

**Ashley County, Arkansas**

**Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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Financial and Compliance Report

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# Arkansas

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Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Ashley County, Arkansas Officials and Quorum Court Members  
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Ashley County, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated November 27, 2023. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2022:

County Judge: Jim Hudson  
Treasurer: Stacey Breshears  
Sheriff: Tommy Sturgeon  
Tax Collector: Lori Pennington  
County Clerk: Christie Martin  
Circuit Clerk: Vickie Stell  
Assessor: Beth Rush  
County Librarian: Holly Gillum

We evaluated the County's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local County government, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script, reading "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
November 27, 2023  
LOCO00222

ASHLEY COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2022  
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 5,583,650	\$ 2,571,419	\$ 6,293,531
Accounts receivable	363,643	59,781	159,098
Interfund receivables		122,362	
	<u>5,947,293</u>	<u>2,753,562</u>	<u>6,452,629</u>
TOTAL ASSETS	<u>\$ 5,947,293</u>	<u>\$ 2,753,562</u>	<u>\$ 6,452,629</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 84,968	\$ 21,777	\$ 31,919
Interfund payables	122,362		
Settlements pending	558,010		2,442,140
Total Liabilities	<u>765,340</u>	<u>21,777</u>	<u>2,474,059</u>
Fund Balances:			
Restricted	670,611		3,978,570
Committed	1,114	2,731,785	
Assigned	124,212		
Unassigned	4,386,016		
Total Fund Balances	<u>5,181,953</u>	<u>2,731,785</u>	<u>3,978,570</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,947,293</u>	<u>\$ 2,753,562</u>	<u>\$ 6,452,629</u>

The accompanying notes are an integral part of these financial statements.

ASHLEY COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 710,412	\$ 2,139,220	\$ 233,721
Federal aid	166,394	2,680	1,910,524
Property taxes	1,651,830	306,980	146,101
Sales taxes	252,492	1,430,786	1,536,716
Fines, forfeitures, and costs	362,441		17,484
Interest	44,971	12,793	6,241
Officers' fees	43,531		125,154
911 fees			377,347
Jail fees	178,833		68,481
Sanitation fees	1,024,896		
Treasurer's commission	100,070		30,020
Collector's commission	76,239		69,118
Taxes apportioned - Assessor's salary and expense	384,194		
Other	166,976	141,074	8,779
TOTAL REVENUES	5,163,279	4,033,533	4,529,686
Less: Treasurer's commission	46,535	32,228	20,076
NET REVENUES	5,116,744	4,001,305	4,509,610
EXPENDITURES			
Current:			
General government	1,309,332		1,228,299
Law enforcement	2,532,032		1,421,327
Highways and streets		3,895,246	465,188
Public safety	16,142		303,713
Sanitation	794,138		81,298
Health	67,185		12,250
Recreation and culture	6,000		231,620
Social services	90,495		7,381
Total Current	4,815,324	3,895,246	3,751,076
Debt Service:			
Financed purchase principal	107,316	214,813	30,518
Financed purchase interest	7,448	39,304	357
TOTAL EXPENDITURES	4,930,088	4,149,363	3,781,951

ASHLEY COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	\$ 186,656	\$ (148,058)	\$ 727,659
OTHER FINANCING SOURCES (USES)			
Sales tax remitted to hospital			(761,753)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)			
EXPENDITURES AND OTHER USES	186,656	(148,058)	(34,094)
FUND BALANCES - JANUARY 1	4,995,297	2,879,843	4,012,664
FUND BALANCES - DECEMBER 31	\$ 5,181,953	\$ 2,731,785	\$ 3,978,570

The accompanying notes are an integral part of these financial statements.

ASHLEY COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 439,600	\$ 710,412	\$ 270,812	\$ 1,955,158	\$ 2,139,220	\$ 184,062
Federal aid		166,394	166,394	1,575	2,680	1,105
Property taxes	1,780,038	1,651,830	(128,208)	325,198	306,980	(18,218)
Sales taxes	231,000	252,492	21,492	1,357,020	1,430,786	73,766
Fines, forfeitures, and costs	359,000	362,441	3,441			
Interest	9,600	44,971	35,371	276,500	12,793	(263,707)
Officers' fees	45,000	43,531	(1,469)			
Jail fees	204,000	178,833	(25,167)			
Sanitation fees	1,191,800	1,024,896	(166,904)			
Treasurer's commission	151,345	100,070	(51,275)			
Collector's commission	73,912	76,239	2,327			
Taxes apportioned - Assessor's salary and expense	395,809	384,194	(11,615)			
Other	251,300	166,976	(84,324)	71,500	141,074	69,574
TOTAL REVENUES	5,132,404	5,163,279	30,875	3,986,951	4,033,533	46,582
Less: Treasurer's commission		46,535	(46,535)		32,228	(32,228)
NET REVENUES	5,132,404	5,116,744	(15,660)	3,986,951	4,001,305	14,354
EXPENDITURES						
Current:						
General government	3,022,714	1,309,332	1,713,382			
Law enforcement	4,254,106	2,532,032	1,722,074			
Highways and streets	132,808		132,808	5,574,371	3,895,246	1,679,125
Public safety	203,912	16,142	187,770			
Sanitation	1,481,039	794,138	686,901			
Health	73,050	67,185	5,865			
Recreation and culture	23,002	6,000	17,002			
Social services	111,956	90,495	21,461			
Total Current	9,302,587	4,815,324	4,487,263	5,574,371	3,895,246	1,679,125
Debt Service:						
Financed purchase principal		107,316	(107,316)		214,813	(214,813)
Financed purchase interest		7,448	(7,448)		39,304	(39,304)
TOTAL EXPENDITURES	9,302,587	4,930,088	4,372,499	5,574,371	4,149,363	1,425,008

ASHLEY COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (4,170,183)	\$ 186,656	\$ 4,356,839	\$ (1,587,420)	\$ (148,058)	\$ 1,439,362
OTHER FINANCING SOURCES (USES) Transfers in	2,058,406		(2,058,406)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,111,777)	186,656	2,298,433	(1,587,420)	(148,058)	1,439,362
FUND BALANCES - JANUARY 1	2,000,000	4,995,297	2,995,297	2,000,000	2,879,843	879,843
FUND BALANCES - DECEMBER 31	\$ (111,777)	\$ 5,181,953	\$ 5,293,730	\$ 412,580	\$ 2,731,785	\$ 2,319,205

The accompanying notes are an integral part of these financial statements.



ASHLEY COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Sheriff's Automation	County Public Library
ASSETS								
Cash and cash equivalents	\$ 222,822	\$ 223,467	\$ 13,526	\$ 16,204	\$ 33,596	\$ 172,339	\$ 1,019	\$ 489,487
Accounts receivable	30,020	69,118	164	80	393	9,086	62	9,261
TOTAL ASSETS	<u>\$ 252,842</u>	<u>\$ 292,585</u>	<u>\$ 13,690</u>	<u>\$ 16,284</u>	<u>\$ 33,989</u>	<u>\$ 181,425</u>	<u>\$ 1,081</u>	<u>\$ 498,748</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 5,158		\$ 400		\$ 1,196		\$ 2,259
Settlements pending								
Total Liabilities		<u>5,158</u>		<u>400</u>		<u>1,196</u>		<u>2,259</u>
Fund Balances:								
Restricted	\$ 252,842	287,427	\$ 13,690	15,884	\$ 33,989	180,229	\$ 1,081	496,489
Committed								
Assigned								
Unassigned								
Total Fund Balances	<u>252,842</u>	<u>287,427</u>	<u>13,690</u>	<u>15,884</u>	<u>33,989</u>	<u>180,229</u>	<u>1,081</u>	<u>496,489</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 252,842</u>	<u>\$ 292,585</u>	<u>\$ 13,690</u>	<u>\$ 16,284</u>	<u>\$ 33,989</u>	<u>\$ 181,425</u>	<u>\$ 1,081</u>	<u>\$ 498,748</u>

ASHLEY COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	County Clerk Operating	Support Collections Costs	Communication Facility and Equipment	Drug Control	County Detention Facility	Emergency 911	Circuit Court Juvenile Division/Juvenile Probation Fee	Circuit Clerk Commissioner's Fee
ASSETS								
Cash and cash equivalents	\$ 2,278	\$ 1,718	\$ 33,117	\$ 19,627	\$ 878,648	\$ 261,215	\$ 22,589	\$ 1,367
Accounts receivable	42	6	2,457	1,874	10,973	16,193	347	2
TOTAL ASSETS	<u>\$ 2,320</u>	<u>\$ 1,724</u>	<u>\$ 35,574</u>	<u>\$ 21,501</u>	<u>\$ 889,621</u>	<u>\$ 277,408</u>	<u>\$ 22,936</u>	<u>\$ 1,369</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 80			\$ 1,614		
Settlements pending								
Total Liabilities			<u>80</u>			<u>1,614</u>		
Fund Balances:								
Restricted	\$ 2,320	\$ 1,724	35,494	\$ 21,501	\$ 889,621	275,794	\$ 22,936	\$ 1,369
Committed								
Assigned								
Unassigned								
Total Fund Balances	<u>2,320</u>	<u>1,724</u>	<u>35,494</u>	<u>21,501</u>	<u>889,621</u>	<u>275,794</u>	<u>22,936</u>	<u>1,369</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,320</u>	<u>\$ 1,724</u>	<u>\$ 35,574</u>	<u>\$ 21,501</u>	<u>\$ 889,621</u>	<u>\$ 277,408</u>	<u>\$ 22,936</u>	<u>\$ 1,369</u>

ASHLEY COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUND
	Assessor's Late Assessment Fee	American Rescue Plan Act	American Rescue Plan - Library	Hospital Sales Tax	June Thach Linder Memorial CD	District Court Probation	Courthouse Security Fund
ASSETS							
Cash and cash equivalents	\$ 2,449	\$ 1,414,987	\$ 3,883		\$ 5,978	\$ 26,075	\$ 5,000
Accounts receivable	5			\$ 8,786	9	220	
TOTAL ASSETS	<u>\$ 2,454</u>	<u>\$ 1,414,987</u>	<u>\$ 3,883</u>	<u>\$ 8,786</u>	<u>\$ 5,987</u>	<u>\$ 26,295</u>	<u>\$ 5,000</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable		\$ 21,212					
Settlements pending							
Total Liabilities		<u>21,212</u>					
Fund Balances:							
Restricted	\$ 2,454	1,393,775	\$ 3,883	\$ 8,786	\$ 5,987	\$ 26,295	\$ 5,000
Committed							
Assigned							
Unassigned							
Total Fund Balances	<u>2,454</u>	<u>1,393,775</u>	<u>3,883</u>	<u>8,786</u>	<u>5,987</u>	<u>26,295</u>	<u>5,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,454</u>	<u>\$ 1,414,987</u>	<u>\$ 3,883</u>	<u>\$ 8,786</u>	<u>\$ 5,987</u>	<u>\$ 26,295</u>	<u>\$ 5,000</u>

ASHLEY COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 1

	CUSTODIAL FUNDS						
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	County Judge's Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 319,922	\$ 1,201	\$ 106,479	\$ 1,933,329	\$ 40,543	\$ 40,666	\$ 6,293,531
Accounts receivable							159,098
TOTAL ASSETS	<u>\$ 319,922</u>	<u>\$ 1,201</u>	<u>\$ 106,479</u>	<u>\$ 1,933,329</u>	<u>\$ 40,543</u>	<u>\$ 40,666</u>	<u>\$ 6,452,629</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 31,919
Settlements pending	\$ 319,922	\$ 1,201	\$ 106,479	\$ 1,933,329	\$ 40,543	\$ 40,666	2,442,140
Total Liabilities	<u>319,922</u>	<u>1,201</u>	<u>106,479</u>	<u>1,933,329</u>	<u>40,543</u>	<u>40,666</u>	<u>2,474,059</u>
Fund Balances:							
Restricted							3,978,570
Committed							
Assigned							
Unassigned							
Total Fund Balances							<u>3,978,570</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 319,922</u>	<u>\$ 1,201</u>	<u>\$ 106,479</u>	<u>\$ 1,933,329</u>	<u>\$ 40,543</u>	<u>\$ 40,666</u>	<u>\$ 6,452,629</u>

ASHLEY COUNTY, ARKANSAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Sheriff's Automation	County Public Library
REVENUES								
State aid				\$ 7,022				\$ 72,280
Federal aid								1,453
Property taxes								145,649
Sales taxes								
Fines, forfeitures, and costs			\$ 2,810					
Interest	\$ 1,033	\$ 1,294			\$ 143	\$ 702		2,986
Officers' fees					4,304	110,663	\$ 220	
911 fees								
Jail fees								
Treasurer's commission	30,020							
Collector's commission		69,118						
Other	1	7		\$ 1		9		8,547
TOTAL REVENUES	31,054	70,419	2,810	7,023	4,447	111,374	220	230,915
Less: Treasurer's commission			26	60	37	968	1	1,897
NET REVENUES	31,054	70,419	2,784	6,963	4,410	110,406	219	229,018
EXPENDITURES								
Current:								
General government	72,608	182,217		6,505		71,411		
Law enforcement			1,571					
Highways and streets								
Public safety								
Sanitation								
Health								
Recreation and culture								204,714
Social services								
Total Current	72,608	182,217	1,571	6,505		71,411		204,714
Debt Service:								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	72,608	182,217	1,571	6,505		71,411		204,714
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	(41,554)	(111,798)	1,213	458	4,410	38,995	219	24,304
OTHER FINANCING SOURCES (USES)								
Sales tax remitted to hospital								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	(41,554)	(111,798)	1,213	458	4,410	38,995	219	24,304
FUND BALANCES - JANUARY 1	294,396	399,225	12,477	15,426	29,579	141,234	862	472,185
FUND BALANCES - DECEMBER 31	\$ 252,842	\$ 287,427	\$ 13,690	\$ 15,884	\$ 33,989	\$ 180,229	\$ 1,081	\$ 496,489

ASHLEY COUNTY, ARKANSAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	County Clerk Operating	Reappraisal Cost	Support Collections Costs	Communication Facility and Equipment	Drug Control	County Detention Facility	Boating Safety and Enforcement	Emergency 911
REVENUES								
State aid		\$ 135,877					\$ 2,079	
Federal aid								
Property taxes								
Sales taxes						\$ 768,358		
Fines, forfeitures, and costs				\$ 966	\$ 3,843			
Interest				74				
Officers' fees	\$ 394		\$ 566	7,281				
911 fees								\$ 377,347
Jail fees				33,469		35,012		
Treasurer's commission								
Collector's commission								
Other								214
TOTAL REVENUES	394	135,877	566	41,790	3,843	803,370	2,079	377,561
Less: Treasurer's commission	4		5	285	58	6,878		3,225
NET REVENUES	390	135,877	561	41,505	3,785	796,492	2,079	374,336
EXPENDITURES								
Current:								
General government		135,877						
Law enforcement				12,092		654,190		
Highways and streets								
Public safety							2,079	249,191
Sanitation								
Health								
Recreation and culture								
Social services								
Total Current		135,877		12,092		654,190	2,079	249,191
Debt Service:								
Financed purchase principal								30,518
Financed purchase interest								357
TOTAL EXPENDITURES		135,877		12,092		654,190	2,079	280,066
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	390		561	29,413	3,785	142,302		94,270
OTHER FINANCING SOURCES (USES)								
Sales tax remitted to hospital								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	390		561	29,413	3,785	142,302		94,270
FUND BALANCES - JANUARY 1	1,930		1,163	6,081	17,716	747,319		181,524
FUND BALANCES - DECEMBER 31	\$ 2,320	\$ 0	\$ 1,724	\$ 35,494	\$ 21,501	\$ 889,621	\$ 0	\$ 275,794

ASHLEY COUNTY, ARKANSAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Court Juvenile Division/Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	American Rescue Plan - Library	Hospital Sales Tax	June Thach Linder Memorial CD	District Court Probation
REVENUES								
State aid								
Federal aid				\$ 1,909,071				
Property taxes			\$ 452					
Sales taxes						\$ 768,358		
Fines, forfeitures, and costs	\$ 878							\$ 3,987
Interest							\$ 9	
Officers' fees	1,585	\$ 141						
911 fees								
Jail fees								
Treasurer's commission								
Collector's commission								
Other								
TOTAL REVENUES	2,463	141	452	1,909,071		768,358	9	3,987
Less: Treasurer's commission	13	1	4			6,581		33
NET REVENUES	2,450	140	448	1,909,071		761,777	9	3,954
EXPENDITURES								
Current:								
General government		2,026		757,655				
Law enforcement				747,097				\$ 6,377
Highways and streets				465,188				
Public safety				35,980				
Sanitation				68,753				
Health				12,250				
Recreation and culture				20,557	\$ 6,349			
Social services				7,381				
Total Current		2,026		2,114,861	6,349			6,377
Debt Service:								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES		2,026		2,114,861	6,349			6,377
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	2,450	(1,886)	448	(205,790)	(6,349)	761,777	9	(2,423)
OTHER FINANCING SOURCES (USES)								
Sales tax remitted to hospital						(761,753)		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	2,450	(1,886)	448	(205,790)	(6,349)	24	9	(2,423)
FUND BALANCES - JANUARY 1	20,486	3,255	2,006	1,599,565	10,232	8,762	5,978	28,718
FUND BALANCES - DECEMBER 31	\$ 22,936	\$ 1,369	\$ 2,454	\$ 1,393,775	\$ 3,883	\$ 8,786	\$ 5,987	\$ 26,295

ASHLEY COUNTY, ARKANSAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 2

	CAPITAL PROJECTS FUNDS		
	Concrete Bin Recycling Grant	Courthouse Security	Court Security Grant
			Totals
REVENUES			
State aid			\$ 233,721
Federal aid			1,910,524
Property taxes			146,101
Sales taxes			1,536,716
Fines, forfeitures, and costs		\$ 5,000	17,484
Interest			6,241
Officers' fees			125,154
911 fees			377,347
Jail fees			68,481
Treasurer's commission			30,020
Collector's commission			69,118
Other			8,779
TOTAL REVENUES		5,000	16,463
Less: Treasurer's commission			20,076
NET REVENUES		5,000	16,463
EXPENDITURES			
Current:			
General government			1,228,299
Law enforcement			1,421,327
Highways and streets			465,188
Public safety			303,713
Sanitation	\$ 12,545		81,298
Health			12,250
Recreation and culture			231,620
Social services			7,381
Total Current	12,545		3,751,076
Debt Service:			
Financed purchase principal			30,518
Financed purchase interest			357
TOTAL EXPENDITURES	12,545		3,781,951
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(12,545)	5,000	727,659
OTHER FINANCING SOURCES (USES)			
Sales tax remitted to hospital			(761,753)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)			
EXPENDITURES AND OTHER USES	(12,545)	5,000	(34,094)
FUND BALANCES - JANUARY 1	12,545		4,012,664
FUND BALANCES - DECEMBER 31	\$ 0	\$ 5,000	\$ 3,978,570



ASHLEY COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2022

The following funds and descriptions represent all funds reported as other funds in the aggregate.

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
Sheriff's Automation	Ark. Code Ann. § 27-53-210 established fund to partially reimburse county law enforcement agency for cost of making copies of accident reports and traffic violations. Funds collected shall be retained for support of the law enforcement agency.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for county clerk's cost.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.

ASHLEY COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2022

The following funds and descriptions represent all funds reported as other funds in the aggregate.

<u>Fund Name</u>	<u>Fund Description</u>
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Circuit Court Juvenile Division/Juvenile Probation Fee	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
American Rescue Plan - Library	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Hospital Sales Tax	Ashley County Ordinance no. 2008-10 (August 20, 2008) established the fund to account for the .25% dedicated sales tax and disbursements of the Ashley County Medical Center building, equipment, and related capital improvements.
June Thach Linder Memorial CD	Established to account for funds donated by individuals in memory of a former library employee.

ASHLEY COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2022

The following funds and descriptions represent all funds reported as other funds in the aggregate.

<u>Fund Name</u>	<u>Fund Description</u>
District Court Probation	Ark. Code Ann. § 5-4-322 authorized district court probation fees for probation and public service work supervision.
Concrete Bin Recycling Grant	Established to account for grant funds received from the Southeast Arkansas Economic Development District for the construction of a concrete bin for the collection of glass.
Courthouse Security	Establish to account for funds set aside by Circuit Judge to purchase server and monitors for Courthouse Security system upgrade.
Court Security Grant	Established to account for grant funds received from the Southeast Arkansas Economic Development District for courtroom renovations, metal detectors, and security system upgrades.

Treasurer's accounts consist primarily of treasurer's commission and funds used for County Law Library.

Collector's accounts consist primarily taxes held in bankruptcy not yet distributed to the various taxing units.

Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.

County Clerk's accounts consist primarily of trust money.

Circuit Clerk's accounts consist of trust money and settlements due to the treasurer.

County Judge's accounts consist of solid waste collections not yet remitted to the County Treasurer.

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(UNAUDITED)

**1. A. Basis of Presentation - Regulatory**

The financial statements are presented in accordance with the regulatory basis of presentation as prescribed or permitted by Ark. Code Ann. § 10-4-412. The law requires that the financial statements be presented on a fund basis with, as a minimum, the general fund and road fund presented separately with all other funds included in the financial statements presented in the aggregate. This law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to actual expenditures for the general and road funds; notes to financial statements; and a supplemental schedule of capital assets.

The regulatory basis of presentation is not in accordance with generally accepted accounting principles (GAAP). GAAP require that basic financial statements present government-wide and fund financial statements. Additionally, GAAP require the following major concepts: Management's Discussion and Analysis, separate financial statements for fiduciary fund types and other requirements for fiduciary fund types, specific procedures for the identification of major governmental funds, and applicable note disclosures. The regulatory basis of presentation does not require government-wide financial statements or the previously identified concepts.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual balances, and changes therein, which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds are recognized in the accompanying regulatory basis financial statements.

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

**Road Fund** - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, and sales taxes that are restricted or committed for maintaining and constructing roads.

**Other Funds in the Aggregate** - Other Funds in the Aggregate consist of all funds included in the financial statements except for the General and Road Funds. The following types of funds are included in this column as follows:

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

**Capital Projects Funds** - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

**Custodial Funds** - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The Custodial Funds presented on Schedule 1 are reported with other funds in the aggregate.

**B. Basis of Accounting - Regulatory**

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period.

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(UNAUDITED)

1. (Continued)

**B. Basis of Accounting – Regulatory (Continued)**

However, most state aid received from the State Treasury, as well as county sales taxes, is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements. Pension trust funds are reported in a separate column as a part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

The regulatory basis of accounting is not in accordance with generally accepted accounting principles (GAAP). GAAP require the following major concepts: Accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, inclusion of the net pension liability in the financial statements, and applicable note disclosures. The regulatory basis of accounting does not require the previously identified concepts.

In 2022, the County implemented Governmental Accounting Standards Board Statement No. 87, Leases. The significant/material effect on the Regulatory Basis of Accounting in the current period is that certain items included in debt service in the previous period are included in the expenditure/function code of the applicable opinion unit.

**C. Assets, Liabilities, and Fund Balances**

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, sanitation fees, treasurer's commission, and trust funds that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
3. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes, but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**D. Property Taxes**

A lien attaches to the real property in January and on personal property in June of each year. Property taxes are collectible beginning the first business day of March of the subsequent year, but are not considered delinquent until after October 15.

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(UNAUDITED)

1. (Continued)

**E. Property Taxes**

A lien attaches to the real property in January and on personal property in June of each year. Property taxes are collectible beginning the first business day of March of the subsequent year, but are not considered delinquent until after October 15.

**F. Budget Law**

1. Legal Requirements

State law requires that the Quorum Court, before the end of each fiscal year, make appropriations, by ordinance, for the expenditures of County government for the following year. The Quorum Court may make appropriation amendments at any time during the current fiscal year. Appropriations lapse at the end of each year. Under certain conditions, the budget may be amended subsequent to the year-end.

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other operating funds.

**G. Fund Balance Classification Policies and Procedures**

The County's highest level of decision-making authority is its Quorum Court. The establishment of amounts classified as committed fund balances and any subsequent modifications to such balances are the result of formal action taken by the Quorum Court through passage of an ordinance. The Quorum Court is authorized to assign amounts to a specific purpose, although a formal policy has not been established.

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(UNAUDITED)

**2. Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2022, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 2,172,013
Law enforcement			1,010,618
Public safety			275,794
Sanitation	\$ 670,611		
Health			8,786
Recreation and culture			506,359
Capital outlay			5,000
Total Restricted	<u>670,611</u>		<u>3,978,570</u>
Committed for:			
Law enforcement	1,114		
Highways and streets		\$ 2,731,785	
Total Committed	<u>1,114</u>	<u>2,731,785</u>	
Assigned to:			
Sanitation	<u>124,212</u>		
Unassigned	<u>4,386,016</u>		
Totals	<u><u>\$ 5,181,953</u></u>	<u><u>\$ 2,731,785</u></u>	<u><u>\$ 3,978,570</u></u>

**3. Commitments**

Total commitments consist of the following at December 31, 2022:

	December 31, 2022
Long-term liabilities	\$ 2,721,013
Noncancellable lease	130,094
Reappraisal contract	<u>135,877</u>
Total Commitments	<u><u>\$ 2,986,984</u></u>

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(UNAUDITED)

**3. Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2022, are comprised of the following:

	<u>December 31, 2022</u>
<u>Direct Borrowings</u>	
Financed purchase dated January 17, 2020, with Commercial Capital Bank in the amount of \$90,032, with interest rate of 1.85% for the purchase of 911 equipment. Monthly payments of \$2,573 for 36 months. Payments are to be made from the Emergency 911 Fund.	\$ 2,572
Financed purchase dated February 12, 2021, with South Arkansas True Value Corp in the amount of \$285,000, with no interest for the purchase of the True Value Building. Monthly payments of \$4,750 for 60 months. Payments are to be made from the Road Fund.	175,750
Financed purchase dated March 20, 2020, with BancorpSouth in the amount \$233,750, for the purchase of 2020 Freightliner 108SD and New Way Side Winder. Monthly payments of \$4,835 at 3.49% interest for 40 months with a final payment of \$57,920. Payments are to be made from the General Fund.	90,046
Financed purchase dated June 12, 2020, with BancorpSouth in the amount \$224,500, for the purchase of a 2020 Freightliner M2 106 and New Way Side Winder. Monthly payments of \$4,728 at 2.59% interest for 40 months with a final payment of \$47,500. Payments are to be made from the General Fund.	97,633
Financed purchase dated January 15, 2020, with KS State Bank in the amount \$232,504, for the purchase of two Mack P164T Tractors. Monthly payments of \$2,959 at 3.42% interest for 36 months with a final payment of \$146,000. Payments are to be made from the Road Fund.	148,122
Financed purchase dated December 30, 2020, with Caterpillar Financial Services in the amount of \$731,400, for the purchase of four CAT road graders. Monthly payments of \$7,001 at 3.35% for 60 months with a final payment of \$377,280. Payments are to be made from the Road Fund.	619,050
Financed purchase dated January 20, 2022 with Cadence Equipment Finance (formerly BancorpSouth) in the amount of \$516,000 for the purchase of three Mack GR104 dump trucks. Monthly payments of \$6,199 at 2.29% for 36 months with a final payment of \$322,500. Payments are to be made from the Road Fund.	452,770
Total Direct Borrowings	<u>1,585,943</u>
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	142,095
Landfill closure and postclosure care costs	<u>992,975</u>
Total Long-term liabilities	<u>\$ 2,721,013</u>

Due to the County's regulatory basis of accounting, these liabilities are not recorded in the financial statements.



ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
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**3. Commitments (Continued)**

Long-term Liabilities (Continued)

The County's outstanding financed purchases from direct borrowings of \$1,585,943 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Landfill Closure and Postclosure Care Costs

Ashley County is the owner of permit #023-S1-R1 to operate a Class I solid waste landfill. State and federal regulators require a final cover to be placed on the landfill site when the County stops accepting waste and perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are being recognized as a commitment each year based on landfill capacity used as of the balance sheet date. The estimated commitment for the landfill closure and postclosure care costs has a balance of \$992,975 as of December 31, 2022, and represents the cumulative amount to be reported to date based on 80% usage of the landfill for 2022. The County will recognize the remaining estimated cost of closure and postclosure care of \$247,092 as the remaining capacity is filled. At the present utilization rate, the landfill site life is estimated to exhaust in 6.3 years from the balance sheet date for 2022.

Estimated costs are based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2022. However, the actual costs of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County has provided financial assurance in accordance with Ark. Code Ann. § 8-6-1603 for the closure and postclosure care cost with an irrevocable standby letter of credit from Century Next Bank of Ashley County, dated March 31, 2023, in the amount of \$566,497 and in addition the county has provided financial assurance of \$673,570 in the form of certificates of deposits.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2022	Maturities to December 31, 2022
<u>Direct Borrowings</u>					
1/17/20	1/17/23	1.85%	\$ 90,032	\$ 2,572	\$ 87,460
2/12/21	1/12/26	0.00%	285,000	175,750	109,250
3/20/20	8/20/23	3.49%	233,750	90,046	143,704
6/12/20	11/12/23	2.59%	224,500	97,633	126,867
1/15/20	2/15/23	3.42%	232,504	148,122	84,382
12/30/20	2/12/26	3.35%	731,400	619,050	112,350
12/20/21	1/30/25	2.29%	516,000	452,770	63,230
Total Direct Borrowings			<u>\$ 2,313,186</u>	<u>\$ 1,585,943</u>	<u>\$ 727,243</u>

ASHLEY COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
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**3. Commitments (Continued)**

Changes in Long-Term Debt

	Balance January 01, 2022	Issued	Retired	Balance December 31, 2022
<u>Direct Borrowings</u>				
Financed purchases	\$ 1,747,091	\$ 516,000	\$ 677,148 *	\$ 1,585,943

\*Retirements include \$324,501 early retirement adjustment for equipment that was turned back in at end of lease.

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2022:

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2023	\$ 524,314	\$ 33,889	\$ 558,203
2024	189,625	25,767	215,392
2025	447,580	15,926	463,506
2026	424,424	2,327	426,751
Totals	\$ 1,585,943	\$ 77,909	\$ 1,663,852

Noncancellable Lease

The County entered into a lease agreement for a 2022 Caterpillar 320-07 Hydraulic Excavator on January 25, 2022. Terms of the lease are monthly rental payments of \$2,501.80 for sixty (60) months. At the end of the lease term, the County will return the excavator to the Lessor per terms of the lease. The County is obligated for the following amounts for the next five years:

Year	December 31, 2022
2023	\$ 30,022
2024	30,022
2025	30,022
2026	30,021
2027	10,007
Total	\$ 130,094

Lease expense for 2022, was \$20,014.

ASHLEY COUNTY, ARKANSAS  
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**3. Commitments (Continued)**

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal, Inc. on November 2, 2018, for a county-wide reappraisal. The County is obligated for sixty (60) monthly payments of \$11,323 for a total of \$679,385 beginning January 2019. Contract expense for 2022, was \$135,877.

The County is obligated for the following amounts at December 31, 2022:

<u>Year</u>	<u>December 31, 2022</u>
2023	<u>\$ 135,877</u>

**4. Jointly Governed Organizations**

Southeast Arkansas Regional Solid Waste Management District

Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, and Lincoln Counties entered into an agreement in 1991 to form the Southeast Arkansas Regional Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-703. No contributions were made to the Southeast Arkansas Regional Solid Waste Management District during 2022. Separate financial statements may be obtained at: P.O. Box 6806, Pine Bluff, AR 71611.

Tenth Judicial District Drug Task Force

The Sheriffs' Departments of Ashley, Bradley, Chicot, Desha, and Drew Counties entered into an agreement to establish the Tenth Judicial District Drug Task Force. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Tenth Judicial District. No contributions or payments for expenditures were made to the Tenth Judicial District Drug Task Force by the County. The 2022 financial statements of the Tenth Judicial District Task Force have not been audited.

**5. Arkansas Public Employees Retirement System**

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2022, (date of APERS Employer Allocation Report) were \$604,019.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2022, (actuarial valuation date and measurement date) was \$5,085,905.

ASHLEY COUNTY, ARKANSAS  
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**6. Capital Assets**

The County's capital assets records are summarized below :

	December 31, 2022
Land	\$ 3,403,713
Buildings	20,497,293
Equipment	<u>6,019,980</u>
Total(s)	<u>\$ 29,920,986</u>

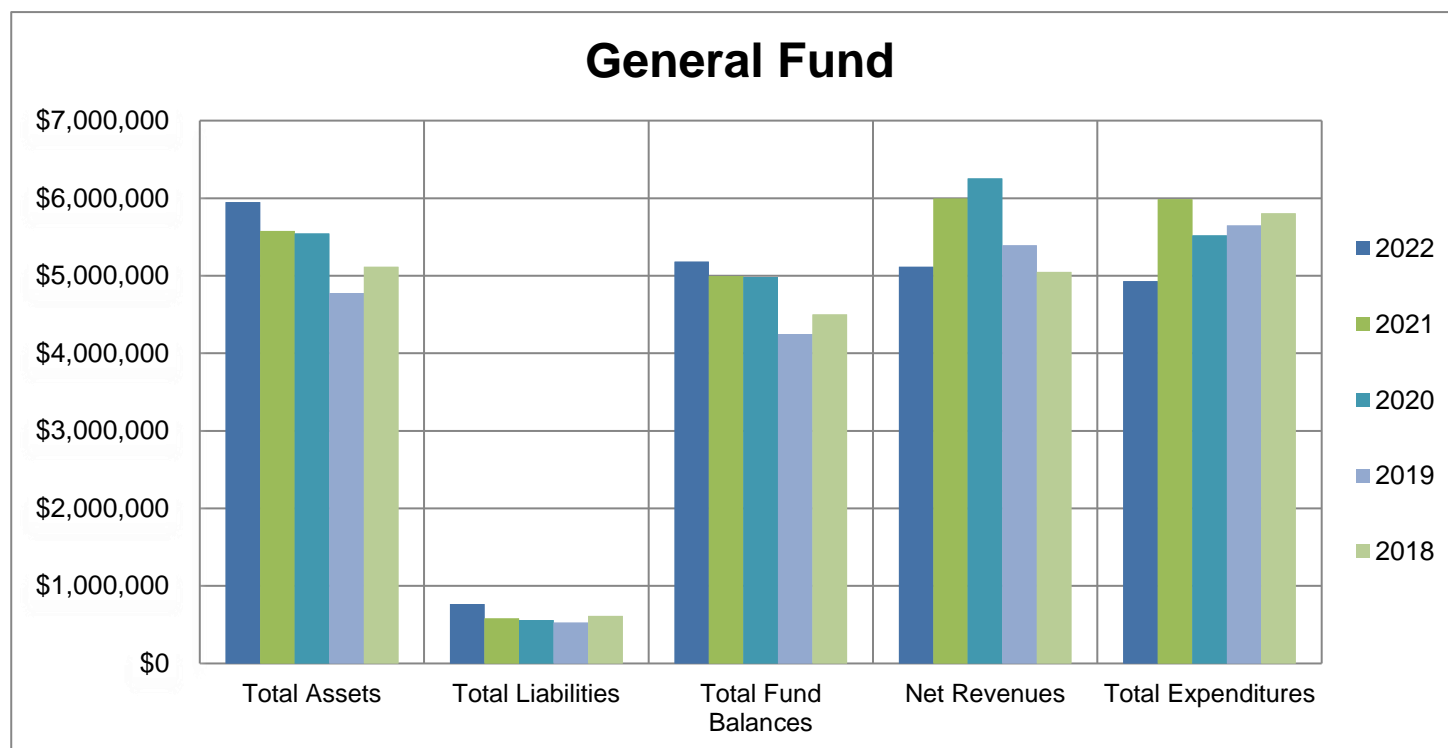
**7. Corona Virus (COVID-19)**

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the County was awarded \$3,818,142 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$3,818,142 of this amount has been received. In 2022, the County was awarded \$302,434 in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. In 2022, the County received funds in the amount of \$151,217. As of the report date, the County has not received the remaining \$151,217. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

ASHLEY COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
DECEMBER 31, 2022  
(UNAUDITED)

Schedule 3-1

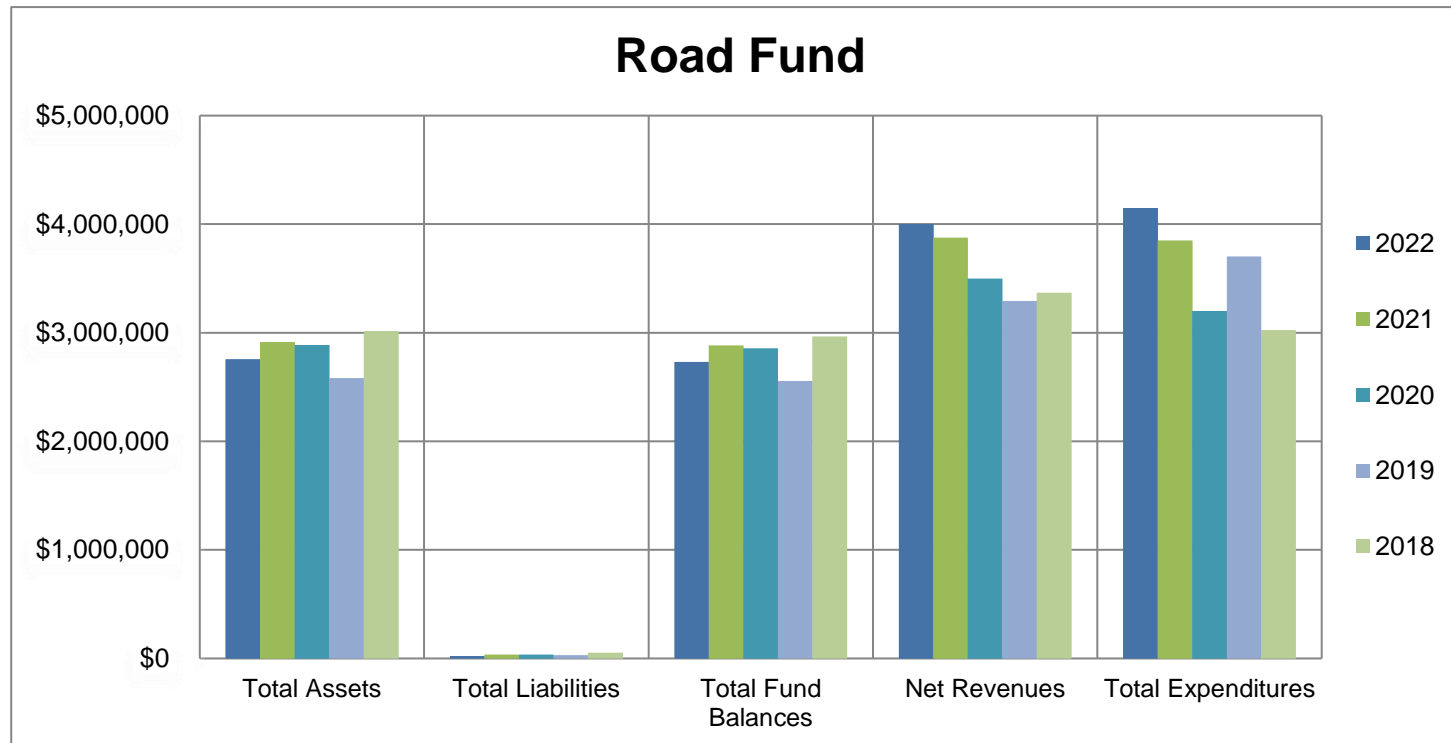
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 5,947,293	\$ 5,576,020	\$ 5,542,516	\$ 4,777,098	\$ 5,115,914
Total Liabilities	765,340	580,723	558,187	528,129	614,571
Total Fund Balances	5,181,953	4,995,297	4,984,329	4,248,969	4,501,343
Net Revenues	5,116,744	5,994,871	6,254,862	5,391,872	5,048,764
Total Expenditures	4,930,088	5,983,903	5,519,502	5,646,050	5,804,897
Total Other Financing Sources/Uses				1,804	518,675



ASHLEY COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
DECEMBER 31, 2022  
(UNAUDITED)

Schedule 3-2

<u>Road</u>	2022	2021	2020	2019	2018
Total Assets	\$ 2,753,562	\$ 2,913,669	\$ 2,887,555	\$ 2,581,544	\$ 3,015,376
Total Liabilities	21,777	33,826	33,659	27,966	52,380
Total Fund Balances	2,731,785	2,879,843	2,853,896	2,553,578	2,962,996
Net Revenues	4,001,305	3,874,875	3,498,516	3,290,598	3,368,707
Total Expenditures	4,149,363	3,848,928	3,198,198	3,700,016	3,021,701
Total Other Financing Sources/Uses					



ASHLEY COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
DECEMBER 31, 2022  
(UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 6,452,629	\$ 4,724,216	\$ 2,720,816	\$ 2,471,961	\$ 3,037,258
Total Liabilities	2,474,059	711,552	609,294	993,617	1,405,628
Total Fund Balances	3,978,570	4,012,664	2,111,522	1,748,344	1,631,630
Net Revenues	4,509,610	4,617,010	2,477,400	2,225,938	2,243,383
Total Expenditures	3,781,951	1,968,403	1,530,895	1,422,344	1,518,041
Total Other Financing Sources/Uses	(761,753)	(747,465)	(583,327)	(686,830)	(672,333)

