

Columbia County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



COLUMBIA COUNTY, ARKANSAS
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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

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

Unmodified Opinions on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
February 24, 2023
LOCO01421

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Columbia County, Arkansas (County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated February 24, 2023. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We also reported to management of the County in a separate letter dated February 24, 2023.

Purpose of This Report

The purpose of this report is solely to described the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record, and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Timothy R. Jones". The signature is fluid and cursive, with the first name "Timothy" being the most prominent.

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
February 24, 2023

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

MANAGEMENT LETTER

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

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

County Judge: Denny Foster
Treasurer: Selena Blair
Sheriff: Mike Loe
Tax Collector: Rachel Waller
County Clerk: Tammy Wiltz
Circuit Clerk: Angie Keith
Assessor: Voyles Martin
County Librarian: Rhonda Rolen

We would like to communicate the following item that came to our attention during this audit. The purpose of such comment is to provide constructive feedback and guidance, in an effort to assist management in maintaining a satisfactory level of compliance with the state constitution, laws and regulations, and to improve internal control. This matter was discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

Other Issues

Seven unauthorized withdrawals totaling \$1,906 were made from the Sheriff's Commissary bank account in November 2021. Entity personnel discovered the unauthorized withdrawals upon review of the affected bank account, and the funds were recovered.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
February 24, 2023

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 6,616,939	\$ 5,961,878	\$ 17,349,808
Accounts receivable	62,253	57,527	176,167
	<u>\$ 6,679,192</u>	<u>\$ 6,019,405</u>	<u>\$ 17,525,975</u>
TOTAL ASSETS			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 50,692	\$ 83,499	\$ 254,007
Settlements pending	439,581		986,424
Total Liabilities	<u>490,273</u>	<u>83,499</u>	<u>1,240,431</u>
Fund Balances:			
Restricted		5,935,906	14,947,318
Committed			11,000
Assigned	901,247		1,327,226
Unassigned	5,287,672		
Total Fund Balances	<u>6,188,919</u>	<u>5,935,906</u>	<u>16,285,544</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,679,192</u>	<u>\$ 6,019,405</u>	<u>\$ 17,525,975</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 784,451	\$ 2,236,051	\$ 110,356
Federal aid	80,151	12,666	2,291,843
Property taxes	1,933,622	879,895	365,449
Sales taxes	260,785		5,665,074
Fines, forfeitures, and costs	306,427		121,586
Interest	64,298	51,860	130,832
Officers' fees	207,520		98,390
Insurance premiums	673		
Commissary profits			79,379
Jail fees			119,657
Probation fees			11,000
911 fees			430,025
911 interlocal agreement			5,820
Phone commissions			39,302
Treasurer's commission	136,738		33,224
Collector's commission	255,706		71,691
Taxes apportioned - Assessor's salary and expense	431,209		
Other	136,504	84,204	213,626
TOTAL REVENUES	4,598,084	3,264,676	9,787,254
Less: Treasurer's commission	34,345	33,090	72,516
NET REVENUES	4,563,739	3,231,586	9,714,738
EXPENDITURES			
Current:			
General government	1,970,915		603,749
Law enforcement	1,469,654		1,920,385
Highways and streets		2,790,953	363,754
Public safety	145,523		568,959
Sanitation			3,329,209
Health	32,852		
Recreation and culture			531,528
Social services	43,907		7,347
Rural development	96,277		
TOTAL EXPENDITURES	3,759,128	2,790,953	7,324,931

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 804,611</u>	<u>\$ 440,633</u>	<u>\$ 2,389,807</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			4,777
Transfers out	<u>(4,777)</u>		
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,777)</u>		<u>4,777</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	799,834	440,633	2,394,584
FUND BALANCES - JANUARY 1	<u>5,389,085</u>	<u>5,495,273</u>	<u>13,890,960</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 6,188,919</u></u>	<u><u>\$ 5,935,906</u></u>	<u><u>\$ 16,285,544</u></u>

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

COLUMBIA COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 661,878	\$ 784,451	\$ 122,573	\$ 2,083,800	\$ 2,236,051	\$ 152,251
Federal aid	12,375	80,151	67,776	10,000	12,666	2,666
Property taxes	1,790,000	1,933,622	143,622	799,500	879,895	80,395
Sales taxes	230,000	260,785	30,785			
Fines, forfeitures, and costs	232,500	306,427	73,927			
Interest	67,500	64,298	(3,202)	86,500	51,860	(34,640)
Officers' fees	197,250	207,520	10,270			
Insurance premiums	10,000	673	(9,327)	6,080		(6,080)
Treasurer's commission	142,421	136,738	(5,683)			
Collector's commission	265,241	255,706	(9,535)			
Taxes apportioned - Assessor's salary and expense	482,282	431,209	(51,073)			
Other	220,578	136,504	(84,074)	56,700	84,204	27,504
TOTAL REVENUES	4,312,025	4,598,084	286,059	3,042,580	3,264,676	222,096
Less: Treasurer's commission		34,345	(34,345)		33,090	(33,090)
NET REVENUES	4,312,025	4,563,739	251,714	3,042,580	3,231,586	189,006
EXPENDITURES						
Current:						
General government	2,532,779	1,970,915	561,864			
Law enforcement	1,497,811	1,469,654	28,157			
Highways and streets				3,600,621	2,790,953	809,668
Public safety	75,055	145,523	(70,468)			
Health	42,600	32,852	9,748			
Social services	45,403	43,907	1,496			
Rural development	101,996	96,277	5,719			
TOTAL EXPENDITURES	4,295,644	3,759,128	536,516	3,600,621	2,790,953	809,668
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	16,381	804,611	788,230	(558,041)	440,633	998,674
OTHER FINANCING SOURCES (USES)						
Transfers in	693,862		(693,862)			
Transfers out		(4,777)	(4,777)			
TOTAL OTHER FINANCING SOURCES (USES)	693,862	(4,777)	(698,639)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	710,243	799,834	89,591	(558,041)	440,633	998,674
FUND BALANCES - JANUARY 1	959,002	5,389,085	4,430,083	958,110	5,495,273	4,537,163
FUND BALANCES - DECEMBER 31	\$ 1,669,245	\$ 6,188,919	\$ 4,519,674	\$ 400,069	\$ 5,935,906	\$ 5,535,837

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

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

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

B. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting - Regulatory

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury, as well as county sales taxes, is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements. Pension trust funds are reported in a separate column as part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, officers fees, excess commissions, 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.

E. Property Taxes

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 21,103,556	\$ 21,412,827
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	8,821,339	8,839,452
Total Deposits	<u>\$ 29,924,895</u>	<u>\$ 30,252,279</u>

The above total deposits do not include cash on hand of \$3,730.

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

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

NOTE 4: Accounts Receivable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 901		
Federal aid	13,774	\$ 5,381	
Property taxes	22,070	29,285	\$ 12,037.00
Fines, forfeitures, and costs	21,500		27,823
Interest	278	1	1
Officers' fees	1,218		25,686
Jail fees			17,376
Probation fees			810
911 fees			4,850
Collector's commission			71,691
Other	2,512	22,860	15,893
Totals	<u>\$ 62,253</u>	<u>\$ 57,527</u>	<u>\$ 176,167</u>

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 50,692</u>	<u>\$ 83,499</u>	<u>\$ 254,007</u>

NOTE 6: Federal Funds Program Compliance

A separate report was issued for the grant of the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF). The following material instances of noncompliance were reported:

2021.001 The Quorum Court authorized a portion of CSLFRF to be used for premium pay for Quorum Court members. The total amount of CSLFRF that benefited Quorum Court members was \$20,271.

2021.002 The Quorum Court authorized premium pay of \$4,900 to Columbia County, Arkansas's Attorney who does not qualify as an eligible worker for premium pay.

Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the County.

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

NOTE 7: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 1,123,719
Law enforcement			464,598
Highways and streets		\$ 5,935,906	
Public safety			185,121
Sanitation			12,557,074
Recreation and culture			616,806
Total Restricted		<u>5,935,906</u>	<u>14,947,318</u>
Committed for:			
Law enforcement			<u>11,000</u>
Assigned to:			
General government	\$ 901,247		
Law enforcement			1,188,545
Public safety			138,681
Total Assigned	<u>901,247</u>		<u>1,327,226</u>
Unassigned	<u>5,287,672</u>		
Totals	<u>\$ 6,188,919</u>	<u>\$ 5,935,906</u>	<u>\$ 16,285,544</u>

NOTE 8: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2021, the legal debt limit for bonded debt was \$37,584,366. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2021, the legal debt limit for short-term financing obligations was \$10,488,523. There were no short-term financing obligations.

NOTE 9: Commitments

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

	December 31, 2021
Landfill closure and postclosure cost	\$ 276,249
Solid waste contract	3,559,980
County-wide reappraisal contract	<u>416,880</u>
Total Commitments	<u>\$ 4,253,109</u>

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

NOTE 9: Commitments (Continued)

Post Employment Benefits Other Than Pensions

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

Landfill Closure and Postclosure Care Costs

Columbia County is the owner of permit # 0080-S4-R1 to operate a Class IV solid waste landfill. The original permit # 0080-S4 was revised effective August 27, 2007, to allow the County to reopen trenches and compact the fill. State and federal regulations require a final cover to be placed on the landfill site when the County stops accepting waste and to 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 closure and post closure care costs are being recognized as a commitment each year based on landfill capacity used as of the balance sheet date. The estimated commitment for the landfill closure and post closure care cost has a balance of \$276,249 as of December 31, 2021, and represents the cumulative amount reported to date based on 86% usage of the landfill. The County will recognize the remaining cost of closure and post closure care of \$44,694 as the remaining capacity is filled.

At the present utilization rate, the landfill site is estimated to exhaust in 2.5 years from the balance sheet date. The commitment may fluctuate from year to year based upon compaction rates in previously covered trenches.

Estimated costs are based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2021. However, actual cost of closure and post closure may be higher due to inflation, changes in technology, or changes in landfill laws and regulation.

In accordance with Ark. Code Ann. § 8-6-1603, the County has provided financial assurance of \$215,435 in the form of a contract of obligation dated August 5, 2019. This contract of obligation authorizes the State Treasurer to withhold from any funds being distributed from the State of Arkansas to Columbia County the sum of \$215,435 upon receiving notice from the Director of the Arkansas Department of Environmental Quality of Columbia County's failure to properly close the disposal operation.

Solid Waste Contract

The County entered into a five year contract with Waste Corporation of Arkansas for collection, transportation, disposal, and recycling of waste. The County is obligated for 60 monthly payments of \$187,367 for a total of \$11,242,042 beginning August 1, 2018. Contract expense for 2021 was \$2,248,408.

<u>Year</u>	<u>December 31, 2021</u>
2022	\$ 2,248,408
2023	1,311,572
Total	<u>\$ 3,559,980</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation October 26, 2018 for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$ 17,370 for a total of \$1,042,200 beginning January 15, 2019. Contract expense for 2021 was \$ 208,440.

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

NOTE 9: Commitments (Continued)

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

Year	December 31, 2021
2022	\$ 208,440
2023	208,440
Total	<u>\$ 416,880</u>

NOTE 10: Interfund Transfers

The General Fund transferred \$4,777 to Other Funds in the Aggregate Public Defender Investigator Fund for operating expenses.

NOTE 11: Jointly Governed Organization: Thirteenth Judicial District Task Force

The Prosecuting Attorney's Office of the Thirteenth Judicial District, the Sheriffs' Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita, and Union Counties, and the Police Departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, Rison, and Smackover entered into an agreement to establish the Thirteenth Judicial district Drug Task Force. The agreement covers the period July 1, 2021 to June 30, 2022, 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 payments for expenditures were made to the Thirteenth Judicial District Drug Task Force by the County. The 2021 financial statements of the Thirteenth Judicial District Task Force have not been audited.

NOTE 12: Risk Management

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

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

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

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

Vehicle Program

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

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

NOTE 12: Risk Management (Continued)

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

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

NOTE 13: Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2021 (date of APERS Employer Allocation Report) were \$632,325.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2021 (actuarial valuation date and measurement date) was \$1,589,132.

NOTE 14: Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The County was awarded \$4,556,247 in federal aid from the American Rescue Plan Act of 2021, and as of report date, \$4,556,247 of this amount had been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Solid Waste
ASSETS									
Cash and cash equivalents	\$ 57,789	\$ 111,233	\$ 21,693	\$ 5,108	\$ 3,045	\$ 39,306	\$ 26,658	\$ 604,124	\$ 12,771,836
Accounts receivable		71,729	701	451		696	24,977	11,998	9,031
TOTAL ASSETS	<u>\$ 57,789</u>	<u>\$ 182,962</u>	<u>\$ 22,394</u>	<u>\$ 5,559</u>	<u>\$ 3,045</u>	<u>\$ 40,002</u>	<u>\$ 51,635</u>	<u>\$ 616,122</u>	<u>\$ 12,780,867</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 227	\$ 1,036		\$ 524			\$ 2,048	\$ 1,309	\$ 223,793
Settlements pending									
Total Liabilities	<u>227</u>	<u>1,036</u>		<u>524</u>			<u>2,048</u>	<u>1,309</u>	<u>223,793</u>
Fund Balances:									
Restricted	57,562	181,926	\$ 22,394	5,035	\$ 3,045	\$ 40,002	49,587	614,813	12,557,074
Committed									
Assigned									
Total Fund Balances	<u>57,562</u>	<u>181,926</u>	<u>22,394</u>	<u>5,035</u>	<u>3,045</u>	<u>40,002</u>	<u>49,587</u>	<u>614,813</u>	<u>12,557,074</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 57,789</u>	<u>\$ 182,962</u>	<u>\$ 22,394</u>	<u>\$ 5,559</u>	<u>\$ 3,045</u>	<u>\$ 40,002</u>	<u>\$ 51,635</u>	<u>\$ 616,122</u>	<u>\$ 12,780,867</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Child Support	Drug Control	County Jail	Boating Safety	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle	Victim/Witness	Indigent Defense
ASSETS								
Cash and cash equivalents	\$ 924	\$ 20,743	\$ 1,253,936	\$ 13,372	\$ 307,780	\$ 11,163	\$ 8,052	\$ 18,630
Accounts receivable	13	33	27,688		4,850	165	1,968	726
TOTAL ASSETS	<u>\$ 937</u>	<u>\$ 20,776</u>	<u>\$ 1,281,624</u>	<u>\$ 13,372</u>	<u>\$ 312,630</u>	<u>\$ 11,328</u>	<u>\$ 10,020</u>	<u>\$ 19,356</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 13,266		\$ 7,558			\$ 132
Settlements pending								
Total Liabilities			<u>13,266</u>		<u>7,558</u>			<u>132</u>
Fund Balances:								
Restricted	\$ 937	\$ 20,776	68,813	\$ 13,372	166,391	\$ 11,328	\$ 10,020	19,224
Committed			11,000					
Assigned			1,188,545		138,681			
Total Fund Balances	<u>937</u>	<u>20,776</u>	<u>1,268,358</u>	<u>13,372</u>	<u>305,072</u>	<u>11,328</u>	<u>10,020</u>	<u>19,224</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 937</u>	<u>\$ 20,776</u>	<u>\$ 1,281,624</u>	<u>\$ 13,372</u>	<u>\$ 312,630</u>	<u>\$ 11,328</u>	<u>\$ 10,020</u>	<u>\$ 19,356</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Adult Drug Court	Juvenile Probation	Circuit Clerk's Commissioner's Fee	Assessor's Late Assessment Fee	Public Defender Investigator	Rural Community Aid	Automated Records System Grant	Communication Facility and Equipment
ASSETS								
Cash and cash equivalents	\$ 27,929	\$ 9,841	\$ 4,414	\$ 4,527	\$ 862	\$ 18,730	\$ 181	\$ 164,939
Accounts receivable	33		85	46	196			20,781
TOTAL ASSETS	<u>\$ 27,962</u>	<u>\$ 9,841</u>	<u>\$ 4,499</u>	<u>\$ 4,573</u>	<u>\$ 1,058</u>	<u>\$ 18,730</u>	<u>\$ 181</u>	<u>\$ 185,720</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable							\$ 181	\$ 3,933
Settlements pending								
Total Liabilities							<u>181</u>	<u>3,933</u>
Fund Balances:								
Restricted	\$ 27,962	\$ 9,841	\$ 4,499	\$ 4,573	\$ 1,058	\$ 18,730		181,787
Committed								
Assigned								
Total Fund Balances	<u>27,962</u>	<u>9,841</u>	<u>4,499</u>	<u>4,573</u>	<u>1,058</u>	<u>18,730</u>		<u>181,787</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 27,962</u>	<u>\$ 9,841</u>	<u>\$ 4,499</u>	<u>\$ 4,573</u>	<u>\$ 1,058</u>	<u>\$ 18,730</u>	<u>\$ 181</u>	<u>\$ 185,720</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS			CUSTODIAL FUNDS				
	American Rescue Plan Act	Library American Rescue Plan Act	Law Library	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	Circuit Clerk's Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 781,588	\$ 1,993	\$ 72,988	\$ 28,665	\$ 2,637	\$ 68,794	\$ 886,328	\$ 17,349,808
Accounts receivable								176,167
TOTAL ASSETS	<u>\$ 781,588</u>	<u>\$ 1,993</u>	<u>\$ 72,988</u>	<u>\$ 28,665</u>	<u>\$ 2,637</u>	<u>\$ 68,794</u>	<u>\$ 886,328</u>	<u>\$ 17,525,975</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 254,007
Settlements pending				\$ 28,665	\$ 2,637	\$ 68,794	\$ 886,328	986,424
Total Liabilities				<u>28,665</u>	<u>2,637</u>	<u>68,794</u>	<u>886,328</u>	<u>1,240,431</u>
Fund Balances:								
Restricted	\$ 781,588	\$ 1,993	\$ 72,988					14,947,318
Committed								11,000
Assigned								1,327,226
Total Fund Balances	<u>781,588</u>	<u>1,993</u>	<u>72,988</u>					<u>16,285,544</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 781,588</u>	<u>\$ 1,993</u>	<u>\$ 72,988</u>	<u>\$ 28,665</u>	<u>\$ 2,637</u>	<u>\$ 68,794</u>	<u>\$ 886,328</u>	<u>\$ 17,525,975</u>

COLUMBIA COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 2

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library
REVENUES								
State aid					\$ 7,202			\$ 99,334
Federal aid								6
Property taxes								364,342
Sales taxes								
Fines, forfeitures, and costs			\$ 4,538	\$ 9,807				
Interest	\$ 431	\$ 839	178	30	129	\$ 336	\$ 267	3,805
Officers' fees						5,588	85,675	
Commissary profits								
Jail fees								
Probation fees								
911 fees								
911 interlocal agreement								
Phone commissions								
Treasurer's commission	33,224							
Collector's commission		71,691						
Other	319	2,164			178			40,833
TOTAL REVENUES	33,974	74,694	4,716	9,837	7,509	5,924	85,942	508,320
Less: Treasurer's commission		701	43	97	75	57	677	4,771
NET REVENUES	33,974	73,993	4,673	9,740	7,434	5,867	85,265	503,549
EXPENDITURES								
Current:								
General government	20,755	70,776			25,000		64,505	
Law enforcement				8,377				
Highways and streets								
Public safety								
Sanitation								
Recreation and culture								433,626
Social services								
TOTAL EXPENDITURES	20,755	70,776		8,377	25,000		64,505	433,626
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	13,219	3,217	4,673	1,363	(17,566)	5,867	20,760	69,923
OTHER FINANCING SOURCES (USES)								
Transfers in								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	13,219	3,217	4,673	1,363	(17,566)	5,867	20,760	69,923
FUND BALANCES - JANUARY 1	44,343	178,709	17,721	3,672	20,611	34,135	28,827	544,890
FUND BALANCES - DECEMBER 31	\$ 57,562	\$ 181,926	\$ 22,394	\$ 5,035	\$ 3,045	\$ 40,002	\$ 49,587	\$ 614,813

COLUMBIA COUNTY, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 2

SPECIAL REVENUE FUNDS

	Solid Waste	Child Support	Drug Control	County Jail	Boating Safety	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle	Victim/Witness
REVENUES								
State aid					\$ 2,113			
Federal aid								
Property taxes								
Sales taxes	\$ 4,227,073			\$ 1,409,025				
Fines, forfeitures, and costs			\$ 926	51,010			\$ 2,033	\$ 20,678
Interest	109,893	\$ 8	160	10,256	112	\$ 2,870	92	81
Officers' fees		666						
Commissary profits								
Jail fees				119,657				
Probation fees				11,000				
911 fees						430,025		
911 interlocal agreement						5,820		
Phone commissions								
Treasurer's commission								
Collector's commission								
Other	101,393	16		13,249		19,424		2
TOTAL REVENUES	4,438,359	690	1,086	1,614,197	2,225	458,139	2,125	20,761
Less: Treasurer's commission	44,932	24	11	16,270	22	4,431	20	2
NET REVENUES	4,393,427	666	1,075	1,597,927	2,203	453,708	2,105	20,759
EXPENDITURES								
Current:								
General government		2,500						
Law enforcement			1,520	1,398,457				22,050
Highways and streets								
Public safety						460,868		
Sanitation	3,182,315							
Recreation and culture								
Social services								
TOTAL EXPENDITURES	3,182,315	2,500	1,520	1,398,457		460,868		22,050
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,211,112	(1,834)	(445)	199,470	2,203	(7,160)	2,105	(1,291)
OTHER FINANCING SOURCES (USES)								
Transfers in								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,211,112	(1,834)	(445)	199,470	2,203	(7,160)	2,105	(1,291)
FUND BALANCES - JANUARY 1	11,345,962	2,771	21,221	1,068,888	11,169	312,232	9,223	11,311
FUND BALANCES - DECEMBER 31	<u>\$ 12,557,074</u>	<u>\$ 937</u>	<u>\$ 20,776</u>	<u>\$ 1,268,358</u>	<u>\$ 13,372</u>	<u>\$ 305,072</u>	<u>\$ 11,328</u>	<u>\$ 10,020</u>

COLUMBIA COUNTY, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 2

	SPECIAL REVENUE FUNDS							
	Indigent Defense	Adult Drug Court	Juvenile Probation	Circuit Clerk's Commissioner's Fee	Assessor's Late Assessment Fee	Public Defender Investigator	Rural Community Aid	Rural Community Grants
REVENUES								
State aid	\$ 1,707							
Federal aid								
Property taxes					\$ 1,107			
Sales taxes							\$ 28,976	
Fines, forfeitures, and costs	7,634	\$ 3,662				\$ 2,054		
Interest	145	254	\$ 91	\$ 41	36	14	125	
Officers' fees				789				
Commissary profits								
Jail fees								
Probation fees								
911 fees								
911 interlocal agreement								
Phone commissions								
Treasurer's commission								
Collector's commission								
Other						1		
TOTAL REVENUES	9,486	3,916	91	830	1,143	2,069	29,101	
Less: Treasurer's commission	19	40	1	8	12		298	
NET REVENUES	9,467	3,876	90	822	1,131	2,069	28,803	
EXPENDITURES								
Current:								
General government				2,000		8,643		
Law enforcement	3,072	6,344						
Highways and streets								
Public safety							20,000	\$ 15,000
Sanitation								
Recreation and culture							5,000	
Social services								
TOTAL EXPENDITURES	3,072	6,344		2,000		8,643	25,000	15,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,395	(2,468)	90	(1,178)	1,131	(6,574)	3,803	(15,000)
OTHER FINANCING SOURCES (USES)								
Transfers in						4,777		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	6,395	(2,468)	90	(1,178)	1,131	(1,797)	3,803	(15,000)
FUND BALANCES - JANUARY 1	12,829	30,430	9,751	5,677	3,442	2,855	14,927	15,000
FUND BALANCES - DECEMBER 31	\$ 19,224	\$ 27,962	\$ 9,841	\$ 4,499	\$ 4,573	\$ 1,058	\$ 18,730	\$ 0

COLUMBIA COUNTY, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 2

	SPECIAL REVENUE FUNDS						
	Automated Records System Grant	Federal Grants	Communication Facility and Equipment	American Rescue Plan Act	Library American Rescue Plan Act	Law Library	Totals
REVENUES							
State aid							\$ 110,356
Federal aid		\$ 2,550		\$ 2,278,123	\$ 11,164		2,291,843
Property taxes							365,449
Sales taxes							5,665,074
Fines, forfeitures, and costs						\$ 19,244	121,586
Interest			\$ 60			579	130,832
Officers' fees			5,672				98,390
Commissary profits			79,379				79,379
Jail fees							119,657
Probation fees							11,000
911 fees							430,025
911 interlocal agreement							5,820
Phone commissions			39,302				39,302
Treasurer's commission							33,224
Collector's commission							71,691
Other	\$ 36,047						213,626
TOTAL REVENUES	36,047	2,550	124,413	2,278,123	11,164	19,823	9,787,254
Less: Treasurer's commission						5	72,516
NET REVENUES	36,047	2,550	124,413	2,278,123	11,164	19,818	9,714,738
EXPENDITURES							
Current:							
General government	39,646			369,924			603,749
Law enforcement		2,550	26,221	451,794			1,920,385
Highways and streets				363,754			363,754
Public safety				73,091			568,959
Sanitation				146,894			3,329,209
Recreation and culture				83,731	9,171		531,528
Social services				7,347			7,347
TOTAL EXPENDITURES	39,646	2,550	26,221	1,496,535	9,171		7,324,931
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,599)		98,192	781,588	1,993	19,818	2,389,807
OTHER FINANCING SOURCES (USES)							
Transfers in							4,777
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,599)		98,192	781,588	1,993	19,818	2,394,584
FUND BALANCES - JANUARY 1	3,599		83,595			53,170	13,890,960
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 181,787	\$ 781,588	\$ 1,993	\$ 72,988	\$ 16,285,544

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions 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 costs of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. §§ 16-20-407, 21-6-413 established fund to account for a \$2 marriage license fee to be used for operation of the county clerk's office and to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.
County Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Solid Waste	Columbia County Ordinance no. 92.9 (January 16, 1992) established fund to receive 1% sales and use tax as approved by referendum on April 21, 1992 to be used for solid waste management.
Child Support	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. Columbia County Ordinance no. 2011.20 (September 6, 2011) established a drug enforcement fund (pursuant to Ark. Code Ann. § 14-21-201) to be administered by the Sheriff. Columbia County Ordinance no. 2008.12 (June 13, 2008) allows 1/3 of fine money collected from felony Circuit Court drug convictions to be deposited in this fund to be used by the Sheriff for direct expenses associated with the investigation of criminal drug laws.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
County Jail	<p>Columbia County Ordinance no. 98.11 (September 4, 1998) established fund to receive 2/3 of a half percent sales and use tax as approved by referendum on October 6, 1998 to be used to operate and maintain criminal justice facilities.</p> <p>Columbia County Ordinance no. 2009.10 (June 1, 2009)(pursuant to Ark. Code Ann. § 16-17-129) levies an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.</p> <p>Ark. Code Ann. § 12-41-505 established fund to receive a \$20 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.</p> <p>Columbia County Ordinance no. 2002.25 (December 16, 2002) provides for probation fees assessed and imposed for criminal convictions (Ark. Code Ann. § 5-4-322) to be deposited in this fund to defray the cost of supervision and collection of probation fees.</p> <p>Columbia County Ordinance no. 2012-7 (February 6, 2012)(pursuant to Ark. Code Ann. § 12-41-505) requiring every person who may be committed to the common jail of the County for any criminal offense or misdemeanor, if he or she shall be convicted, shall pay the expenses in carrying him or her to jail and also for his or her support from the day of his or her initial incarceration for the whole time he or she remains there.</p>
Boating Safety	<p>Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.</p>
CMRS 911 Board (Commercial Mobile Radio Service)	<p>Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 services.</p>
Emergency Vehicle	<p>Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.</p>
Victim Witness	<p>Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.</p>

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

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

<u>Fund Name</u>	<u>Fund Description</u>
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. Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall all be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program. Columbia County Ordinance no. 2008.12 (June 13, 2008) allows 1/3 of fine money collected from felony Circuit Court drug convictions to be deposited in this fund to be used by the Columbia County Drug Court Program.
Juvenile Probation	Ark. Code Ann. §§ 16-36-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk's 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 expenses of the office of Circuit Clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive a \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
Public Defender Investigator	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Rural Community Aid	Columbia County Ordinance no. 98.11 (September 4, 1998) established fund to receive ten percent of the General Fund's portion of a half percent sales and use tax as approved by referendum on October 6, 1998 to be used to make capital improvements in unincorporated areas of the County.
Rural Community Grants	Ark. Code Ann. § 14-270-103 established fund to receive state incentive funds to be used for construction, development, and improvement of fire protection and construction projects benefiting citizens.
Automated Records System Grant	Established to account for an Association of Arkansas Counties Automated Records Fund Grant, authorized by Ark. Code Ann. § 14-20-107, to purchase technology to improve the automation of the Circuit Clerk's office and/or the services that office may provide.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Federal Grants	Established to account for federal grants received by the County.
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.
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.
Library American Rescue Plan Act	Established to received and disburse Coronavirus State and Local Fiscal Recovery Funds (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 pubic health emergency.
Law Library	Ark. Code Ann. § 16-23-101 established fund to receive court costs to be used for any purpose related to the establishment, maintenance, and operation of a county law library.

Treasurer's accounts consist primarily of property taxes and interest 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 fees settlement, bond, evidence, and inmate trust money.

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

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

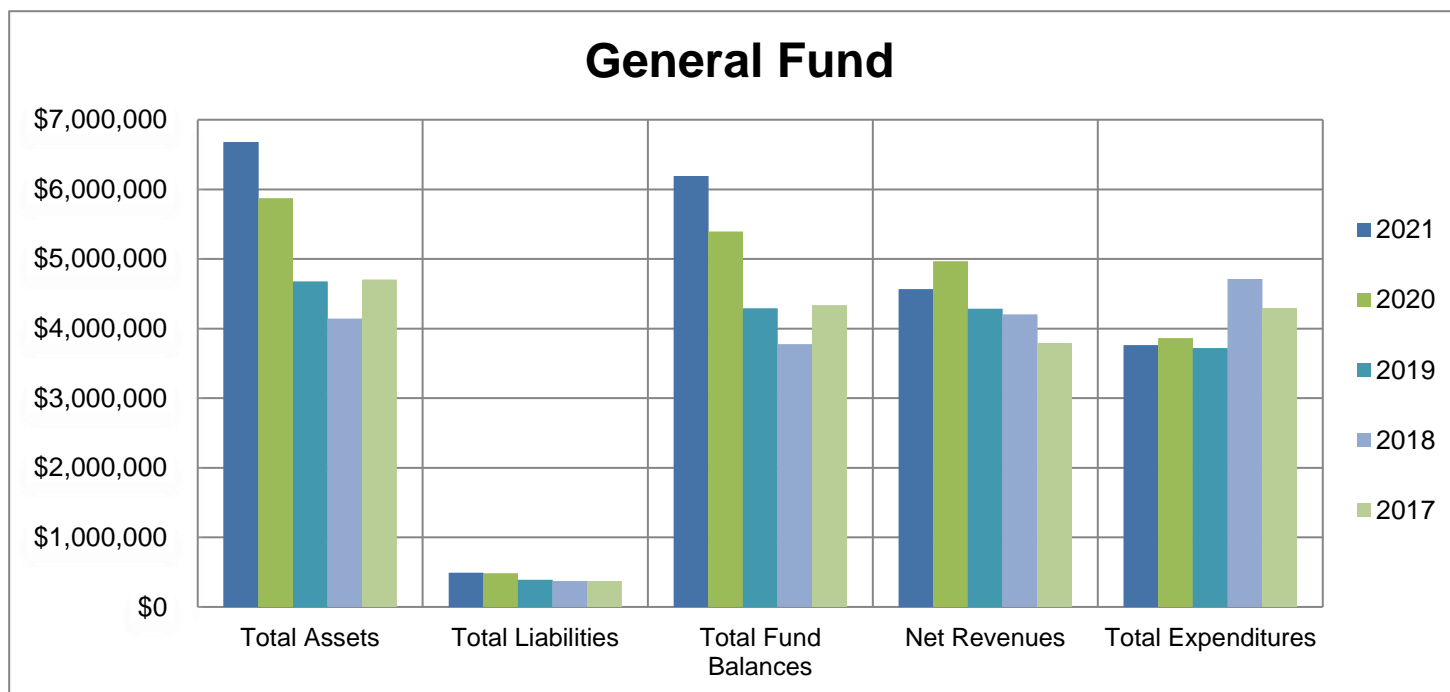
Schedule 3

	December 31, 2021
Land	\$ 476,711
Buildings	8,511,868
Equipment	<u>7,956,671</u>
Total	<u>\$ 16,945,250</u>

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

Schedule 4-1

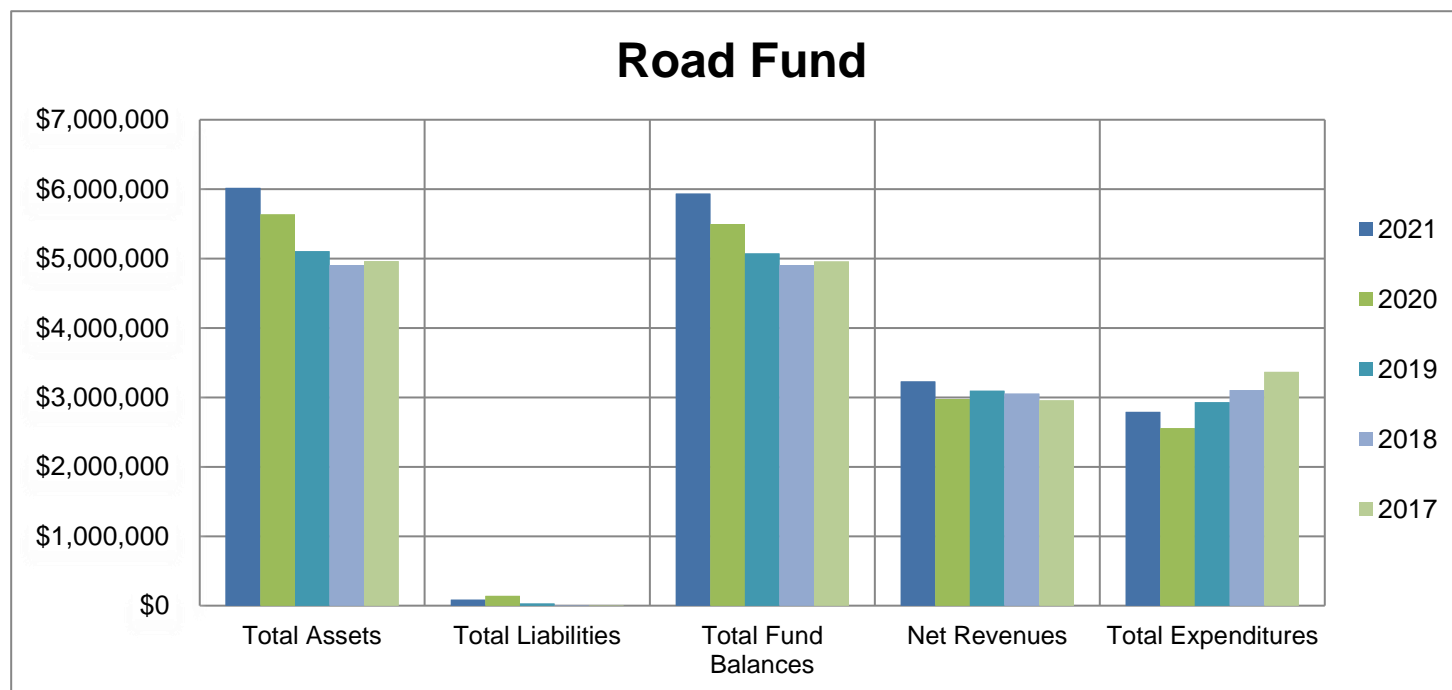
General	2021	2020	2019	2018	2017
Total Assets	\$ 6,679,192	\$ 5,870,236	\$ 4,674,581	\$ 4,139,933	\$ 4,702,106
Total Liabilities	490,273	481,151	388,004	369,257	369,523
Total Fund Balances	6,188,919	5,389,085	4,286,577	3,770,676	4,332,583
Net Revenues	4,563,739	4,965,641	4,282,832	4,201,045	3,789,595
Total Expenditures	3,759,128	3,859,995	3,718,621	4,711,505	4,291,242
Total Other Financing Sources/Uses	(4,777)	(3,138)	(48,310)	(51,447)	(43,300)



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

Schedule 4-2

Road	2021	2020	2019	2018	2017
Total Assets	\$ 6,019,405	\$ 5,637,873	\$ 5,107,042	\$ 4,907,810	\$ 4,963,531
Total Liabilities	83,499	142,600	31,664	706	4,260
Total Fund Balances	5,935,906	5,495,273	5,075,378	4,907,104	4,959,271
Net Revenues	3,231,586	2,974,578	3,097,977	3,052,372	2,955,215
Total Expenditures	2,790,953	2,554,683	2,929,703	3,104,539	3,366,412
Total Other Financing Sources/Uses					5,000



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Assets	\$ 17,525,975	\$ 15,388,720	\$ 14,025,264	\$ 13,027,693	\$ 12,682,162
Total Liabilities	1,240,431	1,550,930	1,218,930	938,956	1,148,383
Total Fund Balances	16,285,544	13,837,790	12,806,334	12,088,737	11,533,779
Net Revenues	9,714,738	6,781,609	6,529,843	6,149,147	5,620,771
Total Expenditures	7,324,931	5,753,291	5,860,556	5,645,636	5,908,266
Total Other Financing Sources/Uses	4,777	3,138	48,310	51,447	38,300

