

**Calhoun County, Arkansas**

**Financial and Compliance Report**

**December 31, 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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Financial and Compliance Report

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# Arkansas



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**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

Calhoun 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 Calhoun County, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated October 16, 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 2021:

County Judge: Floyd Nutt  
Treasurer: Jennifer Beene  
Sheriff and Tax Collector: Vernon Morris  
County and Circuit Clerk: Jeanie Smith  
Assessor: Teresa Carter

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

Noncompliance with state law and accepted accounting practices was noted in the office of **County** and **Circuit Clerk**.

#### **County and Circuit Clerk**

Our review of payroll accounts revealed the County Judge's gross pay was \$1,036 greater than the amount appropriated, in noncompliance with Ark. Code Ann. §§ 14-14-1101, -1102, and -1203.

Our review of payroll accounts revealed that wages were understated by a total of \$119,246 in 2021 on 39 county employees whose Internal Revenue Service (IRS) W-2 Forms were tested. Wages for other employees were likely understated as well, by varying amounts. Additionally, the County may be liable for Social Security and Medicare matching on the underreported amounts. We recommend the County determine the full amount underreported and seek guidance from the IRS. A similar reportable finding was issued in the prior year.

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas  
October 16, 2023  
LOCO00721

CALHOUN COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2021  
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,742,061	\$ 878,114	\$ 2,394,409
Accounts receivable	40,065		54,367
	<b>TOTAL ASSETS</b>	<b>\$ 878,114</b>	<b>\$ 2,448,776</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 27,518	\$ 23,433	\$ 35,408
Settlements pending			50,793
Total Liabilities	27,518	23,433	86,201
 <b>Fund Balances:</b>			
Restricted		854,681	2,107,231
Assigned	94,995		255,344
Unassigned	1,659,613		
Total Fund Balances	1,754,608	854,681	2,362,575
	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 878,114</b>	<b>\$ 2,448,776</b>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 539,308	\$ 1,615,523	\$ 13,112
Federal aid	32,735		689,539
Property taxes	578,610	299,916	31,923
Sales taxes	518,008		934,929
Fines, forfeitures, and costs	204,004		54,484
Interest	2,240	1,209	4,452
Officers' fees	13,330		37,469
Ambulance fees			23
Sanitation fees			297,210
Jail fees			76,507
911 fees			141,710
Proceeds from rodeo	127,314		
Reimbursement for nutrition center	166,010		
Treasurer's commission	99,882		11,099
Collector's commission	149,301		21,638
Taxes apportioned - Assessor's salary and expense	206,937		
Other	136,665	14,216	74,371
<b>TOTAL REVENUES</b>	<b>2,774,344</b>	<b>1,930,864</b>	<b>2,388,466</b>
Less: Treasurer's commission	36,597	30,528	29,337
<b>NET REVENUES</b>	<b>2,737,747</b>	<b>1,900,336</b>	<b>2,359,129</b>
<b>EXPENDITURES</b>			
Current:			
General government	1,029,858		150,298
Law enforcement	815,632		456,990
Highways and streets		1,537,764	
Public safety	106,551		164,307
Sanitation			767,523
Health	24,137		144,000
Recreation and culture	175,943		98,115
Social services	315,598		
Water			168,405
<b>Total Current</b>	<b>2,467,719</b>	<b>1,537,764</b>	<b>1,949,638</b>
Debt Service:			
Financed purchases principal		92,826	60,069
Financed purchases interest		2,468	3,306
<b>TOTAL EXPENDITURES</b>	<b>2,467,719</b>	<b>1,633,058</b>	<b>2,013,013</b>

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 270,028	\$ 267,278	\$ 346,116
OTHER FINANCING SOURCES (USES)			
Transfers in			184,491
Transfers out	(184,491)		
Loan proceeds		24,000	104,995
TOTAL OTHER FINANCING SOURCES (USES)	(184,491)	24,000	289,486
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	85,537	291,278	635,602
FUND BALANCES - JANUARY 1	1,669,071	563,403	1,726,973
FUND BALANCES - DECEMBER 31	\$ 1,754,608	\$ 854,681	\$ 2,362,575

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

CALHOUN 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  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 411,088	\$ 539,308	\$ 128,220	\$ 1,126,570	\$ 1,615,523	\$ 488,953
Federal aid		32,735	32,735			
Property taxes	493,696	578,610	84,914	257,218	299,916	42,698
Sales taxes	425,000	518,008	93,008			
Fines, forfeitures, and costs	190,470	204,004	13,534			
Interest	600	2,240	1,640	225	1,209	984
Officers' fees	14,040	13,330	(710)			
Proceeds from rodeo	103,400	127,314	23,914			
Reimbursement for nutrition center	179,350	166,010	(13,340)			
Treasurer's commission		99,882	99,882			
Collector's commission		149,301	149,301			
Taxes apportioned - Assessor's salary and expense		206,937	206,937			
Other	124,193	136,665	12,472	5,500	14,216	8,716
<b>TOTAL REVENUES</b>	<b>1,941,837</b>	<b>2,774,344</b>	<b>832,507</b>	<b>1,389,513</b>	<b>1,930,864</b>	<b>541,351</b>
Less: Treasurer's commission		36,597	(36,597)		30,528	(30,528)
<b>NET REVENUES</b>	<b>1,941,837</b>	<b>2,737,747</b>	<b>795,910</b>	<b>1,389,513</b>	<b>1,900,336</b>	<b>510,823</b>
EXPENDITURES						
Current:						
General government	1,151,052	1,029,858	121,194			
Law enforcement	888,320	815,632	72,688			
Highways and streets				2,167,700	1,537,764	629,936
Public safety	132,750	106,551	26,199			
Health	24,522	24,137	385			
Recreation and culture	243,242	175,943	67,299			
Social services	323,399	315,598	7,801			
Total Current	2,763,285	2,467,719	295,566	2,167,700	1,537,764	629,936
Debt Service:						
Financed purchases principal					92,826	(92,826)
Financed purchases interest					2,468	(2,468)
<b>TOTAL EXPENDITURES</b>	<b>2,763,285</b>	<b>2,467,719</b>	<b>295,566</b>	<b>2,167,700</b>	<b>1,633,058</b>	<b>534,642</b>

CALHOUN 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  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (821,448)	\$ 270,028	\$ 1,091,476	\$ (778,187)	\$ 267,278	\$ 1,045,465
OTHER FINANCING SOURCES (USES)						
Transfers in	19,296		(19,296)			
Transfers out	(109,000)	(184,491)	(75,491)			
Loan proceeds					24,000	24,000
TOTAL OTHER FINANCING SOURCES (USES)	(89,704)	(184,491)	(94,787)		24,000	24,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(911,152)	85,537	996,689	(778,187)	291,278	1,069,465
FUND BALANCES - JANUARY 1	1,402,571	1,669,071	266,500	582,430	563,403	(19,027)
FUND BALANCES - DECEMBER 31	\$ 491,419	\$ 1,754,608	\$ 1,263,189	\$ (195,757)	\$ 854,681	\$ 1,050,438

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



CALHOUN COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2021  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	Sheriff's Automation	County Library
<b>ASSETS</b>								
Cash and cash equivalents	\$ 20,740	\$ 92,635	\$ 6,352	\$ 9,126	\$ 7,726	\$ 76,211	\$ 4,005	\$ 8,954
Accounts receivable				55		3,362	30	1
<b>TOTAL ASSETS</b>	<u>\$ 20,740</u>	<u>\$ 92,635</u>	<u>\$ 6,352</u>	<u>\$ 9,181</u>	<u>\$ 7,726</u>	<u>\$ 79,573</u>	<u>\$ 4,035</u>	<u>\$ 8,955</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 65							\$ 6,298
Settlements pending								
<b>Total Liabilities</b>	<u>65</u>							<u>6,298</u>
<b>Fund Balances:</b>								
Restricted	20,675	\$ 92,635	\$ 6,352	\$ 9,181	\$ 7,726	\$ 79,573	\$ 4,035	
Assigned								2,657
<b>Total Fund Balances</b>	<u>20,675</u>	<u>92,635</u>	<u>6,352</u>	<u>9,181</u>	<u>7,726</u>	<u>79,573</u>	<u>4,035</u>	<u>2,657</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 20,740</u>	<u>\$ 92,635</u>	<u>\$ 6,352</u>	<u>\$ 9,181</u>	<u>\$ 7,726</u>	<u>\$ 79,573</u>	<u>\$ 4,035</u>	<u>\$ 8,955</u>

CALHOUN COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2021  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	Solid Waste Management	County Clerk Operating	Child Support Cost	Drug Control	County Jail	Boating Safety and Enforcement	Emergency 911	Public Defender
<b>ASSETS</b>								
Cash and cash equivalents	\$ 922,276	\$ 338	\$ 2,023	\$ 7,528	\$ 367,668	\$ 7,000	\$ 212,877	\$ 25,900
Accounts receivable	42,851	2			6,107			536
<b>TOTAL ASSETS</b>	<b>\$ 965,127</b>	<b>\$ 340</b>	<b>\$ 2,023</b>	<b>\$ 7,528</b>	<b>\$ 373,775</b>	<b>\$ 7,000</b>	<b>\$ 212,877</b>	<b>\$ 26,436</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 10,337				\$ 6,304			
Settlements pending								
<b>Total Liabilities</b>	<b>10,337</b>				<b>6,304</b>			
<b>Fund Balances:</b>								
Restricted	954,790	\$ 340	\$ 2,023	\$ 7,528	114,784	\$ 7,000	\$ 212,877	\$ 26,436
Assigned					252,687			
<b>Total Fund Balances</b>	<b>954,790</b>	<b>340</b>	<b>2,023</b>	<b>7,528</b>	<b>367,471</b>	<b>7,000</b>	<b>212,877</b>	<b>26,436</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 965,127</b>	<b>\$ 340</b>	<b>\$ 2,023</b>	<b>\$ 7,528</b>	<b>\$ 373,775</b>	<b>\$ 7,000</b>	<b>\$ 212,877</b>	<b>\$ 26,436</b>

CALHOUN COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2021  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	<u>Victim/Witness</u>	<u>Public Safety</u>	<u>Juvenile Probation Fees</u>	<u>Voting System Grant</u>	<u>Circuit Clerk Commissioner's Fee</u>	<u>Assessor's Late Assessment Fee</u>	<u>Veteran's Memorial</u>	<u>Historic Preservation Grant</u>
ASSETS								
Cash and cash equivalents	\$ 69,510	\$ 1,710	\$ 4,798	\$ 394	\$ 886	\$ 520	\$ 8,394	\$ 7,500
Accounts receivable	1,386	37						
<b>TOTAL ASSETS</b>	<b><u>\$ 70,896</u></b>	<b><u>\$ 1,747</u></b>	<b><u>\$ 4,798</u></b>	<b><u>\$ 394</u></b>	<b><u>\$ 886</u></b>	<b><u>\$ 520</u></b>	<b><u>\$ 8,394</u></b>	<b><u>\$ 7,500</u></b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 70,896	\$ 1,747	\$ 4,798	\$ 394	\$ 886	\$ 520	\$ 8,394	\$ 7,500
Assigned								
Total Fund Balances	<u>70,896</u>	<u>1,747</u>	<u>4,798</u>	<u>394</u>	<u>886</u>	<u>520</u>	<u>8,394</u>	<u>7,500</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 70,896</u></b>	<b><u>\$ 1,747</u></b>	<b><u>\$ 4,798</u></b>	<b><u>\$ 394</u></b>	<b><u>\$ 886</u></b>	<b><u>\$ 520</u></b>	<b><u>\$ 8,394</u></b>	<b><u>\$ 7,500</u></b>

CALHOUN COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2021  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS				CUSTODIAL FUNDS				Totals
	Automated Records System Grant	Communication Facility and Equipment	American Rescue Plan Act	County Library American Rescue Plan Act	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk / Circuit Clerks Accounts	
ASSETS									
Cash and cash equivalents	\$ 43,660	\$ 26,760	\$ 395,942	\$ 12,183	\$ 1,201	\$ 381	\$ 19,106	\$ 30,105	\$ 2,394,409
Accounts receivable									54,367
<b>TOTAL ASSETS</b>	<b>\$ 43,660</b>	<b>\$ 26,760</b>	<b>\$ 395,942</b>	<b>\$ 12,183</b>	<b>\$ 1,201</b>	<b>\$ 381</b>	<b>\$ 19,106</b>	<b>\$ 30,105</b>	<b>\$ 2,448,776</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 7,682	\$ 4,722					\$ 35,408
Settlements pending					\$ 1,201	\$ 381	\$ 19,106	\$ 30,105	50,793
Total Liabilities			<u>7,682</u>	<u>4,722</u>	<u>1,201</u>	<u>381</u>	<u>19,106</u>	<u>30,105</u>	<u>86,201</u>
Fund Balances:									
Restricted	\$ 43,660	\$ 26,760	388,260	7,461					2,107,231
Assigned									255,344
Total Fund Balances	<u>43,660</u>	<u>26,760</u>	<u>388,260</u>	<u>7,461</u>					<u>2,362,575</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 43,660</b>	<b>\$ 26,760</b>	<b>\$ 395,942</b>	<b>\$ 12,183</b>	<b>\$ 1,201</b>	<b>\$ 381</b>	<b>\$ 19,106</b>	<b>\$ 30,105</b>	<b>\$ 2,448,776</b>

CALHOUND 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, 2021  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	Sheriff's Automation	County Library
REVENUES								
State aid					\$ 2,014			\$ 10,341
Federal aid								
Property taxes								31,798
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 12	\$ 48	\$ 115	\$ 3,110	4	\$ 78	\$ 2	2
Officers' fees			3	4		33,344	570	
Ambulance fees								
Sanitation fees								
Jail fees								
911 fees								
Treasurer's commission	11,099							
Collector's commission		21,638						
Other								3,954
<b>TOTAL REVENUES</b>	<b>11,111</b>	<b>21,686</b>	<b>118</b>	<b>3,114</b>	<b>2,018</b>	<b>33,422</b>	<b>572</b>	<b>46,095</b>
Less: Treasurer's commission			2		40	652	12	695
<b>NET REVENUES</b>	<b>11,111</b>	<b>21,686</b>	<b>116</b>	<b>3,114</b>	<b>1,978</b>	<b>32,770</b>	<b>560</b>	<b>45,400</b>
EXPENDITURES								
Current:								
General government	8,995	10,034				15,300		
Law enforcement								
Public safety								
Sanitation								
Health								
Recreation and culture								74,202
Water								
Total Current	8,995	10,034				15,300		74,202
Debt Service:								
Financed purchases principal								
Financed purchases interest								
<b>TOTAL EXPENDITURES</b>	<b>8,995</b>	<b>10,034</b>				<b>15,300</b>		<b>74,202</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,116</b>	<b>11,652</b>	<b>116</b>	<b>3,114</b>	<b>1,978</b>	<b>17,470</b>	<b>560</b>	<b>(28,802)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								26,323
Loan proceeds								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								<b>26,323</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>2,116</b>	<b>11,652</b>	<b>116</b>	<b>3,114</b>	<b>1,978</b>	<b>17,470</b>	<b>560</b>	<b>(2,479)</b>
FUND BALANCES - JANUARY 1	18,559	80,983	6,236	6,067	5,748	62,103	3,475	5,136
FUND BALANCES - DECEMBER 31	<u>\$ 20,675</u>	<u>\$ 92,635</u>	<u>\$ 6,352</u>	<u>\$ 9,181</u>	<u>\$ 7,726</u>	<u>\$ 79,573</u>	<u>\$ 4,035</u>	<u>\$ 2,657</u>

CALHOUND 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, 2021  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Solid Waste Management	County Clerk Operating	Child Support Cost	Drug Control	County Jail	Boating Safety and Enforcement	Emergency 911	Ambulance
REVENUES								
State aid						\$ 757		
Federal aid								
Property taxes								
Sales taxes	\$ 518,008				\$ 416,921			
Fines, forfeitures, and costs				\$ 4,294	32,310			
Interest	3,832		\$ 1	3	177	3	\$ 145	
Officers' fees		\$ 62	216					
Ambulance fees								\$ 23
Sanitation fees	297,210							
Jail fees					71,659			
911 fees							141,710	
Treasurer's commission								
Collector's commission								
Other	11,240				15,950		27	
TOTAL REVENUES	830,290	62	217	4,297	537,017	760	141,882	23
Less: Treasurer's commission	16,128	1	4	86	10,639	15	800	
NET REVENUES	814,162	61	213	4,211	526,378	745	141,082	23
EXPENDITURES								
Current:								
General government			252					
Law enforcement					438,485			
Public safety							164,307	
Sanitation	767,523							
Health								144,000
Recreation and culture								
Water								
Total Current	767,523		252		438,485		164,307	144,000
Debt Service:								
Financed purchases principal	60,069							
Financed purchases interest	3,306							
TOTAL EXPENDITURES	830,898		252		438,485		164,307	144,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(16,736)	61	(39)	4,211	87,893	745	(23,225)	(143,977)
OTHER FINANCING SOURCES (USES)								
Transfers in								143,977
Loan proceeds	104,995							
TOTAL OTHER FINANCING SOURCES (USES)	104,995							143,977
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	88,259	61	(39)	4,211	87,893	745	(23,225)	
FUND BALANCES - JANUARY 1	866,531	279	2,062	3,317	279,578	6,255	236,102	
FUND BALANCES - DECEMBER 31	\$ 954,790	\$ 340	\$ 2,023	\$ 7,528	\$ 367,471	\$ 7,000	\$ 212,877	\$ 0

CALHOUND 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, 2021  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Public Defender	Victim/Witness	Public Safety	Juvenile Probation Fees	Voting System Grant	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Veteran's Memorial
REVENUES								
State aid								
Federal aid								
Property taxes							\$ 125	
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 4,685	\$ 9,537	\$ 433	\$ 3		\$ 1		\$ 49
Officers' fees	16	40	1			97		
Ambulance fees								
Sanitation fees								
Jail fees								
911 fees								
Treasurer's commission								
Collector's commission								
Other								
TOTAL REVENUES	4,701	9,577	434	3		98	125	49
Less: Treasurer's commission	87	166	8			2		
NET REVENUES	4,614	9,411	426	3		96	125	49
EXPENDITURES								
Current:								
General government								
Law enforcement	7,511	3,900	1,215					
Public safety								
Sanitation								
Health								
Recreation and culture								
Water								
Total Current	7,511	3,900	1,215					
Debt Service:								
Financed purchases principal								
Financed purchases interest								
TOTAL EXPENDITURES	7,511	3,900	1,215					
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,897)	5,511	(789)	3		96	125	49
OTHER FINANCING SOURCES (USES)								
Transfers in								
Loan proceeds								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,897)	5,511	(789)	3		96	125	49
FUND BALANCES - JANUARY 1	29,333	65,385	2,536	4,795	\$ 394	790	395	8,345
FUND BALANCES - DECEMBER 31	\$ 26,436	\$ 70,896	\$ 1,747	\$ 4,798	\$ 394	\$ 886	\$ 520	\$ 8,394

CALHOUND 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, 2021  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS						Totals
	County Museum	Historic Preservation Grant	Automated Records System Grant	Communication Facility and Equipment	Water Expansion Federal Grant	American Rescue Plan Act	
REVENUES							
State aid							\$ 13,112
Federal aid					\$ 168,405	\$ 503,951	\$ 17,183
Property taxes							689,539
Sales taxes							31,923
Fines, forfeitures, and costs							934,929
Interest				\$ 2		26	54,484
Officers' fees				3,180			4,452
Ambulance fees							37,469
Sanitation fees							23
Jail fees				4,848			297,210
911 fees							76,507
Treasurer's commission							141,710
Collector's commission							11,099
Other			\$ 43,200				21,638
							74,371
TOTAL REVENUES			43,200	8,030	168,405	503,977	17,183
Less: Treasurer's commission							2,388,466
NET REVENUES			43,200	8,030	168,405	503,977	17,183
							2,359,129
EXPENDITURES							
Current:							
General government						115,717	150,298
Law enforcement				5,879			456,990
Public safety							164,307
Sanitation							767,523
Health							144,000
Recreation and culture	\$ 14,191						98,115
Water					168,405		168,405
Total Current	14,191			5,879	168,405	115,717	9,722
							1,949,638
Debt Service:							
Financed purchases principal							60,069
Financed purchases interest							3,306
TOTAL EXPENDITURES	14,191			5,879	168,405	115,717	9,722
							2,013,013
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(14,191)		43,200	2,151		388,260	7,461
							346,116
OTHER FINANCING SOURCES (USES)							
Transfers in	14,191						184,491
Loan proceeds							104,995
TOTAL OTHER FINANCING SOURCES (USES)	14,191						289,486
							289,486
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES			43,200	2,151		388,260	7,461
							635,602
FUND BALANCES - JANUARY 1		\$ 7,500	460	24,609			1,726,973
FUND BALANCES - DECEMBER 31	\$ 0	\$ 7,500	\$ 43,660	\$ 26,760	\$ 0	\$ 388,260	\$ 7,461
							\$ 2,362,575



CALHOUN 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.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
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 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 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.
Solid Waste Management	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on fee schedule contained in an ordinance. County Ordinance no. 89-45 (December 14, 1989) established fund to account for sales tax.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.

CALHOUN 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>
County Jail	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. 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. Calhoun County Ordinance no. 94-82 (August 8, 1994) for levying of a 1/2% sales and use tax for "jail facilities."
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 telephone providers for 911 emergency services.
Ambulance	Calhoun County Ordinance no. 95-7 (February 27, 1995) established fund to account for revenues and disbursements of the County's ambulance service.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
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.
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.
Juvenile Probation Fees	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.
Voting System Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
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.

CALHOUN 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>
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.
Veteran's Memorial	Established to receive donations for the Veteran's Memorial.
County Museum	Calhoun County Ordinance no. 2016-7 (March 26, 2016) established fund to account for grants and donations for the county museum.
Historic Preservation Grant	Established to account for a grant from the Arkansas Historic Preservation Program for drainage improvements around the County courthouse and for an unpaved road grant to improve roads that provide access to isolated areas.
Automated Records System Grant	Established to account for an Association of Arkansas Counties Automated Records Fund Grant, authorized by Ark. Code Ann. § 14-20-107, to purchase technology to improve the automation of the Circuit Clerk's office and/or the services that office may provide.
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.
Water Expansion Federal Grant	Established to account for grant funds used for the Locust Bayou Water Expansion.
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.
County Library American Rescue Plan Act	Established to receive and disburse funds received from the American Rescue Plan in Arkansas Public Libraries for information access, institutional capacity, and enhanced technology at the Calhoun County Library.

Treasurer's accounts consist primarily of fines and costs not distributed to the appropriate agencies.

Collector's accounts consist primarily of change funds.

Sheriff's accounts consist primarily of circuit bonds and jail commissary funds.

County/Circuit Clerk's accounts consist primarily of trust money awaiting disposition by the applicable court.

CALHOUN COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2021  
(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 and property 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.

**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.

CALHOUN COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2021  
(UNAUDITED)

1. (Continued)

**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. 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.

**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, officer's fees, property taxes, child support 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. 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.
3. 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.

CALHOUN COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2021  
(UNAUDITED)

1. (Continued)

**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.

**E. 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.

**F. 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.

There were no committed fund balances at year end.

CALHOUN COUNTY, ARKANSAS  
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DECEMBER 31, 2021  
(UNAUDITED)

**2. 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			\$ 636,692
Law enforcement			279,517
Highways and streets		\$ 854,681	
Public safety			212,877
Sanitation			954,790
Recreation and culture			23,355
Total Restricted		<u>854,681</u>	<u>2,107,231</u>
Assigned to:			
Law enforcement	\$ 17,020		252,687
Public safety	4,585		
Recreation and culture	27,945		2,657
Social services	45,445		
Total Assigned	<u>94,995</u>		<u>255,344</u>
Unassigned	<u>1,659,613</u>		
Totals	<u>\$ 1,754,608</u>	<u>\$ 854,681</u>	<u>\$ 2,362,575</u>

**3. Commitments**

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

	December 31, 2021
Long-term liabilities	\$ 308,270
Noncancellable lease	63,000
Reappraisal contract	334,896
Construction contract	<u>17,388</u>
Total Commitments	<u>\$ 723,554</u>

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

Long-term Liabilities

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

	December 31, 2021
<u>Direct Borrowings</u>	
Financed purchase dated May 26, 2020, with Generations Bank in the amount of \$167,272 with interest rate of 2.7% for the purchase of three (3) 2018 Western Star 4900 Hilbilt dump trucks. Monthly payments of \$7,170 for 24 months are to be made from the Road Fund.	\$ 28,876
Financed purchase dated June 29, 2021, with Generations Bank in the amount of \$24,255, with interest rate of 2.4%, for the purchase of a 2009 John Deere Tractor. Monthly payments of \$1,542.12 for 16 months are to be made from the Road Fund.	15,248
Financed purchase dated August 30, 2021, with Generations Bank in the amount of \$100,337.35, with an interest rate of 2.25%, for the purchase of a 2021 Caterpillar 308 Track Hoe. Monthly payments of \$2,886.28 for 17 months with one final balloon payment due on the maturity date in the amount of \$53,911. Payments are to be made from the Solid Waste Fund	86,700
Financed purchase dated August 30, 2021, with Generations Bank in the amount of \$65,757, with an interest rate of 2.35%, for the purchase of a garbage truck. Monthly payments of \$3,722 for 18 months are to be made from the Solid Waste Fund.	47,799
Financed purchase dated August 27, 2020, with Axon Enterprise, Inc. in the amount of \$21,878 for the purchase of 7 tasers. An initial payment of \$3,850 and annual payments of \$4,507 for four years are to be made from the General Fund (no payment made in 2021.)	18,028
Total Direct Borrowings	196,651
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	44,221
Landfill closure and postclosure care costs	67,398
Total Long-term liabilities	\$ 308,270

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

The County's outstanding financed purchases from direct borrowings of \$196,651 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.



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

Landfill Closure and Postclosure Care Costs

Calhoun County is the owner of permit # 0070-S to operate a Class IV solid waste landfill. State and federal regulation require a final cover to be placed on the landfill site when it stops accepting waste and the performance of certain maintenance and monitoring functions at the site for two years after the closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops 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 landfill closure care cost has a balance of \$67,398 as of December 31, 2021, and represents the cumulative amount reported to date based on 25% usage of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$200,264 as the remaining capacity is filled. At the present utilization rate, the landfill is estimated to exhaust in 204 years from the balance sheet date.

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, 2021. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

In accordance with Ark. Code Ann. § 8-6-1603, the County has provided financial assurance of \$216,409 in the form of a Contract of Obligation. This Contract of Obligation authorized the State Treasurer to withhold from any funds being distributed from the State of Arkansas to Calhoun County the sum of \$216,409 upon receiving notice from the Director of the Arkansas Department of Environment Quality the County's failure to properly close the disposal operation.

Long-Term Debt Issued and Outstanding

<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Rate of Interest</u>	<u>Amount Authorized and Issued</u>	<u>Debt Outstanding December 31, 2021</u>	<u>Maturities to December 31, 2021</u>
<u>Direct Borrowings</u>					
5/26/20	5/25/22	2.70%	\$ 167,272	\$ 28,876	\$ 138,396
6/29/21	10/28/22	2.40%	24,255	15,248	9,007
8/30/21	2/28/23	2.25%	100,337	86,700	13,637
8/30/21	2/28/23	2.35%	65,757	47,799	17,958
8/27/20	8/27/24	0.00%	21,878	18,028	3,850
Total Direct Borrowings			<u>\$ 379,499</u>	<u>\$ 196,651</u>	<u>\$ 182,848</u>

Changes in Long-Term Debt

	<u>Balance January 01, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2021</u>
<u>Direct Borrowings</u>				
Financed purchases	<u>\$ 219,541</u>	<u>\$ 295,599</u>	<u>* \$ 318,489</u>	<u>\$ 196,651</u>

\*The County obtained new loans to pay the balloon payments of \$65,507 and \$100,087 for the Road Fund and Other Funds in the Aggregate (Solid Waste) respectively.

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

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	\$ 129,930	\$ 2,925	\$ 132,855
2023	62,214	134	62,348
2024	4,507		4,507
Totals	<u>\$ 196,651</u>	<u>\$ 3,059</u>	<u>\$ 199,710</u>

Noncancellable Lease

The County entered into a noncancellable lease agreement for 911 equipment and services on July 2, 2020. Terms of the lease are monthly rental payments of \$1,500 for 60 months. At the end of the lease term, the County may extend service for the same monthly payment. The County is obligated for the following amounts for the next four years:

Year	December 31, 2021
2022	\$ 18,000
2023	18,000
2024	18,000
2025	9,000
Total	<u>\$ 63,000</u>

Rental expense for 2021 was \$18,000.

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on November 3, 2020, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$6,977 for a total of \$334,896 beginning January 15, 2021. Contract expense for 2021 was \$84,724.

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

Year	December 31, 2021
2022	\$ 83,724
2023	83,724
2024	83,724
2025	83,724
Total	<u>\$ 334,896</u>

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

Construction Contract

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

<u>Project Name</u>	<u>Completed or Estimated Completion Date</u>	<u>Contract Balance December 31, 2021</u>
Water System Expansion	April 1, 2022	\$ 17,388

**4. Interfund Transfers**

The General Fund transferred \$\$184, 491 to other funds in the Aggregate (County Library \$26,323, Ambulance \$143,977, and County Museum \$14,191) for operations.

**5. Jointly Governed Organization**

The Sheriffs' Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita and Union Counties and the Police departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, Rison, and Smackover entered into an agreement to establish the Thirteenth Judicial District Drug Task Force. This agreement covers the period July 1, 2021 to June 30, 2022, and may be extended upon written mutual agreement. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contributions or payments for expenditures were made to the Thirteenth Judicial District Drug Task Force by the County. The 2021 financial statements of the Thirteenth Judicial District Drug Task Force have not been audited.

**6. 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, 2021 (date of APERS Employer Allocation Report) were \$305,115.

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 \$766,802.

CALHOUN COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2021  
(UNAUDITED)

**7. Capital Assets**

The County's capital assets records are summarized below:

	December 31, 2021
Land	\$ 166,939
Buildings & improvements	3,506,465
Construction in progress	17,388
Equipment	<u>4,431,666</u>
Total	<u>\$ 8,122,458</u>

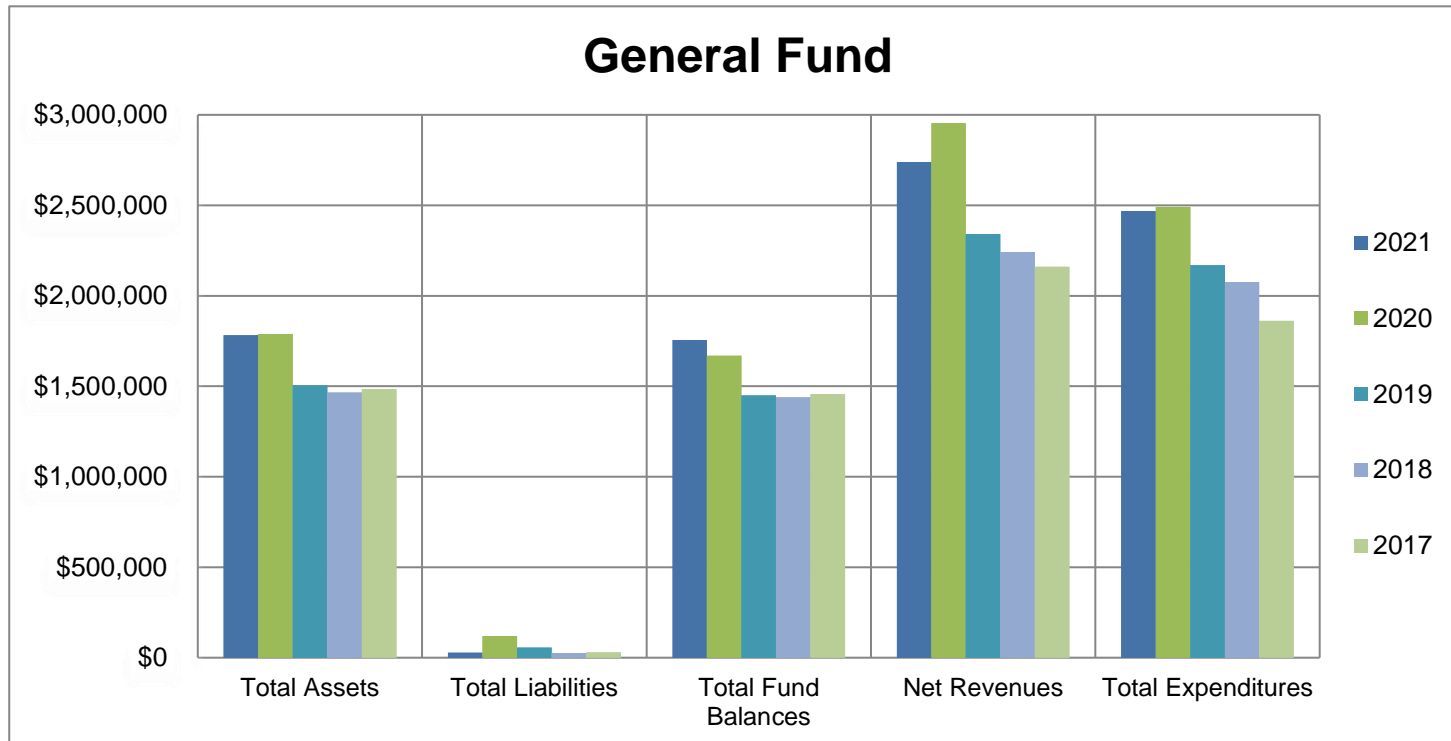
**8. Corona Virus (COVID-19)**

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 \$1,007,902 in federal aid from the American Rescue Plan Act of 2021. As of this report date all of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 3-1

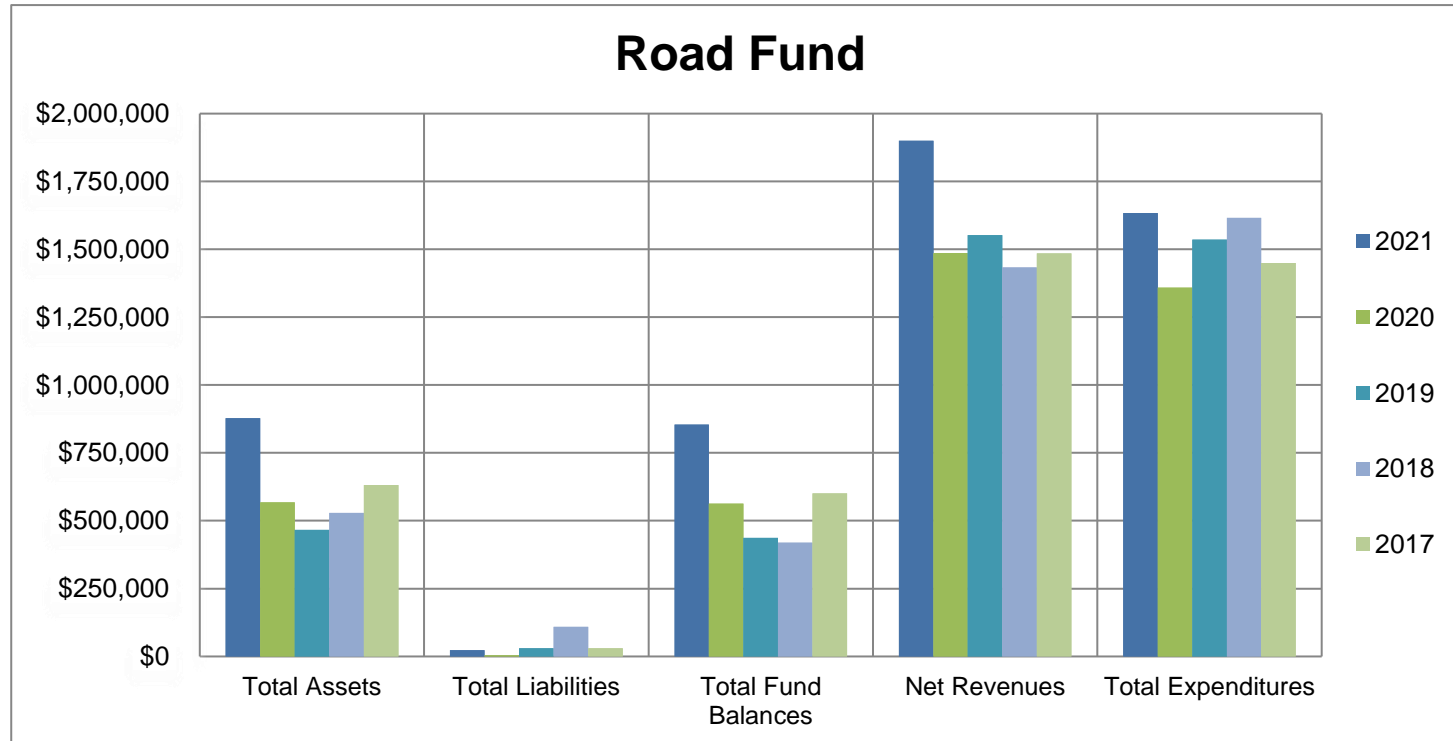
<u>General</u>	2021	2020	2019	2018	2017
Total Assets	\$ 1,782,126	\$ 1,788,218	\$ 1,505,033	\$ 1,464,996	\$ 1,484,809
Total Liabilities	27,518	119,147	55,906	25,842	28,920
Total Fund Balances	1,754,608	1,669,071	1,449,127	1,439,154	1,455,889
Net Revenues	2,737,747	2,954,442	2,340,638	2,241,083	2,159,424
Total Expenditures	2,467,719	2,490,181	2,168,789	2,075,608	1,861,330
Total Other Financing Sources/Uses	(184,491)	(244,317)	(161,876)	(182,210)	(36,650)



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

Schedule 3-2

<u>Road</u>	2021	2020	2019	2018	2017
Total Assets	\$ 878,114	\$ 567,422	\$ 466,460	\$ 528,703	\$ 631,283
Total Liabilities	23,433	4,019	29,955	109,247	29,944
Total Fund Balances	854,681	563,403	436,505	419,456	601,339
Net Revenues	1,900,336	1,485,922	1,552,508	1,433,558	1,485,011
Total Expenditures	1,633,058	1,359,024	1,535,459	1,615,441	1,449,707
Total Other Financing Sources/Uses	24,000				



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2021	2020	2019	2018	2017
Total Assets	\$ 2,448,776	\$ 1,910,226	\$ 1,685,035	\$ 1,764,561	\$ 1,243,836
Total Liabilities	86,201	183,253	409,887	549,405	128,518
Total Fund Balances	2,362,575	1,726,973	1,275,148	1,215,156	1,115,318
Net Revenues	2,359,129	2,125,681	1,277,672	1,258,227	1,521,800
Total Expenditures	2,013,013	1,918,173	1,379,556	1,340,599	1,690,113
Total Other Financing Sources/Uses	289,486	244,317	161,876	182,210	36,650

