
	Sanitation and Waste Removal Fund
Operating Receipts	
Charges for services	\$ 645,981
Miscellaneous	8,872
Total Operating Receipts	<u>654,853</u>
Operating Disbursements	
Personal services	475,290
Contractual services	138,769
Materials and supplies	193,564
Capital outlay	108,000
Total Operating Disbursements	<u>915,623</u>
Operating Income (Loss)	<u>(260,770)</u>
Nonoperating Receipts (Disbursements)	
Property tax	200,012
Interest income	898
Intergovernmental grants	15,775
Compensation for loss of county property	8,250
Net Nonoperating Receipts (Disbursements)	<u>224,935</u>
Changes in Net Position	(35,835)
Net Position - Beginning	<u>284,565</u>
Net Position - Ending	<u>\$ 248,730</u>

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

FRANKLIN COUNTY
Statement of Fiduciary Net Position - Cash Basis
September 30, 2022

Exhibit 7

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ <u>283,149</u>
Total Assets	<u><u>283,149</u></u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>283,149</u>
Total Net Position	<u><u>\$ 283,149</u></u>

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

FRANKLIN COUNTY
Statement of Changes in Fiduciary Net Position - Cash Basis
For the Year Ended September 30, 2022

Exhibit 8

	<u>Custodial Funds</u>
CASH ADDITIONS	
Investment income:	
Interest	\$ 321
Intergovernmental receipts	5,161
Tax collections for other governments	342,208
Licenses and fees collected for State	<u>245,480</u>
Total Additions	<u>593,170</u>
CASH DEDUCTIONS	
Payments of tax to other governments	298,788
Payments of licenses and fees to State	<u>241,896</u>
Total Deductions	<u>540,684</u>
Net increase (decrease) in fiduciary net position	52,486
Net Position - Beginning	<u>230,663</u>
Net Position - Ending	<u>\$ 283,149</u>

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

FRANKLIN COUNTY

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FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

(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 or department and therefore, are clearly identifiable to a particular function. Program receipts

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

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.

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.

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.

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

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

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

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

D. Account Classifications.

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

E. Deposits 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 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.

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

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.

GASB 87, *Leases*, was implemented during fiscal year 2022. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. It established a single model for lease accounting based on the foundations principle that leases are financings of the right to use an underlying asset. This guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. These financial statements do not reflect leases in accordance with GASB 87 as these financial statements were prepared using the cash basis of accounting.

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

(2) Deposits.

The carrying amount of the County's total deposits with financial institutions at September 30, 2022, was \$7,935,041, and the bank balance was \$8,132,335. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by *Section 27-105-5, Mississippi Code of 1972 Annotated*. Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

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

(3) Interfund Transfers.

The following is a summary of interfund transfers at September 30, 2022:

Transfers In/Out:

Transfers In	Transfers Out	Amount
Hospital Contingency Fund	Other Governmental Funds	\$ 76,954
Other Governmental Funds	General Fund	27,650
Other Governmental Funds	Other Governmental Funds	356,856
Total		\$ 461,460

The principal purpose of interfund transfers was to provide funds for operating disbursements and to close out redundant funds. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

(4) Claims and Judgments.

Risk Financing.

The County finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The County pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2022, to January 1, 2023. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

(5) Leases.

As Lessee:

On December 7, 2020, Franklin County entered into a lease agreement with CIT Bank, N.A. for the lease of a Sany SMG200 Motor Grader owned by Trax Plus, LLC for the purpose of road and bridge maintenance. The lease stipulated that the lessee would pay approximately \$2,899 per month in lease payments commencing January 1, 2021 for a term of 60 months or five years.

The County has entered into certain leases which do not give rise to property rights. Total costs for such leases were \$34,788 for the year ended September 30, 2022. The future minimum lease payments for these leases are as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2023	\$ 34,788
2024	34,788
2025	34,788
2026	<u>8,196</u>
Total Minimum Payments Required	\$ <u>112,560</u>

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

(6) Contingencies.

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

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

(7) 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 \$178,325 for maintenance and support of the district in fiscal year 2022.

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 2022.

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 2022.

FRANKLIN COUNTY

Notes to Financial Statements For the Year Ended September 30, 2022

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 \$1,535 for its support in fiscal year 2022.

Scenic Rivers Development Authority Alliance operates in a district composed of the counties of Amite, Franklin, Pike and Walthall, as well as the City of McComb, the Board of Wilkinson County Industrial Development Authority and Pike County Economic Development District. The Pike County Board of Supervisors appoints two of the 16-member board of trustees. The County contributed \$54,300 for its support in fiscal year 2022.

(8) 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, 2022, 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, 2022 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, 2022, 2021 and 2020 were \$366,052, \$351,097 and \$341,457, respectively, equal to the required contributions for each year.

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

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, 2022

Federal Grantor/ Pass-through Grantor/ Program Title or Cluster	Federal Assistance Listing 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	\$ 667,088
Total Forest service schools and roads cluster			667,088
Total U.S. Department of Agriculture			667,088
U.S. Department of Justice - Office of Justice Programs/ Passed-through the Mississippi Department of Public Safety Edward Byrne memorial justice assistance grant program	16.738	20LB1191	3,722
Total U.S. Department of Justice			3,722
U.S. Department of Transportation/ Passed-through the Mississippi Department of Transportation Highway planning and construction cluster: Highway planning and construction	20.205	Unknown	27,974
Total Highway planning and construction cluster			27,974
Total U.S. Department of Transportation			27,974
U.S. Department of the Treasury/ Passed-through the Supreme Court of Mississippi Coronavirus relief fund	21.019	3053-19CH-04212021	14,543
U.S. Department of the Treasury/ Coronavirus state and local fiscal recovery funds (Direct Award)	21.027	N/A	328,234
Total U.S. Department of the Treasury			342,777
U.S. Department of Homeland Security/ Passed-through the Mississippi Emergency Management Agency Disaster grants - public assistance (Presidentially declared disasters)	97.036	FEMA-4626-DR-MS	4,500
Emergency management performance grants	97.042	Unknown	27,332
Total U.S. Department of Homeland Security			31,832
Total Expenditures of Federal Awards			\$ 1,073,393

FRANKLIN COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

Federal Grantor/ Pass-through Grantor/ Program Title or Cluster	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
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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, 2022. 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 - Federal Assistance Listing Number 10.665 - Schools and roads - grants to states

Of the federal expenditures presented in the Schedule, Franklin County provided federal awards totaling \$333,544 to subrecipients during the year ended September 30, 2022.

* Denotes major federal award program

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, 2022
UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 2,393,275	2,387,840	2,398,621	10,781
Licenses, commissions and other receipts	76,000	86,550	105,102	18,552
Fines and forfeitures	197,200	172,400	179,376	6,976
Intergovernmental receipts	384,600	440,800	860,333	419,533
Charges for services	3,000	2,500	4,760	2,260
Interest income	4,140	1,950	2,642	692
Miscellaneous receipts	16,700	16,700	4,731	(11,969)
Total Receipts	<u>3,074,915</u>	<u>3,108,740</u>	<u>3,555,565</u>	<u>446,825</u>
DISBURSEMENTS				
General government	1,925,808	2,045,444	1,863,428	182,016
Public safety	1,067,701	1,235,791	1,027,436	208,355
Health and welfare	53,442	101,472	55,269	46,203
Education			333,544	(333,544)
Conservation of natural resources	71,790	79,005	75,984	3,021
Economic development and assistance	7,002	7,002	5,302	1,700
Total Disbursements	<u>3,125,743</u>	<u>3,468,714</u>	<u>3,360,963</u>	<u>107,751</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>(50,828)</u>	<u>(359,974)</u>	<u>194,602</u>	<u>554,576</u>
OTHER CASH SOURCES (USES)				
Sale of county property			3,803	3,803
Compensation for loss of county property			32,310	32,310
Other financing sources	1,000			
Transfers out			(27,650)	(27,650)
Total Other Cash Sources and Uses	<u>1,000</u>	<u>0</u>	<u>8,463</u>	<u>8,463</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>(49,828)</u>	<u>(359,974)</u>	<u>203,065</u>	<u>563,039</u>
Cash Basis Fund Balances - Beginning	<u>816,958</u>	<u>1,073,744</u>	<u>995,748</u>	<u>(77,996)</u>
Cash Basis Fund Balances - Ending	<u>\$ 767,130</u>	<u>713,770</u>	<u>1,198,813</u>	<u>485,043</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, 2022
UNAUDITED

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
RECEIPTS				
Property taxes	\$ 78,700	40,900	82,295	41,395
Intergovernmental receipts	1,000	650	1,264	614
Interest income	3,000	850	2,188	1,338
Miscellaneous receipts			135,362	135,362
Total Receipts	<u>82,700</u>	<u>42,400</u>	<u>221,109</u>	<u>178,709</u>
DISBURSEMENTS				
Health and welfare	14,000	65,000	15,976	49,024
Debt service:				
Interest			6,187	(6,187)
Bond issue costs			923	(923)
Total Disbursements	<u>14,000</u>	<u>65,000</u>	<u>23,086</u>	<u>41,914</u>
Excess (Deficiency) of Receipts over (under) Disbursements	<u>68,700</u>	<u>(22,600)</u>	<u>198,023</u>	<u>220,623</u>
OTHER CASH SOURCES (USES)				
Transfers in			76,954	76,954
Total Other Cash Sources and Uses	<u>0</u>	<u>0</u>	<u>76,954</u>	<u>76,954</u>
Excess (Deficiency) of Receipts and other Cash Sources over (under) Disbursements and other Cash Uses	<u>68,700</u>	<u>(22,600)</u>	<u>274,977</u>	<u>297,577</u>
Cash Basis Fund Balances - Beginning	<u>1,240,555</u>	<u>1,203,666</u>	<u>1,011,623</u>	<u>(192,043)</u>
Cash Basis Fund Balances - Ending	<u>\$ 1,309,255</u>	<u>1,181,066</u>	<u>1,286,600</u>	<u>105,534</u>

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

Schedule of Investments
 FRANKLIN COUNTY
 Schedule of Investments
 For the Year Ended September 30, 2022
 UNAUDITED

<u>Fund</u>	<u>Description</u>	<u>Maturity Date</u>	<u>October 1, 2021 Balance</u>	<u>Purchases</u>	<u>Redeemed Sales</u>	<u>September 30, 2022 Balance</u>
OTHER GOVERNMENTAL FUNDS						
	Hancock Horizon Treasury Securities Money Market Mutual Fund	Less than one year	\$ <u>123,660</u>	<u>0</u>	<u>123,660</u>	<u>0</u>
TOTAL GOVERNMENTAL FUNDS			\$ <u><u>123,660</u></u>	<u><u>0</u></u>	<u><u>123,660</u></u>	<u><u>0</u></u>

FRANKLIN COUNTY
Schedule of Capital Assets
For the Year Ended September 30, 2022
UNAUDITED

Governmental activities:

	Balance Oct. 1, 2021	Additions	Deletions	Adjustments*	Balance Sept. 30, 2022
Land	\$ 351,114	5,500			356,614
Construction in progress	1,426,248	3,038,335		(1,949,273)	2,515,310
Infrastructure	10,478,574			1,949,273	12,427,847
Buildings	1,383,308				1,383,308
Improvements other than buildings	332,052				332,052
Mobile equipment	4,620,013	907,131	172,494	321,384	5,676,034
Furniture and equipment	1,331,358	44,995			1,376,353
Leased property under capital leases	321,384			(321,384)	
Total capital assets	\$ 20,244,051	3,995,961	172,494	0	24,067,518

Business-type activities:

	Balance Oct. 1, 2021	Additions	Deletions	Adjustments	Balance Sept. 30, 2022
Land	\$ 1,516				1,516
Mobile equipment	644,224				644,224
Total capital assets	\$ 645,740	0	0	0	645,740

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

*Adjustments are to reclassify capital leases to mobile equipment due to the implementation of GASB 87, and to reclassify completed construction in progress to infrastructure.

FRANKLIN COUNTY
Schedule of Changes in Long-term Debt
For the Year Ended September 30, 2022
UNAUDITED

The following is a summary of changes in long-term liabilities and obligations for the year ended September 30, 2022:

Description and Purpose	Issue Date	Maturity Date	Interest Rate	Balance Oct. 1, 2021	Issued	Principal Payments	Balance Sept. 30, 2022
Governmental Activities:							
A. Financed Purchases:							
District 4 - Backhoe	3/18/2020	3/18/2023	3.19%	\$ 68,779		9,867	58,912
District 4 - Backhoe loader	3/18/2020	3/18/2025	3.37%	133,175		15,169	118,006
District 5 - Backhoe loader	6/21/2021	6/21/2024	2.99%	80,926		11,153	69,773
B. Other Loans:							
District 5 - Motor grader overhaul	7/6/2020	7/10/2023	1.75%	95,373		51,643	43,730
District 1 - Tractor	7/7/2022	7/7/2025	2.37%		80,173	4,234	75,939
District 2 - Backhoe	6/28/2022	7/5/2025	2.99%		111,215	5,846	105,369
District 3 - Tractor	7/7/2022	7/7/2025	2.37%		80,173	4,234	75,939
Total				\$ <u>378,253</u>	<u>271,561</u>	<u>102,146</u>	<u>547,668</u>

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, 2022
UNAUDITED

Name	Position	Company	Bond
Ronald Hunt	Supervisor District 1	Western Surety	\$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
Erica Havard	Purchase Clerk	FCCI	\$100,000
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
Lawrence Morgan	Assistant Receiving Clerk	Travelers	\$50,000
Daniel 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 <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	FCCI	\$50,000
Gordon Dover	Sheriff's Deputy (hired under <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	FCCI	\$50,000
Roger Causey	Sheriff's Deputy (hired under <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	FCCI	\$50,000
Jyles Lee	Sheriff's Deputy (hired under <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	Western Surety	\$50,000
Josh Evans	Sheriff's Deputy (hired under <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	Travelers	\$50,000
Bubba Gabbert	Sheriff's Deputy (hired under <i>Section 45-5-9 Mississippi Code of 1972 Annotated</i>)	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
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

Notes to Other Information For the Year Ended September 30, 2022

(1) Budgetary Comparison Information.

A. Budgetary Information.

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

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

B. Basis of Presentation.

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

(2) Long-term Debt Information:

A. Legal Debt Margin - The amount of debt, excluding specific exempted debt that can be incurred by the County is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the County, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a county issues bonds to repair or replace washed out or collapsed bridges on the public roads of the county. As of September 30, 2022, the amount of outstanding debt was less than one percent of the latest property assessments.

B. Subsequent Events.

Subsequent to September 30, 2022, the County issued the following debt obligations:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Issue Amount</u>	<u>Type of Financing</u>	<u>Source of Financing</u>
10/07/2022	3.95%	\$ 223,155	Promissory note	Ad valorem taxes
12/23/2022	4.65%	223,155	Promissory note	Ad valorem taxes
07/17/2023	5.61%	160,000	Financed purchase	Ad valorem taxes
07/17/2023	5.57%	520,000	Financed purchase	Ad valorem taxes
08/16/2023	5.51%	142,585	Financed purchase	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 (*Government Auditing Standards*), 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 4, 2024. Our report includes an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units which are required by accounting principles applicable to the County's cash basis of accounting to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Franklin County, Mississippi's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Franklin County, Mississippi, in the Independent Accountant's Report on Central Purchasing System, Inventory Control System and Purchase Clerk Schedules and the Limited Internal Control and Compliance Review Management Report dated March 4, 2024, included within this document.

Purpose of this Report

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



JOE E. MCKNIGHT, CPA
Director, County Audit Section

March 4, 2024



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

Opinion on the Major Federal Program

We have audited Franklin County, Mississippi's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on Franklin County, Mississippi's major federal program for the year ended September 30, 2022. 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.

In our opinion, Franklin County, Mississippi complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2022.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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JOE E. MCKNIGHT CPA
Director, County Audit Section

March 4, 2024

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, MISSISSIPPI CODE OF 1972 ANNOTATED)

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, Mississippi Code of 1972 Annotated* and compliance with the purchasing requirements in accordance with the bid requirements of *Section 31-7-13, Mississippi Code of 1972 Annotated* during the year ended September 30, 2022. 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.

The results of our audit procedures disclosed certain instances of noncompliance with the aforementioned code sections. These instances of noncompliance were considered in forming our opinion on compliance. Our findings and recommendations and your responses are disclosed below:

Board of Supervisors / Purchase Clerk.

1. Purchases from other than the lowest bidder should be authorized and documented in the Board of Supervisors' minutes and included on the Purchase Clerk's Schedules.

Repeat Finding No

Criteria	<i>Section 31-7-13(k), Mississippi Code of 1972 Annotated</i> , requires any governing authority that accepts a bid other than the lowest bid actually submitted, to place on its minutes detailed calculations and narrative summary showing that the accepted bid was determined to be the lowest and best bid, including the dollar amount of the accepted bid and the dollar amount of the lowest bid.
Condition	The Board of Supervisors did not document the approval of one purchase made from other than the lowest bidder in its minutes as required.
Cause	The County did not comply with state laws.
Effect	Failure to approve and document the lowest and best bid in the Board of Supervisors' minutes places the County in violation of state law and could result in excess costs to the County.
Recommendation	The Board of Supervisors should approve and document in its minutes all purchases made from other than the lowest bidder, as required by law.
Views of Responsible Official(s)	We will comply.

Purchase Clerk.

2. Purchasing documents not completed.

Repeat Finding No

Criteria	<i>Section 31-7-103, Mississippi Code of 1972 Annotated</i> , requires a purchase requisition, purchase order and receiving report for all purchases except for those items enumerated by the Office of the State Auditor under the authority of <i>Section 31-7-113, Mississippi Code of 1972 Annotated</i> , and except for purchases of not more than two thousand dollars (\$2,000).
Condition	During test work, it was noted that a purchase was made without a purchase order or receiving report.
Cause	The Purchase Clerk did not comply with state laws.
Effect	Failure to complete required purchasing documents could result in the loss or misappropriation of public funds.
Recommendation	The Purchase Clerk should ensure that all required purchasing documents are present and completed with sufficient detail and specific amounts, as required by law.
Views of Responsible Official(s)	We will comply.

In our opinion, except for the noncompliance referred to in the preceding paragraph, Franklin County, Mississippi, complied, in all material respects, with state laws governing central purchasing, inventory and bid requirements for the year ended September 30, 2022.

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

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 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, appearing to read "Joe E. McKnight". The signature is fluid and cursive, with a long horizontal stroke at the end.

JOE E. MCKNIGHT, CPA
Director, County Audit Section

March 4, 2024

FRANKLIN COUNTY

Schedule 1

Schedule of Purchases From Other Than the Lowest Bidder

For the Year Ended September 30, 2022

<u>Date</u>	<u>Item Purchased</u>	<u>Bid Accepted</u>	<u>Vendor</u>	<u>Lowest Bid</u>	<u>Reason for Accepting Other Than the Lowest Bid</u>
3/23/2022	2020 Chevy Silverado	\$ 41,715	Rainbow of McComb	\$ 41,316	The lower bid vehicle had a larger number of miles on it.

FRANKLIN COUNTY
Schedule of Emergency Purchases
For the Year Ended September 30, 2022

Schedule 2

Our tests did not identify any emergency purchases.

FRANKLIN COUNTY

Schedule 3

Schedule of Purchases Made Noncompetitively From a Sole Source
For the Year Ended September 30, 2022

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



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, 2022, 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 March 4, 2024, 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, Mississippi Code of 1972 Annotated*, the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

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

Board of Supervisors.

1. Unallowable purchases were made using a County issued credit card.

Repeat Finding Yes

Criteria *Section 19-3-68, Mississippi Code of 1972 Annotated*, states the Board of Supervisors of any county may acquire one or more credit cards which may be used by members of the Board of Supervisors and county employees to pay expenses incurred by them when traveling in or out of the state in the performance of their official duties. The issuance of a credit card to a supervisor or county employee under the provisions of this section does not authorize the supervisor or county employee to use the credit card to make any expenditure that is not otherwise authorized by law.

Condition	As reported in the prior year's audit report, it was noted during the testing of credit card transactions that there were several purchases made with the county credit card that were not travel related.
Cause	The County did not comply with state laws.
Effect	Failure to only use county issued credit cards for travel related expenses could result in the misuse or misappropriation of public funds.
Recommendation	The Board of Supervisors should only use county issued credit cards for travel related expenses, as required by law.

Views of Responsible Official(s) We will comply.

2. Interfund transfers should be spread upon the minutes of the Board of Supervisors.

Repeat Finding	Yes
Criteria	<i>Section 19-3-27, Mississippi Code of 1972 Annotated</i> , requires a complete and correct record be maintained for all proceedings of the Board of Supervisors.
Condition	As reported in the prior year's audit report, interfund transfers were made without board orders spread on the minutes.
Cause	The County did not comply with state laws.
Effect	Failure to obtain board approval for interfund transfers could result in erroneous amounts being reported and increases the possibility of the loss or misuse of public funds.
Recommendation	The Board of Supervisors should spread complete orders on the minutes relative to interfund transfers.

Views of Responsible Official(s) We will comply.

Circuit Clerk and Deputy Circuit Clerks.

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

Repeat Finding	Yes
Criteria	<i>Section 9-7-123(2), Mississippi Code of 1972 Annotated</i> , 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 three years' audit reports, it was noted that a Deputy Circuit Clerk was only bonded for \$10,000 in fiscal year 2022.
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.

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JOE E. MCKNIGHT, CPA
Director, County Audit Section

March 4, 2024

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, 2022

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
Sanitation and Waste Removal Fund	Unmodified
Aggregate remaining fund information	Unmodified
2. Internal control over financial reporting:
 - a. Material weakness identified? No
 - b. Significant deficiency identified? None Reported
3. Noncompliance material to the financial statements noted? No

Federal Awards:

4. Internal control over major federal program:
 - a. Material weakness identified? No
 - b. Significant deficiency identified? None Reported
5. Type of auditor's report issued on compliance for major federal program: Unmodified
6. Any audit finding(s) disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No
7. Identification of major federal program:
 - a. ALN 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 finding 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, 2022

Section 2: Financial Statement Findings

The results of our tests did not disclose any findings related to the financial statements that are required to be reported by *Government Auditing Standards*.

Section 3: Federal Award Findings and Questioned Costs

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

FRANKLIN COUNTY

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

February 5, 2024

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

To whom it may concern:

The Franklin County Board of Supervisors submits the following Summary Schedule of Prior Audit Findings for the year ended September 30, 2022.

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

Section 2: Financial Statement Findings

2021-001. Controls over financial statement preparation should be strengthened.

FULLY CORRECTED.

Section 3: Federal Award Findings

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

Sincerely yours,

A handwritten signature in black ink, appearing to read "Pat Larkin".

Pat Larkin
President, Board of Supervisors

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