

# **Howard County, Arkansas**

## **Regulatory Basis Financial Statements and Other Reports**

**December 31, 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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



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

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

## **LEGISLATIVE JOINT AUDITING COMMITTEE**

### **ARKANSAS LEGISLATIVE AUDIT**

#### **Independent Auditor's Report**

Howard 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 Howard 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 Howard 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 Howard 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 March 13, 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

A handwritten signature in dark ink, appearing to read "Roger A. Norman". The signature is fluid and cursive, with the first name "Roger" being more prominent.

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

Little Rock, Arkansas  
March 13, 2023  
LOCO03121

# 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

Howard 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 Howard 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 March 13, 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 March 13, 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 dark ink, appearing to read "Timothy R. Jones", written in a cursive style.

Timothy R. Jones, CPA, CFF  
Deputy Legislative Auditor

Little Rock, Arkansas  
March 13, 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

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

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

County Judge: Kevin Smith  
Treasurer: Sherri Mixon  
Sheriff and Tax Collector: Bryan McJunkins  
County Clerk: Keri Teague  
Circuit Clerk: Angie Lewis  
Assessor: Debbie Teague  
County Librarian: Janice Curry

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

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

ARKANSAS LEGISLATIVE AUDIT

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

Timothy R. Jones, CPA, CFF  
Deputy Legislative Auditor

Little Rock, Arkansas  
March 13, 2023



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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,406,641	\$ 1,495,514	\$ 5,675,414
Accounts receivable	44,988	276,360	132,720
	<u>2,451,629</u>	<u>1,771,874</u>	<u>5,808,134</u>
TOTAL ASSETS	<u>\$ 2,451,629</u>	<u>\$ 1,771,874</u>	<u>\$ 5,808,134</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 21,021	\$ 358,946	\$ 69,933
Settlements pending	94,434		127,225
Total Liabilities	<u>115,455</u>	<u>358,946</u>	<u>197,158</u>
Fund Balances:			
Restricted		1,412,928	4,156,562
Assigned	189,073		1,455,168
Unassigned	2,147,101		(754)
Total Fund Balances	<u>2,336,174</u>	<u>1,412,928</u>	<u>5,610,976</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,451,629</u>	<u>\$ 1,771,874</u>	<u>\$ 5,808,134</u>

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

HOWARD 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	\$ 542,154	\$ 1,711,776	\$ 204,719
Federal aid	43,736	869	1,912,748
Property taxes	740,452	308,734	190,677
Sales taxes	296,392	592,784	4,265,635
Fines, forfeitures, and costs	237,934		83,893
Interest	16,703	16,267	31,162
Officers' fees	25,377		96,832
Jail fees			263,795
911 surcharge			338,739
Phone commissions			12,634
Sanitation fees			58,050
Airport revenue			10,539
Contributions from district court jurisdictions	87,451		
Treasurer's commission	113,250		13,068
Collector's commission	224,163		33,995
Taxes apportioned - Assessor's salary and expense	278,619		
Other	223,048	13,906	83,267
TOTAL REVENUES	2,829,279	2,644,336	7,599,753
Less: Treasurer's commission	26,745	38,177	42,326
NET REVENUES	2,802,534	2,606,159	7,557,427
EXPENDITURES			
Current:			
General government	1,328,295		142,997
Law enforcement	1,120,637		909,874
Highways and streets	22,499	2,769,691	
Public safety	27,478		228,598
Sanitation	5,705		495,879
Health	49,965		153,775
Recreation and culture	4,521		217,286
Social services	79,260		
Airport	6,694		264,128
Rural water			184,268
Total Current	2,645,054	2,769,691	2,596,805
Debt Service:			
Bond principal			2,245,000
Bond interest and other charges			367,290
Installment contract principal	28,301	2,653	13,266
Installment contract interest	36,406	3,413	17,065
TOTAL EXPENDITURES	2,709,761	2,775,757	5,239,426

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 92,773</u>	<u>\$ (169,598)</u>	<u>\$ 2,318,001</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	112,808		3,550
Transfers out	(3,550)		(112,808)
Sales tax contribution to Cossatot Community College			<u>(602,475)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>109,258</u>		<u>(711,733)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	202,031	(169,598)	1,606,268
FUND BALANCES - JANUARY 1	<u>2,134,143</u>	<u>1,582,526</u>	<u>4,004,708</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,336,174</u></u>	<u><u>\$ 1,412,928</u></u>	<u><u>\$ 5,610,976</u></u>

HOWARD 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	\$ 360,867	\$ 542,154	\$ 181,287	\$ 1,276,000	\$ 1,711,776	\$ 435,776
Federal aid	81,000	43,736	(37,264)	31,350	869	(30,481)
Property taxes	616,900	740,452	123,552	241,500	308,734	67,234
Sales taxes	265,000	296,392	31,392	512,500	592,784	80,284
Fines, forfeitures, and costs	327,736	237,934	(89,802)			
Interest	14,600	16,703	2,103	10,500	16,267	5,767
Officers' fees	17,600	25,377	7,777			
Contributions from district court jurisdictions		87,451	87,451			
Treasurer's commission	115,000	113,250	(1,750)			
Collector's commission	249,555	224,163	(25,392)			
Taxes apportioned - Assessor's salary and expense	307,336	278,619	(28,717)			
Other	186,172	223,048	36,876	26,850	13,906	(12,944)
TOTAL REVENUES	2,541,766	2,829,279	287,513	2,098,700	2,644,336	545,636
Less: Treasurer's commission	27,884	26,745	1,139	40,810	38,177	2,633
NET REVENUES	2,513,882	2,802,534	288,652	2,057,890	2,606,159	548,269
EXPENDITURES						
Current:						
General government	2,121,123	1,328,295	792,828			
Law enforcement	1,205,573	1,120,637	84,936			
Highways and streets		22,499	(22,499)	3,237,769	2,769,691	468,078
Public safety	39,051	27,478	11,573			
Sanitation		5,705	(5,705)			
Health	178,402	49,965	128,437			
Recreation and culture		4,521	(4,521)			
Social services	83,795	79,260	4,535			
Airport	8,200	6,694	1,506			
Total Current	3,636,144	2,645,054	991,090	3,237,769	2,769,691	468,078
Debt Service:						
Installment contract principal		28,301	(28,301)		2,653	(2,653)
Installment contract interest		36,406	(36,406)		3,413	(3,413)
TOTAL EXPENDITURES	3,636,144	2,709,761	926,383	3,237,769	2,775,757	462,012

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,122,262)	\$ 92,773	\$ 1,215,035	\$ (1,179,879)	\$ (169,598)	\$ 1,010,281
OTHER FINANCING SOURCES (USES)						
Transfers in	145,359	112,808	(32,551)			
Transfers out		(3,550)	(3,550)			
TOTAL OTHER FINANCING SOURCES (USES)	145,359	109,258	(36,101)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(976,903)	202,031	1,178,934	(1,179,879)	(169,598)	1,010,281
FUND BALANCES - JANUARY 1	2,470,773	2,134,143	(336,630)	1,540,463	1,582,526	42,063
FUND BALANCES - DECEMBER 31	\$ 1,493,870	\$ 2,336,174	\$ 842,304	\$ 360,584	\$ 1,412,928	\$ 1,052,344

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

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

**NOTE 1: Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

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

**B. Basis of Presentation - Regulatory**

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

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

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

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

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

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

**Debt Service Funds** - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 and 2 for the Debt Service Fund that is 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.

HOWARD 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, money market accounts and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, excess treasurer's commission, excess collector's commission, excess assessor's salary and expense and funds that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes, but are neither restricted nor committed.
3. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**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.

HOWARD 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 except for the County Airport Grant #03-05-0048-00-2020 Fund.

**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.

There were no committed fund balances at year-end.

**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	\$ 1,306,292	\$ 1,320,452
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	8,269,928	8,501,308
Total Deposits	<u>\$ 9,576,220</u>	<u>\$ 9,821,760</u>

The above total deposits do not include cash on hand of \$1,349.



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

**NOTE 3: Legal or Contractual Provisions for Deposits and Investments**

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

**NOTE 4: Accounts Receivable**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid		\$ 268,250	
Federal aid			\$ 37,518
Property taxes	\$ 6,304	5,093	3,196
Fines, forfeitures, and costs	25,118		4,404
Interest	2,348	1,563	3,541
Officers' fees	2,145		7,764
Jail fees			19,637
911 surcharge			48,502
Phone commissions			2,706
Sanitation fees			1,924
Other	9,073		1,917
Treasurer's commission charged		1,454	1,611
Totals	<u>\$ 44,988</u>	<u>\$ 276,360</u>	<u>\$ 132,720</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>\$ 21,021</u>	<u>\$ 358,946</u>	<u>\$ 69,933</u>

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

**NOTE 6: 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			\$ 1,864,083
Law enforcement			729,352
Highways and streets		\$ 1,412,928	
Public safety			396,876
Sanitation			376,340
Recreation and culture			16,505
Airport			950
Rural water			1
Debt service			772,455
Total Restricted		<u>1,412,928</u>	<u>4,156,562</u>
Assigned to:			
Law enforcement	\$ 62,444		1,372,370
Health	126,629		
Recreation and culture			72,980
Airport			9,818
Total Assigned	<u>189,073</u>		<u>1,455,168</u>
Unassigned	<u>2,147,101</u>		<u>(754)</u>
Totals	<u>\$ 2,336,174</u>	<u>\$ 1,412,928</u>	<u>\$ 5,610,976</u>

**NOTE 7: Deficit Fund Balances**

The following funds have deficit fund balances as of December 31, 2021:

	December 31, 2021
Other Funds in the Aggregate:	
Special Revenue Funds:	
County Clerk's Cost	<u>\$ (754)</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 \$18,662,330. 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 \$5,274,741. There were no short-term financing obligations.

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

**NOTE 9: Commitments**

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

	December 31, 2021
Long-term liabilities	\$ 10,912,069
Reappraisal contract	247,104
Construction contract	43,432
	<hr/>
Total Commitments	<u>\$ 11,202,605</u>

Long-term Liabilities

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

	December 31, 2021
<u>Bonds</u>	
2016 Sales and Use Tax Refunding Bond Issue, dated November 21, 2016, in the amount of \$17,280,000, due in annual installments of \$440,000 - \$2,140,00 plus interest through June 1, 2039; interest at 1.875% - 4.00% due on June 1 and December 1 of each year beginning on June 1, 2017. Payments are to be made from the 2016 Sales and Use Tax Refunding Bond Issue Debt Service Fund.	\$ 9,195,000
<u>Direct Borrowings</u>	
Installment Financing Agreement, dated October 24, 2019, in the amount of \$1,830,900, for the acquisition, installation, and construction of certain energy efficiency equipment, solar equipment, improvements and renovations. Due in semi annual installments of \$21,932 - \$80,452 plus interest through October 1, 2039; interest at 3.25% due on April 1 and October 1 of each year beginning on April 1, 2019. Payments are to be made from the General, Road, Jail Operation and Maintenance and County Library Funds.	<hr/> 1,717,069
Total Long-term liabilities	<u>\$ 10,912,069</u>

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

The County's outstanding bonds payable of \$9,195,000 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding installment financing agreement from direct borrowings of \$1,717,069 contains provisions that upon the occurrence of any default, the lender may, at its sole discretion and without any further demand or notice, exercise any or all of the following remedies: (1) enforce the agreement by appropriate action to collect all payments and other amounts due, by acceleration or otherwise, (2) set off against and take any amounts remaining in the escrow fund and apply such amounts first against any costs and expenses and then against the balance of the agreement, (3) enter the County's premises and take possession of the project, in whole or in part, (4) terminate the agreement and repossess the project and/or (5) pursue and exercise any other remedy available at law or in equity.

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

**NOTE 9: Commitments (Continued)**

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2021	Maturities to December 31, 2021
<u>Bonds</u>					
11/21/2016	6/1/2039	1.875 - 4.00%	\$ 17,280,000	\$ 9,195,000	\$ 8,085,000
<u>Direct Borrowings</u>					
10/24/2019	10/1/2039	3.25%	1,830,900	1,717,069	113,831
Total Long-Term Debt			<u>\$ 19,110,900</u>	<u>\$ 10,912,069</u>	<u>\$ 8,198,831</u>

Changes in Long-Term Debt

	Balance January 01, 2021	Issued	Retired	Balance December 31, 2021
Bonds payable	\$ 11,440,000	\$ 0	\$ 2,245,000	\$ 9,195,000
<u>Direct Borrowings</u>				
Installment Financing Agreement	1,761,289	0	44,220	1,717,069
Total Long-Term Debt	<u>\$ 13,201,289</u>	<u>\$ 0</u>	<u>\$ 2,289,220</u>	<u>\$ 10,912,069</u>

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 470,000	\$ 319,050	\$ 789,050	\$ 48,579	\$ 55,413	\$ 103,992
2023	485,000	304,950	789,950	49862	53,824	103,686
2024	500,000	290,400	790,400	54482	52,166	106,648
2025	515,000	275,400	790,400	59344	50,356	109,700
2026	540,000	254,800	794,800	64457	48,387	112,844
2027 through 2031	3,020,000	934,000	3,954,000	408613	206,183	614,796
2032 through 2036	3,625,000	343,455	3,968,455	581216	127,716	708,932
2037 through 2039	40,000	1,200	41,200	450516	26,262	476,778
Totals	<u>\$ 9,195,000</u>	<u>\$ 2,723,255</u>	<u>\$ 11,918,255</u>	<u>\$ 1,717,069</u>	<u>\$ 620,307</u>	<u>\$ 2,337,376</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on November 18, 2019, for a county-wide reappraisal. The County is obligated for sixty (60) monthly payments of \$6,864 for a total of \$411,840 beginning on January 20, 2020. Contract expense for 2021 was \$82,368.

HOWARD 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	\$ 82,368
2023	82,368
2024	82,368
Total	<u>\$ 247,104</u>

Construction Contracts

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

Project Name	Completed or Estimated Completion Date	Contract Balance December 31, 2021
Howard County Water Project	August 2022	<u>\$ 43,432</u>

**NOTE 10: Interfund Transfers**

The General Fund transferred \$3,550 to Other Funds in the Aggregate, Airport Commission to supplement operations and the Airport Commission transferred \$57,341 to the General Fund as a reimbursement for prior year expenditures. Other Funds in the Aggregate, County Recorder Cost, transferred \$55,467 to the General Fund for officer's fees.

**NOTE 11: Pledged Revenues**

The County pledged future one percent sales and use taxes to repay \$17,280,000 in sales and use tax refunding bonds that were issued in 2016 for the purpose of refunding 2007 sales and use bonds issued to provide funding for constructing and equipping a new hospital facility. Total principal and interest remaining on the bonds is \$9,195,000 and \$2,723,255, respectively, payable through June 1, 2037. For 2021, principle and interest paid was \$2,245,000 and \$364,791, respectively.

The Debt Service Fund received \$2,448,250 in sales taxes in 2021.

**NOTE 12: Joint Venture: Tri- County Regional Library**

Sevier, Little River and Howard Counties entered into an agreement on October 9, 2013, in accordance with Ark. Code Ann. § 13-2-401 to establish the Tri-County Regional Library System. The agreement states the Tri-County Regional Library System is governed by a six member board which is made up of two appointed representatives of each county library board. Each county library is to contribute .25 per capita per year from their one mill property tax fund for the operation of the Regional Library system. The Tri-County Regional Library system began operations in August 2014. Howard County made no payments to or on behalf of the Tri-County Regional Library System in 2021.

**NOTE 13: Jointly Governed Organizations**

Ninth West Judicial Drug Task Force

The Prosecuting Attorney of the Ninth West Judicial District, the Sheriffs' Departments of Sevier, Little River, Howard, and Pike Counties, and the Police Departments of De Queen, Ashdown, and Nashville entered into an agreement to establish the Ninth West Judicial Drug Task Force (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 federal and state grants in addition to contributions from participating entities. The County contributed \$2,500 to the Ninth West Judicial Drug Task Force in 2021. Separate financial statements are not available for the Ninth West Judicial Drug Task Force.

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

**NOTE 13: Jointly Governed Organizations (Continued)**

Upper Southwest Arkansas Regional Solid Waste Management District

The County paid the Upper Southwest Arkansas Regional Solid Waste Management District \$115,553 during 2021. The Upper Southwest Arkansas Regional Solid Waste Management District is a jointly governed organization comprised of representatives from Howard, Pike, Sevier, Little River, Hempstead, Lafayette, Montgomery, Nevada, and Polk Counties and participating cities within the aforementioned counties. Representatives are the respective county judges and mayors unless some other representative is appointed by the participating entity. Separate audited financial statements for the Upper Southwest Arkansas Regional Solid Waste Management District are available at [www.arklegaudit.gov](http://www.arklegaudit.gov).

**NOTE 14: 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 \$50,000,000 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.

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.

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

**NOTE 15: Arkansas Public Employees Retirement System**

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2021 (date of APERS Employer Allocation Report) were \$392,214.

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 \$985,697.

**NOTE 16: 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 2020, the County Received \$588,475 in federal aid from the Coronavirus Aid, Relief and Economic Securities (CARES) Act. The County was awarded \$2,564,334 in federal aid from the American Rescue Plan Act of 2021, and as of report date all of this amount had been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

**NOTE 17: Lease of Hospital Facilities**

Howard Memorial Hospital was operated as a County hospital through February 28, 1987. During 1986, members of the Board of Directors of Howard Memorial Hospital formed a 501(C)(3) not-for-profit corporation for the purpose of leasing the hospital from the County and operating it as a private concern. On February 16, 2010, Howard Memorial Hospital entered into a lease agreement with the County to lease the facilities for ten years for \$25 annually, and the lease was renewed on January 14, 2020, with the same terms and conditions.

**NOTE 18: Nashville/Howard County Airport Commission**

On July 18, 1997, the County entered into an interlocal agreement with the City of Nashville forming the Nashville/Howard County Airport Commission. The joint commission was not established in accordance with Ark. Code. Ann. §§ 14-362-104 – 14-362-131 (the Regional Airport Act), and they are acting in an advisory capacity. The County owns all real and personal property per the agreement. Accordingly, the County Airport Commission Fund is reflected in this report with other funds in the aggregate as a special revenue fund.

HOWARD 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
ASSETS							
Cash and cash equivalents	\$ 20,159	\$ 389,694	\$ 4,952	\$ 136,542	\$ 35,211	\$ (1,351)	\$ 115,107
Accounts receivable	22	386	459	1,213	38	597	6,686
<b>TOTAL ASSETS</b>	<b>\$ 20,181</b>	<b>\$ 390,080</b>	<b>\$ 5,411</b>	<b>\$ 137,755</b>	<b>\$ 35,249</b>	<b>\$ (754)</b>	<b>\$ 121,793</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable				\$ 164			
Settlements pending							
<b>Total Liabilities</b>				<b>164</b>			
Fund Balances:							
Restricted	\$ 20,181	\$ 390,080	\$ 5,411	137,591	\$ 35,249		\$ 121,793
Assigned							
Unassigned						\$ (754)	
<b>Total Fund Balances</b>	<b>20,181</b>	<b>390,080</b>	<b>5,411</b>	<b>137,591</b>	<b>35,249</b>	<b>(754)</b>	<b>121,793</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 20,181</b>	<b>\$ 390,080</b>	<b>\$ 5,411</b>	<b>\$ 137,755</b>	<b>\$ 35,249</b>	<b>\$ (754)</b>	<b>\$ 121,793</b>



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

Schedule 1

SPECIAL REVENUE FUNDS

	County Public Library	Solid Waste	Child Support Cost	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Victim/Witness
ASSETS							
Cash and cash equivalents	\$ 83,475	\$ 401,192	\$ 10,189	\$ 1,685,527	\$ 8,059	\$ 346,810	\$ 46,557
Accounts receivable	3,585	2,722	47	22,788	9	49,100	7,055
<b>TOTAL ASSETS</b>	<b>\$ 87,060</b>	<b>\$ 403,914</b>	<b>\$ 10,236</b>	<b>\$ 1,708,315</b>	<b>\$ 8,068</b>	<b>\$ 395,910</b>	<b>\$ 53,612</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,575	\$ 27,574		\$ 2,122		\$ 7,102	\$ 122
Settlements pending							
<b>Total Liabilities</b>	<b>1,575</b>	<b>27,574</b>		<b>2,122</b>		<b>7,102</b>	<b>122</b>
Fund Balances:							
Restricted	12,505	376,340	\$ 10,236	333,823	\$ 8,068	388,808	53,490
Assigned	72,980			1,372,370			
Unassigned							
<b>Total Fund Balances</b>	<b>85,485</b>	<b>376,340</b>	<b>10,236</b>	<b>1,706,193</b>	<b>8,068</b>	<b>388,808</b>	<b>53,490</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 87,060</b>	<b>\$ 403,914</b>	<b>\$ 10,236</b>	<b>\$ 1,708,315</b>	<b>\$ 8,068</b>	<b>\$ 395,910</b>	<b>\$ 53,612</b>

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

Schedule 1

SPECIAL REVENUE FUNDS

	Indigent Defense	Criminal Justice	County Airport Commission	Circuit Clerk Commissioner's Fee	American Rescue Plan Act	Law Library	Assessor's Late Assessment Fee
ASSETS							
Cash and cash equivalents	\$ 4,038	\$ 46,037	\$ 9,818	\$ 4,316	\$ 1,281,202	\$ 51,894	\$ 1,022
Accounts receivable	778	920		4		733	
TOTAL ASSETS	<u>\$ 4,816</u>	<u>\$ 46,957</u>	<u>\$ 9,818</u>	<u>\$ 4,320</u>	<u>\$ 1,281,202</u>	<u>\$ 52,627</u>	<u>\$ 1,022</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable						\$ 231	
Settlements pending							
Total Liabilities						<u>231</u>	
Fund Balances:							
Restricted	\$ 4,816	\$ 46,957		\$ 4,320	\$ 1,281,202	52,396	\$ 1,022
Assigned			\$ 9,818				
Unassigned							
Total Fund Balances	<u>4,816</u>	<u>46,957</u>	<u>9,818</u>	<u>4,320</u>	<u>1,281,202</u>	<u>52,396</u>	<u>1,022</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,816</u>	<u>\$ 46,957</u>	<u>\$ 9,818</u>	<u>\$ 4,320</u>	<u>\$ 1,281,202</u>	<u>\$ 52,627</u>	<u>\$ 1,022</u>

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

Schedule 1

SPECIAL REVENUE FUNDS

	Howard County Water Development Grant	County Fair Grant	County Airport Grant # 03-05- 0048-00-2020	Cossatot Community College Sales and Use Tax	Drug Court Program	Communication Facility and Equipment	Drug Enforcement
ASSETS							
Cash and cash equivalents	\$ 1	\$ 4,000	\$ 950		\$ 10,362	\$ 79,237	\$ 1,108
Accounts receivable	31,043			\$ 374	350	3,811	
<b>TOTAL ASSETS</b>	<b>\$ 31,044</b>	<b>\$ 4,000</b>	<b>\$ 950</b>	<b>\$ 374</b>	<b>\$ 10,712</b>	<b>\$ 83,048</b>	<b>\$ 1,108</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 31,043						
Settlements pending				\$ 374			
<b>Total Liabilities</b>	<b>31,043</b>			<b>374</b>			
Fund Balances:							
Restricted	1	\$ 4,000	\$ 950		\$ 10,712	\$ 83,048	\$ 1,108
Assigned							
Unassigned							
<b>Total Fund Balances</b>	<b>1</b>	<b>4,000</b>	<b>950</b>		<b>10,712</b>	<b>83,048</b>	<b>1,108</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 31,044</b>	<b>\$ 4,000</b>	<b>\$ 950</b>	<b>\$ 374</b>	<b>\$ 10,712</b>	<b>\$ 83,048</b>	<b>\$ 1,108</b>

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

Schedule 1

	DEBT SERVICE FUND	CUSTODIAL FUNDS					
	2016 Sales and Use Tax Refunding Bond Issue	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 772,455	\$ 18,127	\$ 40,424	\$ 36,641	\$ 1,652	\$ 30,007	\$ 5,675,414
Accounts receivable							132,720
<b>TOTAL ASSETS</b>	<b>\$ 772,455</b>	<b>\$ 18,127</b>	<b>\$ 40,424</b>	<b>\$ 36,641</b>	<b>\$ 1,652</b>	<b>\$ 30,007</b>	<b>\$ 5,808,134</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 69,933
Settlements pending		\$ 18,127	\$ 40,424	\$ 36,641	\$ 1,652	\$ 30,007	127,225
Total Liabilities		18,127	40,424	36,641	1,652	30,007	197,158
Fund Balances:							
Restricted	\$ 772,455						4,156,562
Assigned							1,455,168
Unassigned							(754)
Total Fund Balances	772,455						5,610,976
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 772,455</b>	<b>\$ 18,127</b>	<b>\$ 40,424</b>	<b>\$ 36,641</b>	<b>\$ 1,652</b>	<b>\$ 30,007</b>	<b>\$ 5,808,134</b>

HOWARD 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 Public Library	Solid Waste
REVENUES									
State aid					\$ 4,245			\$ 23,915	
Federal aid									
Property taxes								190,334	
Sales taxes									\$ 592,784
Fines, forfeitures, and costs			\$ 3,054	\$ 18,003					
Interest	\$ 206	\$ 3,507	123	1,352	346	\$ 1	\$ 1,436	583	2,708
Officers' fees						7,298	85,009		
Jail fees									
911 surcharge									
Phone commissions									
Sanitation fees									58,050
Airport revenue									
Treasurer's commission	13,068								
Collector's commission		33,995							
Other	893							6,545	10,585
<b>TOTAL REVENUES</b>	<b>14,167</b>	<b>37,502</b>	<b>3,177</b>	<b>19,355</b>	<b>4,591</b>	<b>7,299</b>	<b>86,445</b>	<b>221,377</b>	<b>664,127</b>
Less: Treasurer's commission		64	97	352		100	1,561	3,699	10,459
<b>NET REVENUES</b>	<b>14,167</b>	<b>37,438</b>	<b>3,080</b>	<b>19,003</b>	<b>4,591</b>	<b>7,199</b>	<b>84,884</b>	<b>217,678</b>	<b>653,668</b>
EXPENDITURES									
Current:									
General government	20,142					9,782	36,872		
Law enforcement			30,000	16,859					
Public safety									
Sanitation									495,879
Health									
Recreation and culture								217,286	
Airport									
Rural water									
<b>Total Current</b>	<b>20,142</b>		<b>30,000</b>	<b>16,859</b>		<b>9,782</b>	<b>36,872</b>	<b>217,286</b>	<b>495,879</b>
Debt Service:									
Bond principal									
Bond interest and other charges									
Installment contract principal								2,211	
Installment contract interest								2,844	
<b>TOTAL EXPENDITURES</b>	<b>20,142</b>		<b>30,000</b>	<b>16,859</b>		<b>9,782</b>	<b>36,872</b>	<b>222,341</b>	<b>495,879</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>									
<b>EXPENDITURES</b>	<b>(5,975)</b>	<b>37,438</b>	<b>(26,920)</b>	<b>2,144</b>	<b>4,591</b>	<b>(2,583)</b>	<b>48,012</b>	<b>(4,663)</b>	<b>157,789</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out							(55,467)		
Contribution to UACCC									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							<b>(55,467)</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)</b>									
<b>EXPENDITURES AND OTHER USES</b>	<b>(5,975)</b>	<b>37,438</b>	<b>(26,920)</b>	<b>2,144</b>	<b>4,591</b>	<b>(2,583)</b>	<b>(7,455)</b>	<b>(4,663)</b>	<b>157,789</b>
FUND BALANCES - JANUARY 1	26,156	352,642	32,331	135,447	30,658	1,829	129,248	90,148	218,551
FUND BALANCES - DECEMBER 31	\$ 20,181	\$ 390,080	\$ 5,411	\$ 137,591	\$ 35,249	\$ (754)	\$ 121,793	\$ 85,485	\$ 376,340

HOWARD 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								
	Child Support Cost	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Victim/Witness	Indigent Defense	Criminal Justice	County Airport Commission	Circuit Clerk Commissioner's Fee
REVENUES									
State aid			\$ 1,446			\$ 1,579		\$ 67,946	
Federal aid					\$ 84,171				
Property taxes									
Sales taxes		\$ 612,301							
Fines, forfeitures, and costs		29,070			6,038	8,155	\$ 9,178		
Interest	\$ 101	15,305	83	\$ 3,537		31	412		\$ 40
Officers' fees	259								530
Jail fees		263,795							
911 surcharge				338,739					
Phone commissions									
Sanitation fees									
Airport revenue								10,539	
Treasurer's commission									
Collector's commission									
Other		2,196		5,234	43,942				
<b>TOTAL REVENUES</b>	<b>360</b>	<b>922,667</b>	<b>1,529</b>	<b>347,510</b>	<b>134,151</b>	<b>9,765</b>	<b>9,590</b>	<b>78,485</b>	<b>570</b>
Less: Treasurer's commission	8	12,239		3,904			8		
<b>NET REVENUES</b>	<b>352</b>	<b>910,428</b>	<b>1,529</b>	<b>343,606</b>	<b>134,151</b>	<b>9,765</b>	<b>9,582</b>	<b>78,485</b>	<b>570</b>
EXPENDITURES									
Current:									
General government	206								
Law enforcement		701,421			117,985	6,464			
Public safety			1,399	227,199					
Sanitation									
Health									
Recreation and culture									
Airport								14,876	
Rural water									
<b>Total Current</b>	<b>206</b>	<b>701,421</b>	<b>1,399</b>	<b>227,199</b>	<b>117,985</b>	<b>6,464</b>		<b>14,876</b>	
Debt Service:									
Bond principal									
Bond interest and other charges									
Installment contract principal		11,055							
Installment contract interest		14,221							
<b>TOTAL EXPENDITURES</b>	<b>206</b>	<b>726,697</b>	<b>1,399</b>	<b>227,199</b>	<b>117,985</b>	<b>6,464</b>		<b>14,876</b>	
<b>EXCESS OF REVENUES OVER (UNDER)</b>									
<b>EXPENDITURES</b>	<b>146</b>	<b>183,731</b>	<b>130</b>	<b>116,407</b>	<b>16,166</b>	<b>3,301</b>	<b>9,582</b>	<b>63,609</b>	<b>570</b>
OTHER FINANCING SOURCES (USES)									
Transfers in								3,550	
Transfers out								(57,341)	
Contribution to UACCC									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								<b>(53,791)</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)</b>									
<b>EXPENDITURES AND OTHER USES</b>	<b>146</b>	<b>183,731</b>	<b>130</b>	<b>116,407</b>	<b>16,166</b>	<b>3,301</b>	<b>9,582</b>	<b>9,818</b>	<b>570</b>
FUND BALANCES - JANUARY 1	10,090	1,522,462	7,938	272,401	37,324	1,515	37,375		3,750
FUND BALANCES - DECEMBER 31	\$ 10,236	\$ 1,706,193	\$ 8,068	\$ 388,808	\$ 53,490	\$ 4,816	\$ 46,957	\$ 9,818	\$ 4,320

HOWARD 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							
	American Rescue Plan Act	Law Library	Assessor's Late Assessment Fee	Howard County Water Development Grant	County Fair Grant	Hospital Grant #790-09079	County Airport Grant # 03-05- 0048-00-2020	UAMS Broadband Grant
REVENUES								
State aid							\$ 30,588	\$ 75,000
Federal aid	\$ 1,282,167			\$ 184,268		\$ 153,775	208,367	
Property taxes			\$ 343					
Sales taxes								
Fines, forfeitures, and costs		\$ 6,995						
Interest	30	515						
Officers' fees								
Jail fees								
911 surcharge								
Phone commissions								
Sanitation fees								
Airport revenue								
Treasurer's commission								
Collector's commission								
Other		645						
TOTAL REVENUES	1,282,197	8,155	343	184,268		153,775	238,955	75,000
Less: Treasurer's commission		10						
NET REVENUES	1,282,197	8,145	343	184,268		153,775	238,955	75,000
EXPENDITURES								
Current:								
General government	995							75,000
Law enforcement		6,297						
Public safety								
Sanitation								
Health						153,775		
Recreation and culture								
Airport							249,252	
Rural water				184,268				
Total Current	995	6,297		184,268		153,775	249,252	75,000
Debt Service:								
Bond principal								
Bond interest and other charges								
Installment contract principal								
Installment contract interest								
TOTAL EXPENDITURES	995	6,297		184,268		153,775	249,252	75,000
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	1,281,202	1,848	343				(10,297)	
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Contribution to UACCC								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	1,281,202	1,848	343				(10,297)	
FUND BALANCES - JANUARY 1		50,548	679	1	4,000		11,247	
FUND BALANCES - DECEMBER 31	\$ 1,281,202	\$ 52,396	\$ 1,022	\$ 1	\$ 4,000	\$ 0	\$ 950	\$ 0

HOWARD 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				DEBT SERVICE FUND	
	Cossatot Community College Sales and Use Tax	Drug Court Program	Communication Facility and Equipment	Drug Enforcement	2016 Sales and Use Tax Refunding Bond Issue	Totals
REVENUES						
State aid						\$ 204,719
Federal aid						1,912,748
Property taxes						190,677
Sales taxes	\$ 612,300				\$ 2,448,250	4,265,635
Fines, forfeitures, and costs		\$ 3,400				83,893
Interest			\$ 771		75	31,162
Officers' fees			3,736			96,832
Jail fees						263,795
911 surcharge						338,739
Phone commissions			12,634			12,634
Sanitation fees						58,050
Airport revenue						10,539
Treasurer's commission						13,068
Collector's commission						33,995
Other			13,227			83,267
<b>TOTAL REVENUES</b>	<b>612,300</b>	<b>3,400</b>	<b>30,368</b>		<b>2,448,325</b>	<b>7,599,753</b>
Less: Treasurer's commission	9,825		0			42,326
<b>NET REVENUES</b>	<b>602,475</b>	<b>3,400</b>	<b>30,368</b>		<b>2,448,325</b>	<b>7,557,427</b>
EXPENDITURES						
Current:						
General government						142,997
Law enforcement		5,392	25,456			909,874
Public safety						228,598
Sanitation						495,879
Health						153,775
Recreation and culture						217,286
Airport						264,128
Rural water						184,268
Total Current		5,392	25,456			2,596,805
Debt Service:						
Bond principal					2,245,000	2,245,000
Bond interest and other charges					367,290	367,290
Installment contract principal						13,266
Installment contract interest						17,065
<b>TOTAL EXPENDITURES</b>		<b>5,392</b>	<b>25,456</b>		<b>2,612,290</b>	<b>5,239,426</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>602,475</b>	<b>(1,992)</b>	<b>4,912</b>		<b>(163,965)</b>	<b>2,318,001</b>
OTHER FINANCING SOURCES (USES)						
Transfers in						3,550
Transfers out						(112,808)
Contribution to UACCC	(602,475)					(602,475)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(602,475)</b>					<b>(711,733)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>		<b>(1,992)</b>	<b>4,912</b>		<b>(163,965)</b>	<b>1,606,268</b>
FUND BALANCES - JANUARY 1		12,704	78,136	\$ 1,108	936,420	4,004,708
FUND BALANCES - DECEMBER 31	\$ 0	\$ 10,712	\$ 83,048	\$ 1,108	\$ 772,455	\$ 5,610,976



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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Solid Waste	Established to receive 1/4 cent sales and use tax approved by Howard County Ordinance no. 85-5 (June 4, 1985) as approved by referendum on June 30, 1985, for the construction and maintenance of roads and to maintain and improve the sanitation system.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.

HOWARD 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>
Jail Operation and Maintenance	<p>Established to receive 1/4 cent sales tax approved by Howard County Ordinance no. 91-5 (June 17, 1991) as approved by referendum on August 27, 1991, to operate and maintain jail facilities for the County, including administrative, law enforcement and parking facilities.</p> <p>Howard County Ordinance no. 2009-12 (May 18, 2009) (pursuant to Ark. Code Ann § 16-17-129) levying an additional \$20 fee on traffic violations to be used to defray costs of incarcerating 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 of Class A misdemeanor to be used exclusively for the maintenance, operation and capital expenditures of a county jail or regional detention facility.</p>
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.
CMRS 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.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
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.
Criminal Justice	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to defray the cost of law enforcement.

HOWARD 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 Airport Commission	Established to account for revenue associated with the operation and maintenance of the county airport as allowed by Ark. Code Ann. § 14-358-101.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expense of the office of circuit clerk.
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. § 16-23-105 established fund to receive collections from the costs levied and to fund the law library expenditures.
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.
Howard County Water Development Grant	Established to receive grant funding for improvements to rural water systems.
County Fair Grant	Established to account for a grant received for the purpose of county fair improvements.
Hospital Grant #790-09079	Established to account for a grant received for Covid related purchases for the Hospital.
County Airport Grant # 03-05-0048-00-2020	Established to account for a grant received for improvements to the county airport.
UAMS Broadband Grant	Established to received grant funding for the purpose of providing a study to identify broadband gaps within the County.
Cossatot Community College Sales and Use Tax	Established to receive 1/4 cent sales tax approved by Howard County Ordinance no. 2001-16 (December 18, 2001) as approved by referendum on March 13, 2002, for the purpose of operating and maintaining college facilities.

HOWARD 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>
Drug Court Program	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.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
Drug Enforcement	Established by Howard County Ordinance no. 2001-2 (January 17, 2001) as provided by Ark. Code Ann. §§ 14-21-201 - 14-21-204 to be used for direct expenses associated with the investigation of criminal drug laws.
2016 Sales and Use Tax Refunding Bond Issue	Established pursuant to Howard County Ordinance no. 2016-14 (November 21, 2016) to receive sales and use tax monies approved by referendum on May 17, 2007, to be used for the payment of principal, interest and fees for the refunding of the 2007 sales and use tax bond issue for the purpose of servicing bond debt incurred with the construction of a new hospital facility.

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.

County Clerk's accounts consist primarily of fee money to be settled with the treasurer.

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

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

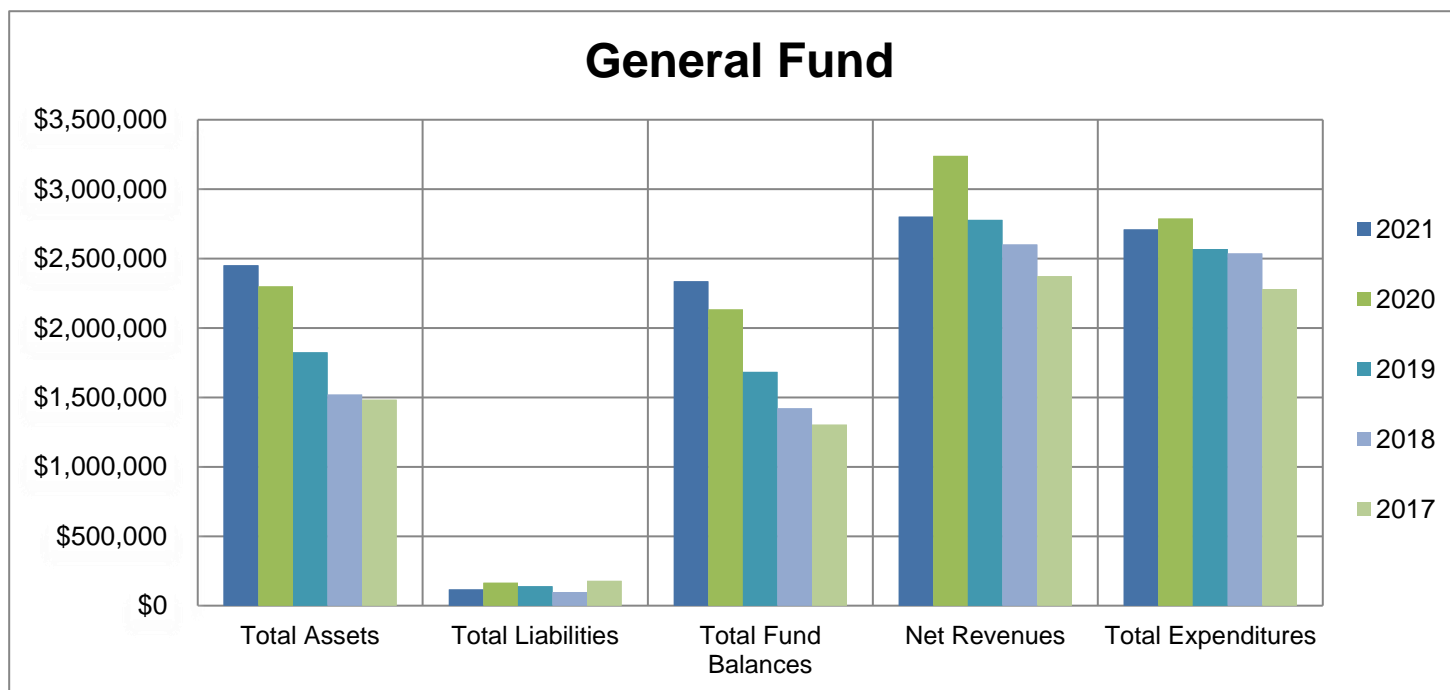
Schedule 3

	December 31, 2021
Land and buildings	\$ 25,031,430
Improvements	1,138,369
Equipment	<u>6,410,365</u>
Total	<u><u>\$ 32,580,164</u></u>

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

Schedule 4-1

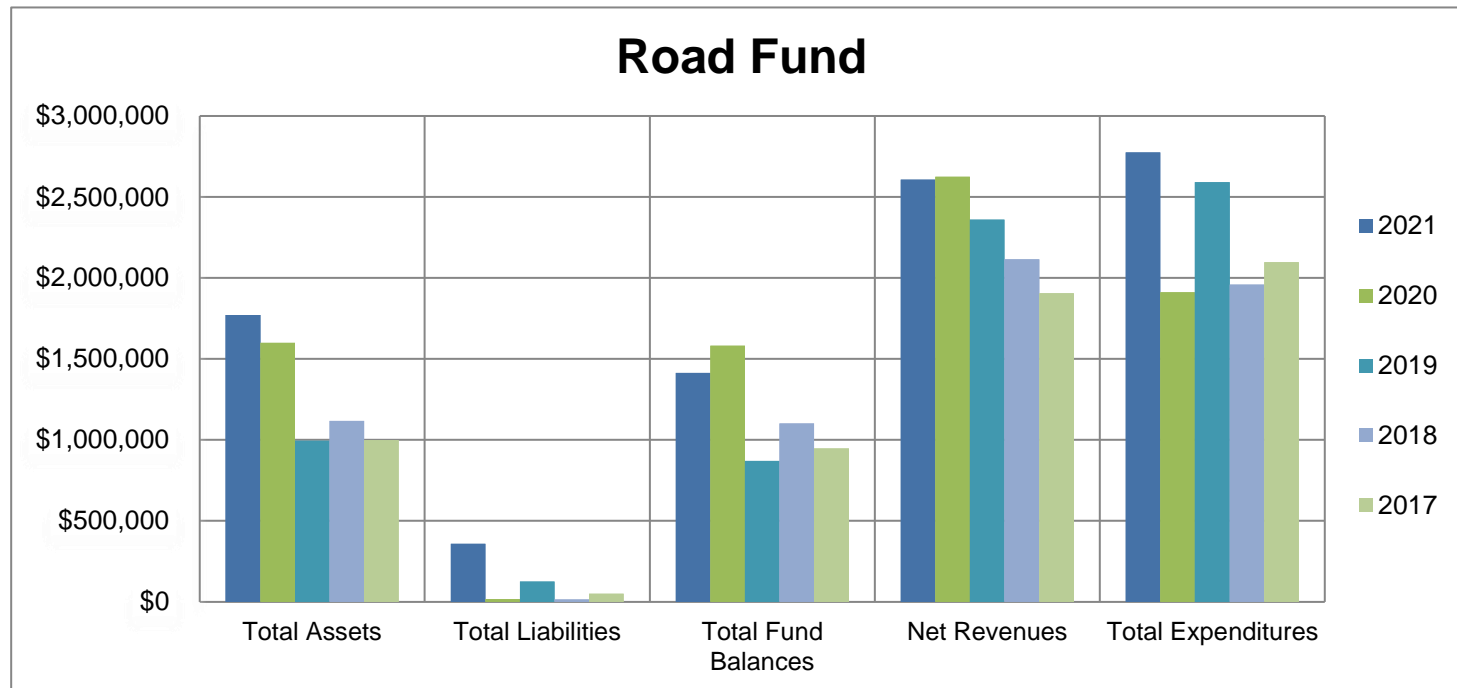
<b>General</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Total Assets	\$ 2,451,629	\$ 2,299,870	\$ 1,823,436	\$ 1,519,263	\$ 1,483,897
Total Liabilities	115,455	165,727	139,595	98,662	179,539
Total Fund Balances	2,336,174	2,134,143	1,683,841	1,420,601	1,304,358
Net Revenues	2,802,534	3,240,143	2,779,202	2,600,266	2,373,172
Total Expenditures	2,709,761	2,787,215	2,567,845	2,536,117	2,280,775
Total Other Financing Sources/Uses	109,258	(2,626)	51,883	52,094	53,992



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

Schedule 4-2

<b>Road</b>	2021	2020	2019	2018	2017
Total Assets	\$ 1,771,874	\$ 1,598,738	\$ 995,213	\$ 1,117,021	\$ 997,880
Total Liabilities	358,946	16,212	125,631	15,563	50,868
Total Fund Balances	1,412,928	1,582,526	869,582	1,101,458	947,012
Net Revenues	2,606,159	2,624,199	2,359,624	2,114,245	1,906,281
Total Expenditures	2,775,757	1,911,255	2,591,500	1,959,799	2,097,149



HOWARD 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

<b><u>Other Funds in the Aggregate</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Total Assets	\$ 5,808,134	\$ 4,180,142	\$ 4,305,775	\$ 3,972,871	\$ 3,767,579
Total Liabilities	197,158	175,434	605,551	292,760	282,850
Total Fund Balances	5,610,976	4,004,708	3,700,224	3,680,111	3,484,729
Net Revenues	7,557,427	5,641,682	4,628,123	4,769,836	4,904,884
Total Expenditures	5,239,426	4,846,449	5,900,315	3,998,800	3,685,066
Total Other Financing Sources/Uses	(711,733)	(558,665)	1,292,305	(575,654)	(545,487)

