

Lawrence County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



LAWRENCE COUNTY, ARKANSAS
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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

Independent Auditor's Report

Lawrence 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 Lawrence 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, 2022, 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 Lawrence County, Arkansas, as of December 31, 2022; 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 Lawrence County, Arkansas, as of December 31, 2022, 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 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.

Emphases of Matter

As discussed in Note 1 to the financial statements, in 2022 the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

As discussed in Note 1 to the financial statements, the County would have included another fund under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, this fund is not required to be included as part of the reporting entity. Our opinions are not modified with respect to this matter.

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 January 18, 2024, 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
January 18, 2024
LOCO03822

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

Lawrence 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 Lawrence County, Arkansas (County), as of and for the year ended December 31, 2022, 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 January 18, 2024. 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 January 18, 2024.

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
January 18, 2024

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

Lawrence 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 2022:

County Judge: John Thomison
Treasurer: Connie Mullen
Sheriff: Jeff Yates
Tax Collector: Stephanie Harris
County Clerk: Tina Stowers
Circuit Clerk: Michelle Evans
Assessor: Becky Holder
County Librarian: Ashley Burris
District Court Clerk: Jamie Hill

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
January 18, 2024

LAWRENCE COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2022

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,421,000	\$ 1,019,120	\$ 3,620,235
Accounts receivable	113,921	6,747	29,700
	<u>2,534,921</u>	<u>1,025,867</u>	<u>3,649,935</u>
TOTAL ASSETS	<u>\$ 2,534,921</u>	<u>\$ 1,025,867</u>	<u>\$ 3,649,935</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 102,583	\$ 40,692	\$ 56,747
Settlements pending	909	525	568,395
Total Liabilities	<u>103,492</u>	<u>41,217</u>	<u>625,142</u>
Fund Balances:			
Restricted		575,950	2,985,782
Assigned		408,700	41,345
Unassigned	2,431,429		(2,334)
Total Fund Balances	<u>2,431,429</u>	<u>984,650</u>	<u>3,024,793</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,534,921</u>	<u>\$ 1,025,867</u>	<u>\$ 3,649,935</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 687,889	\$ 1,612,427	\$ 272,787
Federal aid	82,855		1,646,026
Property taxes	1,127,184	332,750	420,964
Sales taxes	1,257,207		3,771,620
Fines, forfeitures, and costs	238,403		83,243
Interest	2,003	1,307	5,268
Officers' fees	40,510		125,343
Jail fees	137,514		65,051
Emergency 911 fees			418,565
Treasurer's commission	105,960		15,191
Collector's commission	163,976		43,268
Taxes apportioned - Assessor's salary and expense	313,992		
Other	411,978	34,815	12,610
TOTAL REVENUES	4,569,471	1,981,299	6,879,936
Less: Treasurer's commission	50,139	30,807	18,029
NET REVENUES	4,519,332	1,950,492	6,861,907
EXPENDITURES			
Current:			
General government	1,637,017		515,604
Law enforcement	2,055,828		1,469,007
Highways and streets		1,775,948	73,193
Public safety	61,379		459,400
Health	50,953		
Recreation and culture	3,000		496,651
Social services	104,284		2,403
Total Current	3,912,461	1,775,948	3,016,258
Debt Service:			
Bond principal			1,285,000
Bond interest and other charges			208,364
Financed purchase principal	52,076	18,483	39,070
Financed purchase interest	4,396	93	
TOTAL EXPENDITURES	3,968,933	1,794,524	4,548,692

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 550,399	\$ 155,968	\$ 2,313,215
OTHER FINANCING SOURCES (USES)			
Transfers in			89,099
Transfers out	(89,099)		
Sales tax remitted to Lawrence Memorial Hospital			(2,514,413)
TOTAL OTHER FINANCING SOURCES (USES)	(89,099)		(2,425,314)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	461,300	155,968	(112,099)
FUND BALANCES - JANUARY 1	1,970,129	828,682	3,136,892
FUND BALANCES - DECEMBER 31	\$ 2,431,429	\$ 984,650	\$ 3,024,793

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 518,000	\$ 687,889	\$ 169,889	\$ 1,473,000	\$ 1,612,427	\$ 139,427
Federal aid	548,600	82,855	(465,745)			
Property taxes	1,012,600	1,127,184	114,584	289,000	332,750	43,750
Sales taxes	1,050,000	1,257,207	207,207			
Fines, forfeitures, and costs	284,400	238,403	(45,997)			
Interest	1,050	2,003	953	400	1,307	907
Officers' fees	23,500	40,510	17,010			
Jail fees	135,500	137,514	2,014			
Treasurer's commission	90,000	105,960	15,960			
Collector's commission	380,000	163,976	(216,024)			
Taxes apportioned - Assessor's salary and expense	215,000	313,992	98,992			
Other	265,600	411,978	146,378	2,300	34,815	32,515
TOTAL REVENUES	4,524,250	4,569,471	45,221	1,764,700	1,981,299	216,599
Less: Treasurer's commission		50,139	(50,139)		30,807	(30,807)
NET REVENUES	4,524,250	4,519,332	(4,918)	1,764,700	1,950,492	185,792
EXPENDITURES						
Current:						
General government	1,679,924	1,637,017	42,907			
Law enforcement	2,848,986	2,055,828	793,158			
Highways and streets				1,891,076	1,775,948	115,128
Public safety	65,250	61,379	3,871			
Health	50,953	50,953	0			
Recreation and culture	4,000	3,000	1,000			
Social services	122,919	104,284	18,635			
Total Current	4,772,032	3,912,461	859,571	1,891,076	1,775,948	115,128
Debt Service:						
Financed purchase principal	50,939	52,076	(1,137)	35,610	18,483	17,127
Financed purchase interest	4,100	4,396	(296)	1895	93	1,802
TOTAL EXPENDITURES	4,827,071	3,968,933	858,138	1,928,581	1,794,524	134,057

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (302,821)</u>	<u>\$ 550,399</u>	<u>\$ 853,220</u>	<u>\$ (163,881)</u>	<u>\$ 155,968</u>	<u>\$ 319,849</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(3,500)</u>	<u>(89,099)</u>	<u>(85,599)</u>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(306,321)	461,300	767,621	(163,881)	155,968	319,849
FUND BALANCES - JANUARY 1	<u>2,064,180</u>	<u>1,970,129</u>	<u>(94,051)</u>	<u>841,500</u>	<u>828,682</u>	<u>(12,818)</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 1,757,859</u></u>	<u><u>\$ 2,431,429</u></u>	<u><u>\$ 673,570</u></u>	<u><u>\$ 677,619</u></u>	<u><u>\$ 984,650</u></u>	<u><u>\$ 307,031</u></u>

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

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following fund of the County would have been included in the reporting entity: Lawrence Memorial Hospital. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

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 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.

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

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1: Summary of Significant Accounting Policies

B. Basis of Presentation – Regulatory (Continued)

Other Funds in the Aggregate (Continued)

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.

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.

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, and tax settlements that have not been transferred to the appropriate entities.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1: Summary of Significant Accounting Policies

D. Assets, Liabilities, and Fund Balances (Continued)

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.

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 except for the account, Road Fund, and the other operating funds except for the Court Security Grant and Coronavirus Emergency Supplemental Funding Grant 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.

There were no committed fund balances at year-end.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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)	\$ 1,091,103	\$ 1,096,866
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	5,968,502	6,823,308
Total Deposits	<u>\$ 7,059,605</u>	<u>\$ 7,920,174</u>

The above total deposits do not include cash on hand of \$750.

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, 2022, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Federal aid	\$ 3,669		
Property taxes	14,359	\$ 2,581	\$ 3,726
Fines, forfeitures, and costs	14,959		6,100
Interest	138		
Officers' fees	2,705		10,151
Jail fees	1,365		7,163
Emergency 911 fees			2,289
Taxes apportioned - Assessor's salary and expense	13,372		
Other	63,354	4,166	271
Totals	<u>\$ 113,921</u>	<u>\$ 6,747</u>	<u>\$ 29,700</u>

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2022, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 76,562	\$ 34,103	\$ 48,264
Payroll taxes payable	26,021	6,589	8,483
Totals	<u>\$ 102,583</u>	<u>\$ 40,692</u>	<u>\$ 56,747</u>

NOTE 6: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,088,187
Law enforcement			710,971
Highways and streets		\$ 575,950	
Public safety			283,050
Recreation and culture			388,976
Debt service			514,598
Total Restricted		<u>575,950</u>	<u>2,985,782</u>
Assigned to:			
General government			4,227
Law enforcement			10,399
Highways and streets		408,700	
Public safety			26,719
Total Assigned		<u>408,700</u>	<u>41,345</u>
Unassigned	<u>\$ 2,431,429</u>		<u>(2,334)</u>
Totals	<u>\$ 2,431,429</u>	<u>\$ 984,650</u>	<u>\$ 3,024,793</u>

NOTE 7: Deficit Fund Balances

The following funds have deficit fund balances as of December 31, 2022:

	December 31, 2022
Other Funds in the Aggregate:	
Special Revenue Funds:	
Public Defender	\$ (1,857)
Drug Court Grant	(477)
Total	<u>\$ (2,334)</u>

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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, 2022, the legal debt limit for bonded debt was \$20,570,566. 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, 2022, the legal debt limit for short-term financing obligations was \$6,365,043. The amount of short-term financing obligations was \$206,267 leaving a legal debt margin of \$6,158,776.

NOTE 9: Commitments

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

	December 31, 2022
Long-term liabilities	\$ 5,412,797
Leases	688,257
Reappraisal contract	<u>22,428</u>
Total Commitments	<u>\$ 6,123,482</u>

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9: Commitments (Continued)

Long-term Liabilities

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

	December 31, 2022
<u>Bonds</u>	
Lawrence County Sales and Use Tax Bonds, Series 2016, dated March 1, 2016, in the amount of \$9,045,000, due in semi-annual installments of \$280,000 - \$585,000 plus interest through June 1, 2034; interest at 2-3.75%. Payments are to be made from the Lawrence County Sales and Use Tax bonds, Series 2016 Debt Service Fund.	\$ 5,095,000
<u>Direct Borrowings</u>	
Financed-purchase agreement dated March 21, 2020, with Ally Financial in the amount of \$51,830, for purchase of two Dodge Ram 1500 crew cab trucks, with monthly installments of \$1,553 for 36 months at 5.29% interest. Payments are to be made from the General Fund.	4,619
Financed-purchase agreement dated January 27, 2021, with First National Bank of Lawrence County in the amount of \$85,300 for the purchase of land, with monthly installments of \$1,542 for 60 months at 3.25% interest. Payments are to be made from the General Fund.	54,157
Financed-purchase agreement dated June 16, 2021, with Santander Bank in the amount of \$58,678, for the purchase of two Dodge Ram 2500 crew cab trucks, with monthly installments of \$1,740 for 36 months at 4.29% interest. Payments are to be made from the General Fund.	30,281
Financed-purchase agreement dated September 23, 2021, with AT&T in the amount of \$195,359 for the purchase of a Vesta 911 System, with annual installments of \$39,070 for five years with no interest. Payments are to be made from Emergency 911 Fund.	117,210
Total Direct Borrowings	206,267
Arkansas District Judge's Retirement unfunded pension liability	76,328
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	35,202
Total Long-term liabilities	\$ 5,412,797

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 \$5,095,000 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.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9: Commitments (Continued)

Long-term Liabilities (Continued)

The County's outstanding notes from direct borrowings of \$206,267 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Long-Term Debt Issued and Outstanding

<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Rate of Interest</u>	<u>Amount Authorized and Issued</u>	<u>Debt Outstanding December 31, 2022</u>	<u>Maturities to December 31, 2022</u>
<u>Bonds</u>					
3/1/16	6/1/34	2.00-3.75%	\$ 9,045,000	\$ 5,095,000	\$ 3,950,000
<u>Direct Borrowings</u>					
3/21/20	3/21/23	5.29%	51,830	4,619	47,211
1/27/21	1/27/26	3.25%	85,300	54,157	31,143
6/16/21	6/16/24	4.29%	58,678	30,281	28,397
9/23/21	9/23/25	0.00%	195,350	117,210	78,140
Total Direct Borrowings			391,158	206,267	184,891
Total Long-Term Debt			\$ 9,436,158	\$ 5,301,267	\$ 4,134,891

Changes in Long-Term Debt

	<u>Balance January 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2022</u>
Bonds payable	\$ 6,380,000	\$ 0	\$ 1,285,000	\$ 5,095,000
<u>Direct Borrowings</u>				
Financed purchases	315,896	0	109,629	206,267
Total Long-Term Debt	\$ 6,695,896	\$ 0	\$ 1,394,629	\$ 5,301,267

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 390,000	\$ 151,213	\$ 541,213	\$ 80,655	\$ 2,461	\$ 83,116
2024	400,000	142,222	542,222	66,934	1,082	68,016
2025	410,000	132,295	542,295	57,206	370	57,576
2026	420,000	121,502	541,502	1,472	4	1,476
2027	430,000	109,219	539,219			
2028 through 2032	2,375,000	330,063	2,705,063			
2033 through 2034	670,000	18,187	688,187			
Totals	<u>\$ 5,095,000</u>	<u>\$ 1,004,701</u>	<u>\$ 6,099,701</u>	<u>\$ 206,267</u>	<u>\$ 3,917</u>	<u>\$ 210,184</u>

Leases

The County entered into a lease agreement for two Western Star Dump Trucks on March 19, 2021. Terms of the lease are monthly rental payments of \$3,423 for 36 months. At the end of the lease term, the County will return the dump trucks or enter into another agreement.

The County entered into a lease agreement for a Western Star Dump Truck on January 7, 2022. Terms of the lease are monthly rental payments of \$1,712 for 36 months. At the end of the lease term, the County will return the dump trucks or enter into another agreement.

The County entered into a lease agreement for two Caterpillar Motor Graders on February 25, 2022. Terms of the lease are monthly rental payments of \$4,828 for 60 months. At the end of the lease term, the County will return the motor graders or enter into another agreement.

The County entered into a lease agreement for two Caterpillar Motor Graders on October 24, 2022. Terms of the lease are monthly rental payments of \$5,875 for 60 months. At the end of the lease term, the County will return the motor graders or enter into another agreement.

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

Year	December 31, 2022
2023	\$ 190,052
2024	172,935
2025	128,433
2026	128,433
2027	68,404
Total	<u>\$ 688,257</u>

Lease expense for 2022, was \$209,422.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9: Commitments (Continued)

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Services, Inc. on December 10, 2018, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$1,725 for a total of \$103,512 beginning January 1, 2019. Contract expense for 2022, was \$20,703.

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

Year	December 31, 2022
2023	\$ 20,703
2024	1,725
Total	<u>\$ 22,428</u>

NOTE 10: Interfund Transfers

The General Fund transferred \$89,099 to the Other Funds in the Aggregate (\$23,500 to Public Defender, \$266 to Comprehensive Opioid Abuse Site-Based Program Grant, and \$65,333 to Reappraisal Cost) for operations.

NOTE 11: Pledged Revenues

The County pledged future .5% sales and use taxes to repay \$9,045,000 in bonds that were issued in 2016 to provide funding for acquiring, constructing, equipping, and furnishing new jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$5,095,000 and \$1,004,701, respectively, payable through June 1, 2035. For 2022, principal and interest and other charges paid were \$1,285,000 and \$208,364, respectively.

The Debt Service Fund received \$942,905 in sales taxes in 2022. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for the early retirement of the bonds until it is repaid.

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.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 12: Risk Management (Continued)

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.

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. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.25% as of July 1, 2022. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2022, (date of APERS Employer Allocation Report) were \$534,706.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2022, (actuarial valuation date and measurement date) was \$4,502,278.

LAWRENCE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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). In 2021, the County was awarded \$3,186,673 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$3,186,673 of this amount has been received. In 2022, the County was awarded \$100,000 in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. In 2022, the County received funds in the amount of \$50,000. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

LAWRENCE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2022

Schedule 1

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Reappraisal Cost	Child Support Cost
ASSETS									
Cash and cash equivalents	\$ 32,442	\$ 122,061	\$ 41,054	\$ 13,585	\$ 20,836	\$ 136,834	\$ 405,183	\$ 9,159	\$ 7,606
Accounts receivable			50		695	8,924	3,956	9	
TOTAL ASSETS	<u>\$ 32,442</u>	<u>\$ 122,061</u>	<u>\$ 41,104</u>	<u>\$ 13,585</u>	<u>\$ 21,531</u>	<u>\$ 145,758</u>	<u>\$ 409,139</u>	<u>\$ 9,168</u>	<u>\$ 7,606</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 2,072				\$ 1,287	\$ 19,492	\$ 2,274	
Settlements pending							671	2,667	
Total Liabilities		<u>2,072</u>				<u>1,287</u>	<u>20,163</u>	<u>4,941</u>	
Fund Balances:									
Restricted	\$ 32,442	119,989	\$ 41,104	\$ 13,585	\$ 21,531	144,471	388,976		\$ 7,606
Assigned								4,227	
Unassigned									
Total Fund Balances	<u>32,442</u>	<u>119,989</u>	<u>41,104</u>	<u>13,585</u>	<u>21,531</u>	<u>144,471</u>	<u>388,976</u>	<u>4,227</u>	<u>7,606</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 32,442</u>	<u>\$ 122,061</u>	<u>\$ 41,104</u>	<u>\$ 13,585</u>	<u>\$ 21,531</u>	<u>\$ 145,758</u>	<u>\$ 409,139</u>	<u>\$ 9,168</u>	<u>\$ 7,606</u>

LAWRENCE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2022

Schedule 1

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Maintenance	Jail Booking and Administration	Boating Safety and Enforcement	Emergency 911	Public Defender	Adult Drug Court	Juvenile Probation	Circuit Clerk Commissioner's Fee
ASSETS									
Cash and cash equivalents	\$ 22,186	\$ 79,499	\$ 3,679	\$ 144	\$ 314,122	\$ 1,836	\$ 18,641	\$ 35,391	\$ 4,392
Accounts receivable		5,573	36		2,289	306		135	
TOTAL ASSETS	<u>\$ 22,186</u>	<u>\$ 85,072</u>	<u>\$ 3,715</u>	<u>\$ 144</u>	<u>\$ 316,411</u>	<u>\$ 2,142</u>	<u>\$ 18,641</u>	<u>\$ 35,526</u>	<u>\$ 4,392</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 777			\$ 6,642	\$ 3,999	\$ 8		
Settlements pending									
Total Liabilities		<u>777</u>			<u>6,642</u>	<u>3,999</u>	<u>8</u>		
Fund Balances:									
Restricted	\$ 22,186	74,040	\$ 3,715		283,050		18,633	\$ 35,526	\$ 4,392
Assigned		10,255		\$ 144	26,719				
Unassigned						(1,857)			
Total Fund Balances	<u>22,186</u>	<u>84,295</u>	<u>3,715</u>	<u>144</u>	<u>309,769</u>	<u>(1,857)</u>	<u>18,633</u>	<u>35,526</u>	<u>4,392</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,186</u>	<u>\$ 85,072</u>	<u>\$ 3,715</u>	<u>\$ 144</u>	<u>\$ 316,411</u>	<u>\$ 2,142</u>	<u>\$ 18,641</u>	<u>\$ 35,526</u>	<u>\$ 4,392</u>

LAWRENCE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2022

Schedule 1

SPECIAL REVENUE FUNDS

	Assessor's Late Assessment Fee	American Rescue Plan Act	Jail Operation and Maintenance Sales Tax	Block Grant	Rails to Trails	Court Security Grant	Lead and Seed Grant	Peers Achieving Collaborative Treatment Grant	Juvenile Officer Grant
ASSETS									
Cash and cash equivalents	\$ 486	\$ 700,652	\$ 448,026	\$ 3,000	\$ 1,897	\$ 9,834	\$ 178	\$ 1,057	\$ 5,926
Accounts receivable	32								
TOTAL ASSETS	<u>\$ 518</u>	<u>\$ 700,652</u>	<u>\$ 448,026</u>	<u>\$ 3,000</u>	<u>\$ 1,897</u>	<u>\$ 9,834</u>	<u>\$ 178</u>	<u>\$ 1,057</u>	<u>\$ 5,926</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 16,474	\$ 3,000				\$ 690	\$ 32
Settlements pending									
Total Liabilities			<u>16,474</u>	<u>3,000</u>				<u>690</u>	<u>32</u>
Fund Balances:									
Restricted	\$ 518	\$ 700,652	431,552		\$ 1,897	\$ 9,834	\$ 178	367	5,894
Assigned									
Unassigned									
Total Fund Balances	<u>518</u>	<u>700,652</u>	<u>431,552</u>		<u>1,897</u>	<u>9,834</u>	<u>178</u>	<u>367</u>	<u>5,894</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 518</u>	<u>\$ 700,652</u>	<u>\$ 448,026</u>	<u>\$ 3,000</u>	<u>\$ 1,897</u>	<u>\$ 9,834</u>	<u>\$ 178</u>	<u>\$ 1,057</u>	<u>\$ 5,926</u>

LAWRENCE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2022

Schedule 1

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUND	CUSTODIAL FUNDS						
	Drug Court Grant	Communication Facility and Equipment	Lawrence County Sales and Use Tax Bonds, Series 2016	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS										
Cash and cash equivalents	\$ (477)	\$ 101,351	\$ 514,598	\$ 38,485	\$ 87,410	\$ 185,470	\$ 24,040	\$ 137,451	\$ 92,201	\$ 3,620,235
Accounts receivable		7,695								29,700
TOTAL ASSETS	<u>\$ (477)</u>	<u>\$ 109,046</u>	<u>\$ 514,598</u>	<u>\$ 38,485</u>	<u>\$ 87,410</u>	<u>\$ 185,470</u>	<u>\$ 24,040</u>	<u>\$ 137,451</u>	<u>\$ 92,201</u>	<u>\$ 3,649,935</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable										\$ 56,747
Settlements pending				\$ 38,485	\$ 87,410	\$ 185,470	\$ 24,040	\$ 137,451	\$ 92,201	568,395
Total Liabilities				<u>38,485</u>	<u>87,410</u>	<u>185,470</u>	<u>24,040</u>	<u>137,451</u>	<u>92,201</u>	<u>625,142</u>
Fund Balances:										
Restricted		\$ 109,046	\$ 514,598							2,985,782
Assigned										41,345
Unassigned	\$ (477)									(2,334)
Total Fund Balances	<u>(477)</u>	<u>109,046</u>	<u>514,598</u>							<u>3,024,793</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ (477)</u>	<u>\$ 109,046</u>	<u>\$ 514,598</u>	<u>\$ 38,485</u>	<u>\$ 87,410</u>	<u>\$ 185,470</u>	<u>\$ 24,040</u>	<u>\$ 137,451</u>	<u>\$ 92,201</u>	<u>\$ 3,649,935</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Reappraisal Cost	Child Support Cost
REVENUES									
State aid				\$ 5,507			\$ 102,241	\$ 115,934	
Federal aid									
Property taxes							420,360		
Sales taxes									
Fines, forfeitures, and costs			\$ 1,827						
Interest	\$ 44	\$ 100	47	17	\$ 22	\$ 158	467		\$ 9
Officers' fees					9,371	110,481			576
Jail fees									
Emergency 911 fees									
Treasurer's commission	15,191								
Collector's commission		43,268							
Other	48						10,209	68	
TOTAL REVENUES	15,283	43,368	1,874	5,524	9,393	110,639	533,277	116,002	585
Less: Treasurer's commission		1	31	88	148	1,769	8,055		9
NET REVENUES	15,283	43,367	1,843	5,436	9,245	108,870	525,222	116,002	576
EXPENDITURES									
Current:									
General government	24,083	31,533		15,973	1,364	107,291		181,326	
Law enforcement									
Highways and streets									
Public safety									
Recreation and culture							468,075		
Social services									
Total Current	24,083	31,533		15,973	1,364	107,291	468,075	181,326	
Debt Service:									
Bond principal									
Bond interest and other charges									
Financed purchase principal									
TOTAL EXPENDITURES	24,083	31,533		15,973	1,364	107,291	468,075	181,326	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,800)	11,834	1,843	(10,537)	7,881	1,579	57,147	(65,324)	576
OTHER FINANCING SOURCES (USES)									
Transfers in								65,333	
Sales tax remitted to Lawrence Memorial Hospital									
TOTAL OTHER FINANCING SOURCES (USES)								65,333	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(8,800)	11,834	1,843	(10,537)	7,881	1,579	57,147	9	576
FUND BALANCES - JANUARY 1	41,242	108,155	39,261	24,122	13,650	142,892	331,829	4,218	7,030
FUND BALANCES - DECEMBER 31	\$ 32,442	\$ 119,989	\$ 41,104	\$ 13,585	\$ 21,531	\$ 144,471	\$ 388,976	\$ 4,227	\$ 7,606

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Maintenance	Jail Booking and Administration	Boating Safety and Enforcement	Emergency 911	Public Defender	Adult Drug Court	Juvenile Probation	Circuit Clerk Commissioner's Fee
REVENUES									
State aid				\$ 1,154					
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 62,651	\$ 3,528			\$ 5,147	\$ 3,675	\$ 6,415	
Interest	\$ 23	79	3	1	\$ 214	3	21	39	\$ 4
Officers' fees									195
Jail fees									
Emergency 911 fees					418,565				
Treasurer's commission									
Collector's commission									
Other		471			624				
TOTAL REVENUES	23	63,201	3,531	1,155	419,403	5,150	3,696	6,454	199
Less: Treasurer's commission		996	59	19	6,651	82		113	3
NET REVENUES	23	62,205	3,472	1,136	412,752	5,068	3,696	6,341	196
EXPENDITURES									
Current:									
General government									
Law enforcement		39,590	1,510	1,481		35,427	1,512		
Highways and streets									
Public safety					263,712				
Recreation and culture									
Social services									
Total Current		39,590	1,510	1,481	263,712	35,427	1,512		
Debt Service:									
Bond principal									
Bond interest and other charges									
Financed purchase principal					39,070				
TOTAL EXPENDITURES		39,590	1,510	1,481	302,782	35,427	1,512		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	23	22,615	1,962	(345)	109,970	(30,359)	2,184	6,341	196
OTHER FINANCING SOURCES (USES)									
Transfers in						23,500			
Sales tax remitted to Lawrence Memorial Hospital									
TOTAL OTHER FINANCING SOURCES (USES)						23,500			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	23	22,615	1,962	(345)	109,970	(6,859)	2,184	6,341	196
FUND BALANCES - JANUARY 1	22,163	61,680	1,753	489	199,799	5,002	16,449	29,185	4,196
FUND BALANCES - DECEMBER 31	\$ 22,186	\$ 84,295	\$ 3,715	\$ 144	\$ 309,769	\$ (1,857)	\$ 18,633	\$ 35,526	\$ 4,392

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Assessor's Late Assessment Fee	American Rescue Plan Act	Jail Operation and Maintenance Sales Tax	Block Grant	Rails to Trails	Court Security Grant	Lead and Seed Grant	Peers Achieving Collaborative Treatment Grant	Coronavirus Emergency Supplemental Funding Grant
REVENUES									
State aid						\$ 19,987			
Federal aid		\$ 1,593,337		\$ 3,000				\$ 49,689	
Property taxes	\$ 604								
Sales taxes			\$ 314,302						
Fines, forfeitures, and costs									
Interest	1	1,539	537						
Officers' fees									
Jail fees									
Emergency 911 fees									
Treasurer's commission									
Collector's commission									
Other			190						
TOTAL REVENUES	605	1,594,876	315,029	3,000		19,987		49,689	
Less: Treasurer's commission	5								
NET REVENUES	600	1,594,876	315,029	3,000		19,987		49,689	
EXPENDITURES									
Current:									
General government	1,794	152,240							
Law enforcement		829,094	382,006	3,000		19,987		49,925	\$ 2,752
Highways and streets		73,193							
Public safety		195,688							
Recreation and culture		27,722							
Social services		2,403							
Total Current	1,794	1,280,340	382,006	3,000		19,987		49,925	2,752
Debt Service:									
Bond principal									
Bond interest and other charges									
Financed purchase principal									
TOTAL EXPENDITURES	1,794	1,280,340	382,006	3,000		19,987		49,925	2,752
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(1,194)	314,536	(66,977)					(236)	(2,752)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Sales tax remitted to Lawrence Memorial Hospital									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(1,194)	314,536	(66,977)					(236)	(2,752)
FUND BALANCES - JANUARY 1	1,712	386,116	498,529		\$ 1,897	9,834	\$ 178	603	2,752
FUND BALANCES - DECEMBER 31	\$ 518	\$ 700,652	\$ 431,552	\$ 0	\$ 1,897	\$ 9,834	\$ 178	\$ 367	\$ 0

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

Schedule 2

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
	Comprehensive Opioid Abuse Site-Based Program Grant	Public Safety Equipment Grant	Juvenile Officer Grant	Drug Court Grant	Communication Facility and Equipment	One Percent Hospital Sales Tax	Wildlife Recreation Facility Program	Lawrence County Sales and Use Tax Bonds, Series 2016	Totals
REVENUES									
State aid		\$ 9,138	\$ 15,000	\$ 3,826					\$ 272,787
Federal aid									1,646,026
Property taxes									420,964
Sales taxes						\$ 2,514,413		\$ 942,905	3,771,620
Fines, forfeitures, and costs									83,243
Interest					\$ 93			1,847	5,268
Officers' fees					4,720				125,343
Jail fees					65,051				65,051
Emergency 911 fees									418,565
Treasurer's commission									15,191
Collector's commission									43,268
Other					1,000				12,610
TOTAL REVENUES		9,138	15,000	3,826	70,864	2,514,413		944,752	6,879,936
Less: Treasurer's commission									18,029
NET REVENUES		9,138	15,000	3,826	70,864	2,514,413		944,752	6,861,907
EXPENDITURES									
Current:									
General government									515,604
Law enforcement		9,138	9,106	4,303	80,176				1,469,007
Highways and streets									73,193
Public safety									459,400
Recreation and culture							\$ 854		496,651
Social services									2,403
Total Current		9,138	9,106	4,303	80,176		854		3,016,258
Debt Service:									
Bond principal								1,285,000	1,285,000
Bond interest and other charges								208,364	208,364
Financed purchase principal									39,070
TOTAL EXPENDITURES		9,138	9,106	4,303	80,176		854	1,493,364	4,548,692
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			5,894	(477)	(9,312)	2,514,413	(854)	(548,612)	2,313,215
OTHER FINANCING SOURCES (USES)									
Transfers in	\$ 266								89,099
Sales tax remitted to Lawrence Memorial Hospital						(2,514,413)			(2,514,413)
TOTAL OTHER FINANCING SOURCES (USES)	266					(2,514,413)			(2,425,314)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	266		5,894	(477)	(9,312)		(854)	(548,612)	(112,099)
FUND BALANCES - JANUARY 1	(266)				118,358		854	1,063,210	3,136,892
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 5,894	\$ (477)	\$ 109,046	\$ 0	\$ 0	\$ 514,598	\$ 3,024,793

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County 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.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Booking and Administration	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall 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.
Juvenile Probation	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
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.
Jail Operation and Maintenance Sales Tax	Lawrence County Ordinance no. 15-5 (September 2, 2015) provided for the passage of a sales and use tax of 0.125% by the voters, to pay for operation and jail capital improvements.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Block Grant	Established to account for grant received to support equipment and other needs of the local law enforcement units.
Rails to Trails	Established to account for grant received for purpose of constructing a bike and walking trail.
Court Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Lead and Seed Grant	Established to account for grant received from Arkansas Department of Human Services for drug prevention in youth.
Peers Achieving Collaborative Treatment Grant	Established to account for grant received from Arkansas Community and Economic Development Program to carry out eligible public health service project activities to include: maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training and recruitment, and other incidental costs.
Coronavirus Emergency Supplemental Funding Grant	Established to account for grant received to prevent, prepare for, and respond to the coronavirus.
Comprehensive Opioid Abuse Site-Based Program Grant	Established to account for grant received from Arkansas Department of Finance and Administration to help reduce opioid abuse and the number of overdose fatalities, as well as to mitigate the impacts on crime victims by supporting comprehensive, collaborative initiatives.
Public Safety Equipment Grant	Established to account for grant received from the Public Safety Equipment Grant Program for the purchase of body cameras.
Juvenile Officer Grant	Established to account for grant received from the Arkansas Administrative Office of the Courts to hire a part-time staff member to reduce recidivism, increase family involvement and support, provide parenting classes, and improve involvement with community-based youth services.
Drug Court Grant	Established to account for grant received from the Accountability Court Funds Grant Program to train and support Drug Court personnel.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
One Percent Hospital Sales Tax	Established to account for one cent sales and use tax, approved by voters effective May 2013, levied for operations and maintenance of Lawrence Memorial Hospital.
Wildlife Recreation Facility Program	Established to account for grants received for the construction of a wildlife recreation facility
Lawrence County Sales and Use Tax Bonds, Series 2016	Lawrence County Ordinance nos. 6 and 7 (September 2, 2015) and 16-4 (February 2, 2016) as approved by voters authorized the issuance of sales and use tax bonds. This fund was set up in order to facilitate the retirement of the related debt.

Treasurer's accounts consist primarily of property taxes, Law Library monies and fees not distributed to the appropriate agencies.

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

Sheriff's accounts consist primarily of fees settlement, bond, seizure, and inmate trust money.

County Clerk's accounts consist of probate money and settlements due to the treasurer.

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

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

LAWRENCE COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2022
(Unaudited)

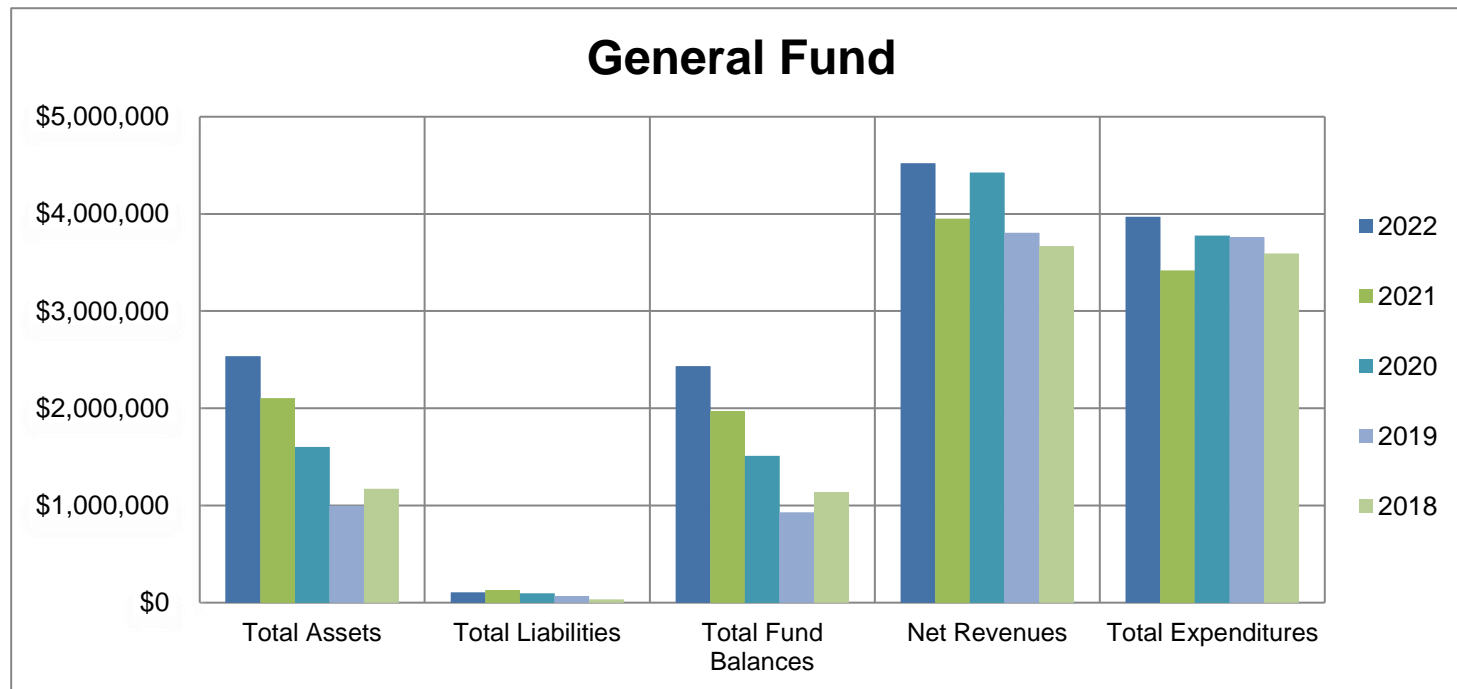
Schedule 3

	December 31, 2022
Land	\$ 405,834
Buildings	9,536,736
Equipment	<u>5,182,313</u>
Total	<u><u>\$ 15,124,883</u></u>

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

Schedule 4-1

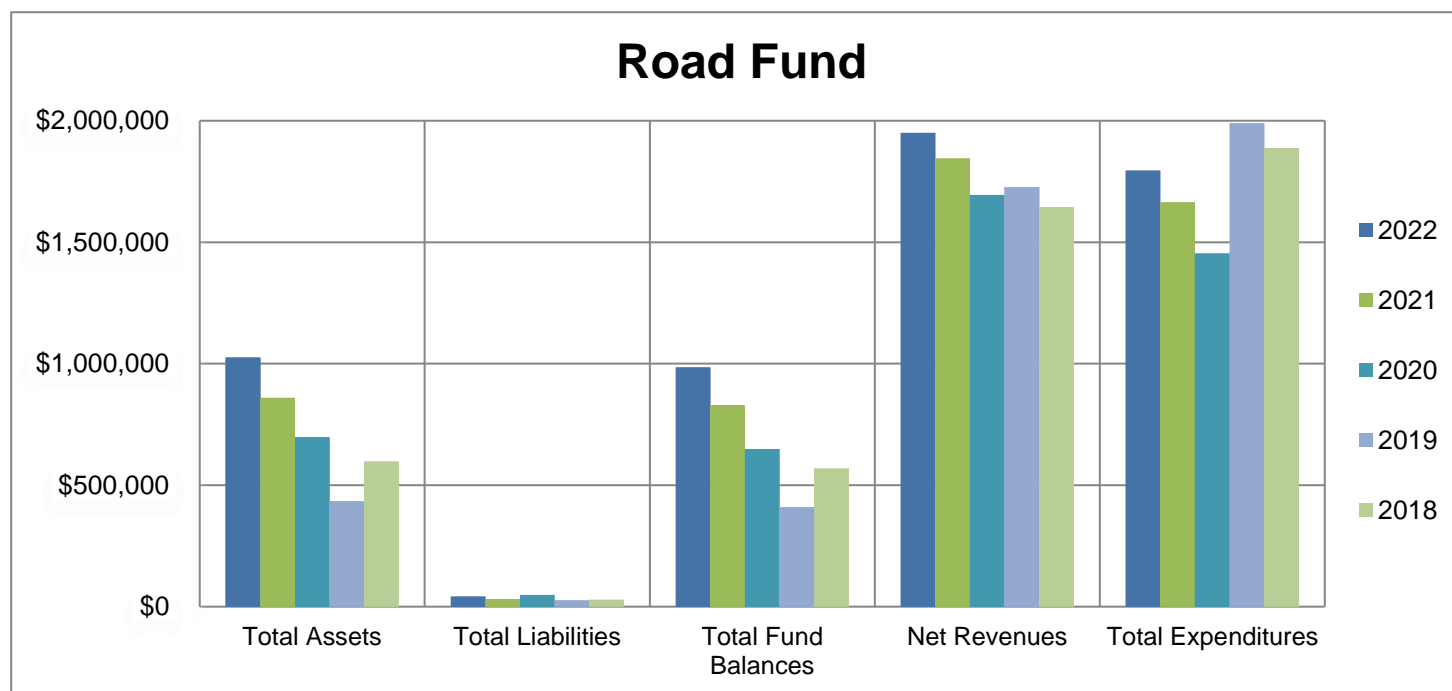
General	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 2,534,921	\$ 2,101,143	\$ 1,603,697	\$ 995,311	\$ 1,169,181
Total Liabilities	103,492	131,014	92,439	68,429	32,704
Total Fund Balances	2,431,429	1,970,129	1,511,258	926,882	1,136,477
Net Revenues	4,519,332	3,951,356	4,425,352	3,806,119	3,666,168
Total Expenditures	3,968,933	3,416,642	3,775,901	3,762,321	3,590,308
Total Other Financing Sources/Uses	(89,099)	(75,843)	(65,075)	(253,393)	(21,600)



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

Schedule 4-2

Road	2022	2021	2020	2019	2018
Total Assets	\$ 1,025,867	\$ 860,112	\$ 697,395	\$ 434,577	\$ 597,071
Total Liabilities	41,217	31,430	48,334	25,877	28,805
Total Fund Balances	984,650	828,682	649,061	408,700	568,266
Net Revenues	1,950,492	1,844,100	1,693,966	1,725,872	1,644,205
Total Expenditures	1,794,524	1,664,479	1,453,605	1,989,438	1,886,927
Total Other Financing Sources/Uses				104,000	



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 3,649,935	\$ 4,282,993	\$ 2,863,427	\$ 2,762,100	\$ 3,249,597
Total Liabilities	625,142	1,146,101	729,812	1,052,689	773,798
Total Fund Balances	3,024,793	3,136,892	2,133,615	1,709,411	2,475,799
Net Revenues	6,861,907	4,586,465	2,728,753	2,356,081	2,284,362
Total Expenditures	4,548,692	3,659,031	2,369,624	3,375,862	3,705,364
Total Other Financing Sources/Uses	(2,425,314)	75,843	65,075	253,393	21,600

