

# **Chicot County, Arkansas**

## **Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

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



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Chicot 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 Chicot County, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated January 3, 2024. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding/commentary contained in this section relates to the following officials who held office during 2022:

County Judge: Mack Ball Jr.  
Treasurer: Natali Fabick  
Sheriff: Ronald Nichols  
Tax Collector: Gail Seamans  
County Clerk: Pam Donaldson  
Circuit Clerk: Josephine Griffin  
Assessor: Faye Tate

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 **Treasurer**.

#### **Treasurer**

An unauthorized withdrawal of \$25,000 was made from the County's bank account on July 21, 2022. The bank discovered the unauthorized withdrawal and funds were recovered from the bank.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas  
January 3, 2024  
LOCO00922

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 1,477,382	\$ 2,861,324	\$ 1,790,092
Accounts receivable	156,186		26,568
TOTAL ASSETS	<u>\$ 1,633,568</u>	<u>\$ 2,861,324</u>	<u>\$ 1,816,660</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 31,101	\$ 51,688	\$ 203,964
Settlements pending			380,240
Total Liabilities	<u>31,101</u>	<u>51,688</u>	<u>584,204</u>
Fund Balances:			
Restricted		296,893	1,232,056
Committed		2,512,743	
Assigned	6,489		400
Unassigned	1,595,978		
Total Fund Balances	<u>1,602,467</u>	<u>2,809,636</u>	<u>1,232,456</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,633,568</u>	<u>\$ 2,861,324</u>	<u>\$ 1,816,660</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 526,340	\$ 1,521,022	\$ 192,457
Federal aid	71,096		1,296,205
Property taxes	890,256	420,478	316,512
Sales taxes	329,633	329,633	1,531,586
Fines, forfeitures, and costs	187,283		50,386
Interest	3,163	9,335	10,271
Officers' fees	17,552		63,776
911 fees			255,538
Park fees			98,284
Grants			101,792
Sanitation fees	30,013		583,711
Rent	104,190		
Jail fees	33,977		
Hospital lease	300,000		
Insurance premiums collected	546		
Treasurer's commission	137,949		17,006
Collector's commission	202,329		17,201
Taxes apportioned - Assessor's salary and expense	220,993		
Other	69,858	7,714	11,822
TOTAL REVENUES	3,125,178	2,288,182	4,546,547
Less: Treasurer's commission	49,344	45,607	56,007
NET REVENUES	3,075,834	2,242,575	4,490,540
EXPENDITURES			
Current:			
General government	1,769,981		1,696,646
Law enforcement	901,207		54,893
Highways and streets		1,666,210	
Public safety	32,842		272,490
Sanitation	66,062		595,814
Health	225,127		713,832
Recreation and culture	462		244,170
Social services	54,217		
Total Current	3,049,898	1,666,210	3,577,845
Debt Service:			
Financed purchase principal		158,412	49,668
Financed purchase interest		12,498	2,077
TOTAL EXPENDITURES	3,049,898	1,837,120	3,629,590

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

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 25,936	\$ 405,455	\$ 860,950
OTHER FINANCING SOURCES (USES)			
Transfers in			49,289
Transfers out	(49,289)		
Sales tax remitted to the hospital			(1,372,059)
TOTAL OTHER FINANCING SOURCES (USES)	(49,289)		(1,322,770)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(23,353)	405,455	(461,820)
FUND BALANCES - JANUARY 1	1,625,820	2,404,181	1,694,276
FUND BALANCES - DECEMBER 31	\$ 1,602,467	\$ 2,809,636	\$ 1,232,456

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 436,913	\$ 526,340	\$ 89,427	\$ 831,000	\$ 1,521,022	\$ 690,022
Federal aid	1,200	71,096	69,896			
Property taxes	747,600	890,256	142,656	340,000	420,478	80,478
Sales taxes	220,000	329,633	109,633	620,000	329,633	(290,367)
Fines, forfeitures, and costs	174,000	187,283	13,283			
Interest	7,615	3,163	(4,452)	6,500	9,335	2,835
Officers' fees	16,000	17,552	1,552			
Sanitation fees	28,000	30,013	2,013			
Rent		104,190	104,190			
Jail fees	28,000	33,977	5,977			
Hospital lease	240,000	300,000	60,000			
Insurance premiums collected		546	546			
Treasurer's commission	102,000	137,949	35,949			
Collector's commission	239,000	202,329	(36,671)			
Taxes apportioned - Assessor's salary and expense	230,000	220,993	(9,007)			
Other	161,368	69,858	(91,510)	8,700	7,714	(986)
TOTAL REVENUES	2,631,696	3,125,178	493,482	1,806,200	2,288,182	481,982
Less: Treasurer's commission		49,344	(49,344)		45,607	(45,607)
NET REVENUES	2,631,696	3,075,834	444,138	1,806,200	2,242,575	436,375
EXPENDITURES						
Current:						
General government	1,897,061	1,769,981	127,080			
Law enforcement	1,012,899	901,207	111,692			
Highways and streets				2,971,020	1,666,210	1,304,810
Public safety	42,283	32,842	9,441			
Sanitation	68,983	66,062	2,921			
Health	31,605	225,127	(193,522)			
Recreation and culture	6,000	462	5,538			
Social services	56,602	54,217	2,385			
Total Current	3,115,433	3,049,898	65,535	2,971,020	1,666,210	1,304,810
Debt Service:						
Financed purchase principal					158,412	(158,412)
Financed purchase interest					12,498	(12,498)
TOTAL EXPENDITURES	3,115,433	3,049,898	65,535	2,971,020	1,837,120	1,133,900

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (483,737)</u>	<u>\$ 25,936</u>	<u>\$ 509,673</u>	<u>\$ (1,164,820)</u>	<u>\$ 405,455</u>	<u>\$ 1,570,275</u>
OTHER FINANCING SOURCES (USES) Transfers out		<u>(49,289)</u>	<u>(49,289)</u>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(483,737)	(23,353)	460,384	(1,164,820)	405,455	1,570,275
FUND BALANCES - JANUARY 1	<u>1,625,820</u>	<u>1,625,820</u>	<u>0</u>	<u>2,404,181</u>	<u>2,404,181</u>	<u>0</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 1,142,083</u></u>	<u><u>\$ 1,602,467</u></u>	<u><u>\$ 460,384</u></u>	<u><u>\$ 1,239,361</u></u>	<u><u>\$ 2,809,636</u></u>	<u><u>\$ 1,570,275</u></u>

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

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Solid Waste Management	Reappraisal Cost
ASSETS									
Cash and cash equivalents	\$ 14,133	\$ 75,217	\$ 14,081	\$ 14,085	\$ 14,360	\$ 160,790	\$ 153,698	\$ 51,667	\$ 1,882
Accounts receivable	17,006		25		277	3,171			
<b>TOTAL ASSETS</b>	<b>\$ 31,139</b>	<b>\$ 75,217</b>	<b>\$ 14,106</b>	<b>\$ 14,085</b>	<b>\$ 14,637</b>	<b>\$ 163,961</b>	<b>\$ 153,698</b>	<b>\$ 51,667</b>	<b>\$ 1,882</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 1,269							\$ 46,672	
Interfund payables									
Settlements pending									
<b>Total Liabilities</b>	<b>1,269</b>							<b>46,672</b>	
Fund Balances:									
Restricted	29,870	\$ 75,217	\$ 14,106	\$ 14,085	\$ 14,237	\$ 163,961	\$ 153,698	4,995	\$ 1,882
Assigned					400				
<b>Total Fund Balances</b>	<b>29,870</b>	<b>75,217</b>	<b>14,106</b>	<b>14,085</b>	<b>14,637</b>	<b>163,961</b>	<b>153,698</b>	<b>4,995</b>	<b>1,882</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 31,139</b>	<b>\$ 75,217</b>	<b>\$ 14,106</b>	<b>\$ 14,085</b>	<b>\$ 14,637</b>	<b>\$ 163,961</b>	<b>\$ 153,698</b>	<b>\$ 51,667</b>	<b>\$ 1,882</b>

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

Schedule 1

SPECIAL REVENUE FUNDS

	Communication Facility and Equipment	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Circuit Court Juvenile Division	Recycling	Circuit Clerk Commissioner' s Fee	Assessor's Late Assessment Fee
ASSETS									
Cash and cash equivalents	\$ 12,628	\$ 149,164	\$ 27,670	\$ 15,140	\$ 3,867	\$ 7,135	\$ 17,374	\$ 869	\$ 2,233
Accounts receivable	145	3,507	63		2,364	10			
TOTAL ASSETS	<u>\$ 12,773</u>	<u>\$ 152,671</u>	<u>\$ 27,733</u>	<u>\$ 15,140</u>	<u>\$ 6,231</u>	<u>\$ 7,145</u>	<u>\$ 17,374</u>	<u>\$ 869</u>	<u>\$ 2,233</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 11,427			\$ 297				
Interfund payables									
Settlements pending									
Total Liabilities		<u>11,427</u>			<u>297</u>				
Fund Balances:									
Restricted	\$ 12,773	141,244	\$ 27,733	\$ 15,140	5,934	\$ 7,145	\$ 17,374	\$ 869	\$ 2,233
Assigned									
Total Fund Balances	<u>12,773</u>	<u>141,244</u>	<u>27,733</u>	<u>15,140</u>	<u>5,934</u>	<u>7,145</u>	<u>17,374</u>	<u>869</u>	<u>2,233</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 12,773</u>	<u>\$ 152,671</u>	<u>\$ 27,733</u>	<u>\$ 15,140</u>	<u>\$ 6,231</u>	<u>\$ 7,145</u>	<u>\$ 17,374</u>	<u>\$ 869</u>	<u>\$ 2,233</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	County Park	Hospital Maintenance	Hospital Operation and Maintenance Sales Tax	Courthouse Security Grant	Chicot County Fair Grant	Office of Emergency Management Grant	Support Collections Costs	American Rescue Plan Act
ASSETS								
Cash and cash equivalents	\$ 12,813	\$ 7,885	\$ 133,453	\$ 491	\$ 4,000	\$ 334	\$ 5,880	\$ 502,220
Accounts receivable								
TOTAL ASSETS	<u>\$ 12,813</u>	<u>\$ 7,885</u>	<u>\$ 133,453</u>	<u>\$ 491</u>	<u>\$ 4,000</u>	<u>\$ 334</u>	<u>\$ 5,880</u>	<u>\$ 502,220</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 2,961	\$ 7,885	\$ 133,453					
Interfund payables								
Settlements pending								
Total Liabilities	<u>2,961</u>	<u>7,885</u>	<u>133,453</u>					
Fund Balances:								
Restricted	9,852			\$ 491	\$ 4,000	\$ 334	\$ 5,880	\$ 502,220
Assigned								
Total Fund Balances	<u>9,852</u>			<u>491</u>	<u>4,000</u>	<u>334</u>	<u>5,880</u>	<u>502,220</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 12,813</u>	<u>\$ 7,885</u>	<u>\$ 133,453</u>	<u>\$ 491</u>	<u>\$ 4,000</u>	<u>\$ 334</u>	<u>\$ 5,880</u>	<u>\$ 502,220</u>

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

Schedule 1

	CAPITAL PROJECTS FUNDS		CUSTODIAL FUNDS					
	Bob White Memorial Sheriff's Equipment Grant	United States Department of Agriculture Sheriffs Vehicles and Equipment Grant	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 5,953	\$ 830	\$ 187,760	\$ 150	\$ 26,623	\$ 42,139	\$ 123,568	\$ 1,790,092
Accounts receivable								26,568
TOTAL ASSETS	<u>\$ 5,953</u>	<u>\$ 830</u>	<u>\$ 187,760</u>	<u>\$ 150</u>	<u>\$ 26,623</u>	<u>\$ 42,139</u>	<u>\$ 123,568</u>	<u>\$ 1,816,660</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 203,964
Interfund payables								
Settlements pending			\$ 187,760	\$ 150	\$ 26,623	\$ 42,139	\$ 123,568	380,240
Total Liabilities			<u>187,760</u>	<u>150</u>	<u>26,623</u>	<u>42,139</u>	<u>123,568</u>	<u>584,204</u>
Fund Balances:								
Restricted	\$ 5,953	\$ 830						1,232,056
Assigned								400
Total Fund Balances	<u>5,953</u>	<u>830</u>						<u>1,232,456</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,953</u>	<u>\$ 830</u>	<u>\$ 187,760</u>	<u>\$ 150</u>	<u>\$ 26,623</u>	<u>\$ 42,139</u>	<u>\$ 123,568</u>	<u>\$ 1,816,660</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Solid Waste Management	Reappraisal Cost
REVENUES									
State aid				\$ 3,021			\$ 14,790		\$ 82,544
Federal aid									
Property taxes							158,071		
Sales taxes									
Fines, forfeitures, and costs			\$ 257						
Interest	\$ 50	\$ 243	55	65	\$ 44	\$ 591	527	\$ 217	2
Officers' fees					6,548	54,914			
911 fees									
Park fees									
Grants									
Sanitation fees								583,711	
Treasurer's commission	17,006								
Collector's commission		17,201							
Other		44		9	17	2,885	470	1,724	
<b>TOTAL REVENUES</b>	<b>17,056</b>	<b>17,488</b>	<b>312</b>	<b>3,095</b>	<b>6,609</b>	<b>58,390</b>	<b>173,858</b>	<b>585,652</b>	<b>82,546</b>
Less: Treasurer's commission	1	25	6	62	138	1,228	3,468	11,733	
<b>NET REVENUES</b>	<b>17,055</b>	<b>17,463</b>	<b>306</b>	<b>3,033</b>	<b>6,471</b>	<b>57,162</b>	<b>170,390</b>	<b>573,919</b>	<b>82,546</b>
EXPENDITURES									
Current:									
General government	13,133	9,173		4,678		17,922			91,608
Law enforcement									
Public safety									
Sanitation								595,814	
Health									
Recreation and culture							152,000		
Total Current	13,133	9,173		4,678		17,922	152,000	595,814	91,608
Debt Service:									
Financed purchase principal						5,666			
Financed purchase interest									
<b>TOTAL EXPENDITURES</b>	<b>13,133</b>	<b>9,173</b>		<b>4,678</b>		<b>23,588</b>	<b>152,000</b>	<b>595,814</b>	<b>91,608</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>									
<b>EXPENDITURES</b>	<b>3,922</b>	<b>8,290</b>	<b>306</b>	<b>(1,645)</b>	<b>6,471</b>	<b>33,574</b>	<b>18,390</b>	<b>(21,895)</b>	<b>(9,062)</b>
OTHER FINANCING SOURCES (USES)									
Transfers in								19,289	10,000
Sales tax remitted to the hospital									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								<b>19,289</b>	<b>10,000</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)</b>									
<b>EXPENDITURES AND OTHER USES</b>	<b>3,922</b>	<b>8,290</b>	<b>306</b>	<b>(1,645)</b>	<b>6,471</b>	<b>33,574</b>	<b>18,390</b>	<b>(2,606)</b>	<b>938</b>
FUND BALANCES - JANUARY 1	25,948	66,927	13,800	15,730	8,166	130,387	135,308	7,601	944
FUND BALANCES - DECEMBER 31	\$ 29,870	\$ 75,217	\$ 14,106	\$ 14,085	\$ 14,637	\$ 163,961	\$ 153,698	\$ 4,995	\$ 1,882

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Communication Facility and Equipment	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Circuit Court Juvenile Division	Recycling	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee
REVENUES									
State aid			\$ 1,607	\$ 705					
Federal aid									
Property taxes									\$ 370
Sales taxes									
Fines, forfeitures, and costs	\$ 975	\$ 49,154							
Interest	47		106	58	\$ 97	\$ 26	\$ 69	\$ 3	8
Officers' fees	1,336					870			
911 fees					255,538				
Park fees									
Grants									
Sanitation fees									
Treasurer's commission									
Collector's commission									
Other	6	165	4	3	314	1			1
TOTAL REVENUES	2,364	49,319	1,717	766	255,949	897	69	3	379
Less: Treasurer's commission		996	35	15	2,193	23	2		7
NET REVENUES	2,364	48,323	1,682	751	253,756	874	67	3	372
EXPENDITURES									
Current:									
General government									
Law enforcement	45	54,848							
Public safety					272,490				
Sanitation									
Health									
Recreation and culture									
Total Current	45	54,848			272,490				
Debt Service:									
Financed purchase principal					44,002				
Financed purchase interest					2,077				
TOTAL EXPENDITURES	45	54,848			318,569				
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,319	(6,525)	1,682	751	(64,813)	874	67	3	372
OTHER FINANCING SOURCES (USES)									
Transfers in					20,000				
Sales tax remitted to the hospital									
TOTAL OTHER FINANCING SOURCES (USES)					20,000				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,319	(6,525)	1,682	751	(44,813)	874	67	3	372
FUND BALANCES - JANUARY 1	10,454	147,769	26,051	14,389	50,747	6,271	17,307	866	1,861
FUND BALANCES - DECEMBER 31	\$ 12,773	\$ 141,244	\$ 27,733	\$ 15,140	\$ 5,934	\$ 7,145	\$ 17,374	\$ 869	\$ 2,233

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	County Park	Hospital Maintenance	Hospital Operation and Maintenance Sales Tax	Courthouse Renovation	Courthouse Security Grant	Chicot County Fair Grant	Office of Emergency Management Grant	Support Collections Costs
REVENUES								
State aid		\$ 14,790		\$ 75,000				
Federal aid								
Property taxes		158,071						
Sales taxes			\$ 1,531,586					
Fines, forfeitures, and costs								
Interest	\$ 54	143	621					\$ 23
Officers' fees								108
911 fees								
Park fees	98,284							
Grants								
Sanitation fees								
Treasurer's commission								
Collector's commission								
Other	1,813	468	3,897					1
<b>TOTAL REVENUES</b>	<b>100,151</b>	<b>173,472</b>	<b>1,536,104</b>	<b>75,000</b>				<b>132</b>
Less: Treasurer's commission	1,967	3,460	30,645					3
<b>NET REVENUES</b>	<b>98,184</b>	<b>170,012</b>	<b>1,505,459</b>	<b>75,000</b>				<b>129</b>
EXPENDITURES								
Current:								
General government				75,000				
Law enforcement								
Public safety								
Sanitation								
Health		170,033	133,453					
Recreation and culture	92,170							
Total Current	92,170	170,033	133,453	75,000				
Debt Service:								
Financed purchase principal								
Financed purchase interest								
<b>TOTAL EXPENDITURES</b>	<b>92,170</b>	<b>170,033</b>	<b>133,453</b>	<b>75,000</b>				
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>6,014</b>	<b>(21)</b>	<b>1,372,006</b>					<b>129</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Sales tax remitted to the hospital			(1,372,059)					
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			<b>(1,372,059)</b>					
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>6,014</b>	<b>(21)</b>	<b>(53)</b>					<b>129</b>
FUND BALANCES - JANUARY 1	3,838	21	53		\$ 491	\$ 4,000	\$ 334	5,751
FUND BALANCES - DECEMBER 31	\$ 9,852	\$ 0	\$ 0	\$ 0	\$ 491	\$ 4,000	\$ 334	\$ 5,880

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

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS			
	Environmental Protection Agency Brownfield Assessment Grant	American Rescue Plan Act	Bob White Memorial Sheriff's Equipment Grant	United States Department of Agriculture Chicot Memorial Medical Center Equipment Grant	United States Department of Agriculture Sheriffs Vehicles and Equipment Grant	Totals
REVENUES						
State aid						\$ 192,457
Federal aid	\$ 41,803	\$ 982,651		\$ 271,751		1,296,205
Property taxes						316,512
Sales taxes						1,531,586
Fines, forfeitures, and costs						50,386
Interest		7,222				10,271
Officers' fees						63,776
911 fees						255,538
Park fees						98,284
Grants			\$ 5,000	96,792		101,792
Sanitation fees						583,711
Treasurer's commission						17,006
Collector's commission						17,201
Other						11,822
<b>TOTAL REVENUES</b>	<b>41,803</b>	<b>989,873</b>	<b>5,000</b>	<b>368,543</b>		<b>4,546,547</b>
Less: Treasurer's commission						56,007
<b>NET REVENUES</b>	<b>41,803</b>	<b>989,873</b>	<b>5,000</b>	<b>368,543</b>		<b>4,490,540</b>
EXPENDITURES						
Current:						
General government		1,470,305	14,827			1,696,646
Law enforcement						54,893
Public safety						272,490
Sanitation						595,814
Health	41,803			368,543		713,832
Recreation and culture						244,170
Total Current	41,803	1,470,305	14,827	368,543		3,577,845
Debt Service:						
Financed purchase principal						49,668
Financed purchase interest						2,077
<b>TOTAL EXPENDITURES</b>	<b>41,803</b>	<b>1,470,305</b>	<b>14,827</b>	<b>368,543</b>		<b>3,629,590</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>		<b>(480,432)</b>	<b>(9,827)</b>			<b>860,950</b>
OTHER FINANCING SOURCES (USES)						
Transfers in						49,289
Sales tax remitted to the hospital						(1,372,059)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>						<b>(1,322,770)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>		<b>(480,432)</b>	<b>(9,827)</b>			<b>(461,820)</b>
FUND BALANCES - JANUARY 1		982,652	15,780		830	1,694,276
FUND BALANCES - DECEMBER 31	\$ 0	\$ 502,220	\$ 5,953	\$ 0	\$ 830	\$ 1,232,456

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
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. 1990-1 (February 21, 1990) authorized solid waste management fees.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
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.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
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.
Recycling	Established to account for grants received from the Southeast Arkansas Regional Solid Waste Management District for the improvement of waste reduction and/or recycling programs.
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.
County Park	Chicot County Ordinance no. 1981-3 (February 26, 1981) established fund to account for the County Park rental collection and operating expenses.
Hospital Maintenance	Ark. Const. amend. 32 established fund to collect and disburse property tax to be used for maintenance, operation, and support of public hospital.
Hospital Operation and Maintenance Sales Tax	Chicot County Ordinance no. 2009-07 (March 25, 2009) established fund to account for the receipts and disbursements of the dedicated sales tax for Chicot Memorial Medical Center.
Courthouse Renovation	Established to account for a grant received from Arkansas Historic Preservation for the purpose of courthouse improvements.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Courthouse Security Grant	Established to account for General Improvement Fund Grant (GIF grant) received from South East Arkansas Economic Development Commission to install wiring for surveillance equipment and panic alert button system in the County Courthouse.
Chicot County Fair Grant	Established to account for a grant received for the purpose of County Fair improvements.
Office of Emergency Management Grant	Established to account for grants received from Homeland Security for Law Enforcement Terrorism Prevention Program.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Environmental Protection Agency Brownfield Assessment Grant	Established to account for funding received from the Environmental Protection Agency to assess and remove asbestos in courthouse renovation.
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.
Bob White Memorial Sheriff's Equipment Grant	Established to account for grant received through the Bob White Memorial Foundation to purchase safety equipment for law enforcement officers, public, traffic control, waterway safety, and emergency rescue.
United States Department of Agriculture Chicot Memorial Medical Center Equipment Grant	Chicot County Ordinance no. 2022-04 (April 19, 2022) established fund to account for grant receipts and disbursements.
United States Department of Agriculture Sheriffs Vehicles and Equipment Grant	Chicot County Ordinance no. 2017-06 (November 14, 2017) established fund to account for grant receipts and disbursements.

Treasurer's accounts consist primarily of treasurer's commission, property taxes, and sales taxes not distributed to the appropriate agencies.

Collector's accounts consist primarily of change funds.

Sheriff's accounts consist primarily of Circuit Court and Foreign bonds and fees.

County Clerk's accounts consist primarily of fees settlements, trust money, and retirement payments to be settled with APERS.

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
(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.

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

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

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, and Treasurer's Commission, officer's fees, interest, sales tax and funds held in trust 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.

COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2022  
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**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.

COUNTY, ARKANSAS  
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**2. Details of Fund Balance Classifications**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 810,454
Law enforcement			203,335
Highways and streets		\$ 296,893	
Public safety			21,565
Sanitation			22,369
Recreation and culture			167,550
Capital outlay			6,783
Total Restricted		<u>296,893</u>	<u>1,232,056</u>
Committed for:			
Highways and streets		<u>2,512,743</u>	
Assigned to:			
General government	\$ 6,456		400
Health	33		
Total Assigned	<u>6,489</u>		<u>400</u>
Unassigned	<u>1,595,978</u>		
Totals	<u>\$ 1,602,467</u>	<u>\$ 2,809,636</u>	<u>\$ 1,232,456</u>

**3. Commitments**

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

	December 31, 2022
Long-term liabilities	\$ 2,157,758
Residential solid waste contracts	563,350
Leases	168,749
Reappraisal contract	183,216
Ambulance contract	<u>714,000</u>
Total Commitments	<u>\$ 3,787,073</u>

COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
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(UNAUDITED)

**3. Commitments (Continued)**

Long-term Liabilities

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

	December 31, 2022
<u>Direct Borrowings</u>	
Financed purchase dated June 30, 2020, with John Deere Financial in the amount of \$802,512 with interest rate of 2.5% for the purchases of three John Deere Motor Graders. Monthly payments of \$14,242 for sixty months. Payments are to be made from the Road Fund.	\$ 413,778
Financed purchase agreement dated May 1, 2017, with Business Information Systems (BIS) in the amount of \$97,200 with zero interest rate for the purchase of computer equipment and software. Down payment of \$68,870 made in 2017 with a balance of \$28,330, followed by five annual payments of \$5,666. Payments are to be made from the County Recorders Cost Fund.	2,833
Total Direct Borrowings	<u>416,611</u>
District Court Judge's and Clerk's Retirement unfunded liability. The actuarial assumed rate of interest is 8%. The City of Dermott and Chicot County have agreed to share the cost on a 50/50 basis. The amount of liability reflected represents only the County's	43,512
Landfill closure and postclosure care costs	<u>1,697,635</u>
Total Long-term liabilities	<u>\$ 2,157,758</u>

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 \$416,611 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Landfill Closure and Postclosure Care Costs

Chicot County is the owner of permit #0237-S to operate a Class IV Construction and Demolition solid waste landfill. State and federal regulators require a final cover to be placed on the landfill site when the County stops accepting waste and perform certain maintenance and monitoring functions at the site for two years after closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these costs are being recognized as a commitment each year based on landfill capacity used as of the balance sheet date. The estimated commitment for the landfill closure and post-closure care costs has a balance of \$1,697,635 as of December 31, 2022, and represents the cumulative amount reported to date based on 98% usage of landfill. The County will recognize the remaining estimated cost of closure and post-closure care of \$36,083 as the remaining capacity is filled. At present utilization rate, the landfill is estimated to exhaust in 1.3 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, 2022. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County is required by Ark. Code Ann. §§ 8-6-1602 – 1603 to establish financial assurance for the cost of closure and post-closure care in compliance with state regulations and the solid waste permit. The County is in compliance with these requirements.

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

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2022	Maturities to December 31, 2022
<u>Direct Borrowings</u>					
6/3/20	6/30/25	2.50%	\$ 802,512	\$ 413,778	\$ 388,734
5/1/17	12/9/22	None	97,200	2,833	94,367
Total Direct Borrowings			<u>\$ 1,106,398</u>	<u>\$ 416,611</u>	<u>\$ 689,787</u>

Changes in Long-Term Debt

	Balance January 01, 2022	Issued	Retired	Balance December 31, 2022
<u>Direct Borrowings</u>				
Financed purchases	\$ 624,691	\$ 0	\$ 208,080	\$ 416,611

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2023	165,251	\$ 8,492	\$ 173,743
2024	166,525	4,385	170,910
2025	84,835	619	85,454
Totals	<u>\$ 416,611</u>	<u>\$ 13,496</u>	<u>\$ 430,107</u>

Leases

The County entered into a noncancellable lease agreement for a John Deere backhoe loader on December 31, 2020. Terms of the lease are monthly rental payments of \$1,335 for thirty-six months. At the end of the lease term, the County has indicated the equipment will be returned.

The County entered into a rental agreement for a John Deere motor grader on November 19, 2021. Terms of the agreement require \$194,982 to be paid in monthly rental payments of \$3,250 for sixty months. At the end of the agreement term, the County indicated the equipment will be returned.

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

Leases (Continued)

The County is obligated for the following amounts for the next four years:

<u>Year</u>	<u>December 31, 2022</u>
2023	55,010
2024	38,996
2025	38,996
2026	<u>35,747</u>
Total	<u>\$ 168,749</u>

Lease expense for 2022, was \$82,327.

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions on January 1, 2020, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$7,634 for a total of \$458,040. Contract expense for 2022, was \$91,608.

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

<u>Year</u>	<u>December 31, 2022</u>
2023	91,608
2024	<u>91,608</u>
Total	<u>\$ 183,216</u>

Ambulance Service Contract

The County entered into a contract dated August 1, 2020 with Pafford Medical Services, Inc. for ambulance service. The County is obligated to 60 monthly payments of \$19,833 with a balance of \$714,000. Contract expense for 2022 was \$238,000.

Residential Solid Waste Contract

The County entered into a contract dated December 5, 2003 with Get Rid of It of Arkansas, Inc., for residential collection and disposal of solid waste. The contract allows the County to renew for additional five-year periods upon 90 days' notice to the contractor on terms and conditions to be agreed to by the parties in writing prior to the renewal thereof. The County renewed the contract October 1, 2018, and obligated for 60 months payments of various amounts with a remaining balance of \$563,350 at December 31, 2022. Contract expense for 2022 was \$547,709.

**4 Interfund Transfers**

The General Fund transferred \$49,289 to Other Funds in the Aggregate for operating of Reappraisal Cost, Solid Waste, and Emergency 911.

COUNTY, ARKANSAS  
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**5. Joint Venture: Regional Library**

Bradley, Chicot, Desha, Drew, and Lincoln Counties entered into an agreement in March of 1994, in accordance with Ark. Code Ann. § 13-2-401 to establish the Southeast Arkansas Regional Library. The agreement states that the Regional Library Board shall employ a regional director to serve for such time and on such terms as the Board may prescribe and to be paid from the Regional budget. County and branch library employees are to be recommended by county library boards and to be employed with the approval of the Regional Board, the salaries to be paid from regional funds. The parties agreed that the regional budget shall pay utility and janitorial costs. Each county shall contribute their respective property tax funds for the operation of the Southeast Arkansas Regional Library. The County Library paid \$152,000 for regional library expenditures in 2022. Separate financial statements of the Southeast Arkansas Regional Library are available at the Regional Library in Monticello.

**6. Jointly Governed Organizations**

Southeast Arkansas Regional Solid Waste Management District

Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, and Lincoln Counties entered into an agreement in 1991 for the Southeast Arkansas Regional Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-703. The County did not provide any funding for the Southeast Arkansas Regional Solid Waste Management District. Separate financial statements may be obtained at: P.O. Box 6806, Pine Bluff, Arkansas 71611.

Tenth Judicial District Drug Task Force

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

**Chicot and Desha Intermodal Authority**

Chicot and Desha Counties entered into an agreement in December 2022 for the Chicot and Desha Intermodal Authority pursuant to Ark. Code Ann. §§ 14-143-101 – 14-143-129. The Chicot and Desha Intermodal Authority shall be governed by a board of directors consisting of 11 members appointed by the participants' County Judges. Chicot County shall appoint five members and Desha County shall appoint six members.

**7. Assignment and Lease of Chicot County Hospital Facilities (Chicot Memorial Hospital)**

Chicot County Ordinance no. 2010-01 (March 23, 2010) authorized the assignment and lease of the Chicot Memorial Hospital to the Chicot Memorial Medical Center, an Arkansas nonprofit corporation. The lease agreement stipulates that Chicot Memorial Medical Center shall lease the Hospital estate and equipment for an initial period of 25 years and shall have the option to extend the lease for two successive terms of 25 years each. Chicot Memorial Medical Center assumes all rights and responsibilities for the operation of the Hospital and related ancillary facilities.

**8. 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).

COUNTY, ARKANSAS  
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**8. Arkansas Public Employees Retirement System (Continued)**

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.25% as of July 1, 2022. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2022, (date of APERS Employer Allocation Report) were \$227,628.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2022, (actuarial valuation date and measurement date) was \$1,916,652.

**9. Capital Assets**

The County's capital assets records are summarized below:

	December 31, 2022
<u>General Fixed Assets</u>	
Land and Buildings	\$ 3,462,460
Equipment	4,741,912
Total	<u>\$ 8,204,372</u>
<u>Hospital Fixed Assets</u>	
Land and Buildings	\$ 9,821,740
Equipment	16,326,873
Total	<u>\$ 26,148,613</u>

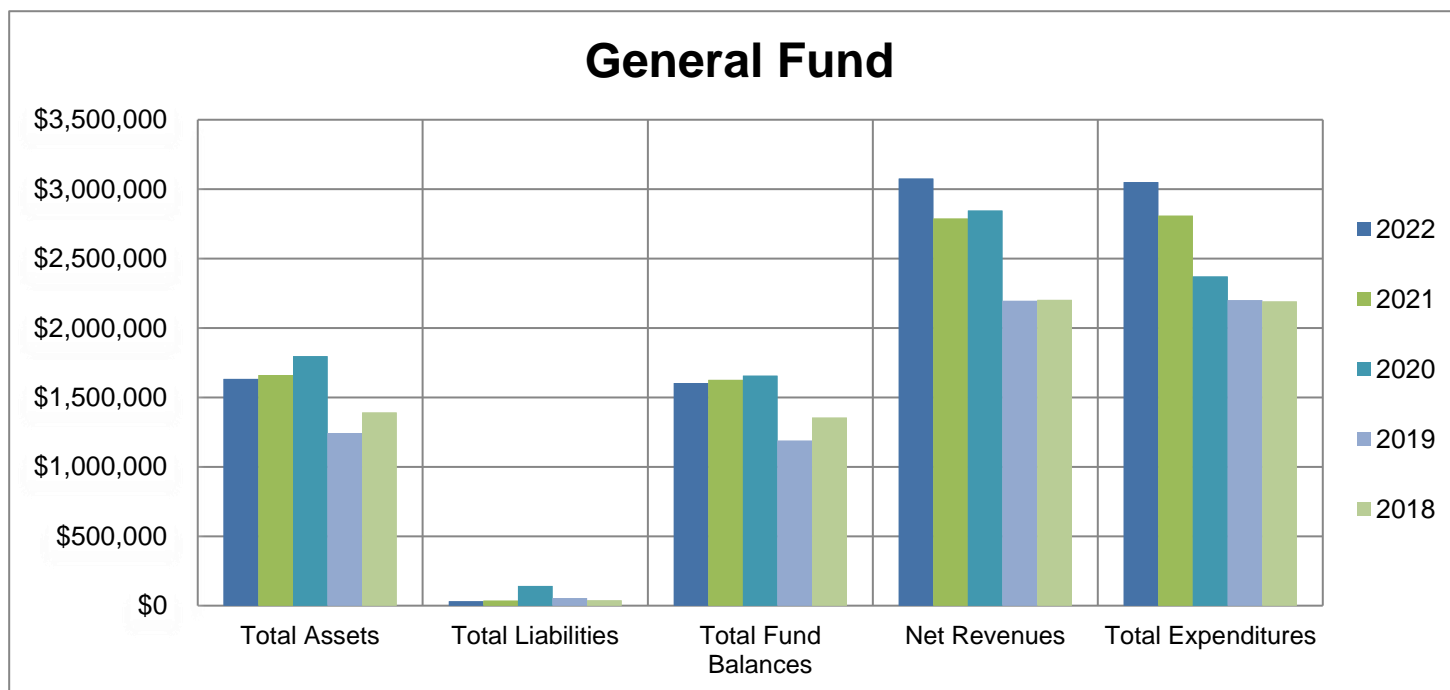
**10. Corona Virus (COVID-19)**

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the County was awarded \$1,965,304 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$1,965,304 of this amount had been received. In 2022, the County was awarded \$100,000 in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. In 2022 and 2023, the County received funds in the amount of \$50,000 and \$50,000, respectively. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

CHICOT COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
DECEMBER 31, 2022  
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Schedule 3-1

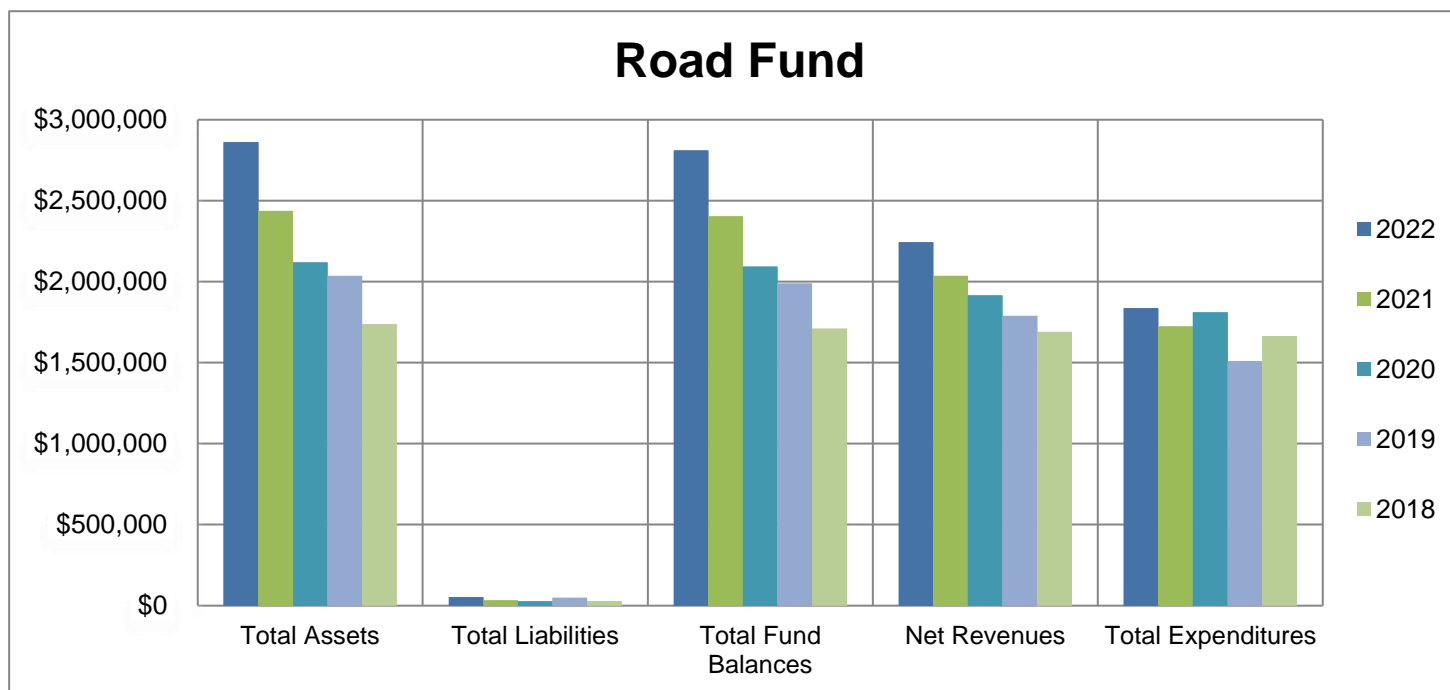
<b>General</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total Assets	\$ 1,633,568	\$ 1,661,508	\$ 1,797,392	\$ 1,244,509	\$ 1,391,829
Total Liabilities	31,101	35,688	142,267	55,289	38,283
Total Fund Balances	1,602,467	1,625,820	1,655,125	1,189,220	1,353,546
Net Revenues	3,075,834	2,788,787	2,845,466	2,196,643	2,203,196
Total Expenditures	3,049,898	2,808,092	2,370,515	2,200,940	2,191,444
Total Other Financing Sources/Uses	(49,289)	(10,000)	(9,046)	(160,029)	(42,270)



CHICOT COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
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Schedule 3-2

<b>Road</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total Assets	\$ 2,861,324	\$ 2,436,646	\$ 2,119,770	\$ 2,036,182	\$ 1,737,096
Total Liabilities	51,688	32,465	26,421	47,908	27,857
Total Fund Balances	2,809,636	2,404,181	2,093,349	1,988,274	1,709,239
Net Revenues	2,242,575	2,035,635	1,915,176	1,788,461	1,690,798
Total Expenditures	1,837,120	1,724,803	1,810,101	1,509,426	1,663,882
Total Other Financing Sources/Uses					



CHICOT COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
DECEMBER 31, 2022  
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Schedule 3-3

<b><u>Other Funds in the Aggregate</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Total Assets	\$ 1,816,660	\$ 2,395,078	\$ 1,116,854	\$ 1,106,301	\$ 1,051,433
Total Liabilities	584,204	700,802	419,775	441,189	365,797
Total Fund Balances	1,232,456	1,694,276	697,079	665,112	685,636
Net Revenues	4,490,540	4,146,806	4,599,784	2,476,604	3,006,421
Total Expenditures	3,629,590	1,692,537	3,220,798	1,561,729	1,541,497
Total Other Financing Sources/Uses	(1,322,770)	(1,457,072)	(1,347,019)	(935,399)	(921,555)

