

Benton County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



BENTON COUNTY, ARKANSAS
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Sen. Ronald Caldwell
Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the regulatory basis financial statements of Benton County, Arkansas (County), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, road fund, and other funds in the aggregate as of December 31, 2021, and the related Statements of Revenues, Expenses, and Changes in Fund Balances and Budget and Actual – General and Road Funds – Regulatory Basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Benton County, Arkansas, as of December 31, 2021; the regulatory basis revenues, expenditures, and changes in net position; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, road fund, and other funds in the aggregate of Benton County, Arkansas, as of December 31, 2021, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information included in the report. The other information is comprised of the schedules listed in the table of contents but does not include the regulatory basis financial statements, supplemental information, and our auditor's reports thereon. Our opinions on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
November 17, 2022
LOCO00421

Arkansas

Sen. Ronald Caldwell
Senate Chair

Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair

Rep. Nelda Speaks
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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*

Independent Auditor's Report

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

We 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 regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Benton County, Arkansas (County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated November 17, 2022. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We also reported to management of the County in a separate letter dated November 17, 2022.

Purpose of This Report

The purpose of this report is solely to described the scope of our 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. 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 black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
November 17, 2022

Arkansas

Sen. Ronald Caldwell
Senate Chair

Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2021:

County Judge: Barry Moehring
Treasurer: Deanna Ratcliffe
Sheriff: Shawn Holloway
Tax Collector: Gloria Peterson
County Clerk: Betsy Harrell
Circuit Clerk: Brenda DeShields
Assessor: Roderick Grieve

No issues came to our attention that we considered necessary to report to management.

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the Quorum Court and County 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 black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
November 17, 2022

BENTON COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2021

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 28,291,552	\$ 2,828,923	\$ 60,093,362
Accounts receivable	967,814	357,402	548,973
Interfund receivables	1,088,499	43,139	1,799
	<u>30,347,865</u>	<u>3,229,464</u>	<u>60,644,134</u>
TOTAL ASSETS	<u>\$ 30,347,865</u>	<u>\$ 3,229,464</u>	<u>\$ 60,644,134</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 977,309	\$ 493,072	\$ 668,039
Interfund payables			1,133,437
Settlements pending			20,829,451
Total Liabilities	<u>977,309</u>	<u>493,072</u>	<u>22,630,927</u>
Fund Balances:			
Restricted		24,463	30,413,987
Committed			617,881
Assigned	663,265	2,711,929	7,010,434
Unassigned	28,707,291		(29,095)
Total Fund Balances	<u>29,370,556</u>	<u>2,736,392</u>	<u>38,013,207</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 30,347,865</u>	<u>\$ 3,229,464</u>	<u>\$ 60,644,134</u>

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

BENTON COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 3,610,002	\$ 7,633,415	\$ 253,928
Federal aid	310,697	168,765	42,856,005
Property taxes	29,409,749	4,272,801	1,625,229
Sales taxes	11,545,123		1,282,791
Fines, forfeitures, and costs	1,938,619	9,823	663,540
Interest	246,134	11,596	52,514
Officers' fees	794,555		3,660,625
911 fees	1,716,739		380,931
Ambulance fees			405,332
Sale of equipment		212,152	
Franchise fees	116,747		
Jail fees	1,401,218		
Local permits and fees	506,764		
Insurance premiums collected	893,138		
Commissary commission	306,980		
Treasurer's commission	235,204		150,000
Collector's commission	1,481,932		600,000
Taxes apportioned - Assessor's salary and expense	4,769,304		
Other	1,830,013	216,490	641,112
TOTAL REVENUES	61,112,918	12,525,042	52,572,007
Less: Treasurer's commission	133,758	30,315	13,077
NET REVENUES	60,979,160	12,494,727	52,558,930
EXPENDITURES			
Current:			
General government	18,473,912		5,625,523
Law enforcement	32,677,641		2,475,620
Highways and streets		12,470,264	425,856
Public safety	3,504,910		1,015,100
Sanitation	451,470		
Health	39,789		2,358,113
Recreation and culture			66,498
Social services	313,601		14,856,827
Total Current	55,461,323	12,470,264	26,823,537
Debt Service:			
Note principal	602,611		
Note interest	43,124		
TOTAL EXPENDITURES	56,107,058	12,470,264	26,823,537

BENTON COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	\$ 4,872,102	\$ 24,463	\$ 25,735,393
OTHER FINANCING SOURCES (USES)			
Transfers in	2,810,150	500,000	3,779,192
Transfers out	(4,279,192)		(2,810,150)
Refund to grantor			(22,050)
TOTAL OTHER FINANCING SOURCES (USES)	(1,469,042)	500,000	946,992
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)			
EXPENDITURES AND OTHER USES	3,403,060	524,463	26,682,385
FUND BALANCES - JANUARY 1	25,967,496	2,211,929	11,330,822
FUND BALANCES - DECEMBER 31	\$ 29,370,556	\$ 2,736,392	\$ 38,013,207

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

BENTON 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, 2021

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 3,371,587	\$ 3,610,002	\$ 238,415	\$ 6,991,945	\$ 7,633,415	\$ 641,470
Federal aid	325,402	310,697	(14,705)	58,400	168,765	110,365
Property taxes	30,197,004	29,409,749	(787,255)	4,102,551	4,272,801	170,250
Sales taxes	10,500,204	11,545,123	1,044,919			
Fines, forfeitures, and costs	1,796,843	1,938,619	141,776	9,500	9,823	323
Interest	222,650	246,134	23,484	1,500	11,596	10,096
Officers' fees	650,000	794,555	144,555			
911 fees	2,000,000	1,716,739	(283,261)			
Sale of equipment				1,063,400	212,152	(851,248)
Franchise fees	135,000	116,747	(18,253)			
Jail fees	1,650,000	1,401,218	(248,782)			
Local permits and fees	445,210	506,764	61,554			
Insurance premiums collected	6,128,700	893,138	(5,235,562)			
Commissary commission	430,000	306,980	(123,020)			
Treasurer's commission	420,200	235,204	(184,996)			
Collector's commission	2,750,000	1,481,932	(1,268,068)			
Taxes apportioned - Assessor's salary and expense	4,000,000	4,769,304	769,304			
Other	3,429,198	1,830,013	(1,599,185)	250,000	216,490	(33,510)
TOTAL REVENUES	68,451,998	61,112,918	(7,339,080)	12,477,296	12,525,042	47,746
Less: Treasurer's commission	845,100	133,758	711,342	218,750	30,315	188,435
NET REVENUES	67,606,898	60,979,160	(6,627,738)	12,258,546	12,494,727	236,181
EXPENDITURES						
Current:						
General government	29,089,514	18,473,912	10,615,602			
Law enforcement	33,807,138	32,677,641	1,129,497			
Highways and streets				14,858,206	12,470,264	2,387,942
Public safety	4,040,081	3,504,910	535,171			
Sanitation	534,467	451,470	82,997			
Health	66,885	39,789	27,096			
Social services	382,210	313,601	68,609			
Total Current	67,920,295	55,461,323	12,458,972	14,858,206	12,470,264	2,387,942
Debt Service:						
Note principal		602,611	(602,611)			
Note interest		43,124	(43,124)			
TOTAL EXPENDITURES	67,920,295	56,107,058	11,813,237	14,858,206	12,470,264	2,387,942

BENTON 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, 2021

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (313,397)	\$ 4,872,102	\$ 5,185,499	\$ (2,599,660)	\$ 24,463	\$ 2,624,123
OTHER FINANCING SOURCES (USES)						
Transfers in	5,323,957	2,810,150	(2,513,807)	1,973,316	500,000	(1,473,316)
Transfers out	(10,003,289)	(4,279,192)	5,724,097			
TOTAL OTHER FINANCING SOURCES (USES)	(4,679,332)	(1,469,042)	3,210,290	1,973,316	500,000	(1,473,316)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,992,729)	3,403,060	8,395,789	(626,344)	524,463	1,150,807
FUND BALANCES - JANUARY 1,	17,414,608	25,967,496	8,552,888	25,000	2,211,929	2,186,929
FUND BALANCES - DECEMBER 31	\$ 12,421,879	\$ 29,370,556	\$ 16,948,677	\$ (601,344)	\$ 2,736,392	\$ 3,337,736

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

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

B. 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 federal aid 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. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

Capital Projects Fund - Capital Projects Fund is 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. See Schedules 1 and 2 for the Capital Projects Fund as 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). See Schedule 1 for Custodial Funds as reported with other funds in the aggregate.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. 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. 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 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.

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, trust funds, interest, property taxes, excess commissions, and excess Assessor's salary and expenses 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.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (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.

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. 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.

NOTE 2: Cash Deposits with Financial Institutions

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 31,674,843	\$ 31,674,843
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	59,528,664	60,119,726
Total Deposits	<u>\$ 91,203,507</u>	<u>\$ 91,794,569</u>

The above total deposits do not include cash on hand of \$10,330.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2021, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Federal aid	\$ 23,838		\$ 19,412
Property taxes		\$ 164,924	62,416
Fines, forfeitures, and costs	92,735	540	41,066
Interest	318		1,256
Officers' fees	28,265		295,568
911 fees			44,597
Ambulance fees			1,581
Franchise fees	28,048		
Jail fees	109,607		
Local permits and fees	38,855		
Commissary commission	23,757		
Other	622,391	815	634
Treasurer's commission charged		191,123	82,443
Totals	<u>\$ 967,814</u>	<u>\$ 357,402</u>	<u>\$ 548,973</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2021, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 977,309</u>	<u>\$ 493,072</u>	<u>\$ 668,039</u>

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2021	
	Interfund Receivables	Interfund Payables
General Fund	\$ 1,088,499	
Road Fund	43,139	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Victim/Witness	1,799	
Circuit Clerk Commissioner's Fee		\$ 45
Law Enforcement Training/Terrorism Prevention Grant		15,000
American Rescue Plan Act		1,118,392
Totals	<u>\$ 1,133,437</u>	<u>\$ 1,133,437</u>

Interfund receivables and payables consist of interfund loans. These balances were repaid in 2022.

NOTE 7: Federal Funds Program Compliance

Benton County's federal grants were in the process of being audited in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the County.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2021, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 28,131,399
Law enforcement			533,986
Highways and streets		\$ 24,463	
Public safety			668,858
Health			666,527
Recreation and culture			163,911
Social services			134,095
Capital outlay			115,211
Total Restricted		<u>24,463</u>	<u>30,413,987</u>
Committed for:			
Law enforcement			<u>617,881</u>
Assigned to:			
General government			308,550
Law enforcement	\$ 663,265		314,909
Highways and streets		2,711,929	
Health			128,793
Capital outlay			6,258,182
Total Assigned	<u>663,265</u>	<u>2,711,929</u>	<u>7,010,434</u>
Unassigned	<u>28,707,291</u>		<u>(29,095)</u>
Totals	<u>\$ 29,370,556</u>	<u>\$ 2,736,392</u>	<u>\$ 38,013,207</u>

NOTE 9: Deficit Fund Balance

The following funds has a deficit fund balance as of December 31, 2021:

	December 31, 2021
Other Funds in the Aggregate:	
Special Revenue Funds:	
Law Enforcement Training/Terrorism Prevention Grant	<u>\$ (29,095)</u>

This deficit fund balance was eliminated by transfers and/or revenues in 2022.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 10: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2021, the legal debt limit for bonded debt was \$583,810,998. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2021, the legal debt limit for short-term financing obligations was \$152,096,823. The amount of short-term financing obligations was \$2,348,215, leaving a legal debt margin of \$149,748,608.

NOTE 11: Commitments

Total commitments consist of the following at December 31, 2021:

	December 31, 2021
Long-term liabilities	\$ 4,457,024
Construction contracts	290,600
	<hr/>
Total Commitments	\$ 4,747,624
	<hr/>

Long-term Liabilities

Long-term liabilities at December 31, 2021, are comprised of the following:

	December 31, 2021
	<hr/>
<u>Direct Borrowings</u>	
Promissory note dated September 1, 2020, with Regions Equipment Finance Corporation, Inc. in the amount of \$3,100,000 with interest rate of 1.59% for courthouse improvements. The County will make monthly payments of \$53,811 for 5 years. Payments to be made from the General Fund.	\$ 2,348,215
Compensated absences consisting of accrued vacation and compensatory leave adjusted to current salary cost	2,108,809
	<hr/>
Total Long-term liabilities	\$ 4,457,024
	<hr/>

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

The County's outstanding notes from direct borrowings of \$2,348,215 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.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

Post Employment Benefits Other Than Pensions

The amount of any actuarially determined accrued liability for post employment benefits other than pensions was not determined.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2021	Maturities to December 31, 2021
<u>Direct Borrowings</u>					
9/1/20	9/1/25	1.59%	\$ 3,100,000	\$ 2,348,215	\$ 751,785

Changes in Long-Term Debt

	Balance January 01, 2021	Issued	Retired	Balance December 31, 2021
<u>Direct Borrowings</u>				
Notes payable	\$ 2,950,826	\$ 0	\$ 602,611	\$ 2,348,215

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2021:

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2022	\$ 612,397	\$ 33,338	\$ 645,735
2023	622,343	23,392	645,735
2024	632,405	13,330	645,735
2025	481,070	3,231	484,301
Totals	\$ 2,348,215	\$ 73,291	\$ 2,421,506

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2021:

Project Name	Completed	Contract Balance December 31, 2021
Wagon Wheel Bridge	September 2022	\$ 32,859
Courthouse Remodel/Addition	May 2022	257,741
Total Construction Contracts		\$ 290,600

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 12: Interfund Transfers

The General Fund transferred \$500,000 to the Road Fund to supplement road operations and \$3,779,192 to Other Funds in the Aggregate for capital projects. Other Funds in the Aggregate transferred \$2,800,150 to the General Fund (excess fees from the County's Recorder's Cost Fund of \$2,800,000 and \$150 to close out the Juvenile Detention Center State Grant Fund). Additionally, Other Funds in the Aggregate (Drug Control Fund) transferred \$10,000 to the General Fund (Sheriff's Drug Buy Fund) for drug enforcement operations.

NOTE 13: Subsequent Events

On June 18, 2021, the County was awarded a \$3,900,000 REACH (Reaching Everyone to Achieve Community Health) Grant for July 1, 2021 until June 30, 2023. On November 3, 2021, the County made a sub-award to the University of Arkansas Medical Sciences (UAMS) for REACH funding. In 2022, the County received subsequent grant receipts of \$1,204,995, with corresponding claims issued to the University of Arkansas Medical Sciences.

On August 23, 2021, the County was awarded a \$1,999,987 Community Health Workers REACH (Reaching Everyone to Achieve Community Health) Grant for August 31, 2021 to August 30, 2024, and on February 7, 2022, the County signed a sub-award to University of Arkansas System, acting on behalf of the University of Arkansas Medical Sciences. In 2022, the County received subsequent grant receipts of \$870,293 for the Community Health Workers Grant.

On August 18, 2022, the County received \$807,375 from the State of Arkansas per Arkansas Act 224 of 2022, to provide full-time law enforcement officer salary stipends.

Per an Agreement of Voluntary Reallocation of Emergency Rental Assistance between the State of Arkansas Department of Human Services (DHS) and Benton County, Arkansas on October 21, 2021, DHS agreed to reallocate \$20,000,000 in Emergency Rental Assistance (ERA 1) funding to Benton County. The Benton County Treasurer subsequently received \$20,000,000 on March 4, 2022.

Per a Coronavirus Tranche Certification signed by Benton County on May 5, 2022, Benton County became an authorized representative of the State to receive Coronavirus State Fiscal Recovery Fund award and subsequently received \$27,109,933 on June 6, 2022.

On June 10, 2022, the County signed a contract with Motorola Solutions for \$1,388,058 for dispatch equipment and channel expansion.

NOTE 14: Joint Venture

Northwest Arkansas Regional Planning Commission

Benton County, Washington County, the University of Arkansas, multiple cities in both counties, and the Northwest Arkansas Regional Planning Commission (NWARPC) entered into an agreement on October 1, 2018 to participate in a Regional Stormwater Education and Coordination Program. The services of this program shall satisfy requirements for the federally-mandated minimum control measures of a stormwater management plan. Costs are based on a base cost and each jurisdiction's prorated share of the region's 2010 urbanized area population. Benton County paid \$35,492 in 2021 for their share of the prorated costs. Financial statements may be obtained at NWARPC, 1311 Clayton Street, Springdale, AR 72762

NOTE 15: Jointly Governed Organizations

Benton County Solid Waste District

Benton County and the Cities in Benton County entered into an agreement pursuant to Ark. Code Ann. § 8-6-723, creating the Benton County Solid Waste District (BCSWD). The BCSWD was established in an effort to adequately, reliably, and economically dispose of the Cities' and County's solid waste. The majority of funding for the BCSWD comes from user fees and operating grants. Payments totaling \$68,395 were made to BCSWD during 2021 and future funding was agreed to be at the rate of \$.50 per capita of the County. Financial Statements may be obtained at Benton County Solid Waste District, 5702 Brookside Rd., Bentonville, AR 72712.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15: Jointly Governed Organizations (Continued)

Ozark Regional Transit, Inc.

The County participates in the Ozark Regional Transit, Inc. (ORT), a jointly governed organization. The ORT provides transit services among the various locations of its members. The majority of the ORT funding is through the Federal Transportation Administration (FTA), which includes both rural and urbanized area funding and local funding that is provided by members of ORT. FTA rural funding is provided through the Arkansas Highway and Transportation Department. Other participants include Washington and Madison Counties, as well as other entities within each of the counties. Benton County paid \$15,000 in 2021 to ORT for their share of the transportation benefits provided to its members. Financial statements may be obtained at Ozark Regional Transit, 2423 E. Robinson Springdale, AR 72764.

NOTE 16: Joint Operation

Northwest Arkansas HIV Clinic

The County entered into an Intergovernmental Agreement with Washington County on February 25, 2011, to support a health clinic located in Washington County to address the needs of persons diagnosed with HIV infection. Payments of \$34,000 were made to Washington County in 2021. Financial activity of the Northwest Arkansas HIV Clinic are included in the financial statements of Washington County.

NOTE 17: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

The County participates in the Association of Arkansas Counties Program (public entity risk pools) for coverage in the following areas:

Workers' Compensation - This program provides statutory benefits for losses incurred by County officials, employees, and volunteer fire fighters while performing work for the County. Rates for counties participating in this program are revised annually based on the cost experience of the particular county or group as determined by the Workers' Compensation Commission.

Property Program – This program is a blanket policy with coverage up to \$1,100,000,000 for any one loss with a \$1,000 deductible. The County shall pay into the program each year a charge established by the Risk Management Fund Board for covered county property.

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
- B. Physical Damage - This program covers vehicles (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 17: Risk Management (Continued)

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$300,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$2,500 deductible per occurrence.

The County has mutual aid agreements with various cities' fire departments and rural volunteer fire departments in the County. Many of these departments are using County-owned trucks and other equipment. The County retains ownership to all of the equipment that is loaned to these departments. These departments are required to carry insurance coverage on all County-owned vehicles. These departments are using Association of Arkansas Counties (public entity risk pool), the Arkansas Municipal League Program (public entity risk pool), the Arkansas Public Entities Risk Management Association (public entity risk pool), and various private insurance companies.

NOTE 18: 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.

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, 2021 (date of APERS Employer Allocation Report) were \$4,814,188.

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, 2021 (actuarial valuation date and measurement date) was \$12,098,815.

NOTE 19: Employees Self-Insured Benefits

The County participates in an Employee Self-Insured Benefit Plan. The County is required to maintain a benefit plan account which will be sufficient at all times to fund plan benefits and plan related expenses. Insurance premiums collected through payroll deduction for employee, spouse, and dependent coverage, and cobra and retiree received totaled \$893,138. Health Insurance claims, administered by Blue Advantage, in the amount of \$6,815,173 were paid from this account and the County contributed \$5,365,875 to this account. As of December 31, 2021, this account had a balance of \$474,650.

BENTON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 19: Employees Self-Insured Benefits (Continued)

To safeguard against catastrophic claims loss, the County maintains an excess loss insurance policy (non-participating) with Sirius America Insurance Company that has the following features:

1. Aggregating Specific Deductible of \$100,000
2. Specific Deductible Amount of \$150,000 per covered person.

NOTE 20: 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). The County was awarded \$54,219,867 in federal aid from the American Rescue Plan Act of 2021, and as of report date, \$54,219,867 of this amount had been received.

On January 21, 2021, the County received \$8,364,839 in federal aid from the Consolidated Appropriations Act, 2021 for rental assistances for residents of Benton County. The County established the Emergency Rental Assistance Program Fund by Ordinance No. O-2021-03. On January 29, 2021, Benton County awarded a sub-grant to Excellerate Foundation to serve as the managing entity of federal dollars received for rental assistance. Per the grant agreement, the sub-grantor is allowed to retain up to 10% of the funds for administrative costs. In 2021, payments totaling \$8,363,838 were made to Excellerate Foundation.

The County was awarded an additional \$6,618,705 grant from the Consolidated Appropriations Act, 2021 for rental assistance to Benton County residents with project term to be from October 1, 2021 until further notice. Again, the County awarded a sub-grant to Excellerate Foundation (dated September 27, 2021) to manage the federal dollars received. In 2021, payments totaling \$6,485,611 were made to Excellerate Foundation.

The extent of the impact of COVID-19 on financial statements for future reporting periods remain uncertain.

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

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	Child Support Cost	Communication Facility and Equipment
Cash and cash equivalents	\$ 36,766	\$ 721,605	\$ 285,752	\$ 180,104	\$ 140,949	\$ 2,354,292	\$ 51,818	\$ 253,821
Accounts receivable			5,600		4,853	348,446	382	3,491
Interfund receivables								
TOTAL ASSETS	<u>\$ 36,766</u>	<u>\$ 721,605</u>	<u>\$ 291,352</u>	<u>\$ 180,104</u>	<u>\$ 145,802</u>	<u>\$ 2,702,738</u>	<u>\$ 52,200</u>	<u>\$ 257,312</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 267	\$ 775		\$ 970	\$ 1,695		\$ 559	
Interfund payables								
Settlements pending								
Total Liabilities	<u>267</u>	<u>775</u>		<u>970</u>	<u>1,695</u>		<u>559</u>	
Fund Balances:								
Restricted	3,085	720,830	\$ 291,352	179,134	144,107	\$ 2,427,602	51,641	
Committed								
Assigned	33,414					275,136		\$ 257,312
Unassigned								
Total Fund Balances	<u>36,499</u>	<u>720,830</u>	<u>291,352</u>	<u>179,134</u>	<u>144,107</u>	<u>2,702,738</u>	<u>51,641</u>	<u>257,312</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 36,766</u>	<u>\$ 721,605</u>	<u>\$ 291,352</u>	<u>\$ 180,104</u>	<u>\$ 145,802</u>	<u>\$ 2,702,738</u>	<u>\$ 52,200</u>	<u>\$ 257,312</u>

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Medical Services Improvement District (EMSD) County Levy	Victim/Witness	Adult Drug Court	Public Safety
Cash and cash equivalents	\$ 12,058	\$ 183,723	\$ 197	\$ 627,293	\$ 855,702	\$ 18,310	\$ 35,731	\$ 838
Accounts receivable	1,316	21,054	356	50,911	60,734	888	1,401	47
Interfund receivables						1,799		
TOTAL ASSETS	\$ 13,374	\$ 204,777	\$ 553	\$ 678,204	\$ 916,436	\$ 20,997	\$ 37,132	\$ 885
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 490		\$ 9,346	\$ 129,775	\$ 1,155	\$ 744	
Interfund payables								
Settlements pending								
Total Liabilities		490		9,346	129,775	1,155	744	
Fund Balances:								
Restricted	\$ 13,374	182,077		668,858	657,868		36,388	\$ 885
Committed								
Assigned		22,210	\$ 553		128,793	19,842		
Unassigned								
Total Fund Balances	13,374	204,287	553	668,858	786,661	19,842	36,388	885
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,374	\$ 204,777	\$ 553	\$ 678,204	\$ 916,436	\$ 20,997	\$ 37,132	\$ 885

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 1

SPECIAL REVENUE FUNDS									
	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Judicial Collections	Federal Forfeitures - Treasury Funds	Federal Forfeitures - Justice Funds	Northeast Benton County Emergency Medical Services District (EMSD) Volunteer Ambulance Service (VAS) Fee Levy	Historical Preservation	Law Enforcement Training/Terrorism Prevention Grant
Cash and cash equivalents	\$ 235,157	\$ 91,965	\$ 43,221	\$ 612,759	\$ 26,841	\$ 16,043	\$ 64,906	\$ 161,496	\$ 2,554
Accounts receivable	4,843	392	252	20,305			1,581	2,415	15,789
Interfund receivables									
TOTAL ASSETS	\$ 240,000	\$ 92,357	\$ 43,473	\$ 633,064	\$ 26,841	\$ 16,043	\$ 66,487	\$ 163,911	\$ 18,343
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 3,638	\$ 21		\$ 191			\$ 57,828		\$ 32,438
Interfund payables		45							15,000
Settlements pending									
Total Liabilities	3,638	66		191			57,828		47,438
Fund Balances:									
Restricted	236,362	92,291	\$ 43,473		\$ 26,841	\$ 16,043	8,659	\$ 163,911	
Committed				617,881					
Assigned				14,992					
Unassigned									(29,095)
Total Fund Balances	236,362	92,291	43,473	632,873	26,841	16,043	8,659	163,911	(29,095)
TOTAL LIABILITIES AND FUND BALANCES	\$ 240,000	\$ 92,357	\$ 43,473	\$ 633,064	\$ 26,841	\$ 16,043	\$ 66,487	\$ 163,911	\$ 18,343

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 1

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUND
	Northeast Benton County (NEBCO) Rural Services Grant	Juvenile Detention Center State Grant Aid	Alternative Dispute Resolution Grant	AAC Adult Drug Court Grant	AOC Juvenile Officer Grant	Emergency Rental Assistance I (ERA-1)	Emergency Rental Assistance II (ERA-2)	American Rescue Plan Act	Capital Projects
Cash and cash equivalents	\$ 15,000	\$ 14,762	\$ 3,470	\$ 232	\$ 4,279	\$ 1,001	\$ 133,094	\$ 25,296,276	\$ 6,781,896
Accounts receivable									3,917
Interfund receivables									
TOTAL ASSETS	\$ 15,000	\$ 14,762	\$ 3,470	\$ 232	\$ 4,279	\$ 1,001	\$ 133,094	\$ 25,296,276	\$ 6,785,813
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 15,000	\$ 327	\$ 400						\$ 412,420
Interfund payables								\$ 1,118,392	
Settlements pending									
Total Liabilities	15,000	327	400					1,118,392	412,420
Fund Balances:									
Restricted		14,435	3,070	\$ 232	\$ 4,279	\$ 1,001	\$ 133,094	24,177,884	115,211
Committed									
Assigned									6,258,182
Unassigned									
Total Fund Balances		14,435	3,070	232	4,279	1,001	133,094	24,177,884	6,373,393
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,000	\$ 14,762	\$ 3,470	\$ 232	\$ 4,279	\$ 1,001	\$ 133,094	\$ 25,296,276	\$ 6,785,813

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
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Schedule 1

CUSTODIAL FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Excess Commissions	County Judge's Planning Board	Totals
Cash and cash equivalents	\$ 63,865	\$ 2,175,048	\$ 1,325,868	\$ 944,138	\$ 3,057,022	\$ 13,207,931	\$ 55,579	\$ 60,093,362
Accounts receivable								548,973
Interfund receivables								1,799
TOTAL ASSETS	\$ 63,865	\$ 2,175,048	\$ 1,325,868	\$ 944,138	\$ 3,057,022	\$ 13,207,931	\$ 55,579	\$ 60,644,134
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 668,039
Interfund payables								1,133,437
Settlements pending	\$ 63,865	\$ 2,175,048	\$ 1,325,868	\$ 944,138	\$ 3,057,022	\$ 13,207,931	\$ 55,579	20,829,451
Total Liabilities	63,865	2,175,048	1,325,868	944,138	3,057,022	13,207,931	55,579	22,630,927
Fund Balances:								
Restricted								30,413,987
Committed								617,881
Assigned								7,010,434
Unassigned								(29,095)
Total Fund Balances								38,013,207
TOTAL LIABILITIES AND FUND BALANCES	\$ 63,865	\$ 2,175,048	\$ 1,325,868	\$ 944,138	\$ 3,057,022	\$ 13,207,931	\$ 55,579	\$ 60,644,134

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

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	Child Support Cost	Communication Facility and Equipment	Drug Control
REVENUES									
State aid				\$ 90,693					
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 69,504						\$ 15,124
Interest	\$ 81	\$ 2,332	999	1,016	\$ 502	\$ 16,647	\$ 187	\$ 4,094	44
Officers' fees					54,490	3,486,259	11,793	39,773	
911 fees									
Ambulance fees									
Treasurer's commission	150,000								
Collector's commission		600,000							
Other	1,269					21,714		27,279	
TOTAL REVENUES	151,350	602,332	70,503	91,709	54,992	3,524,620	11,980	71,146	15,168
Less: Treasurer's commission			192		149	9,597	32	119	42
NET REVENUES	151,350	602,332	70,311	91,709	54,843	3,515,023	11,948	71,027	15,126
EXPENDITURES									
Current:									
General government	148,265	518,238		146,222	22,838	34,651	2,038		
Law enforcement								1,019,465	
Highways and streets									
Public safety									
Health									
Recreation and culture									
Social services									
TOTAL EXPENDITURES	148,265	518,238		146,222	22,838	34,651	2,038	1,019,465	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,085	84,094	70,311	(54,513)	32,005	3,480,372	9,910	(948,438)	15,126
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out						(2,800,000)			(10,000)
Refund to grantor									
TOTAL OTHER FINANCING SOURCES (USES)						(2,800,000)			(10,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,085	84,094	70,311	(54,513)	32,005	680,372	9,910	(948,438)	5,126
FUND BALANCES - JANUARY 1	33,414	636,736	221,041	233,647	112,102	2,022,366	41,731	1,205,750	8,248
FUND BALANCES - DECEMBER 31	\$ 36,499	\$ 720,830	\$ 291,352	\$ 179,134	\$ 144,107	\$ 2,702,738	\$ 51,641	\$ 257,312	\$ 13,374

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 2

	SPECIAL REVENUE FUNDS								
	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Medical Services Improvement District (EMSD) County Levy	Victim/Witness	Adult Drug Court	Public Safety	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee
REVENUES									
State aid		\$ 20,646		\$ 74,819					
Federal aid									
Property taxes				1,581,069					
Sales taxes									
Fines, forfeitures, and costs	\$ 219,785				\$ 51,412	\$ 17,543	\$ 465	\$ 31,441	
Interest	551	4	\$ 2,501	479	6	149	6	1,076	\$ 368
Officers' fees								32,238	21,456
911 fees			380,931						
Ambulance fees									
Treasurer's commission									
Collector's commission									
Other	71		95,839		3	1,750		6,248	
TOTAL REVENUES	220,407	20,650	479,271	1,656,367	51,421	19,442	471	71,003	21,824
Less: Treasurer's commission	593	56	1,001		141	48	1	176	62
NET REVENUES	219,814	20,594	478,270	1,656,367	51,280	19,394	470	70,827	21,762
EXPENDITURES									
Current:									
General government									16,147
Law enforcement	118,456	22,945			276,093	23,700	2,000	88,564	
Highways and streets									
Public safety			400,397						
Health				1,357,206					
Recreation and culture									
Social services									
TOTAL EXPENDITURES	118,456	22,945	400,397	1,357,206	276,093	23,700	2,000	88,564	16,147
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	101,358	(2,351)	77,873	299,161	(224,813)	(4,306)	(1,530)	(17,737)	5,615
OTHER FINANCING SOURCES (USES)									
Transfers in					220,000				
Transfers out									
Refund to grantor									
TOTAL OTHER FINANCING SOURCES (USES)					220,000				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	101,358	(2,351)	77,873	299,161	(4,813)	(4,306)	(1,530)	(17,737)	5,615
FUND BALANCES - JANUARY 1	102,929	2,904	590,985	487,500	24,655	40,694	2,415	254,099	86,676
FUND BALANCES - DECEMBER 31	\$ 204,287	\$ 553	\$ 668,858	\$ 786,661	\$ 19,842	\$ 36,388	\$ 885	\$ 236,362	\$ 92,291

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 2

	SPECIAL REVENUE FUNDS								
	Assessor's Late Assessment Fee	Judicial Collections	Federal Forfeitures - Treasury Funds	Federal Forfeitures - Justice Funds	Northeast Benton County Emergency Medical Services District (EMSD) Volunteer Ambulance Service (VAS) Fee Levy	Historical Preservation	Law Enforcement Training/Terrorism Prevention Grant	Northeast Benton County (NEBCO) Rural Services Grant	Juvenile Detention Center State Grant Aid
REVENUES									
State aid								\$ 15,000	\$ 22,082
Federal aid							\$ 124,947		
Property taxes						\$ 44,160			
Sales taxes									
Fines, forfeitures, and costs		\$ 258,266							
Interest	\$ 173	2,216	\$ 106		\$ 385	673			
Officers' fees	14,616								
911 fees									
Ambulance fees					405,332				
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	14,789	260,482	106		405,717	44,833	124,947	15,000	22,082
Less: Treasurer's commission	40	712				116			
NET REVENUES	14,749	259,770	106		405,717	44,717	124,947	15,000	22,082
EXPENDITURES									
Current:									
General government	13,727								
Law enforcement		63,694							28,457
Highways and streets									
Public safety							157,385	15,000	
Health					440,206				
Recreation and culture						66,498			
Social services									
TOTAL EXPENDITURES	13,727	63,694			440,206	66,498	157,385	15,000	28,457
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	1,022	196,076	106		(34,489)	(21,781)	(32,438)		(6,375)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									(150)
Refund to grantor									
TOTAL OTHER FINANCING SOURCES (USES)									(150)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	1,022	196,076	106		(34,489)	(21,781)	(32,438)		(6,525)
FUND BALANCES - JANUARY 1	42,451	436,797	26,735	\$ 16,043	43,148	185,692	3,343		20,960
FUND BALANCES - DECEMBER 31	\$ 43,473	\$ 632,873	\$ 26,841	\$ 16,043	\$ 8,659	\$ 163,911	\$ (29,095)	\$ 0	\$ 14,435

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 2

SPECIAL REVENUE FUNDS									
	Alternative Dispute Resolution Grant	DHS - Division of Youth Services Family Engagement Grant	Substance Abuse and Mental Health Services Administration - Drug Court Grant	AAC Veterans Court Grant	AAC Adult Drug Court Grant	AAC Juvenile Drug Court Grant	AOC Juvenile Officer Grant	Arkansas Economic Development Septic System Installation Project Grant	ACEDP Rambo Water District Grant
REVENUES									
State aid	\$ 5,000			\$ 7,755	\$ 4,243	\$ 3,690	\$ 10,000		
Federal aid		\$ 750	\$ 159,257					\$ 3,285	\$ 67,893
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
911 fees									
Ambulance fees									
Treasurer's commission									
Collector's commission									
Other					645				
TOTAL REVENUES	5,000	750	159,257	7,755	4,888	3,690	10,000	3,285	67,893
Less: Treasurer's commission									
NET REVENUES	5,000	750	159,257	7,755	4,888	3,690	10,000	3,285	67,893
EXPENDITURES									
Current:									
General government									
Law enforcement	9,430	557		4,956		573	9,024		
Highways and streets									
Public safety									
Health			134,151					3,285	67,893
Recreation and culture									
Social services									
TOTAL EXPENDITURES	9,430	557	134,151	4,956		573	9,024	3,285	67,893
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(4,430)	193	25,106	2,799	4,888	3,117	976		
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Refund to grantor								(22,050)	
TOTAL OTHER FINANCING SOURCES (USES)								(22,050)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(4,430)	193	25,106	2,799	4,888	3,117	976	(22,050)	
FUND BALANCES - JANUARY 1	7,500	(193)	(25,106)	(2,799)	(4,656)	(3,117)	3,303	22,050	
FUND BALANCES - DECEMBER 31	\$ 3,070	\$ 0	\$ 0	\$ 0	\$ 232	\$ 0	\$ 4,279	\$ 0	\$ 0

BENTON COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2021

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	
	ACEDP COVID- 19 Rural Hospital Grant	Emergency Rental Assistance I (ERA-1)	Reach Everyone to Achieve Community Health (REACH) Grant	Emergency Rental Assistance II (ERA-2)	American Rescue Plan Act	Capital Projects	Totals
REVENUES							
State aid							\$ 253,928
Federal aid	\$ 265,736	\$ 8,364,839	\$ 33,136	\$ 6,618,705	\$ 27,109,934	\$ 107,523	42,856,005
Property taxes							1,625,229
Sales taxes						1,282,791	1,282,791
Fines, forfeitures, and costs							663,540
Interest						17,919	52,514
Officers' fees							3,660,625
911 fees							380,931
Ambulance fees							405,332
Treasurer's commission							150,000
Collector's commission							600,000
Other						486,294	641,112
TOTAL REVENUES	265,736	8,364,839	33,136	6,618,705	27,109,934	1,894,527	52,572,007
Less: Treasurer's commission							13,077
NET REVENUES	265,736	8,364,839	33,136	6,618,705	27,109,934	1,894,527	52,558,930
EXPENDITURES							
Current:							
General government					1,403,876	3,319,521	5,625,523
Law enforcement					807,706		2,475,620
Highways and streets					214,272	211,584	425,856
Public safety					442,318		1,015,100
Health	265,736		33,136		56,500		2,358,113
Recreation and culture							66,498
Social services		8,363,838		6,485,611	7,378		14,856,827
TOTAL EXPENDITURES	265,736	8,363,838	33,136	6,485,611	2,932,050	3,531,105	26,823,537
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		1,001		133,094	24,177,884	(1,636,578)	25,735,393
OTHER FINANCING SOURCES (USES)							
Transfers in						3,559,192	3,779,192
Transfers out							(2,810,150)
Refund to grantor							(22,050)
TOTAL OTHER FINANCING SOURCES (USES)						3,559,192	946,992
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		1,001		133,094	24,177,884	1,922,614	26,682,385
FUND BALANCES - JANUARY 1						4,450,779	11,330,822
FUND BALANCES - DECEMBER 31	\$ 0	\$ 1,001	\$ 0	\$ 133,094	\$ 24,177,884	\$ 6,373,393	\$ 38,013,207

BENTON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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.
Child Support Cost	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.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
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.

BENTON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Emergency Medical Services Improvement District (EMSD) County Levy	Benton County Ordinance no. 2014-51 (July 24, 2014) established an ambulance service improvement district within Benton County as authorized by Ark. Code Ann. § 14-282-102 to provide for the availability of emergency medical services a .2 mill levy for the unincorporated area of Benton County, not including that portion of the County which is included in the Northeast Benton County Emergency Medical Service District that was established by Benton County Ordinance no. 85-15 (June 14, 1985). The County has also levied a 2.0 mill voluntary tax for the operations of the Emergency Medical Services.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Circuit Court Juvenile Division	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.
Judicial Collections	Benton County Ordinance no. 2021-62 (October 25, 2001) established fund to account for 30% of funds collected as circuit court fines which are to be used for the collection of delinquent circuit court fines and cost.
Federal Forfeitures - Treasury Funds	Established to account for federal forfeiture proceeds from cooperating state and local law enforcement agencies.

BENTON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
Federal Forfeitures - Justice Funds	Established to account for Equitable Sharing monies from the Justice funds as part of the Annual Equitable Sharing Agreement and Certification Process.
Northeast Benton County Emergency Medical Services District (EMSD) Volunteer Ambulance Service (VAS) Fee Levy	Benton County Ordinance no. 85-15 (June 14, 1985) established fund in accordance with Ark. Code Ann. § 20-13-301 to collect ambulance fees, within specified areas, to provide emergency medical services.
Historical Preservation	Benton County Ordinance no. 2008-28 (October 28, 2008) established fund to account for the voluntary tax millage levied by the Quorum Court for Benton County Historical Preservation Commission.
Law Enforcement Training/Terrorism Prevention Grant	Established to account for federal grant which provides law enforcement communities with enhanced capabilities for detecting, deferring, disrupting, and preventing acts of terrorism.
Northeast Benton County (NEBCO) Rural Services Grant	Established to account for the proceeds of grants received for the benefit of Northeast Benton County (NEBCO) Rural Fire Department.
Juvenile Detention Center State Grant Aid	Established to account for grant money received from the State of Arkansas for operation and maintenance of the Juvenile Detention Center.
Alternative Dispute Resolution Grant	Established to account for grant from Arkansas Alternative Dispute Resolution Commission to promote and implement the use of alternative dispute resolution in the State of Arkansas.
DHS - Division of Youth Services Family Engagement Grant	Benton County Ordinance no. 2020-04 (January 30, 2020) established fund to account for grant funds received from the Division of Youth Services for expenses related to the Juvenile Drug Court Program.
Substance Abuse and Mental Health Services Administration - Drug Court Grant	Established to account for Federal grant money received from the State of Arkansas for therapy for substance abuse.
AAC Veterans Court Grant	Established to account for grant money from the State of Arkansas to assist veterans in court matters.
AAC Adult Drug Court Grant	Established to account for grant money from the State of Arkansas to enhance the Adult Drug Court for substance-abusing adults.

BENTON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
AAC Juvenile Drug Court Grant	Established to account for grant money from the State of Arkansas to enhance the Juvenile Drug Court for substance-abusing juveniles.
AOC Juvenile Officer Grant	Established to account for grant money from the State of Arkansas to employ an additional officer to aid with substance abusing juveniles.
Arkansas Economic Development Septic System Installation Project Grant	Established to account for federal grant money received from the Arkansas Economic Development Commission for the improvement of septic systems in rural areas.
ACEDP Rambo Water District Grant	Benton County Ordinance no. 2019-24 (July 25, 2019) established to account for grant funds received from Arkansas Community and Economic Development Program to install a new water line for the Rambo Water District service area.
ACEDP COVID-19 Rural Hospital Grant	Benton County Ordinance no. 2020-21 (May 28, 2020) established fund to account for grant funds received from Arkansas Community and Economic Development Program to assist with COVID-19 related expenses.
Emergency Rental Assistance I (ERA-1)	Benton County Ordinance no. 2021-03 (January 29, 2021) established fund to account for federal funds from the Consolidated Appropriations Act, 2021 and authorized the establishment of the Emergency Rental Assistance Program (ERAP) within the County. The ERAP will provide rental and utilities assistance to residents of Benton County that are unable to pay rent and utilities due the COVID-19 Pandemic.
Reach Everyone to Achieve Community Health (REACH) Grant	Benton County Ordinance no. 2021-29 (July 29, 2021) established fund to account for revenues and expenditures related to the REACH Grant received from the U.S. Department of Health and Human Services to promote public health within the County.
Emergency Rental Assistance II (ERA-2)	Benton County Ordinance no. 2021-32 (August 26, 2021) established fund to account for federal funds from the Consolidated Appropriations Act, 2021 and authorized the establishment of the Emergency Rental Assistance Program (ERAP) within the County. The ERAP will provide rental and utilities assistance to residents of Benton County that are unable to pay rent and utilities due the COVID-19 Pandemic.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLFR), as part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.

BENTON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
Capital Projects	Benton County Ordinance no. 90-41 (December 13, 1990) established fund to receive a portion, determined annually by the Quorum Court, of the 1% county Sales and Use Tax. Sales tax allocation was amended by Benton County Ordinance no. 2014-40 (June 27, 2014).

Treasurer's accounts consist primarily of property taxes due to other agencies.

Collector's accounts consist primarily of property taxes 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 fee money to be settled with the treasurer and trust monies awaiting disposition by applicable court.

Circuit Clerk's accounts consist of fee money to be settled with the treasurer and trust monies awaiting disposition by applicable court.

Excess Commissions consists of Treasurer's and Collector/s excess commissions and Excess Assessor's expense that has not been distributed.

County Judge's Planning Board consists of planning fees not remitted to treasurer.

BENTON COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2021
(Unaudited)

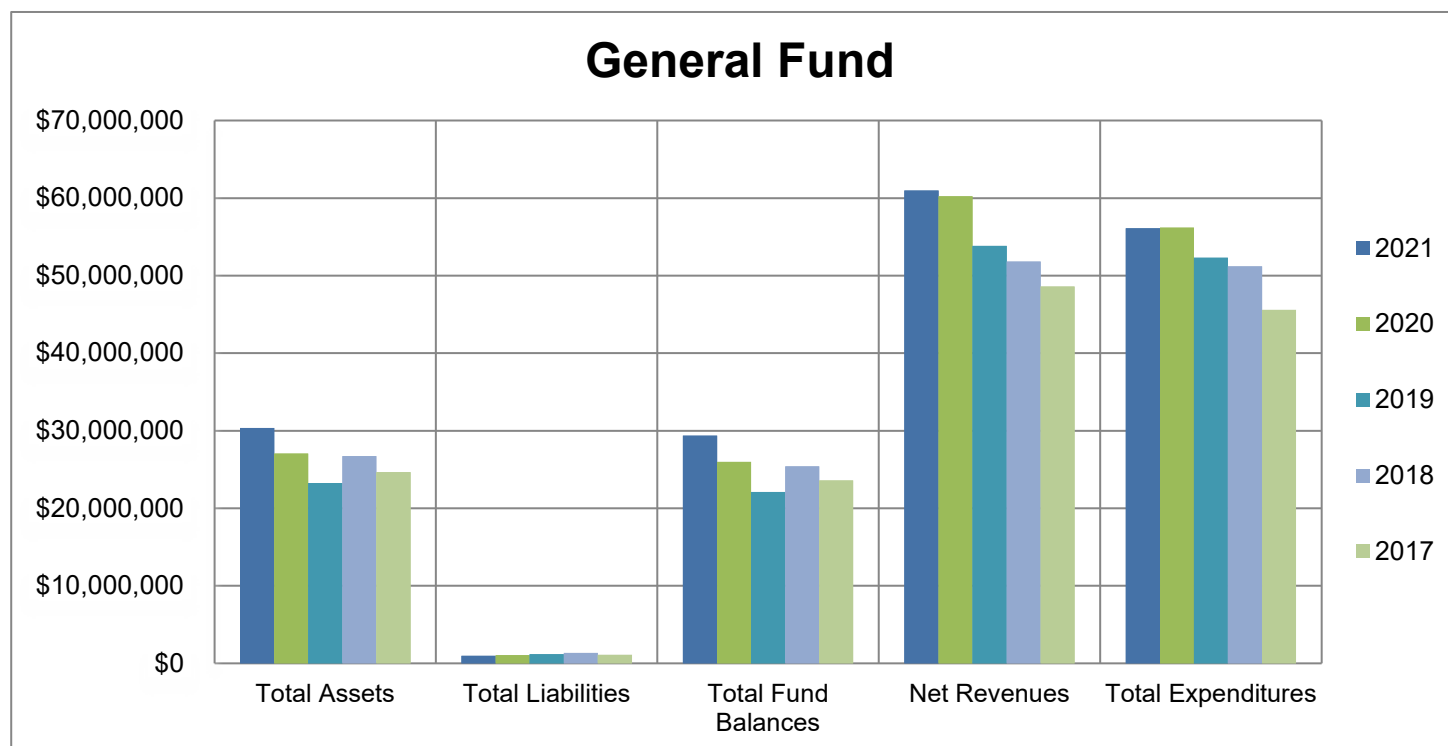
Schedule 3

	December 31, 2021
Land	\$ 5,091,804
Buildings	46,914,676
Equipment	46,395,409
Construction in progress	<u>3,177,283</u>
Total	<u><u>\$ 101,579,172</u></u>

BENTON COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
DECEMBER 31, 2021
(Unaudited)

Schedule 4-1

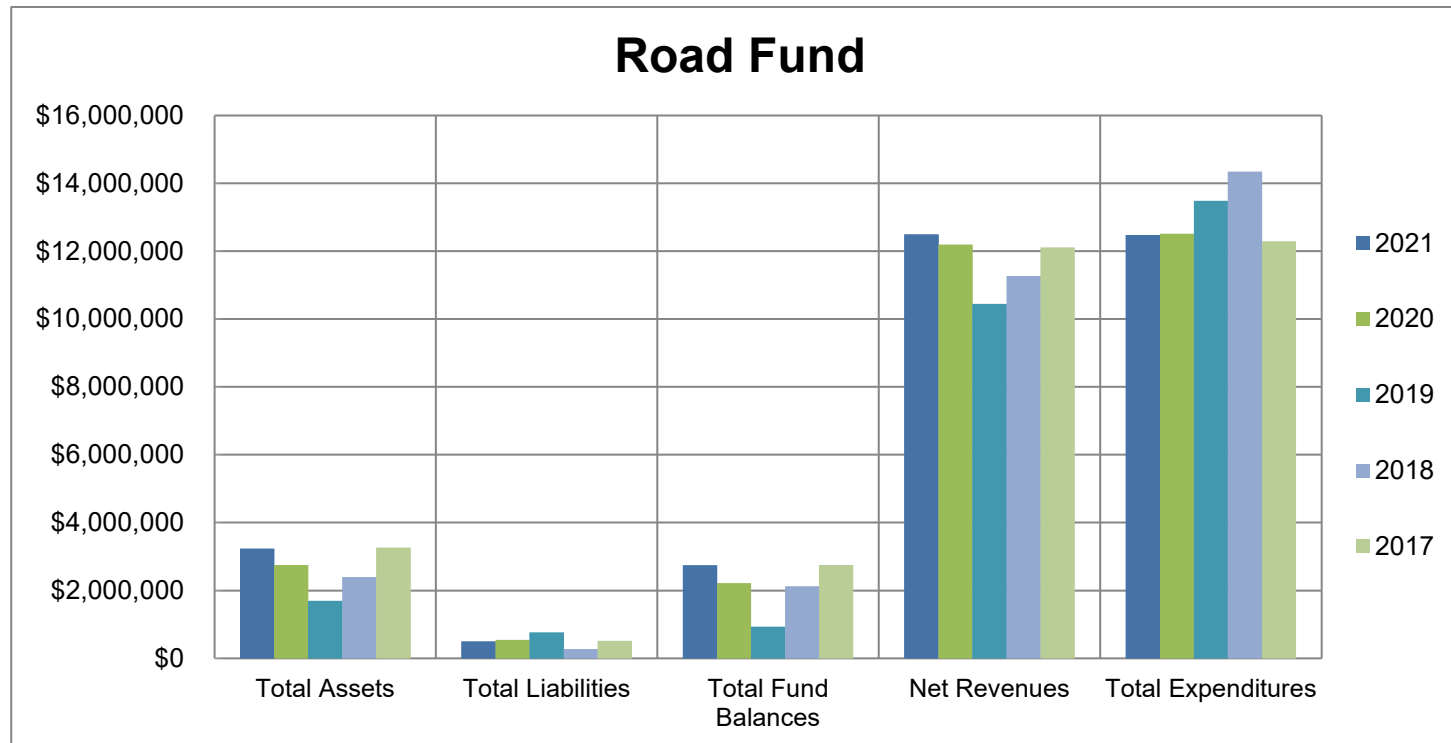
<u>General</u>	2021	2020	2019	2018	2017
Total Assets	\$ 30,347,865	\$ 27,033,405	\$ 23,259,989	\$ 26,739,810	\$ 24,668,040
Total Liabilities	977,309	1,065,909	1,165,784	1,334,019	1,101,330
Total Fund Balances	29,370,556	25,967,496	22,094,205	25,405,791	23,566,710
Net Revenues	60,979,160	60,222,123	53,815,026	51,793,730	48,607,038
Total Expenditures	56,107,058	56,203,974	52,302,918	51,180,962	45,586,708
Total Other Financing Sources/Uses	(1,469,042)	(144,858)	(4,823,694)	1,226,313	(1,077,498)



BENTON COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
DECEMBER 31, 2021
(Unaudited)

Schedule 4-2

<u>Road</u>	2021	2020	2019	2018	2017
Total Assets	\$ 3,229,464	\$ 2,754,076	\$ 1,696,866	\$ 2,388,366	\$ 3,256,989
Total Liabilities	493,072	542,147	763,773	271,918	511,735
Total Fund Balances	2,736,392	2,211,929	933,093	2,116,448	2,745,254
Net Revenues	12,494,727	12,189,237	10,443,335	11,262,371	12,102,041
Total Expenditures	12,470,264	12,510,401	13,486,690	14,343,657	12,282,795
Total Other Financing Sources/Uses	500,000	1,600,000	1,860,000	2,452,480	2,435,000



BENTON COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
DECEMBER 31, 2021
(Unaudited)

Schedule 4-3

Other Funds in the Aggregate	2021	2020	2019	2018	2017
Total Assets	\$ 60,644,134	\$ 29,978,865	\$ 26,016,273	\$ 25,859,726	\$ 23,409,839
Total Liabilities	22,630,927	18,648,043	17,690,141	19,030,436	15,673,702
Total Fund Balances	38,013,207	11,330,822	8,326,132	6,829,290	7,736,137
Net Revenues	52,558,930	9,325,096	8,700,909	8,148,324	9,419,241
Total Expenditures	26,823,537	7,965,264	10,167,761	9,846,583	9,023,258
Total Other Financing Sources/Uses	946,992	1,644,858	2,963,694	791,412	(1,357,502)

