

Cleveland County, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CLEVELAND COUNTY, ARKANSAS
TABLE OF CONTENTS
FOR THE YEARENDED DECEMBER 31, 2022

Financial and Compliance Report

REGULATORY BASIS FINANCIAL STATEMENTS

	<u>Exhibit</u>
Balance Sheet – Regulatory Basis (Unaudited)	A
Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis (Unaudited)	B
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis (Unaudited)	C

SUPPLEMENTARY INFORMATION

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	2
Notes to Schedules 1 and 2	
Other General Information	
Schedule of Selected Information for the Last Five Years – General Fund - Regulatory Basis (Unaudited)	3-1
Schedule of Selected Information for the Last Five Years – Road Fund - Regulatory Basis (Unaudited)	3-2
Schedule of Selected Information for the Last Five Years – Other Funds in the Aggregate - Regulatory Basis (Unaudited)	3-3

Arkansas

Sen. David Wallace
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

Cleveland 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 Cleveland County, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated April 4, 2024. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: Melody Spears
Treasurer: Wanda Leopard
Sheriff: Jack H. Rogers
Tax Collector: Patti Wilson
County/Circuit Clerk: Jimmy Cummings
Assessor: Barbara Reaves
District Court Clerk: Renee Herring
County Librarian: Hilda Terry

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

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

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

ARKANSAS LEGISLATIVE AUDIT

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

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

Little Rock, Arkansas
April 4, 2024
LOCO01322

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,846,758	\$ 714,073	\$ 5,364,114
Accounts receivable	38,597	5,587	20,083
TOTAL ASSETS	<u>\$ 2,885,355</u>	<u>\$ 719,660</u>	<u>\$ 5,384,197</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 30,278	\$ 1,550	\$ 271
Settlements pending	72,149	471	169,944
Total Liabilities	<u>102,427</u>	<u>2,021</u>	<u>170,215</u>
Fund Balances:			
Restricted			4,956,305
Committed		717,639	122,201
Assigned	401,068		135,476
Unassigned	2,381,860		
Total Fund Balances	<u>2,782,928</u>	<u>717,639</u>	<u>5,213,982</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,885,355</u>	<u>\$ 719,660</u>	<u>\$ 5,384,197</u>

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

CLEVELAND 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	\$ 626,359	\$ 1,466,832	\$ 62,126
Federal aid	19,692		820,495
Property taxes	476,732	234,529	84,805
Sales taxes	180,031	400,715	1,582,009
Fines, forfeitures, and costs	171,079		62,477
Interest	23,892	1,844	38,305
Officers' fees	10,071		60,955
Jail fees			36,450
911 fees			166,645
Sanitation fees			499
Reimbursements from cities	148,555		
Treasurer's commission	82,972		12,852
Collector's commission	116,463		18,639
Taxes apportioned - Assessor's salary and expense	144,172		
Other	145,326	38,879	28,245
TOTAL REVENUES	2,145,344	2,142,799	2,974,502
Less: Treasurer's commission	26,122	41,577	36,659
NET REVENUES	2,119,222	2,101,222	2,937,843
EXPENDITURES			
Current:			
General government	962,324		412,796
Law enforcement	999,918		192,435
Highways and streets	52,333	1,678,479	103,773
Public safety	42,245		189,523
Sanitation			941,150
Health	16,144		20,800
Recreation and culture			111,204
Social services	54,926		
Water			41,815
Total Current	2,127,890	1,678,479	2,013,496
Debt Service:			
Financed purchase principal		108,641	
Financed purchase interest		5,914	
TOTAL EXPENDITURES	2,127,890	1,793,034	2,013,496

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	\$ (8,668)	\$ 308,188	\$ 924,347
OTHER FINANCING SOURCES (USES)			
Transfers in			6,000
Transfers out	(6,000)		
TOTAL OTHER FINANCING SOURCES (USES)	(6,000)		6,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)			
EXPENDITURES AND OTHER USES	(14,668)	308,188	930,347
FUND BALANCES - JANUARY 1	2,797,596	409,451	4,283,635
FUND BALANCES - DECEMBER 31	\$ 2,782,928	\$ 717,639	\$ 5,213,982

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

CLEVELAND 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	\$ 431,000	\$ 626,359	\$ 195,359	\$ 1,374,000	\$ 1,466,832	\$ 92,832
Federal aid		19,692	19,692	15,800		(15,800)
Property taxes	393,500	476,732	83,232	207,300	234,529	27,229
Sales taxes	149,000	180,031	31,031	315,000	400,715	85,715
Fines, forfeitures, and costs	147,000	171,079	24,079			
Interest	28,000	23,892	(4,108)	400	1,844	1,444
Officers' fees	8,300	10,071	1,771			
Reimbursements from cities		148,555	148,555			
Treasurer's commission	90,000	82,972	(7,028)			
Collector's commission	170,000	116,463	(53,537)			
Taxes apportioned - Assessor's salary and expense	102,000	144,172	42,172			
Other	225,913	145,326	(80,587)		38,879	38,879
TOTAL REVENUES	1,744,713	2,145,344	400,631	1,912,500	2,142,799	230,299
Less: Treasurer's commission		26,122	(26,122)		41,577	(41,577)
NET REVENUES	1,744,713	2,119,222	374,509	1,912,500	2,101,222	188,722
EXPENDITURES						
Current:						
General government	1,079,286	962,324	116,962			
Law enforcement	1,279,163	999,918	279,245			
Highways and streets		52,333	(52,333)	2,462,033	1,678,479	783,554
Public safety	63,360	42,245	21,115			
Health	16,490	16,144	346			
Social services	60,041	54,926	5,115			
Total Current	2,498,340	2,127,890	370,450	2,462,033	1,678,479	783,554
Debt Service:						
Financed purchase principal					108,641	(108,641)
Financed purchase interest					5,914	(5,914)
TOTAL EXPENDITURES	2,498,340	2,127,890	370,450	2,462,033	1,793,034	668,999

CLEVELAND 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	\$ (753,627)	\$ (8,668)	\$ 744,959	\$ (549,533)	\$ 308,188	\$ 857,721
OTHER FINANCING SOURCES (USES)						
Transfers in	137,500		(137,500)			
Transfers out		(6,000)	(6,000)			
TOTAL OTHER FINANCING SOURCES (USES)	137,500	(6,000)	(143,500)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(616,127)	(14,668)	601,459	(549,533)	308,188	857,721
FUND BALANCES - JANUARY 1	902,280	2,797,596	1,895,316	382,792	409,451	26,659
FUND BALANCES - DECEMBER 31	\$ 286,153	\$ 2,782,928	\$ 2,496,775	\$ (166,741)	\$ 717,639	\$ 884,380

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

CLEVELAND 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	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Public Library	Solid Waste
ASSETS								
Cash and cash equivalents	\$ 17,500	\$ 37,821	\$ 206	\$ 6,767	\$ 13,123	\$ 40,033	\$ 122,747	\$ 2,774,500
Accounts receivable		1,428				3,708	2,028	4,924
TOTAL ASSETS	<u>\$ 17,500</u>	<u>\$ 39,249</u>	<u>\$ 206</u>	<u>\$ 6,767</u>	<u>\$ 13,123</u>	<u>\$ 43,741</u>	<u>\$ 124,775</u>	<u>\$ 2,779,424</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 44						\$ 129	\$ 98
Settlements pending							169	
Total Liabilities	<u>44</u>						<u>298</u>	<u>98</u>
Fund Balances:								
Restricted	17,456	\$ 39,249	\$ 206	\$ 6,767	\$ 13,123	\$ 43,741	124,477	2,647,186
Committed								
Assigned								132,140
Total Fund Balances	<u>17,456</u>	<u>39,249</u>	<u>206</u>	<u>6,767</u>	<u>13,123</u>	<u>43,741</u>	<u>124,477</u>	<u>2,779,326</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 17,500</u>	<u>\$ 39,249</u>	<u>\$ 206</u>	<u>\$ 6,767</u>	<u>\$ 13,123</u>	<u>\$ 43,741</u>	<u>\$ 124,775</u>	<u>\$ 2,779,424</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS						
	County Clerk Operating	Support Collection Costs	Communication Facility and Equipment	Jail Operation and Maintenance	Boating Safety and Enforcement	CRMS 911 Board (Commercial Mobile Radio Service)	Circuit Court Juvenile Division
ASSETS							
Cash and cash equivalents	\$ 559	\$ 4,260	\$ 51,106	\$ 82,540	\$ 6,037	\$ 65,439	\$ 2,468
Accounts receivable	16	320	66				142
TOTAL ASSETS	<u>\$ 575</u>	<u>\$ 4,580</u>	<u>\$ 51,172</u>	<u>\$ 82,540</u>	<u>\$ 6,037</u>	<u>\$ 65,439</u>	<u>\$ 2,468</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							
Settlements pending							
Total Liabilities							
Fund Balances:							
Restricted	\$ 575	\$ 4,580	\$ 51,172	\$ 82,540	\$ 6,037	\$ 65,439	\$ 2,468
Committed							
Assigned							
Total Fund Balances	<u>575</u>	<u>4,580</u>	<u>51,172</u>	<u>82,540</u>	<u>6,037</u>	<u>65,439</u>	<u>2,468</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 575</u>	<u>\$ 4,580</u>	<u>\$ 51,172</u>	<u>\$ 82,540</u>	<u>\$ 6,037</u>	<u>\$ 65,439</u>	<u>\$ 2,468</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Juvenile Court Cost	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Ambulance Service	Sheriff's Equipment	Special Jail Maintenance	Additional District Judge's Retirement
ASSETS								
Cash and cash equivalents	\$ 69	\$ 260	\$ 1,334	\$ 764,331	\$ 919,940	\$ 115,321	\$ 2,062	\$ 76,773
Accounts receivable			15		556	6,880		
TOTAL ASSETS	<u>\$ 69</u>	<u>\$ 260</u>	<u>\$ 1,349</u>	<u>\$ 764,331</u>	<u>\$ 920,496</u>	<u>\$ 122,201</u>	<u>\$ 2,062</u>	<u>\$ 76,773</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 69	\$ 260	\$ 1,349	\$ 764,331	\$ 920,496		\$ 2,062	\$ 76,773
Committed						\$ 122,201		
Assigned								
Total Fund Balances	<u>69</u>	<u>260</u>	<u>1,349</u>	<u>764,331</u>	<u>920,496</u>	<u>122,201</u>	<u>2,062</u>	<u>76,773</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 69</u>	<u>\$ 260</u>	<u>\$ 1,349</u>	<u>\$ 764,331</u>	<u>\$ 920,496</u>	<u>\$ 122,201</u>	<u>\$ 2,062</u>	<u>\$ 76,773</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUND
	Hospital Maintenance	Solid Waste Recycling Grant	Automation Records System	Blue and You Foundation Grant	Entergy Micro Grant	Entergy Micro Grant Veteran's Office	Water Reservoir
ASSETS							
Cash and cash equivalents	\$ 15,568	\$ 42,258	\$ 6,315	\$ 203	\$ 37	\$ 800	\$ 20,768
Accounts receivable							
TOTAL ASSETS	\$ 15,568	\$ 42,258	\$ 6,315	\$ 203	\$ 37	\$ 800	\$ 20,768
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							
Settlements pending							
Total Liabilities							
Fund Balances:							
Restricted	\$ 15,568	\$ 42,258	\$ 6,315	\$ 203	\$ 37	\$ 800	\$ 20,768
Committed							
Assigned							
Total Fund Balances	15,568	42,258	6,315	203	37	800	20,768
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,568	\$ 42,258	\$ 6,315	\$ 203	\$ 37	\$ 800	\$ 20,768

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

Schedule 1

	CUSTODIAL FUNDS					
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County/Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS						
Cash and cash equivalents	\$ 74,221	\$ 51,571	\$ 7,950	\$ 30,193	\$ 5,840	\$ 5,364,114
Accounts receivable						20,083
TOTAL ASSETS	<u>\$ 74,221</u>	<u>\$ 51,571</u>	<u>\$ 7,950</u>	<u>\$ 30,193</u>	<u>\$ 5,840</u>	<u>\$ 5,384,197</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 271
Settlements pending	\$ 74,221	\$ 51,571	\$ 7,950	\$ 30,193	\$ 5,840	169,944
Total Liabilities	<u>74,221</u>	<u>51,571</u>	<u>7,950</u>	<u>30,193</u>	<u>5,840</u>	<u>170,215</u>
Fund Balances:						
Restricted						4,956,305
Committed						122,201
Assigned						135,476
Total Fund Balances						<u>5,213,982</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 74,221</u>	<u>\$ 51,571</u>	<u>\$ 7,950</u>	<u>\$ 30,193</u>	<u>\$ 5,840</u>	<u>\$ 5,384,197</u>

CLEVELAND 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	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Public Library	Solid Waste	County Clerk Operating
REVENUES									
State aid					\$ 7,910		\$ 22,660		
Federal aid									
Property taxes							84,544		
Sales taxes								\$ 1,406,230	
Fines, forfeitures, and costs				\$ 5,678					
Interest	\$ 47	\$ 120	\$ 1	21	44	\$ 127	383	27,104	\$ 2
Officers' fees			17			53,720			216
Jail fees									
911 fees									
Sanitation fees								499	
Treasurer's commission	12,852								
Collector's commission		18,639							
Other							1,959	13,500	
TOTAL REVENUES	12,899	18,759	18	5,699	7,954	53,847	109,546	1,447,333	218
Less: Treasurer's commission		2		88	46	837	1,677	28,871	3
NET REVENUES	12,899	18,757	18	5,611	7,908	53,010	107,869	1,418,462	215
EXPENDITURES									
Current:									
General government	7,507	20,166			6,958	42,786			269
Law enforcement				7,046					
Highways and streets									
Public safety									
Sanitation								891,150	
Health									
Recreation and culture							111,204		
Water									
TOTAL EXPENDITURES	7,507	20,166		7,046	6,958	42,786	111,204	891,150	269
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	5,392	(1,409)	18	(1,435)	950	10,224	(3,335)	527,312	(54)
OTHER FINANCING SOURCES (USES)									
Transfers in									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	5,392	(1,409)	18	(1,435)	950	10,224	(3,335)	527,312	(54)
FUND BALANCES - JANUARY 1	12,064	40,658	188	8,202	12,173	33,517	127,812	2,252,014	629
FUND BALANCES - DECEMBER 31	\$ 17,456	\$ 39,249	\$ 206	\$ 6,767	\$ 13,123	\$ 43,741	\$ 124,477	\$ 2,779,326	\$ 575

CLEVELAND 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								
	Support Collection Costs	Communication Facility and Equipment	Jail Operation and Maintenance	Boating Safety and Enforcement	CRMS 911 Board (Commercial Mobile Radio Service)	Indigent Defense	Circuit Court Juvenile Division	Juvenile Court Cost	Circuit Clerk Commissioner's Fee
REVENUES									
State aid				\$ 1,106					
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 29,959			\$ 3,084			
Interest	\$ 14	\$ 155	249	18		12	\$ 8		\$ 1
Officers' fees	495	5,246					240		
Jail fees									
911 fees					\$ 166,645				
Sanitation fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	509	5,401	30,208	1,124	166,645	3,096	248		1
Less: Treasurer's commission	4	86	481	16	596	46	3		
NET REVENUES	505	5,315	29,727	1,108	166,049	3,050	245		1
EXPENDITURES									
Current:									
General government	1,066								69
Law enforcement		2,157	21,762			7,737	328		
Highways and streets									
Public safety					183,742				
Sanitation									
Health									
Recreation and culture									
Water									
TOTAL EXPENDITURES	1,066	2,157	21,762		183,742	7,737	328		69
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(561)	3,158	7,965	1,108	(17,693)	(4,687)	(83)		(68)
OTHER FINANCING SOURCES (USES)									
Transfers in						6,000			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(561)	3,158	7,965	1,108	(17,693)	1,313	(83)		(68)
FUND BALANCES - JANUARY 1	5,141	48,014	74,575	4,929	83,132	2,023	2,551	\$ 69	328
FUND BALANCES - DECEMBER 31	\$ 4,580	\$ 51,172	\$ 82,540	\$ 6,037	\$ 65,439	\$ 3,336	\$ 2,468	\$ 69	\$ 260

CLEVELAND 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								
	Assessor's Late Assessment Fee	American Rescue Plan Act	Ambulance Service	Sheriff's Equipment	Special Jail Maintenance	Additional District Judge's Retirement	Hospital Maintenance	Solid Waste Recycling Grant	Automation Records System
REVENUES									
State aid								\$ 26,000	
Federal aid		\$ 772,680							
Property taxes	\$ 254						\$ 7		
Sales taxes			\$ 175,779						
Fines, forfeitures, and costs				\$ 16,561		\$ 7,195			
Interest	4	2,057	7,499	322	\$ 6		47		
Officers' fees				1,021					
Jail fees				35,866	584				
911 fees									
Sanitation fees									
Treasurer's commission									
Collector's commission									
Other				12,786					
TOTAL REVENUES	258	774,737	183,278	66,556	590	7,195	54	26,000	
Less: Treasurer's commission	3		2,857	920	10	112			
NET REVENUES	255	774,737	180,421	65,636	580	7,083	54	26,000	
EXPENDITURES									
Current:									
General government		304,871							\$ 24,654
Law enforcement		25,651	40,000	81,754					
Highways and streets		103,773							
Public safety		4,440							
Sanitation								50,000	
Health			19,774				1,026		
Recreation and culture									
Water									
TOTAL EXPENDITURES		438,735	59,774	81,754			1,026	50,000	24,654
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	255	336,002	120,647	(16,118)	580	7,083	(972)	(24,000)	(24,654)
OTHER FINANCING SOURCES (USES)									
Transfers in									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	255	336,002	120,647	(16,118)	580	7,083	(972)	(24,000)	(24,654)
FUND BALANCES - JANUARY 1	1,094	428,329	799,849	138,319	1,482	69,690	16,540	66,258	30,969
FUND BALANCES - DECEMBER 31	\$ 1,349	\$ 764,331	\$ 920,496	\$ 122,201	\$ 2,062	\$ 76,773	\$ 15,568	\$ 42,258	\$ 6,315

CLEVELAND 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			
	Blue and You Foundation Grant	LLEEG-Local Law Enforcement Equipment Grant	Walmart Community Grant	Entergy Micro Grant	Entergy Micro Grant Veteran's Office	Water Reservoir	Cleveland County Water Project	Courthouse Restoration	Totals
REVENUES									
State aid								\$ 4,450	\$ 62,126
Federal aid		\$ 6,000					\$ 41,815		820,495
Property taxes									84,805
Sales taxes									1,582,009
Fines, forfeitures, and costs									62,477
Interest						\$ 64			38,305
Officers' fees									60,955
Jail fees									36,450
911 fees									166,645
Sanitation fees									499
Treasurer's commission									12,852
Collector's commission									18,639
Other									28,245
TOTAL REVENUES		6,000				64	41,815	4,450	2,974,502
Less: Treasurer's commission						1			36,659
NET REVENUES		6,000				63	41,815	4,450	2,937,843
EXPENDITURES									
Current:									
General government								4,450	412,796
Law enforcement		6,000							192,435
Highways and streets									103,773
Public safety	\$ 700		\$ 178	\$ 463					189,523
Sanitation									941,150
Health									20,800
Recreation and culture									111,204
Water							41,815		41,815
TOTAL EXPENDITURES	700	6,000	178	463			41,815	4,450	2,013,496
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(700)		(178)	(463)		63			924,347
OTHER FINANCING SOURCES (USES)									
Transfers in									6,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(700)		(178)	(463)		63			930,347
FUND BALANCES - JANUARY 1	903		178	500	\$ 800	20,705			4,283,635
FUND BALANCES - DECEMBER 31	\$ 203	\$ 0	\$ 0	\$ 37	\$ 800	\$ 20,768	\$ 0	\$ 0	\$ 5,213,982

CLEVELAND 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.
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.
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	Cleveland County Ordinance nos. 2014-6 and 2014-7 (February 3, 2014) established fund to account for the 2% sales and use tax passed by referendum on May 20, 2014 for the operation and maintenance of the solid waste system for the County. Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges and licenses.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.

CLEVELAND 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>
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
CRMS 911 Board (Commercial Mobile Radio Service)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Indigent Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
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.
Juvenile Court Cost	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.
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 county clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Ambulance Service	Cleveland County Ordinance no. 2004-8 and 2004-9 (September 21, 2004) and Cleveland County Ordinance no 2004-38 (December 6, 2004) established fund to account for the sales and use tax passed by referendum on November 2, 2004 to operate and maintain an ambulance service for Cleveland County.
Sheriff's Equipment	Cleveland County Ordinances nos. 1998-5 and 1998-6 (April 6, 1998) established fund to account for circuit court ordered fines and funds from housing prisoners for state, county and city agencies to be used for sheriff's equipment expenses.

CLEVELAND 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>
Special Jail 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.
Additional District Judge's Retirement	Ark. Code Ann. § 24-8-318 established fund to receive up to 5% of all fines and forfeitures collected by the District Court or by the City or County for violations of municipal ordinances, or state laws to pay for current and any projected retirement funding obligations of District Court Judges and Clerks.
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.
Solid Waste Recycling Grant	Cleveland County Ordinance no. 2012-7 (July 2, 2012) established fund to receive solid waste recycling grant for solid waste salaries.
Automation Records System	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.
Blue and You Foundation Grant	Established to receive grant funds from the Blue & You Foundation Mini-Grant to Supply and Train First Responders to Better Serve the Underserved.
LLEEG-Local Law Enforcement Equipment Grant	Established to receive grant funds from the "Edward Byrne Memorial Justice Assistance Grant (JAG) Program" for Law Enforcement Purposes.
Walmart Community Grant	Established to receive community grant funds from Walmart for the purpose of investing in the community.
Entergy Micro Grant	Established to account for grant funds from Entergy to support the Office of Emergency Management for school outreach.
Entergy Micro Grant Veteran's Office	Established to account for grant funds from Entergy to support the Cleveland County Veterans Office.
Water Reservoir	Established to account for a Governor's improvement grant to construct a water reservoir in Cleveland County to provide a source of drinking water.
Cleveland County Water Project	Established to account for United States Economic Development Administration Grant to extend Highway 79 water main.
Courthouse Restoration	Established fund to receive grant funds from the Arkansas Historic Preservation Program to restore the Courthouse.

CLEVELAND 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 accounts	consist primarily of property taxes and fines not distributed to the appropriate agencies.
----------------------	--

Collector's accounts	consist primarily of delinquent taxes not yet distributed to the various taxing units.
----------------------	--

Sheriff's accounts	consist primarily of bond and forfeitures.
--------------------	--

County/Circuit Clerk's accounts	consist primarily of trust money and fee settlements due to the treasurer.
---------------------------------	--

District Court accounts	consist primarily of fines and costs not yet distributed to the county and/or state.
-------------------------	--

CLEVELAND 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.

CLEVELAND 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 and savings accounts, and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, Collector's and Treasurer's commission, Assessor's salary and expense, funds held in trust, and property taxes 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.

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(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 (except for the Real Estate Administration of Justice account), 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.

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

2. Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 890,979
Law enforcement			228,094
Public safety			65,679
Sanitation			2,689,444
Health			936,064
Recreation and culture			124,477
Social services			800
Capital outlay			20,768
Total Restricted			<u>4,956,305</u>
Committed for:			
Law enforcement			122,201
Highways and streets		\$ 717,639	
Total Committed		<u>717,639</u>	<u>122,201</u>
Assigned to:			
General government	\$ 398,933		
Law enforcement	2,135		3,336
Sanitation			132,140
Total Assigned	<u>401,068</u>		<u>135,476</u>
Unassigned	<u>2,381,860</u>		
Totals	<u>\$ 2,782,928</u>	<u>\$ 717,639</u>	<u>\$ 5,213,982</u>

3. Commitments

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

	December 31, 2022
Long-term liabilities	\$ 435,576
Reappraisal contract	<u>156,576</u>
Total Commitments	<u>\$ 592,152</u>

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

3. Commitments (Continued)

Long-term Liabilities

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

	December 31, 2022
<u>Direct Borrowings</u>	
Financed-purchase agreement dated March 31, 2020, with John Deere Credit in the amount of \$172,560, with interest rate of 0% for the purchase of a 2016 John Deere Grader. Monthly payments of \$2,876 for 60 months are to be made from the Road Fund.	\$ 77,653
Financed-purchase agreement dated June 29, 2020, with John Deere Credit in the amount of \$172,644, with interest rate of 0% for the purchase of a 2017 John Deere Grader. Monthly payments of \$2,877 for 60 months are to be made from the Road Fund.	86,323
Financed-purchase agreement dated July 12, 2022, with BancorpSouth in the amount of \$210,000, with interest rate of 3.35% for the refinance of two Mack trucks. Monthly payments of \$3,806 for 60 months are to be made from the Road Fund.	190,545
Total Direct Borrowings	<u>354,521</u>
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost.	81,055
Total Long-term liabilities	<u>\$ 435,576</u>

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

The County's outstanding direct borrowings of \$354,521 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.

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>					
3/31/20	3/31/25	0.00%	\$ 172,560	\$ 77,653	\$ 94,907
6/29/20	6/29/25	0.00%	172,644	86,323	86,321
7/12/22	7/12/27	3.35%	210,000	190,545	19,455
Total Long-Term Debt			<u>\$ 555,204</u>	<u>\$ 354,521</u>	<u>\$ 200,683</u>

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

3. Commitments (Continued)

Changes in Long-Term Debt

	Balance January 01, 2022	Issued	Retired	Balance December 31, 2022
<u>Direct Borrowings</u>				
Total Financed purchases	\$ 463,162	\$ 0	\$ 108,641	\$ 354,521

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	\$ 108,940	\$ 5,774	\$ 114,714
2024	110,298	4,417	114,715
2025	68,556	3,013	71,569
2026	44,112	1,562	45,674
2027	22,615	222	22,837
Totals	\$ 354,521	\$ 14,988	\$ 369,509

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Service, Inc. on November 12, 2019, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$ 6,524 for a total of \$400,500 beginning January 1, 2020. Contract expense for 2022 was \$78,288.

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

Year	December 31, 2022
2023	\$ 78,288
2024	78,288
Total	\$ 156,576

4. Interfund Transfer

The General Fund transferred \$6,000 to Other Funds in the Aggregate Indigent Defense Fund to supplement operations.

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

5. Joint Venture – Mid-Arkansas Regional Library

Dallas, Grant, and Hot Spring Counties entered into an agreement in January 1982 in accordance with Ark. Code Ann. § 13-2-401 to establish the Mid-Arkansas Regional Library. The agreement was amended in September 1989 to include Cleveland County and in July 2019 to include Saline County. The agreement states that the business of the Mid-Arkansas Regional Library shall be handled by the Regional Board composed of the chairman, one other member of each county board, and the four co-regional librarians and shall be administered by a regional director. Funds for the Mid-Arkansas Regional Library consist of state aid grants, federal funds, and any other available funds for the purchase of books, maintenance of bookmobiles, and the employment of drivers and clerks. Each county continues to supervise control over its income from that county's one mil tax and has control of its particular library. The County Library did not pay any regional library expenditures in 2022. Financial information may be obtained at the Hot Spring County Library, 202 East Third Street, Malvern, Arkansas 72104.

6. Jointly Governed Organization – Thirteenth Judicial District Drug Task Force

The Prosecuting Attorney's Office of the Thirteenth Judicial District, the Sheriffs' Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita, 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. The agreement covers the period July 1, 2022 to June 30, 2023 and may be extended upon written mutual agreement. Funding is provided through a Drug Law Enforcement Program grant, applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contributions or payment for expenditures were made to the Thirteenth Judicial Drug Task Force by the County. The 2022 financial statements of the Thirteenth Judicial Drug Task Force have not been audited.

7. Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. 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 \$281,570.

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 \$2,370,845.

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

8. Capital Assets

The County's capital assets records are summarized below :

	December 31, 2022
Land	\$ 127,476
Buildings	1,729,578
Equipment	<u>3,193,145</u>
Total	<u>\$ 5,050,199</u>

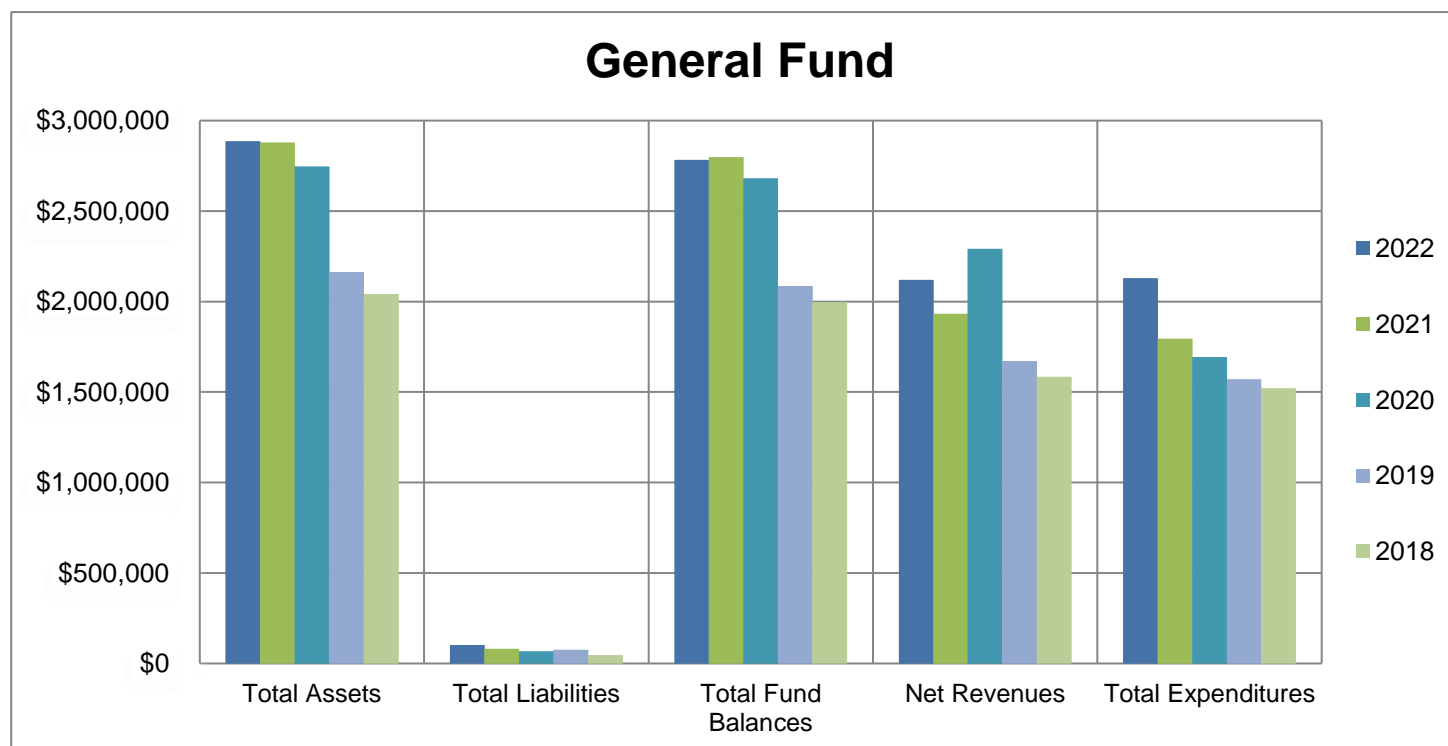
9. Corona Virus (COVID-19)

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 \$1,545,360 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$1,545,360 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 3-1

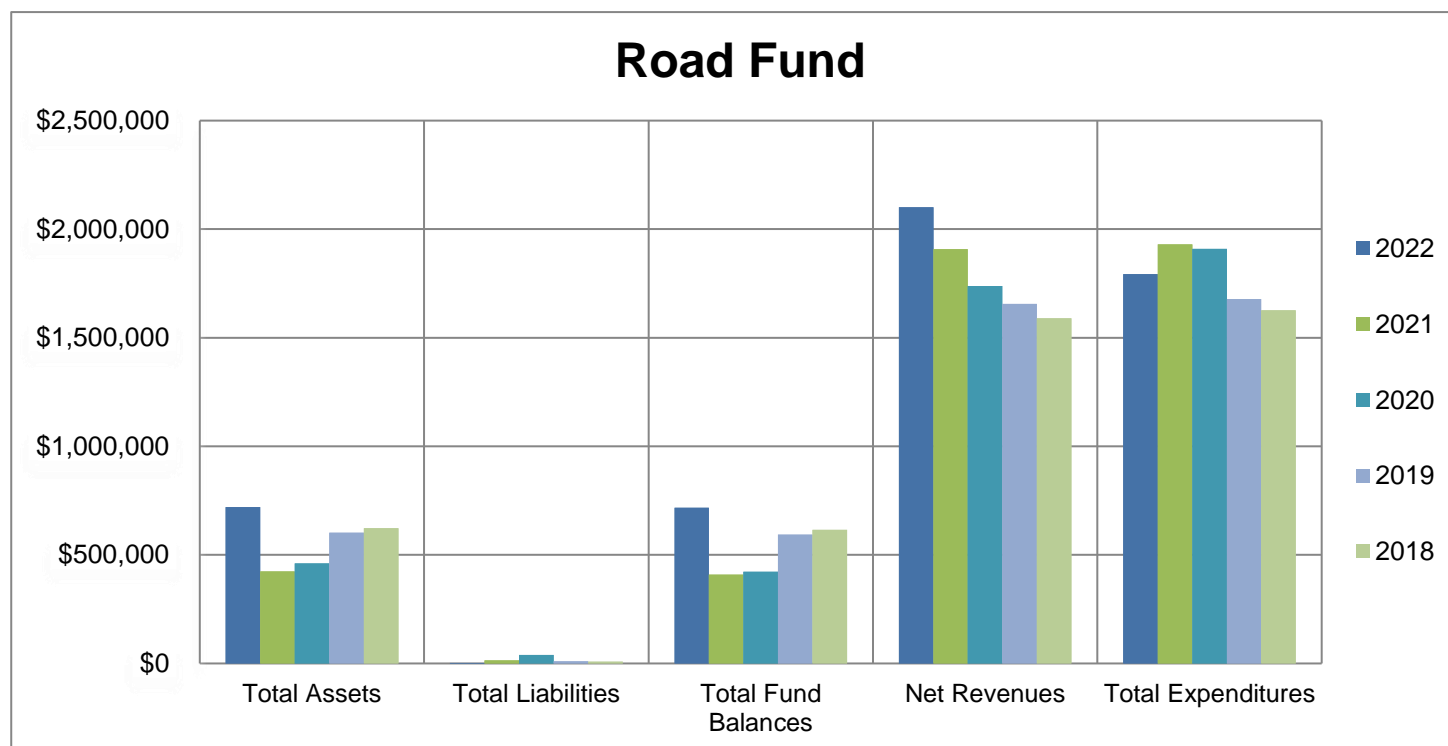
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 2,885,355	\$ 2,877,619	\$ 2,746,181	\$ 2,161,523	\$ 2,041,676
Total Liabilities	102,427	80,023	66,365	75,680	44,987
Total Fund Balances	2,782,928	2,797,596	2,679,815	2,085,843	1,996,689
Net Revenues	2,119,222	1,931,404	2,290,995	1,670,398	1,584,037
Total Expenditures	2,127,890	1,794,617	1,692,604	1,568,775	1,520,121
Total Other Financing Sources/Uses	(6,000)	(19,006)	(2,000)	(12,019)	



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

Schedule 3-2

<u>Road</u>	2022	2021	2020	2019	2018
Total Assets	\$ 719,660	\$ 424,131	\$ 461,310	\$ 602,317	\$ 622,869
Total Liabilities	2,021	14,680	39,693	9,586	7,719
Total Fund Balances	717,639	409,451	421,617	592,731	615,150
Net Revenues	2,101,222	1,907,202	1,738,667	1,655,169	1,589,476
Total Expenditures	1,793,034	1,929,922	1,908,829	1,677,588	1,626,099
Total Other Financing Sources/Uses		10,554			



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 5,384,197	\$ 4,371,761	\$ 3,348,482	\$ 2,749,347	\$ 2,713,628
Total Liabilities	170,215	88,126	204,546	88,319	283,034
Total Fund Balances	5,213,982	4,283,635	3,143,936	2,661,028	2,430,594
Net Revenues	2,937,843	2,796,011	2,548,717	1,431,875	1,888,027
Total Expenditures	2,013,496	1,664,764	2,067,213	1,213,460	1,483,156
Total Other Financing Sources/Uses	6,000	8,452	2,000	12,019	

