

FRANKLIN PARISH SHERIFF
Winnsboro, Louisiana

Financial Statements
For the Year Ended June 30, 2022

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1-3
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balances	10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	11
Fiduciary - Agency Funds:	
Fiduciary Fund Descriptions	12
Statement of Fiduciary Assets and Liabilities	13-14
Statement of Changes in Fiduciary Net Position	15-16
Notes to Financial Statements	17-38
Required Supplemental Information:	
Budget Comparison Schedule - General Fund	40
Notes to Budgetary Comparison Schedule	41
Schedule of Changes in Net OPEB Liability and Related Ratios	42
Schedule of Franklin Parish Sheriff's Contributions to Pension Plan	43
Schedule of Sheriff's Proportionate share of the Net Pension Liability	44

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

TABLE OF CONTENTS

	<u>Page No.</u>
Other Supplemental Information	
Sheriff Affidavit	46
Schedule of Compensation, Benefits and Other Payments to Agency Head	47
Justice System Funding Schedule – Collecting/Disbursing Entity	48-49
Other Reports Required by Government Auditing Standards	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	51-52
Schedule of Findings and Questioned Costs	53
Summary Schedule of Prior Audit Findings	54
Independent Accountant’s Report on Applying Agreed Upon Procedures	55-64

INDEPENDENT AUDITOR'S REPORT

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities of the Franklin Parish Sheriff, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Franklin Parish Sheriff, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Franklin Parish Sheriff and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Franklin Parish Sheriff'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.

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess 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 of the effectiveness of the Sheriff'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Franklin Parish Sheriff's ability to continue as a going concern for a reasonable period of time.

I am 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 the I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurances.


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

Other Information

The accompanying Sheriff Affidavit, Schedule of Compensation, Benefits and Other Payments to Agency Head, and the Justice System Funding Schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 27, 2022 on my consideration of the Franklin Parish Sheriff's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Franklin Parish Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Franklin Parish Sheriff's internal control over financial reporting and compliance.



West Monroe, Louisiana
December 27, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>
<i>Assets</i>	
Cash and Cash Equivalents	\$ 19,327,280
Accounts Receivable	1,016,852
Internal Balances	44,868
Inventory	177,335
Capital Assets:	
Non-Depreciable	90,000
Depreciable	<u>3,950,700</u>
Total Assets	<u>24,607,035</u>
<i>Deferred Outflows of Resources</i>	
Resources Related to Pensions	1,913,301
<i>Liabilities</i>	
Accounts Payable	582,065
Long-Term Liabilities	142,262
Net Post Employment Benefit Obligation	3,251,831
Net Pension Liability (Asset)	<u>(334,975)</u>
Total Liabilities	3,641,183
<i>Deferred Inflows of Resources</i>	
Resources Related to Pensions	(2,476,113)
<i>Net Position</i>	
Net Investment in Capital Assets	4,040,700
Net Position - Unrestricted	<u>21,314,566</u>
Total Net Position	<u>\$ 25,355,266</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2022

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Governmental Activities:					
Public Safety	\$ 7,715,403	\$ 10,047,311	\$ 1,085,155	\$ -	3,417,063
Total Governmental Activities	<u>\$ 7,715,403</u>	<u>\$ 10,047,311</u>	<u>\$ 1,085,155</u>	<u>\$ -</u>	<u>\$ 3,417,063</u>

General Revenues:	
Property tax levied for public safety	\$ 1,053,496
Sales tax levied for public safety	1,607,478
State Revenue Sharing	71,081
Other	287,576
Interest Earned	<u>70,857</u>
Total General Revenues	3,090,487
Changes in Net Position	6,507,550
Net Position - Beginning	<u>18,847,716</u>
NET POSITION - ENDING	<u>\$ 25,355,266</u>

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

FUND FINANCIAL STATEMENTS

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Balance Sheet, Governmental Funds
June 30, 2022

	<u>General Fund</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 19,327,280
Accounts Receivable	1,016,852
Due from Other Funds	44,868
Inventories	177,335
<u>TOTAL ASSETS</u>	<u>\$ 20,566,335</u>
<u>LIABILITIES AND FUND BALANCE</u>	
<u>Liabilities</u>	
Accounts Payable	<u>\$ 582,065</u>
<u>Total Liabilities</u>	582,065
<u>Fund Balance</u>	
Nonspendable	177,335
Unassigned	19,806,935
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 20,566,335</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
JUNE 30, 2022

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

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

Fund Balance, Governmental Funds:	\$ 19,984,270
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	4,040,700
Net pension asset does not require the use of current financial resources and therefore is not reported in the funds.	334,975
Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements: Net OPEB obligation	(3,251,831)
The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.	<u>4,389,414</u>
Net Position of Governmental Activities	<u><u>\$ 25,355,266</u></u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022

	<u>General Fund</u>
<u>Revenues</u>	
Ad Valorem Taxes	\$ 1,053,496
Sales Taxes	1,607,478
Intergovernmental Revenue	
Federal	178,982
State	8,901
Local	452,866
State Revenue Sharing	71,081
Fees, Charges & Services	
Commissions	722,966
Civil & Criminal Fees	212,027
Housing Prisoners	9,112,318
State Supplemental Pay	444,406
Use of Money - Interest Earning	70,857
Other	<u>287,576</u>
TOTAL REVENUES	<u>14,222,953</u>
 <u>Expenditures</u>	
Public Safety:	
Personnel Services and Related Benefits	7,647,149
Operating Services	5,230,155
Materials and Supplies	278,735
Travel and Other Charges	23,315
Capital Outlay	<u>513,216</u>
TOTAL EXPENDITURES	<u>13,692,570</u>
 <u>Excess (Deficiency) of Revenues Over</u>	
<u>Expenditures</u>	530,383
 <u>Other Financing Sources and Uses</u>	
Operating Transfers Out	(1,500,000)
 <u>Fund Balance - Beginning of the Year</u>	<u>20,953,887</u>
 <u>FUND BALANCE - END OF THE YEAR</u>	<u><u>\$ 19,984,270</u></u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2022

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

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

Net change in fund balances - total governmental funds \$ 530,383

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

Expenditures for capital assets	513,216	
Less current year depreciation	<u>(481,294)</u>	
		31,922

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

Change in compensated absences payable	16,399	
Change in OPEB obligation	3,387,111	
Nonemployer contributions to pension plan	312,240	
Pension Expense	<u>2,229,495</u>	

Changes in net position of governmental activities \$ 6,507,550

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPE – AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

FIDUCIARY FUND TYPE - AGENCY FUNDS

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

LICENSE FUND

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

CRIMINAL FUND

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

CIVIL FUND

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

WORK RELEASE PROGRAM FUND

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

TAX COLLECTION FUND

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

INMATE TRUST FUND

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Fiduciary Assets and Liabilities
June 30 , 2022

	License Fund	Criminal Fund	Civil Fund	Work Release Program Fund
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 7,640	\$ 167,611	\$ 14,132	\$ 38,885
Investments	-	-	-	-
Deposits Due from Others	-	-	-	-
TOTAL ASSETS	<u>7,640</u>	<u>167,611</u>	<u>14,132</u>	<u>38,885</u>
<u>LIABILITIES</u>				
Internal Balances	-	-	-	-
Deposits Due Others	7,640	167,611	14,132	38,885
TOTAL LIABILITIES	<u>\$ 7,640</u>	<u>\$ 167,611</u>	<u>\$ 14,132</u>	<u>\$ 38,885</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

Statement of Fiduciary Assets and Liabilities (Continued)
June 30, 2022

Tax Collection Fund	Inmate Trust Fund	Total Custodial Funds	Retired Employees Insurance Fund
\$ 994,788	\$ 153,811	\$ 1,376,867	\$ -
-	-	-	1,393,684
-	-	-	-
994,788	153,811	1,376,867	\$ 1,393,684
-	-	-	-
994,788	153,811	1,376,867	1,393,684
\$ 994,788	\$ 153,811	\$ 1,376,867	\$ 1,393,684

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPES - AGENCY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2022

	License Fund	Criminal Fund	Civil Fund	Work Release Program Fund
<u>BALANCES AT BEGINNING OF YEAR</u>	\$ 161	\$ 209,565	\$ 14,098	\$ 32,807
<u>ADDITIONS</u>				
Contributions from General Fund	-	-	-	-
Deposits:				
Licenses	136,331	-	-	-
Fines and Costs	-	517,024	-	-
Sheriff's Sales	-	-	388,043	-
Garnishments	-	-	33,763	-
Other Deposits	-	-	11,125	-
Taxes, Fees, Etc. paid to Tax Collector	-	-	-	-
Work Release Income	-	-	-	450,591
Interest Earned	5	430	33	52
Inmate Deposits	-	-	-	-
TOTAL ADDITIONS	136,336	517,454	432,964	450,643
TOTAL AVAILABLE	136,497	727,019	447,062	483,450
<u>REDUCTIONS</u>				
Net Change in Fair Value of Investments	-	-	-	-
Investment Expense	-	-	-	-
Taxes, Fees, Etc. Distributed	-	-	-	-
Deposits Settled To:				
Sheriff's General Fund	19,328	89,757	55,248	318,827
Police Jury	109,529	4,025	-	-
District Attorney	-	190,439	-	-
Clerk of Court	-	20,949	18,455	-
Indigent Defender Board	-	46,404	-	-
Attorneys, Appraisers, Etc.	-	-	356,226	-
Other Settlements	-	207,834	3,001	-
Withdrawals by/for Inmates	-	-	-	125,738
TOTAL REDUCTIONS	128,857	559,408	432,930	444,565
BALANCE AT END OF YEAR	\$ 7,640	\$ 167,611	\$ 14,132	\$ 38,885

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
FIDUCIARY FUND TYPES - AGENCY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CONTINUED
DUE TO TAXING BODIES AND OTHERS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Tax Collection Fund</u>	<u>Inmate Trust Fund</u>	<u>Total Custodial Funds</u>	<u>Retired Employees Insurance Fund</u>
\$ 998,883	\$ 207,640	\$ 1,463,154	\$ -
-	-	-	1,500,000
-	-	136,331	-
-	-	517,024	-
-	-	388,043	-
-	-	33,763	-
-	-	11,125	-
12,491,954	-	12,491,954	-
-	-	450,591	-
2,067	252	2,839	6,097
-	1,520,235	1,520,235	-
<u>12,494,021</u>	<u>1,520,487</u>	<u>15,551,905</u>	<u>1,506,097</u>
13,492,904	1,728,127	17,015,059	1,506,097
-	-	-	110,224
-	-	-	2,189
12,498,019	50	12,498,069	-
-	1,574,266	2,057,426	-
-	-	113,554	-
-	-	190,439	-
-	-	39,404	-
-	-	46,404	-
-	-	356,226	-
97	-	210,932	-
-	-	125,738	-
<u>12,498,116</u>	<u>1,574,316</u>	<u>15,638,192</u>	<u>112,413</u>
<u>\$ 994,788</u>	<u>\$ 153,811</u>	<u>\$ 1,376,867</u>	<u>\$ 1,393,684</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

INTRODUCTION

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

C. BASIC FINANCIAL STATEMENTS - GOVERNMENT - WIDE STATEMENTS

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

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

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

D. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

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

Government Fund Types

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

Fiduciary Fund Type - Agency Funds

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

E. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

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

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

F. BUDGETARY ACCOUNTING

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

G. SALES AND USE TAX

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

H. ENCUMBRANCES

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

I. CASH AND CASH EQUIVALENTS

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

J. INVENTORY

Inventory at June 30, 2022, consists of commissary items purchased during preceding months. Inventory items are valued at unit prices established by purchase prices paid for purchased items. Amounts are recorded as expenditures under the consumption method using the First-In, First-Out (FIFO) cost flow assumption.

K. CAPITAL ASSETS

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

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

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

L. RISK MANAGEMENT

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

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

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

M. COMPENSATORY TIME

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

N. BAD DEBTS

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

O. ESTIMATES

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

P. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 2022, was made available for public inspection on June 14, 2021. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal as required prior to the public hearing, which was held at the Franklin Parish Sheriff's office June 14, 2021, for comments from taxpayers.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

P. BUDGET PRACTICES - Continued

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

Q. INVESTMENTS

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

In addition, R.S. 13:5554.6 limits the Franklin Parish Retired Employees Insurance Fund (FREIF) investments to not less than 25% in fixed income investments into the FREIF, provided that a minimum of 25% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

R. VACATION AND SICK LEAVE

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

S. EQUITY CLASSIFICATIONS - GOVERNMENT-WIDE STATEMENTS

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

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

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

T. FUND EQUITY OF FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

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

U. PENSION PLANS

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

V. OTHER POSTEMPLOYMENT BENEFITS

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 2 - LEVIED TAXES

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

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

NOTE 3 - CASH AND CASH EQUIVALENTS

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

At June 30, 2022, the Sheriff has cash and cash equivalents (book balances) totaling \$20,704,147 as follows:

	<u>Statement of Net Position</u>	<u>Statement of Fiduciary Asset & Liabilities</u>	<u>Total</u>
Petty Cash	\$ 1,800	\$ -	\$ 1,800
Demand Deposits	<u>19,325,480</u>	<u>1,376,867</u>	<u>20,702,347</u>
TOTAL	<u>\$ 19,327,280</u>	<u>\$ 1,376,867</u>	<u>\$ 20,704,147</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2022, the Sheriff has \$21,285,554 in deposits (collected bank balances). These deposits are secured from risk by \$844,455 of federal deposit insurance and \$23,154,053 was collateralized by securities by pledging banks in the Sheriff's name.

NOTE 4 - RECEIVABLES

The receivables at June 30, 2022, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Fees, Charges, and Commissions for Services	\$ 33,365	\$ -	\$ 33,365
Feeding and Keeping of Prisoners	<u>983,487</u>	<u>-</u>	<u>983,487</u>
TOTAL	<u>\$1,016,852</u>	<u>\$ -</u>	<u>\$1,016,852</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 5 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2022 follows:

	Balance June 30, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2022</u>
<u>Capital Assets</u>				
Construction in Progress	\$ 38,724	\$ -	\$ -	\$ 38,724
Equipment	2,510,339	203,216	(31,727)	2,681,828
Buildings	9,126,421	310,000	-	9,436,421
Land	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>90,000</u>
	<u>\$11,765,484</u>	<u>\$ 513,216</u>	<u>\$ (31,727)</u>	<u>\$12,246,973</u>
<u>Accumulated Depreciation</u>				
Equipment	\$ (1,994,683)	\$ (412,136)	\$ 31,727	\$(2,375,092)
Buildings	<u>(5,762,023)</u>	<u>(69,158)</u>	<u>-</u>	<u>(5,831,181)</u>
	<u>(7,756,706)</u>	<u>(481,294)</u>	<u>31,727</u>	<u>(8,206,273)</u>
Net Capital Assets	<u>\$ 4,008,778</u>	<u>\$ 31,922</u>	<u>\$ -</u>	<u>\$ 4,040,700</u>

NOTE 6 - PENSION PLAN

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

Plan Description:

The Louisiana Sheriff's Pension and Relief Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN – Continued

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

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

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

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

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

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN – Continued

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

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

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2022, the actual employer contribution rate was 12.25%. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2022.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Franklin Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.25% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Franklin Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statue 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Franklin Parish Sheriff's contributions to the System for the years ended June 30, 2020, 2021, and 2022 were \$570,513, \$603,280, and \$619,344, respectively, equal to the required contributions for each year.

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

At June 30, 2022, the Sheriff reported an asset of \$334,975 for its proportionate share of the net pension liability of the system. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Sheriff's proportion was .675966% which was an increase of .04511% from its proportion measured as of June 30, 2020.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN - Continued

For the year ended June 30, 2022, the Sheriff recognized pension revenue of \$1,387,699 representing its proportionate share of the system's net expense, including amortization of deferred amounts.

At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (466,424)
Changes of assumptions	1,030,804	-
Net difference between projected and actual earnings on pension plan investments	-	3,024,966
Changes in proportion and differences between Employer contributions and proportionate share of contributions -	263,153	(82,409)
Employer contributions subsequent to the measurement date	<u>619,344</u>	<u>-</u>
Total	<u>\$1,913,301</u>	<u>\$2,476,113</u>

The Sheriff reported a total of \$619,344 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021 which will be recognized as a reduction in net pension liability in the year ended June 30, 2022.

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

Year	
2022	\$(418,734)
2023	(376,409)
2024	(540,464)
2025	<u>(893,042)</u>
	<u>\$(2,228,649)</u>

Actuarial Assumptions

A Summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 is as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	6.90%, net of investment expense
Discount Rate	6.90%

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN – Continued

Projected Salary Increases	5.0% (2.5% inflation, 2.5% merit)
Mortality	<p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% males and 115% females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.</p>
Expected Remaining Service Lives	<p>2021 – 5 years</p> <p>2020 – 6 years</p> <p>2019 - 6 years</p> <p>2018 - 6 years</p> <p>2017 - 7 years</p> <p>2016 – 7 years</p>
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Changes in Valuation Methods and Assumptions	The discount rate was lowered from 7.00% to 6.90% for the year ended June 30, 2021.

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN – Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Real Return Target Allocation</u>	<u>Long-Term Expected Arithmetic Basis</u>	<u>Real Rate of Return</u>
Equity Securities	62%	7.08%	4.39%
Fixed Income	25%	1.44%	0.36%
Alternative Investments	<u>13%</u>	4.38%	<u>0.57%</u>
Total	<u>100%</u>		5.32%
Inflation			<u>2.55%</u>
Expected Arithmetic Nominal Return			<u>7.87%</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, approved by PRSAC taking into consideration the recommendation of the Fund’s actuary. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSPRF			
Rates	5.90%	6.90%	7.90%
FPSO Share of NPL	\$3,677,992	\$(334,975)	\$(3,680,509)

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 - PENSION PLAN – Continued

Change in Net Pension Liability

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

NOTE 7 – DEFERRED COMPENSATION PLAN

The Sheriff offers its employees participation in the Louisiana Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission, and established in accordance with the Internal Revenue Code Section 457. Employees are eligible to participate in the Plan. The Plan allows employees to defer a portion of their salary until future years. The Sheriff makes matching contributions of employee’s elective deferral. Contributions made by the Sheriff for the year ended June 30, 2022 were \$132,410.

NOTE 8 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term debt for the year ended June 30, 2022:

	Balance			Balance	Amounts
	June 30,			June 30,	Due
	<u>2021</u>	<u>Additional</u>	<u>Reductions</u>	<u>2022</u>	<u>Year</u>
Compensated Absences	158,661	-	(16,399)	142,262	-

NOTE 9 - ON - BEHALF PAYMENTS

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

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Other Post-Employment Benefits (OPEB) Plan Disclosures

Plan Description

Plan Administration – The Franklin Parish Sheriff’s Office’s administers the Franklin Parish Sheriff’s Retired Employees Insurance Fund (FREIF) to fund payment of the premium costs for eligible retired employees. The medical benefits are provided through a fully insured medical plan and are made available to employees upon actual retirement.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Plan Description - Continued

Management of the Plan is vested in the Plan’s Board of Trustees, which consists of the Sheriff or his designee, one retired sheriff or retired deputy sheriff of the department, and one active deputy sheriff of the department.

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Plan Membership – At June 30, 2022, the Plan’s membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	13
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	95
	108

Benefits Provided – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1st, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits. Notwithstanding this there is also a minimum requirement of at least twenty four years of service with the Franklin Parish Sheriff’s Office.

Contributions – The Franklin Parish Sheriff’s Office has the authority to establish and amend the contribution requirements of the Franklin Parish Sheriff’s Office and the plan members. Plan members are not required to contribute to their post-employment benefits costs.

Investments

Investment policy – The OPEB Trust was funded on January 10, 2022. The board is in the process of selecting an investment advisor for the OPEB Trust. An investment policy has been established, however, the asset allocation policy will be determined once the investment advisor has been selected:

Asset Class	Target Allocation
Total Fixed Income	48%
Total Equity Based	50%
Money Market/CD/Cash	2%

Concentrations – The Trust has over 5% invested in the following funds; American Funds Europacific Growth F2, 6.95%, American Funds Growth Fund of American F2, 6.21%, Blackrock Strategic Income Opps Instl, 10.21%, Blackrock Total Return Instl, 6.87%, Dodge and Cox Income I, 6.94%, Hartford World Bond I, 10.03%, PGIM Short Term Corporate Bond, 7.03%, T. Rowe Price Equity Income, 6.78%, Vanguard 500 Index Admiral, 6.53%, Vanguard Short Term Federal Admiral, 7.14%.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Asset Class	Actual Asset Allocation
Total Fixed Income	50.94%
Total Equity Based	47.03%
Money Market/CD/Cash	2.03%

Rate of Return – For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -7.09%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Franklin Parish Sheriff’s Office

The components of the net OPEB liability of the Franklin Parish Sheriff’s Office at June 30, 2022, were as follows:

Total OPEB liability	\$ 4,645,515
Plan fiduciary net position	1,393,684
Franklin Parish Sheriff’s Office’s net OPEB liability	\$ 3,251,831
Plan fiduciary net position as a percentage of the total OPEB liability	30.00 %

Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	2.5%, including inflation
	2.16% annually (Beginning of Year to Determine ADC)
	5.00% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%

The RP-2014 combined mortality table has been used. Projected future mortality improvement has not been used since it is our opinion that this table contains a substantial conservative margin for the population involved in this valuation.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2006 to June 30, 2022 in addition to the OGB assumptions.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	7.0%
Corporate Bonds	4.5%
Certificates of Deposit	2.0%
Cash	1.0%

Discount Rate – This plan is a defined benefit OPEB plan which meets the requirements of paragraph 4 of GASB Statement No. 75 as of the beginning of the fiscal year ended June 30, 2022. However, a trust was established during 2022 and an initial contribution was made during that year but funding and investment policies have not yet been fully implemented. We have therefore used the discount rates which would be applicable to an unfunded plan; namely, 5.00%, which is the value of the Bond Buyers' 20 Year General obligation municipal bond index as of June 30, 2022, the measurement date at the end of the applicable measurement period and 2.16% as of, June 30, 2021, the measurement date at the end of the immediately preceding measurement period.

Changes in the Net OPEB Liability

	<u>Increases (Decreases)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a)-(b)</u>
Balances at 6/30/2021	6,638,952		6,638,952
Service Cost	73,903		73,903
Interest Cost at 2.16%	144,200		144,200
Difference between expected and actual experience	1,660,883		1,660,883
Employer contributions			
Trust	-	1,500,000	(1,500,000)
Net investment income	-	(106,316)	106,316
Changes of assumptions	(3,799,266)		(3,799,266)
Benefit payments			
a. From Trust	-	-	-
b. Direct	(73,157)	-	(73,157)
Administrative expense			
a. From Trust	-	-	-
b. Direct	-	-	-
Net changes:	<u>(1,993,437)</u>	<u>1,393,684</u>	<u>(599,753)</u>
Balances at 6/30/2022	<u>4,645,515</u>	<u>1,393,684</u>	<u>3,251,831</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Sensitivity of the net OPEB liability to changes in the discount rate – The following represents the net OPEB liability of the Franklin Parish Sheriff’s Office, as well as what the Franklin Parish Sheriff’s Office’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current discount rate:

	1.0% Decrease (4.00%)	Current Discount Rate (5.00%)	1.0% Increase (6.00%)
Net OPEB liability	\$ 4,072,321	\$ 3,251,831	\$ 2,567,025

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

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
Net OPEB liability	\$ 2,550,918	\$ 3,251,831	\$ 4,087,396

NOTE 11 - TAXES PAID UNDER PROTEST

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

Balance, June 30, 2021	\$ 994,301
Additions:	
Taxes	263,224
Interest	1,052
Settlements to Taxing Bodies and Others	<u>(\$303,750)</u>
Balance, June 30, 2022	<u>\$ 954,827</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 12 – INTERGOVERNMENTAL AGREEMENT

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

NOTE 13 - LITIGATION AND CLAIMS

At June 30, 2022, the Sheriff has no pending or threatened litigation which would adversely affect the financial status of the Franklin Parish Sheriff’s office.

NOTE 14 - RELATED PARTY TRANSACTIONS

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

NOTE 15– FEDERAL FINANCIAL ASSISTANCE

The Sheriff participated in the following federal assistance programs during the year ended June 30, 2022:

<u>Federal Agency</u>	<u>ALN Number</u>	<u>Expenditures</u>
Homeland Security and Emergency Preparedness SHSP/EMPG	97.067/97.042	56,857
United States Department of Justice Passed through the Louisiana Commission on Law Enforcement Bureau of Justice Assistance (Office of Justice Programs) Street Sales Disruption (Grant ID 6170)	16.738	9,045
CESF 2020 (Grant ID 5487)	16.751	59,107
United States Department of Justice Victims of Criminal Acts (Grant ID 5726)	16.575	53,973
TOTAL FEDERAL ASSISTANCE		<u>\$ 178,982</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 16 – EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at June 30, 2022 was \$994,788. The unsettled balances of the Tax Collector Fund at June 30, 2022 consist of:

Collection of current and prior year taxes not yet settled	\$ 39,961
Protested Taxes	<u>954,827</u>
	<u>\$ 994,788</u>

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

<u>Taxing Authority</u>	<u>Taxes Collected</u>
Franklin Parish Police Jury	\$ 3,511,400
Franklin Parish School Board	2,610,514
Franklin Medical Center	1,422,603
Franklin Parish Sheriff	1,006,834
Franklin Parish Library	806,381
Franklin Parish Tax Assessor	761,924
Tensas Basin Levee District	367,333
Franklin Parish Council on Aging	218,492
Franklin Parish Fire District II	223,945
Franklin Parish Fire District V	170,837
Teacher's Retirement Fund	119,955
Franklin Parish Fire District I	92,335
Franklin Parish Fire District IV	110,998
Sheriff's Pension and Relief Fund	59,977
Franklin Parish Fire District III	76,251
Assessor's Retirement Fund	388,288
Franklin Parish Clerk of Court Retirement	29,989
Municipal Employees	29,989
Parochial Employees	29,989
Franklin Parish District Attorney Retirement	23,991
Louisiana Tax Commission	14,990
Registrar of Voters Retirement Fund	7,497
La Agriculture & Forestry Commission	5,810
	<u>\$ 12,090,322</u>

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 16 – EX-OFFICIO TAX COLLECTOR – Continued

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

<u>Taxing Authority</u>	Franklin Parish Police Jury	Commission paid to Franklin Parish Sheriff	Final Distribution
Occupational License	<u>\$109,529</u>	<u>\$ 19,328</u>	<u>\$ 128,857</u>

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

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued, December 27, 2022, and determined that no ongoing events require disclosure.

REQUIRED SUPPLEMENTAL INFORMATION

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA

**Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget to Actual
General Fund
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over(Under)
	Original	Final		
<u>Operating Revenue</u>				
Ad Valorem Taxes	1,034,000	1,056,500	\$ 1,053,496	\$ (3,004)
Sales Taxes	1,410,000	1,590,000	1,607,478	17,478
Intergovernmental Revenue				
Federal	116,060	214,560	178,982	(35,578)
State	16,000	9,000	8,901	(99)
Local	61,600	458,500	452,866	(5,634)
State Revenue Sharing	70,000	71,081	71,081	-
Fees, Charges, & Services				
Commissions	545,000	716,000	722,966	6,966
Civil and Criminal Fees	184,500	206,400	212,027	5,627
Housing Prisoners	8,198,150	9,276,500	9,112,318	(164,182)
State Supplemental Pay	430,000	444,500	444,406	(94)
Use of Money - Interest Earning	100,000	67,500	70,857	3,357
Other	131,110	272,600	287,576	14,976
Total Operating Revenues	<u>\$12,296,420</u>	<u>\$14,383,141</u>	<u>\$14,222,953</u>	<u>(\$160,188)</u>
<u>Operating Expenditures</u>				
General Government				
Personnel Services	7,840,414	7,661,150	7,647,149	14,001
Operating Services	4,146,035	5,324,663	5,230,155	94,508
Materials and Supplies	288,100	408,550	278,735	129,815
Travel and Other Charges	16,450	25,600	23,315	2,285
Capital Outlay	-	-	513,216	(513,216)
Total Expenditures	<u>12,290,999</u>	<u>13,419,963</u>	<u>13,692,570</u>	<u>(272,607)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	\$5,421	\$963,178	\$530,383	\$112,419
<u>Other Financing Sources and Uses</u>				
Operating Transfers Out	-	(1,500,000)	(1,500,000)	-
<u>Fund Balance - Beginning of the Year</u>				
	20,953,887	20,953,887	20,953,887	-
<u>FUND BALANCE - END OF THE YEAR</u>				
	<u>\$ 20,959,308</u>	<u>\$ 21,917,065</u>	<u>\$19,984,270</u>	<u>\$ 112,419</u>

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2022

A. BUDGETS

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

B. BUDGET VARIANCES

Actual expenditures greater than budgeted expenditures:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Capital Outlay	-	513,216	(513,216)

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

	Fiscal year ended 6/30 of				
	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 60,309	\$ 44,992	\$ 47,882	\$ 71,700	\$ 73,903
Interest	108,766	113,755	125,500	126,939	144,200
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	83,587	298,131	423,088	770,840	1,660,883
Changes of assumptions	-	66,260	1,635,753	52,221	(3,799,266)
Benefit payments	(77,024)	(81,260)	(86,012)	(90,743)	(73,157)
Net change in total OPEB liability	<u>175,638</u>	<u>441,878</u>	<u>2,146,211</u>	<u>930,957</u>	<u>(1,993,437)</u>
Total OPEB liability - beginning	<u>2,944,268</u>	<u>3,119,906</u>	<u>3,561,784</u>	<u>5,707,995</u>	<u>6,638,952</u>
Total OPEB liability - ending (a)	<u>\$ 3,119,906</u>	<u>\$ 3,561,784</u>	<u>\$ 5,707,995</u>	<u>\$ 6,638,952</u>	<u>\$ 4,645,515</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Contributions - member	-	-	-	-	(106,316)
Net investment income	-	-	-	-	-
Benefit payments	-	-	-	-	-
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	1,393,684
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,393,684</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 3,119,906</u>	<u>\$ 3,561,784</u>	<u>\$ 5,707,995</u>	<u>\$ 6,638,952</u>	<u>\$ 3,251,831</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	30.00%
Covered-employee payroll	\$ 3,764,743	\$ 3,877,685	\$ 4,111,457	\$ 4,234,801	\$ 4,234,802
Net OPEB liability as a percentage of covered-employee payroll	82.87%	91.85%	138.83%	156.77%	76.79%
Notes to Schedule:					
Discount Rate:	3.62%	3.50%	2.21%	2.16%	3.54%
Mortality:	RP-2000	RP-2000	RP-2014	RP-2014	RP-2014
Trend:	5.50%	5.50%	4.5% to 5.5%	4.5% to 5.5%	4.5% to 5.5%

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF FRANKLIN PARISH SHERIFF'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022

Fiscal Year	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency	Agency's covered payroll	Contributions as a percentage of covered payroll
2015	\$ 531,592	\$ 531,592	\$ -	\$ 3,731,059	14.25%
2016	\$ 531,940	\$ 531,940	\$ -	\$ 3,868,737	13.75%
2017	\$ 533,853	\$ 533,853	\$ -	\$ 4,029,123	13.25%
2018	\$ 546,629	\$ 546,629	\$ -	\$ 4,286,378	12.75%
2019	\$ 540,459	\$ 540,459	\$ -	\$ 4,411,703	12.25%
2020	\$ 570,513	\$ 570,513	\$ -	\$ 4,657,415	12.25%
2021	\$ 603,280	\$ 603,280	\$ -	\$ 4,928,600	12.24%
2022	\$ 619,344	\$ 619,344	\$ -	\$ 5,055,874	12.25%

Amounts presented were determined as of the end of the fiscal year. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF SHERIFF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

<u>Fiscal Year</u>	<u>Agency's proportion of the net pension liability (asset)</u>	<u>Agency's proportionate share of the net pension liability (asset)</u>	<u>Agency's covered payroll</u>	<u>Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2015	56.0699%	\$ 2,220,371	\$ 3,731,059	59.5105%	87.3447%
2016	56.5756%	\$ 2,521,867	\$ 3,868,737	65.1858%	86.6065%
2017	56.5824%	\$ 3,591,225	\$ 4,029,123	89.1317%	82.0969%
2018	58.1696%	\$ 2,518,903	\$ 4,286,378	58.7653%	88.4876%
2019	62.2792%	\$ 2,388,188	\$ 4,411,703	54.1330%	90.4106%
2020	63.1369%	\$ 2,986,520	\$ 4,657,415	64.1240%	88.9085%
2021	63.0856%	\$ 4,366,251	\$ 4,928,600	88.5901%	84.7289%
2022	67.5966%	\$ (334,975)	\$ 5,055,874	-6.6255%	101.0387%

Amounts presented were determined as of the measurement date (previous fiscal year end). Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

OTHER SUPPLEMENTAL INFORMATION



KEVIN W. COBB

FRANKLIN PARISH

SHERIFF AND EX-OFFICIO TAX COLLECTOR

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

STATE OF LOUISIANA, PARISH OF FRANKLIN

AFFADAVIT

KEVIN W. COBB, Sheriff of Franklin Parish

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

The following information is true and correct:

\$994,788 is the amount of cash on hand in the tax collector account on June 30, 2022;

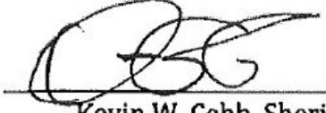
Collected of current and prior year taxes not yet settled: \$39,961

Protested taxes held: \$954,827



He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2021, by taxing authority, are true and correct.

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


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

SWORN to and subscribed before me, Notary, this 27th day of December, 2022, in my office in Winnsboro, Louisiana.


Kevin W. Cobb, Sheriff

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

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2022

Agency Head: Kevin Cobb, Sheriff

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 182,575
Benefits - Insurance	19,956
Travel, Registrations and Related Expenses	<u>2,385</u>
Total	<u>\$ 204,916</u>

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Entity Name Franklin Parish Sheriff
 LLA Entity ID # 3085
 Date that reporting period ended 06/30/2022

Cash Basis Presentation	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 06/30/22
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 223,663	
Collections		
Civil Fees	296,604	132,621
Bond Fees	49,765	65,766
Cash Bonds	4,500	-
Criminal Seizures	6,907	6,163
Pre-Trial Diversion Program Fees		
Fines, Fees Court Cost	172,825	179,155
Criminal Fines - Contempt		
Restitution	21,943	40,925
Subtotal Collections	\$ 552,544	\$ 424,630
Less: Disbursements To Governments & Nonprofits:		
Bond Fees-5th Judicial District Criminal Court Fund	11,594	15,242
Bond Fees- Clerk of Court	226	320
Bond Fees- Crime Lab	226	320
Bond Fees- 5th Judicial District Attorney's Office	11,594	15,242
Bond Fees- 5th Judicial District Attorney's Office	791	1,120
Bonds Fees- Indigent Defender Board	226	320
Bond Fees - Indigent Defender Board	11,594	15,242
Criminal Seizures - 5th Judicial District Attorney's Office	1,326	1,200
Criminal Seizures - 5th Judicial District Criminal Court Fund	1,326	1,200
Criminal Seizures - Franklin Parish Clerk of Court	225	100
Criminal Seizures - DART	69	62
Fines, Fees Court Cost - DHH TH/SCI T.F.	662	651
Restitution	21,943	40,925
Fines, Fees Court Cost- Indigent Defender Board	8,591	8,408
Fines, Fees Court Cost- Clerk of Court	9,342	9,942
Fines, Fees Court Cost- Franklin Parish Coroner	910	1,210
Fines, Fees Court Cost- North Louisiana Crime Lab	24,203	24,709
Fines, Fees Court Cost- 5th Judicial District Attorney's Office	17,345	16,607
Fines, Fees Court Cost- Louisiana State Police	200	325
Fines, Fees Court Cost- 5th Judicial District Judicial Expense	1,495	1,368
Fines, Fees Court Cost- Louisiana Commission on Law Enforcement	4,614	4,925
Fines, Fees Court Cost- 5th Judicial District Criminal Court Fund	71,218	76,171
Cost of Prosecution - 5th Judicial District Attorney's Office	-	
Clerk of Court, Sheriff Sale Fees	7,414	10,353
Fines, Fees Court Cost- NELSA	2,352	1,438
Fines, Fees Court Cost- Louisiana Supreme Court	572	545
Fines, Fees Court Cost- Franklin Parish Police Jury (Witness Fees)	1,973	1,848

Entity Name
 LLA Entity ID #
 Date that reporting period ended

Franklin Parish Sheriff
 3085
 06/30/2022

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 06/30/22
Cash Basis Presentation		
Less: Amounts Retained by Collecting Agency		
Civil Fees	20,003	29,968
Bond Fees	13,515	17,962
Criminal Seizures	3,960	3,601
Cash Bonds Still Held	-	40,943
Interest	-	430
Fines, Fees Court Cost	21,933	20,656
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Cash Bond Distributions	4,250	21,000
Civil, Garnishments to Attorney of Record	12,200	19,537
Civil Fees, Appraisal Fees	2,000	670
Civil Fees, Advertisements	845	1,505
Civil Fees, Payments Due to Attorney of Record Sheriff Sales	250,371	70,588
Civil Fees, Sheriff Sales- Storage / Wrecker / Etc.	1,337	-
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	\$ 542,444	\$ 476,649
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)		\$ 181,743
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-

Justice System Funding Schedule - Receiving Entity

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 06/30/22
<i>Cash Basis Presentation</i>		
Receipts From:		
Franklin Parish Sheriff, Service and Collection Fees	49,392	55,248
Franklin Parish Sheriff, Criminal Fines - Other	40,499	49,258
Subtotal Receipts	89,891	104,506
Ending Balance of Amounts Assessed but Not Received (only applies to those agencies that assess on behalf of themselves, such as courts)	-	-

OTHER SUPPLEMENTAL INFORMATION –
COMPLIANCE REQUIREMENTS

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

To the Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Franklin Parish Sheriff, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Sheriff’s basic financial statements, and have issued my report thereon dated December 27, 2022.

Internal Control Over Financial Reporting

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

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

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

To the Honorable Kevin Cobb
Franklin Parish Sheriff
Winnsboro, Louisiana

Compliance and Other Matters

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

Purpose of this Report

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

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

West Monroe, Louisiana
December 27, 2022



FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

To the Honorable Kevin Cobb
 Franklin Parish Sheriff
 Winnsboro, Louisiana

I have audited the financial statements of Franklin Parish Sheriff as of and for the year ended June 30, 2022, and have issued my report thereon dated December 27, 2022. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2022, resulted in an unqualified opinion.

Section I- Summary of Auditor's Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards

Material Weakness Identified ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ___ Qualified ___ N/A
 Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster) CFDA Number(s) N/A

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

FRANKLIN PARISH SHERIFF
WINNSBORO, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

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

No findings were reported under this section.

Section II - Financial Statement Findings

No findings were reported under this section.

Section III - Management Letter

No management letter was issued.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Franklin Parish Sheriff and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by the Franklin Parish Sheriff (the Entity) and the Louisiana Legislative Auditor (LLA), on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity's management is responsible for those C/C areas identified in the SAUPs.

Franklin Parish Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.


The procedures and related exceptions obtained are described in the attachment to this report.

I was engaged by the Franklin Parish Sheriff to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the Franklin Parish Sheriff and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

West Monroe, Louisiana
December 27, 2022



Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
 - j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Exceptions

No exceptions noted in the above procedures.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Collections (excluding electronic funds transfers)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Exceptions

The Sheriff has no debt.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions

Inquired of management whether the Sheriff had any misappropriations of public funds or assets and there was none. The entity does have posted on its premises, the notice required by R.S. 24:523.1.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Exceptions

I performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Exceptions

No exceptions were identified in the performance of the procedures listed above.