

Lincoln County, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



LINCOLN COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



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

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Lincoln County, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated April 2, 2024. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: Buddy Earnest
Treasurer: Lisa McGehee
Sheriff: Leonard Hogg
Tax Collector: Melissa Bumpass
County Clerk: Stephanie James
Circuit Clerk: Cindy Glover
Assessor: Amy Harrison

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

Noncompliance with state law and accepted accounting practices was noted in the offices of **County Judge** and **County Sheriff**.

County Judge

The County entered into a finance purchase agreement for five John Deere Motor Graders without documented approval by the Quorum Court, in noncompliance with Ark. Code Ann. § 14-22-112.

County Sheriff

The balance remaining in the Circuit Fee and Fine and Miscellaneous Fee accounts of \$7,133 and \$2,496, respectively, were not identified.

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

ARKANSAS LEGISLATIVE AUDIT

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

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

Little Rock, Arkansas
April 2, 2024
LOC004022

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 1,599,888	\$ 1,246,383	\$ 3,838,559
Accounts receivable	32,778		98,229
	<u>1,632,666</u>	<u>1,246,383</u>	<u>3,936,788</u>
TOTAL ASSETS	<u>\$ 1,632,666</u>	<u>\$ 1,246,383</u>	<u>\$ 3,936,788</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 90,087	\$ 45,813	\$ 170,564
Settlements pending	57,255		161,753
Total Liabilities	<u>147,342</u>	<u>45,813</u>	<u>332,317</u>
Fund Balances:			
Restricted		734,338	3,266,280
Assigned		466,232	338,191
Unassigned	1,485,324		
Total Fund Balances	<u>1,485,324</u>	<u>1,200,570</u>	<u>3,604,471</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,632,666</u>	<u>\$ 1,246,383</u>	<u>\$ 3,936,788</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 645,447	\$ 1,762,063	\$ 96,624
Federal aid	51,119	2,239	1,264,880
Property taxes	650,246	321,991	123,419
Sales taxes	807,643		1,274,740
Fines, forfeitures, and costs	88,689		254,494
Interest	5,761	4,750	20,249
Officers' fees	29,651		72,989
911 fees			289,217
Sanitation fees			537,079
Jail fees	7,090		20,695
Treasurer's commission	83,047		12,348
Collector's commission	246,744		27,220
Taxes apportioned - Assessor's salary and expense	193,455		
Other	238,007	38,572	8,502
TOTAL REVENUES	3,046,899	2,129,615	4,002,456
Less: Treasurer's commission	46,060	35,177	38,825
NET REVENUES	3,000,839	2,094,438	3,963,631
EXPENDITURES			
Current:			
General government	1,284,038		185,125
Law enforcement	1,133,269		1,317,628
Highways and streets		1,700,388	
Public safety	105,921		338,589
Sanitation			557,880
Health	28,418		
Recreation and culture	13,518		160,000
Social services	68,306		
Total Current	2,633,470	1,700,388	2,559,222
Debt Service:			
Bond principal			525,000
Bond interest and other charges			202,312
Financed purchase principal	50,000	58,358	242,189
Financed purchase interest		8,705	7,811
TOTAL EXPENDITURES	2,683,470	1,767,451	3,536,534

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 317,369</u>	<u>\$ 326,987</u>	<u>\$ 427,097</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	12,421		
Transfers out			(12,421)
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,421</u>		<u>(12,421)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	329,790	326,987	414,676
FUND BALANCES - JANUARY 1	<u>1,155,534</u>	<u>873,583</u>	<u>3,189,795</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 1,485,324</u></u>	<u><u>\$ 1,200,570</u></u>	<u><u>\$ 3,604,471</u></u>

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 604,000	\$ 645,447	\$ 41,447	\$ 1,664,000	\$ 1,762,063	\$ 98,063
Federal aid		51,119	51,119	40,000	2,239	(37,761)
Property taxes	789,300	650,246	(139,054)	373,200	321,991	(51,209)
Sales taxes	650,000	807,643	157,643	160,000		(160,000)
Fines, forfeitures, and costs	150,500	88,689	(61,811)			
Interest	2,500	5,761	3,261	3,000	4,750	1,750
Officers' fees	38,000	29,651	(8,349)			
Jail fees	48,000	7,090	(40,910)			
Treasurer's commission		83,047	83,047			
Collector's commission	250,000	246,744	(3,256)			
Taxes apportioned - Assessor's salary and expense	173,000	193,455	20,455			
Other	313,600	238,007	(75,593)	40,400	38,572	(1,828)
TOTAL REVENUES	3,018,900	3,046,899	27,999	2,280,600	2,129,615	(150,985)
Less: Treasurer's commission		46,060	(46,060)		35,177	(35,177)
NET REVENUES	3,018,900	3,000,839	(18,061)	2,280,600	2,094,438	(186,162)
EXPENDITURES						
Current:						
General government	1,448,730	1,284,038	164,692			
Law enforcement	1,466,102	1,133,269	332,833			
Highways and streets				2,526,276	1,700,388	825,888
Public safety	147,154	105,921	41,233			
Health	23,532	28,418	(4,886)			
Recreation and culture	13,518	13,518	0			
Social services	109,720	68,306	41,414			
Total Current	3,208,756	2,633,470	575,286	2,526,276	1,700,388	825,888
Debt Service:						
Financed purchase principal		50,000	(50,000)		58,358	(58,358)
Financed purchase interest					8,705	(8,705)
TOTAL EXPENDITURES	3,208,756	2,683,470	525,286	2,526,276	1,767,451	758,825

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (189,856)	\$ 317,369	\$ 507,225	\$ (245,676)	\$ 326,987	\$ 572,663
OTHER FINANCING SOURCES (USES) Transfers in	200,000	12,421	(187,579)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	10,144	329,790	319,646	(245,676)	326,987	572,663
FUND BALANCES - JANUARY 1	325,000	1,155,534	830,534	285,000	873,583	588,583
FUND BALANCES - DECEMBER 31	\$ 335,144	\$ 1,485,324	\$ 1,150,180	\$ 39,324	\$ 1,200,570	\$ 1,161,246

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

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk Automation	Recorder's Cost	County Public Library	Solid Waste
ASSETS									
Cash and cash equivalents	\$ 25,340	\$ 72,311	\$ 12,174	\$ 19,279	\$ 18,355	\$ 4,694	\$ 63,152	\$ 64,796	\$ 226,535
Accounts receivable		52,578		168		30	5,156		27,928
TOTAL ASSETS	<u>\$ 25,340</u>	<u>\$ 124,889</u>	<u>\$ 12,174</u>	<u>\$ 19,447</u>	<u>\$ 18,355</u>	<u>\$ 4,724</u>	<u>\$ 68,308</u>	<u>\$ 64,796</u>	<u>\$ 254,463</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable				\$ 6			\$ 2,237		\$ 1,806
Settlements pending									
Total Liabilities				<u>6</u>			<u>2,237</u>		<u>1,806</u>
Fund Balances:									
Restricted	\$ 25,340	\$ 124,889	\$ 12,174	19,441	\$ 18,355	\$ 4,724	66,071	\$ 64,796	
Assigned									252,657
Total Fund Balances	<u>25,340</u>	<u>124,889</u>	<u>12,174</u>	<u>19,441</u>	<u>18,355</u>	<u>4,724</u>	<u>66,071</u>	<u>64,796</u>	<u>252,657</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 25,340</u>	<u>\$ 124,889</u>	<u>\$ 12,174</u>	<u>\$ 19,447</u>	<u>\$ 18,355</u>	<u>\$ 4,724</u>	<u>\$ 68,308</u>	<u>\$ 64,796</u>	<u>\$ 254,463</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	County Clerk Marriage License	Child Support Collection Costs	Jail Operation and Maintenance	Boating Safety	911 Operations	Indigent Defense	District Court Probation Fee	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee
ASSETS									
Cash and cash equivalents	\$ 2,205	\$ 8,365	\$ 756,089	\$ 21,758	\$ 472,424	\$ 83,824	\$ 3,718	\$ 6,753	\$ 3,048
Accounts receivable	4		8,419			1,335	75	375	
TOTAL ASSETS	<u>\$ 2,209</u>	<u>\$ 8,365</u>	<u>\$ 764,508</u>	<u>\$ 21,758</u>	<u>\$ 472,424</u>	<u>\$ 85,159</u>	<u>\$ 3,793</u>	<u>\$ 7,128</u>	<u>\$ 3,048</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 123,829		\$ 2,848	\$ 706			
Settlements pending									
Total Liabilities			<u>123,829</u>		<u>2,848</u>	<u>706</u>			
Fund Balances:									
Restricted	\$ 2,209	\$ 8,365	640,679	\$ 21,758	469,576		\$ 3,793	\$ 7,128	\$ 3,048
Assigned						84,453			
Total Fund Balances	<u>2,209</u>	<u>8,365</u>	<u>640,679</u>	<u>21,758</u>	<u>469,576</u>	<u>84,453</u>	<u>3,793</u>	<u>7,128</u>	<u>3,048</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,209</u>	<u>\$ 8,365</u>	<u>\$ 764,508</u>	<u>\$ 21,758</u>	<u>\$ 472,424</u>	<u>\$ 85,159</u>	<u>\$ 3,793</u>	<u>\$ 7,128</u>	<u>\$ 3,048</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUND
	Assessor's Late Assessment Fee	Hot Check	District Court Cost	Canine Donation	Gould Community Center Grant	Juvenile Officer Grant	Communication Facility and Equipment	American Rescue Plan	Jail Construction
ASSETS									
Cash and cash equivalents	\$ 1,808	\$ 7,253	\$ 1,500	\$ 1,081	\$ 136	\$ 5,637	\$ 13,780	\$ 1,485,448	\$ 3,960
Accounts receivable							2,161		
TOTAL ASSETS	<u>\$ 1,808</u>	<u>\$ 7,253</u>	<u>\$ 1,500</u>	<u>\$ 1,081</u>	<u>\$ 136</u>	<u>\$ 5,637</u>	<u>\$ 15,941</u>	<u>\$ 1,485,448</u>	<u>\$ 3,960</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable						\$ 632		\$ 38,500	
Settlements pending									
Total Liabilities						<u>632</u>		<u>38,500</u>	
Fund Balances:									
Restricted	\$ 1,808	\$ 7,253	\$ 1,500		\$ 136	5,005	\$ 15,941	1,446,948	\$ 3,960
Assigned				\$ 1,081					
Total Fund Balances	<u>1,808</u>	<u>7,253</u>	<u>1,500</u>	<u>1,081</u>	<u>136</u>	<u>5,005</u>	<u>15,941</u>	<u>1,446,948</u>	<u>3,960</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,808</u>	<u>\$ 7,253</u>	<u>\$ 1,500</u>	<u>\$ 1,081</u>	<u>\$ 136</u>	<u>\$ 5,637</u>	<u>\$ 15,941</u>	<u>\$ 1,485,448</u>	<u>\$ 3,960</u>

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

Schedule 1

	DEBT SERVICE FUND	CUSTODIAL FUNDS					
	Jail Bond Revenue	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 291,383	\$ (402)	\$ 109,523	\$ 19,246	\$ 745	\$ 32,641	\$ 3,838,559
Accounts receivable							98,229
TOTAL ASSETS	<u>\$ 291,383</u>	<u>\$ (402)</u>	<u>\$ 109,523</u>	<u>\$ 19,246</u>	<u>\$ 745</u>	<u>\$ 32,641</u>	<u>\$ 3,936,788</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 170,564
Settlements pending		\$ (402)	\$ 109,523	\$ 19,246	\$ 745	\$ 32,641	161,753
Total Liabilities		<u>(402)</u>	<u>109,523</u>	<u>19,246</u>	<u>745</u>	<u>32,641</u>	<u>332,317</u>
Fund Balances:							
Restricted	\$ 291,383						3,266,280
Assigned							338,191
Total Fund Balances	<u>291,383</u>						<u>3,604,471</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 291,383</u>	<u>\$ (402)</u>	<u>\$ 109,523</u>	<u>\$ 19,246</u>	<u>\$ 745</u>	<u>\$ 32,641</u>	<u>\$ 3,936,788</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk Automation	Recorder's Cost	County Public Library
REVENUES								
State aid					\$ 3,310			\$ 16,566
Federal aid								
Property taxes								123,102
Sales taxes								
Fines, forfeitures, and costs			\$ 3,188	\$ 1,945				
Interest	\$ 185	\$ 600	83	158	151	\$ 32	\$ 346	407
Officers' fees						983	65,615	
911 fees								
Sanitation fees								
Jail fees								
Treasurer's commission	12,348							
Collector's commission		27,220						
Other			12	17		7	274	
TOTAL REVENUES	12,533	27,820	3,283	2,120	3,461	1,022	66,235	140,075
Less: Treasurer's commission			69	36		21	1,595	
NET REVENUES	12,533	27,820	3,214	2,084	3,461	1,001	64,640	140,075
EXPENDITURES								
Current:								
General government	10,207	20,865					39,678	
Law enforcement			1,860	7,045				
Public safety								
Sanitation								
Recreation and culture								160,000
Total Current	10,207	20,865	1,860	7,045			39,678	160,000
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	10,207	20,865	1,860	7,045			39,678	160,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,326	6,955	1,354	(4,961)	3,461	1,001	24,962	(19,925)
OTHER FINANCING SOURCES (USES)								
Transfers out								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,326	6,955	1,354	(4,961)	3,461	1,001	24,962	(19,925)
FUND BALANCES - JANUARY 1	23,014	117,934	10,820	24,402	14,894	3,723	41,109	84,721
FUND BALANCES - DECEMBER 31	\$ 25,340	\$ 124,889	\$ 12,174	\$ 19,441	\$ 18,355	\$ 4,724	\$ 66,071	\$ 64,796

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Solid Waste	County Clerk Marriage License	Reappraisal Cost	Child Support Collection Costs	Jail Operation and Maintenance	Boating Safety	911 Operations	Indigent Defense
REVENUES								
State aid			\$ 75,656			\$ 1,092		
Federal aid								
Property taxes								
Sales taxes	\$ 89,738				\$ 444,376			
Fines, forfeitures, and costs					212,987			\$ 31,465
Interest	1,829	\$ 16		\$ 61	6,390	157	\$ 3,620	\$ 607
Officers' fees		106		476				
911 fees							289,217	
Sanitation fees	537,079							
Jail fees								
Treasurer's commission								
Collector's commission								
Other	2,853	1		4	3,646		1,434	68
TOTAL REVENUES	631,499	123	75,656	541	667,399	1,249	294,271	32,140
Less: Treasurer's commission	14,676	3		14	14,627		7,301	385
NET REVENUES	616,823	120	75,656	527	652,772	1,249	286,970	31,755
EXPENDITURES								
Current:								
General government			75,656					
Law enforcement					873,395			37,659
Public safety							338,589	
Sanitation	557,880							
Recreation and culture								
Total Current	557,880		75,656		873,395		338,589	37,659
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	557,880		75,656		873,395		338,589	37,659
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	58,943	120		527	(220,623)	1,249	(51,619)	(5,904)
OTHER FINANCING SOURCES (USES)								
Transfers out								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	58,943	120		527	(220,623)	1,249	(51,619)	(5,904)
FUND BALANCES - JANUARY 1	193,714	2,089		7,838	861,302	20,509	521,195	90,357
FUND BALANCES - DECEMBER 31	\$ 252,657	\$ 2,209	\$ 0	\$ 8,365	\$ 640,679	\$ 21,758	\$ 469,576	\$ 84,453

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	District Court Probation Fee	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Hot Check	District Court Cost	Canine Donation	Courthouse Security Grant
REVENUES								
State aid								
Federal aid								
Property taxes				\$ 317				
Sales taxes								
Fines, forfeitures, and costs	\$ 875	\$ 3,934				\$ 100		
Interest	20	40			\$ 50	11		
Officers' fees	1,485				1,040			
911 fees								
Sanitation fees								
Jail fees								
Treasurer's commission								
Collector's commission								
Other	7	4	\$ 82		2	1		
TOTAL REVENUES	2,387	3,978	82	317	1,092	112		
Less: Treasurer's commission	53	18			24	3		
NET REVENUES	2,334	3,960	82	317	1,068	109		
EXPENDITURES								
Current:								
General government								\$ 219
Law enforcement		6,150						
Public safety								
Sanitation								
Recreation and culture								
Total Current		6,150						219
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES		6,150						219
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,334	(2,190)	82	317	1,068	109		(219)
OTHER FINANCING SOURCES (USES)								
Transfers out								(12,421)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,334	(2,190)	82	317	1,068	109		(12,640)
FUND BALANCES - JANUARY 1	1,459	9,318	2,966	1,491	6,185	1,391	\$ 1,081	12,640
FUND BALANCES - DECEMBER 31	\$ 3,793	\$ 7,128	\$ 3,048	\$ 1,808	\$ 7,253	\$ 1,500	\$ 1,081	\$ 0

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

Schedule 2

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
	Gould Community Center Grant	Juvenile Officer Grant	Communication Facility and Equipment	American Rescue Plan	Jail Construction	Jail Bond Revenue	Totals
REVENUES							
State aid							\$ 96,624
Federal aid				\$ 1,264,880			1,264,880
Property taxes							123,419
Sales taxes						\$ 740,626	1,274,740
Fines, forfeitures, and costs							254,494
Interest			\$ 29		\$ 54	5,403	20,249
Officers' fees			3,284				72,989
911 fees							289,217
Sanitation fees							537,079
Jail fees			20,695				20,695
Treasurer's commission							12,348
Collector's commission							27,220
Other			90				8,502
TOTAL REVENUES			24,098	1,264,880	54	746,029	4,002,456
Less: Treasurer's commission							38,825
NET REVENUES			24,098	1,264,880	54	746,029	3,963,631
EXPENDITURES							
Current:							
General government				38,500			185,125
Law enforcement		\$ 2,644	31,888		356,987		1,317,628
Public safety							338,589
Sanitation							557,880
Recreation and culture							160,000
Total Current		2,644	31,888	38,500	356,987		2,559,222
Debt Service:							
Bond principal						525,000	525,000
Bond interest and other charges						202,312	202,312
Financed purchase principal				242,189			242,189
Financed purchase interest				7,811			7,811
TOTAL EXPENDITURES		2,644	31,888	288,500	356,987	727,312	3,536,534
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(2,644)	(7,790)	976,380	(356,933)	18,717	427,097
OTHER FINANCING SOURCES (USES)							
Transfers out							(12,421)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(2,644)	(7,790)	976,380	(356,933)	18,717	414,676
FUND BALANCES - JANUARY 1	\$ 136	7,649	23,731	470,568	360,893	272,666	3,189,795
FUND BALANCES - DECEMBER 31	\$ 136	\$ 5,005	\$ 15,941	\$ 1,446,948	\$ 3,960	\$ 291,383	\$ 3,604,471

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk Automation	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.
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	Ark. Code Ann. § 8-6-212 established fund to collect fees and other funds to defray the county's share of the cost of operating the solid waste management facility.
County Clerk Marriage License	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for county clerk's cost.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.

LINCOLN 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>
Child Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail. Lincoln County Ordinance no. 2018-9 (February 20, 2018) authorized the levying of a .375% sales and use tax for jail and law enforcement purposes.
Boating Safety	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.
911 Operations	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Indigent Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
District Court Probation Fee	Ark. Code Ann. § 5-4-322 authorized district court probation fees for probation and public service work supervision.
Juvenile Probation Fee	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.
Hot Check	Lincoln County Ordinance no. 1989-8 (April 17, 1989) established fund to receive hot check fees authorized by Ark. Code Ann. § 21-6-411 to be used to defray the cost of the hot check program and other cost of the Sheriff's office.

LINCOLN 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>
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Canine Donation	Established to receive donations for the purchase of a drug dog, supplies, and training.
Courthouse Security Grant	Established to account for grant funds from the Arkansas Supreme Court Committee on Security and Emergency Preparedness for courthouse security equipment.
Gould Community Center Grant	Established to account for grant funds from the State General Improvement Fund to provide equipment and supplies for the Gould Community.
Juvenile Officer Grant	Ark. Code Ann. § 16-13-331 established to provide grants to purchase equipment, software, and supplies needed to help accommodate the juvenile officers on staff in Lincoln County. The granting agency is the Arkansas Administrative Office of the Courts.
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.
American Rescue Plan	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 Construction	Lincoln County Ordinance no. 2018-10 (February 20, 2018) established to account for sales and use tax bonds for the purpose of financing all or a portion of the cost of acquiring , constructing, equipping and furnishing new jail and law enforcement facilities.
Jail Bond Revenue	Lincoln County Ordinance no. 2018-10 (February 20, 2018) authorized the levying of a sales and use tax for operating and maintaining jail facilities and/or securing the repayment of capital improvement bonds.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
------------------	-------------------------

Treasurer's accounts	consist primarily of property taxes not distributed to the appropriate agencies.
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Collector's accounts	consist primarily of delinquent taxes not yet distributed to the various taxing units and solid waste collections.
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Sheriff's accounts	consist primarily of fees settlements and circuit cost and fines.
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County Clerk's accounts	consist primarily of fee and probate money to be settled with the treasurer.
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Circuit Clerk's accounts	consist of fee and trust money and settlements due to the treasurer and awaiting disposition by applicable court.
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LINCOLN COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

1. A. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

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

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

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

1. (Continued)

B. Basis of Accounting - Regulatory

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

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

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, officer's fees, property taxes, sanitation fees and trust 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.

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

1. (Continued)

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other operating funds except for the Reappraisal Fund, District Court Probation Fund, and the American Rescue Plan Fund.

F. Fund Balance Classification Policies and Procedures

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

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.

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

2. Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,701,757
Law enforcement			712,914
Highways and streets		\$ 734,338	
Public safety			491,334
Recreation and culture			64,796
Social services			136
Capital outlay			3,960
Debt service			291,383
Total Restricted		<u>734,338</u>	<u>3,266,280</u>
Assigned to:			
Law enforcement			85,534
Highways and streets		466,232	
Sanitation			252,657
Total Assigned		<u>466,232</u>	<u>338,191</u>
Unassigned	<u>\$ 1,485,324</u>		
Totals	<u><u>\$ 1,485,324</u></u>	<u><u>\$ 1,200,570</u></u>	<u><u>\$ 3,604,471</u></u>

3. Commitments

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

	December 31, 1899
Long-term liabilities	\$ 5,865,742
Reappraisal contract	<u>251,388</u>
Total Commitments	<u><u>\$ 6,117,130</u></u>

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

3. Commitments (Continued)

Long-term Liabilities

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

	<u>December 31, 2022</u>
<u>Bonds</u>	
2018 Sales and Use Tax bonds, dated July 23, 2018, in the amount of \$6,600,000 due in annual installments of \$40,000 - \$320,000 plus interest through December 1, 2046; interest of 3.00 - 4.00%. Payments are to be made from Jail Bond Revenue Fund.	<u>\$ 5,025,000</u>
<u>Direct Borrowings</u>	
Financed purchase dated May 28, 2021, with John Deere Financial in the amount of \$132,380 with zero interest rate for the purchase of a John Deere motor grader. Monthly payments of \$2,206 for 60 months. Payments are to be made from Road Fund.	90,460
Financed purchase dated April 18, 2022, with John Deere Financial in the amount of \$1,061,559 with 2.59% interest rate for the purchase of five John Deere Motor Graders. One payment of \$250,000 plus one payment of \$50,000 plus monthly payments of \$8,117 for 56 months, then a final payment of \$450,000.	737,488
Total Direct Borrowings	<u>827,948</u>
Compensated absences consisting of accrued vacation and compensatory time adjusted to current salary cost	<u>12,794</u>
Total Long-term liabilities	<u>\$ 5,865,742</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 \$5,025,000 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 financed purchases from direct borrowings of \$827,948 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.

Post Employment Benefits Other Than Pensions

There were no accrued liabilities for post-employment benefits other than pensions.

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

3. Commitments (Continued)

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>					
7/23/18	12/1/46	3.00 - 4.00%	\$ 6,600,000	\$ 5,025,000	\$ 1,575,000
<u>Direct Borrowings</u>					
5/28/21	5/28/26	0.00%	132,380	90,460	41,920
4/18/22	3/31/27	2.59%	1,061,559	737,488	324,071
Total Direct Borrowings			1,193,939	827,948	365,991
Total Long-Term Debt			<u>\$ 7,793,939</u>	<u>\$ 5,852,948</u>	<u>\$ 1,940,991</u>

Changes in Long-Term Debt

	<u>Balance January 01, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2022</u>
Bonds payable	\$ 5,550,000		\$ 525,000	\$ 5,025,000
<u>Direct Borrowings</u>				
Financed purchases	116,936	\$ 1,061,559	350,547	827,948
Total Long-Term Debt	<u>\$ 5,666,936</u>	<u>\$ 1,061,559</u>	<u>\$ 875,547</u>	<u>\$ 5,852,948</u>

Debt Service Requirements to Maturity

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

<u>Years Ending December 31,</u>	<u>Bonds</u>			<u>Direct Borrowings</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 150,000	\$ 181,231	\$ 331,231	\$ 105,720	\$ 18,165	\$ 123,885
2024	155,000	175,231	330,231	107,797	16,088	123,885
2025	160,000	170,581	330,581	109,929	13,956	123,885
2026	165,000	165,781	330,781	504,502	13,351	517,853
2027	170,000	160,831	330,831			
2028 through 2032	935,000	717,163	1,652,163			
2033 through 2037	1,110,000	545,669	1,655,669			
2038 through 2042	1,325,000	323,256	1,648,256			
2043 through 2046	855,000	64,132	919,132			
Totals	<u>\$ 5,025,000</u>	<u>\$ 2,503,875</u>	<u>\$ 7,528,875</u>	<u>\$ 827,948</u>	<u>\$ 61,560</u>	<u>\$ 889,508</u>

LINCOLN COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
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3. Commitments (Continued)

County-Wide Reappraisal Contract

The County entered into a contract with Arkansas CAMA Technology, Inc. on November 18, 2020, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$6,983 for a total of \$418,980 beginning January 1, 2021. Contract expense for 2022, was \$83,796.

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

<u>Year</u>	<u>December 31, 2022</u>
2023	\$ 83,796
2024	83,796
2025	83,796
Total	<u>\$ 251,388</u>

4. Interfund Transfers

The Other Funds in the Aggregate received \$15,000 from General Fund in the prior year to supplement operations, but did not use all of it; therefore, \$12,421 was transferred back to General Fund.

5. Pledged Revenues

The County pledged future .625% sales and use taxes to repay \$6,600,000 in bonds that were issued in 2018 to provide funding for the construction, equipping, and furnishing a new jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$5,025,000 and \$2,503,875, respectively, payable through December 1, 2046. For 2022, principal and interest paid were \$525,000 and \$198,462, respectively.

The Debt Service Fund received \$740,626 in sales taxes in 2022. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used to operate and maintain new or existing jail and law enforcement facilities.

6. Joint Venture: Regional Library

Bradley, Chicot, Drew, and Lincoln County entered into an agreement on March of 1994 in accordance with Ark. Code Ann. § 13-2-401 to establish the Regional Library. The agreement states that the regional library board shall employ a regional director to serve for such time and on such terms as the Board may prescribe and to be paid from the Regional budget. County and branch library employees are to be recommended by county library boards and to be employed with the approval of the Regional Board, their salaries to be paid from Regional funds. Parties agreed that the Regional budget shall pay utility and janitorial costs. Each county library shall contribute their respective mill tax funds for the operation of the Regional Library System. Payments shall be made in irregular installments as required by the expenditures of the Regional Library. The County Library paid \$160,000 for regional library expenditures in 2022. Contact the Southeast Arkansas Regional Library office in Monticello, Arkansas to obtain financial statements.

LINCOLN COUNTY, ARKANSAS
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7. Jointly Governed Organizations

Tri-County Drug Task Force

The Sheriff's Departments of Arkansas, Jefferson, and Lincoln Counties, and the Prosecuting Attorney Offices of the Eleventh-East and Eleventh-West Judicial Districts entered into an agreement to establish the Tri-County Drug Task Force. The agreement covers the period July 1, 2022 to June 30, 2023, and may be extended upon written mutual agreement. Funding was provided by a Drug Law Enforcement Program grant applied for by the Tri County Drug Task Force. No contributions or payments for expenditures were made to the Drug Task Force by the County. The 2022 financial statements of the Tri-County Drug Task Force have not been audited.

Southeast Arkansas Regional Solid Waste Management District

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

8. Arkansas Public Employees Retirement System

Plan Description

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

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, 2022, (date of APERS Employer Allocation Report) were \$401,995.

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 \$3,384,838.

9. Capital Assets

The County's capital assets records are summarized below

	December 31, 2022
Land and Buildings	\$ 10,153,236
Equipment	4,407,213
Total	<u>\$ 14,560,449</u>

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

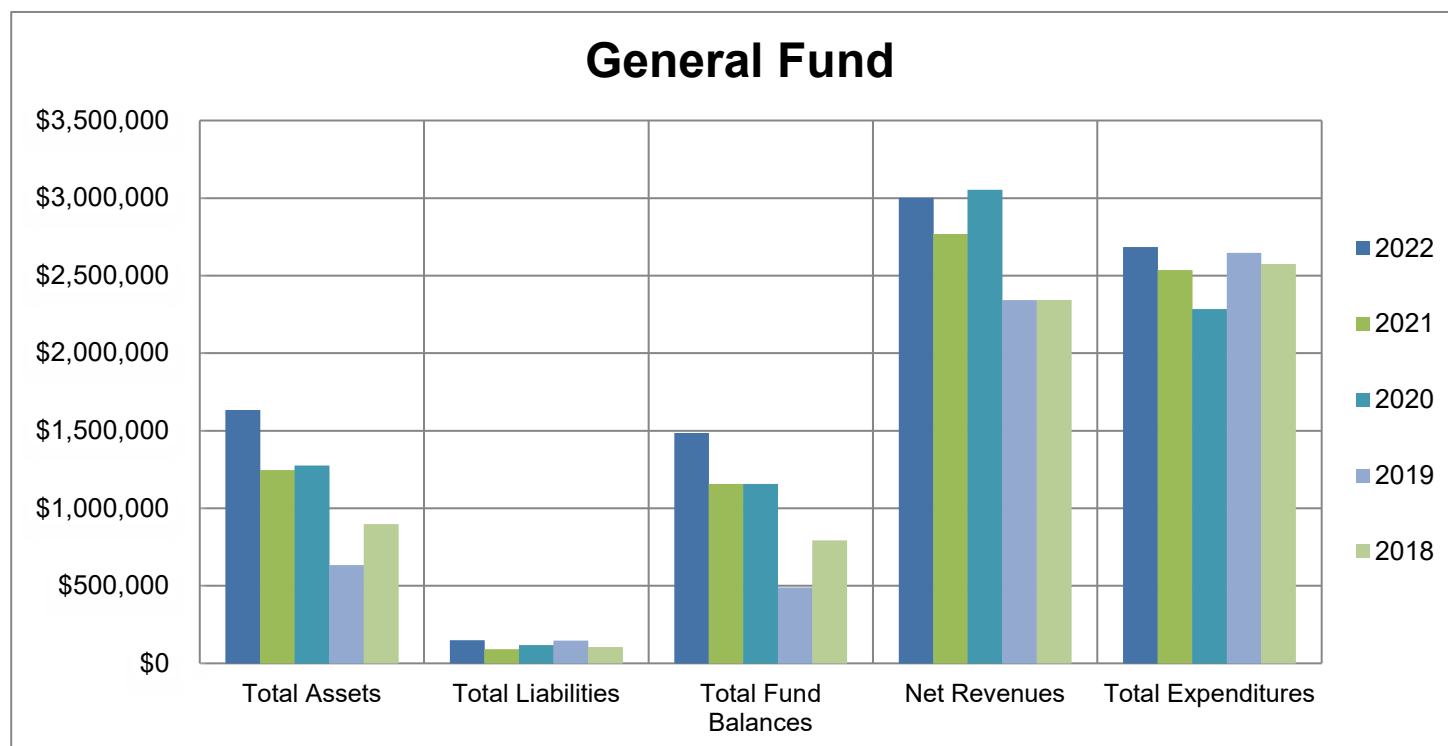
10. Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the County was awarded \$2,529,759 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$2,529,759 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 and 2023, the County received funds in the amount of \$50,000 and \$50,000 respectively. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 3-1

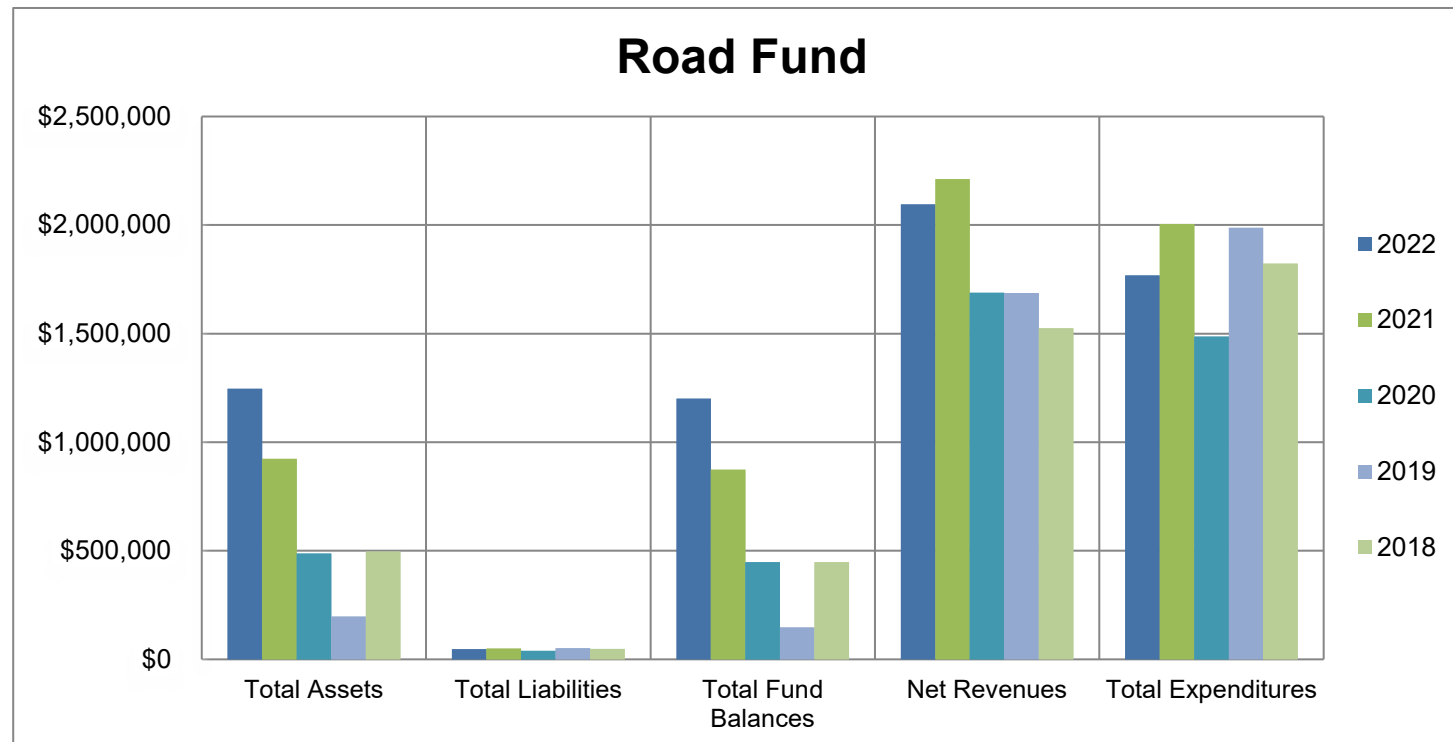
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 1,632,666	\$ 1,244,388	\$ 1,273,472	\$ 632,420	\$ 895,997
Total Liabilities	147,342	88,854	116,912	144,812	104,362
Total Fund Balances	1,485,324	1,155,534	1,156,560	487,608	791,635
Net Revenues	3,000,839	2,768,027	3,052,854	2,341,312	2,343,412
Total Expenditures	2,683,470	2,534,053	2,283,902	2,647,074	2,573,823
Total Other Financing Sources/Uses	12,421	(235,000)	(100,000)	1,735	(24,000)



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

Schedule 3-2

Road	2022	2021	2020	2019	2018
Total Assets	\$ 1,246,383	\$ 923,625	\$ 486,527	\$ 196,723	\$ 495,366
Total Liabilities	45,813	50,042	39,574	50,491	48,527
Total Fund Balances	1,200,570	873,583	446,953	146,232	446,839
Net Revenues	2,094,438	2,211,143	1,687,617	1,687,366	1,524,446
Total Expenditures	1,767,451	2,004,513	1,486,896	1,987,973	1,822,464
Total Other Financing Sources/Uses		220,000	100,000		



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

Schedule 3-3

Other Funds in the Aggregate	2022	2021	2020	2019	2018
Total Assets	\$ 3,936,788	\$ 3,366,986	\$ 4,840,811	\$ 8,059,712	\$ 8,202,565
Total Liabilities	332,317	177,191	478,393	251,765	278,689
Total Fund Balances	3,604,471	3,189,795	4,362,418	7,807,947	7,923,876
Net Revenues	3,963,631	3,856,556	2,392,834	2,141,831	1,515,009
Total Expenditures	3,536,534	5,044,179	5,838,363	2,256,025	1,490,649
Total Other Financing Sources/Uses	(12,421)	15,000		(1,735)	6,624,000

