

Little River County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



LITTLE RIVER COUNTY, ARKANSAS
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Sen. David Wallace
Senate Chair
Sen. John Payton
Senate Vice Chair



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

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

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

Unmodified Opinions on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

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

Emphasis of 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 April 26, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
April 26, 2023
LOCO04121

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

Little River 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 Little River County, Arkansas (County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated April 26, 2023. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We also reported to management of the County in a separate letter dated April 26, 2023.

Purpose of This Report

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in dark ink, appearing to read "Timothy R. Jones", written in a cursive style.

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
April 26, 2023

Arkansas

Sen. David Wallace
Senate Chair
Sen. John Payton
Senate Vice Chair



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

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

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

County Judge: Mike Cranford
Treasurer: Dayna Guthrie
Sheriff and Tax Collector: Bobby Walraven
County Clerk: Deanna Sivley
Circuit Clerk: Lauren Abney
Assessor: Allie Rosenbaum
County Librarian: Tamara Whitlow

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

County Judge

The County paid \$600 to a Quorum Court member's business for a one-time delivery service without an authorizing ordinance, in apparent conflict with Ark. Code Ann. § 14-14-1202 and Op. Att'y Gen. no. 2008-014.

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
April 26, 2023

LITTLE RIVER COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2021

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 1,735,615	\$ 478,569	\$ 8,689,291
Accounts receivable	51,485	2,086	109,226
Interfund receivables	5,824		8,827
TOTAL ASSETS	<u>\$ 1,792,924</u>	<u>\$ 480,655</u>	<u>\$ 8,807,344</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 27,911	\$ 6,145	\$ 477,220
Interfund payables	8,827		5,824
Settlements pending			143,975
Total Liabilities	<u>36,738</u>	<u>6,145</u>	<u>627,019</u>
Fund Balances:			
Restricted		281,951	8,136,541
Assigned		192,559	70,167
Unassigned	1,756,186		(26,383)
Total Fund Balances	<u>1,756,186</u>	<u>474,510</u>	<u>8,180,325</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,792,924</u>	<u>\$ 480,655</u>	<u>\$ 8,807,344</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 652,501	\$ 1,375,309	\$ 104,046
Federal aid	73,498		1,197,134
Property taxes	1,128,809	447,385	81,741
Sales taxes	876,135		3,213,483
Fines, forfeitures, and costs	244,194		89,352
Interest	5,033	1,392	9,128
Officers' fees	28,945		80,483
Contribution from cities	175,205		82,646
Sanitation fees			462,450
Jail fees			99,759
911 surcharge			276,065
Treasurer's commission	124,696		18,811
Collector's commission	293,494		47,879
Taxes apportioned - Assessor's salary and expense	341,727		
Other	246,284	6,917	18,112
TOTAL REVENUES	4,190,521	1,831,003	5,781,089
Less: Treasurer's commission	47,594	27,680	43,120
NET REVENUES	4,142,927	1,803,323	5,737,969
EXPENDITURES			
Current:			
General government	1,692,152		298,804
Law enforcement	1,388,811		4,257,157
Highways and streets		1,689,210	88,760
Public safety	68,236		379,690
Sanitation			1,326,684
Health	11,795		
Recreation and culture			139,750
Social services	69,412		
Total Current	3,230,406	1,689,210	6,490,845
Debt Service:			
Bond principal			180,000
Bond interest and other charges			264,981
Note principal	47,493		
Note interest	5,500		
TOTAL EXPENDITURES	3,283,399	1,689,210	6,935,826

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 859,528	\$ 114,113	\$ (1,197,857)
OTHER FINANCING SOURCES (USES)			
Transfers in	8,090		670,300
Transfers out	(670,300)		(8,090)
Sales tax remitted to Little River Memorial Hospital			(856,929)
Sales tax remitted to Cossatot Community College			(421,952)
Contribution to Little River Memorial Hospital			(41,166)
TOTAL OTHER FINANCING SOURCES (USES)	(662,210)		(657,837)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	197,318	114,113	(1,855,694)
FUND BALANCES - JANUARY 1	1,558,868	360,397	10,036,019
FUND BALANCES - DECEMBER 31	\$ 1,756,186	\$ 474,510	\$ 8,180,325

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 487,995	\$ 652,501	\$ 164,506	\$ 1,253,727	\$ 1,375,309	\$ 121,582
Federal aid	74,038	73,498	(540)			
Property taxes	1,089,396	1,128,809	39,413	445,811	447,385	1,574
Sales taxes	752,828	876,135	123,307			
Fines, forfeitures, and costs	250,562	244,194	(6,368)			
Interest	4,082	5,033	951	1,878	1,392	(486)
Officers' fees	21,823	28,945	7,122			
Contribution from cities		175,205	175,205			
Treasurer's commission	153,195	124,696	(28,499)			
Collector's commission	330,475	293,494	(36,981)			
Taxes apportioned - Assessor's salary and expense	438,091	341,727	(96,364)			
Other	358,208	246,284	(111,924)	11,000	6,917	(4,083)
TOTAL REVENUES	3,960,693	4,190,521	229,828	1,712,416	1,831,003	118,587
Less: Treasurer's commission		47,594	(47,594)		27,680	(27,680)
NET REVENUES	3,960,693	4,142,927	182,234	1,712,416	1,803,323	90,907
EXPENDITURES						
Current:						
General government	2,002,381	1,692,152	310,229			
Law enforcement	1,544,812	1,388,811	156,001			
Highways and streets				1,928,515	1,689,210	239,305
Public safety	74,320	68,236	6,084			
Health	12,820	11,795	1,025			
Social services	74,075	69,412	4,663			
Total Current	3,708,408	3,230,406	478,002	1,928,515	1,689,210	239,305
Debt Service:						
Note principal		47,493	(47,493)			
Note interest		5,500	(5,500)			
TOTAL EXPENDITURES	3,708,408	3,283,399	425,009	1,928,515	1,689,210	239,305

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 252,285	\$ 859,528	\$ 607,243	\$ (216,099)	\$ 114,113	\$ 330,212
OTHER FINANCING SOURCES (USES)						
Transfers in	40,000	8,090	(31,910)			
Transfers out	(1,206,232)	(670,300)	535,932			
TOTAL OTHER FINANCING SOURCES (USES)	(1,166,232)	(662,210)	504,022			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(913,947)	197,318	1,111,265	(216,099)	114,113	330,212
FUND BALANCES - JANUARY 1	1,504,923	1,558,868	53,945	367,191	360,397	(6,794)
FUND BALANCES - DECEMBER 31	\$ 590,976	\$ 1,756,186	\$ 1,165,210	\$ 151,092	\$ 474,510	\$ 323,418

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

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following funds of the County would have been included in the reporting entity: Little River Nursing and Rehab Fund. 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 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 reported with other funds in the aggregate.

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

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting - Regulatory

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

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes and other balances that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

E. Property Taxes

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

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

There were no committed fund balances at year-end.

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 500,000	\$ 500,000
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	4,951,372	6,064,023
Uncollateralized	<u>5,449,603</u>	<u>5,449,603</u>
Total Deposits	<u><u>\$ 10,900,975</u></u>	<u><u>\$ 12,013,626</u></u>

The above total deposits do not include cash on hand of \$2,500.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial risk. As of December 31, 2021, \$5,449,603 of the County's bank balances of \$12,013,626 was exposed to custodial credit risk. The balances exposed to custodial credit risk were deposited in money market accounts consisting of United States Government Obligations, which are not insured or collateralized.

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

NOTE 4: Accounts Receivable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid			\$ 75,298
Federal aid	\$ 6,476		
Property taxes	11,840	\$ 2,063	514
Fines, forfeitures, and costs	21,630		5,798
Interest	10		
Officers' fees	2,930		5,648
Sanitation fees			3,883
Jail fees			15,442
911 surcharge			2,620
Treasurer's commission	1,472		
Other	7,127	23	23
Totals	<u>\$ 51,485</u>	<u>\$ 2,086</u>	<u>\$ 109,226</u>

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 27,911</u>	<u>\$ 6,145</u>	<u>\$ 477,220</u>

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2021	
	Interfund Receivables	Interfund Payables
General Fund	\$ 5,824	\$ 8,827
Other Funds in the Aggregate:		
Special Revenue Funds:		
CMRS 911 Board (Commercial Mobile Radio Service)		5,824
American Rescue Plan Act	8,827	
Totals	<u>\$ 14,651</u>	<u>\$ 14,651</u>

Interfund receivables and payables consist of errors in receipting restricted revenues and reimbursement for expenditures made with restricted funds. These balances were repaid in 2022.

NOTE 7: Federal Funds Program Compliance

The federal grants of the County (which included Little River Nursing and Rehab) were not audited in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the County. The County plans to obtain a federal compliance audit.

NOTE 8: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,220,954
Law enforcement			98,605
Highways and streets		\$ 281,951	
Public safety			167,541
Sanitation			788,435
Capital outlay			4,344,124
Debt service			1,516,882
Total Restricted		<u>281,951</u>	<u>8,136,541</u>
Assigned to:			
General government			1,400
Law enforcement			6,404
Highways and streets		192,559	
Sanitation			29,477
Recreation and culture			32,886
Total Assigned		<u>192,559</u>	<u>70,167</u>
Unassigned	<u>\$ 1,756,186</u>		<u>(26,383)</u>
Totals	<u>\$ 1,756,186</u>	<u>\$ 474,510</u>	<u>\$ 8,180,325</u>

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9: Deficit Fund Balance

The following fund has a deficit fund balance as of December 31, 2021:

Other Funds in the Aggregate:	
Special Revenue Funds:	
Jail Operation and Maintenance	<u>\$ (26,383)</u>

NOTE 10: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2021, the legal debt limit for bonded debt was 25,370,741. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2021, the legal debt limit for short-term financing obligations was \$7,105,208. The amount of short-term financing obligations was \$204,055 leaving a legal debt margin of \$6,901,153.

NOTE 11: Commitments

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

	December 31, 2021
	<hr/>
Long-term liabilities	\$ 8,734,657
Noncancellable lease	7,091
Reappraisal contract	99,600
Construction contract	<hr/> 3,611,196
Total Commitments	<hr/> <u>\$ 12,452,544</u>

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

Long-term Liabilities

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

	December 31, 2021
<u>Bonds</u>	
2019 Sales and Use Tax Bonds Series 2019, dated December 10, 2019, in the amount of \$8,690,000 due in annual installments of \$180,000 - \$490,000 with interest at 2.75% - 4.00% due September 1, 2020 and semiannually thereafter on March 1 and September 1 of each year through March 1, 2045. Payments are to be made from the Debt Service Fund.	\$ 8,510,000
<u>Direct Borrowings</u>	
Note payable with Arvest Bank, dated January 10, 2020, in the amount of \$220,000 for renovation of the annex building, monthly payments of \$4,416 for 54 months beginning on February 10, 2020, with interest of 3.52%. Payments are to be made from the General Fund.	130,415
Note payable with Arvest bank, dated December 21, 2021, in the amount of \$73,640 for (2) Mack trucks, monthly payments of \$6,225 for 12 months beginning on January 17, 2022, with interest of 2.60%. Payments are to be made from the Road Fund.	73,640
Total Direct Borrowings	204,055
Arkansas District Judge's Retirement unfunded pension liability. The actuarial assumed rate of interest is 7.15%. Little River County and the City of Ashdown have agreed to share the cost on a 62% and 38% basis, respectively. Payments are to be made from the General Fund.	20,602
Total Long-term liabilities	\$ 8,734,657

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 \$8,510,000 contain a provision that in the event of default, the Trustee may, and upon written request of the owners of not less than 10% in 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 of the and the laws of the State.

The County's outstanding notes from direct borrowings of \$204,055 contains provisions that in the 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

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

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2021	Maturities to December 31, 2021
<u>Bonds</u>					
12/10/19	3/1/45	2.75 - 4.00%	\$ 8,690,000	\$ 8,510,000	\$ 180,000
<u>Direct Borrowings</u>					
1/10/20	7/10/24	3.52%	220,000	130,415	89,585
12/21/21	12/21/22	2.60%	73,640	73,640	
Total Direct Borrowings			293,640	204,055	89,585
Total Long-Term Debt			<u>\$ 8,983,640</u>	<u>\$ 8,714,055</u>	<u>\$ 269,585</u>

Changes in Long-Term Debt

	Balance January 01, 2021	Issued	Retired	Balance December 31, 2021
Bonds payable	\$ 8,690,000	\$ 0	\$ 180,000	\$ 8,510,000
<u>Direct Borrowings</u>				
Notes payable	177,908	73,640	47,493	204,055
Total Long-Term Debt	<u>\$ 8,867,908</u>	<u>\$ 73,640</u>	<u>\$ 227,493</u>	<u>\$ 8,714,055</u>

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 245,000	\$ 256,044	\$ 501,044	\$ 122,831	\$ 4,858	\$ 127,689
2023	250,000	248,619	498,619	50,951	2,042	52,993
2024	260,000	240,969	500,969	30,273	354	30,627
2025	265,000	231,769	496,769			
2026	280,000	222,269	502,269			
2027 through 2031	1,525,000	975,697	2,500,697			
2032 through 2036	1,770,000	732,975	2,502,975			
2037 through 2041	2,045,000	449,312	2,494,312			
2042 through 2045	1,870,000	119,218	1,989,218			
Totals	<u>\$ 8,510,000</u>	<u>\$ 3,476,872</u>	<u>\$ 11,986,872</u>	<u>\$ 204,055</u>	<u>\$ 7,254</u>	<u>\$ 211,309</u>

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

Noncancellable Lease

The County entered into a noncancellable lease agreement for two Caterpillar 140M3 motor graders on February 21, 2019. Terms of the lease are monthly rental payments of \$3,546 for 36 months. At the end of the lease term, the County will return the equipment or purchase for fair market value. The County is obligated for the following amount for the next year:

<u>Year</u>	<u>December 31, 2021</u>
2022	<u>\$ 7,091</u>

Rental expense for 2021 was \$42,547.

County-Wide Reappraisal Contract

The County entered into a contract with Arkansas CAMA Technology on November 28, 2017, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$8,300 for a total of \$498,000 beginning on February 1, 2018. Contract expense for 2021 was \$99,600.

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

<u>Year</u>	<u>December 31, 2021</u>
2022	<u>\$ 99,600</u>

Construction Contract

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

<u>Project Name</u>	<u>Completed Date</u>	<u>Contract Balance December 31, 2021</u>
County Detention Center	February 2023	<u>\$ 3,611,196</u>

NOTE 12: Interfund Transfers

The General Funds transferred \$670,300 to Other Funds in the Aggregate (\$40,000 – County Library, \$600,000 – Jail Maintenance and Operation, \$4,500 – Public Defender, \$2,000 – Victim Witness, \$16,300 – Rural Fire Protection, \$7,500 – County Grants in Aid) for operating purposes.

Other Funds in the Aggregate transferred \$8,090 to the General Fund. Of this amount, \$4,599 was from the Assessor's Late Assessment Fund for a prior year posting error and \$3,491 was from the Jail Construction Fund for a reimbursement of prior year expenditures.

NOTE 13: Pledged Revenues

The County pledged future 0.375% and 0.25% sales and use taxes to repay \$8,690,000 in bonds that were issued in 2019 to provide funding for all or a portion of the costs of acquiring, constructing, equipping, and furnishing new jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$8,510,000 and \$3,476,872, respectively, payable through March 1, 2045. For 2021, principal and interest paid were \$180,000 and \$262,419, respectively. After the bonds are retired, the 0.375% sale and use tax will no longer be levied or collected.

The Debt Service Fund received \$1,071,161 in sales taxes in 2021. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for operation and maintenance of the jail and law enforcement facilities.

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 14: Joint Venture: Regional Library

Sevier, Little River, and Howard Counties entered into an agreement on October 9, 2013 in accordance with Ark. Code Ann. §13-2-401 to establish the Tri-County Regional Library System. The agreement states the Tri-County Regional Library System is governed by a six member board which is comprised two appointed representatives of each county library board. Each county is to contribute .25 per capita per year from their one mill property tax fund for the operation of the Regional Library System. Little River County paid \$3,113 for regional library expenses in 2021.

NOTE 15: Jointly Governed Organizations

Upper Southwest Arkansas Regional Solid Waste Management District

The County paid the Upper Southwest Arkansas Regional Solid Waste Management District \$211,315 in 2021. The Upper Southwest Arkansas Regional Solid Waste Management District is a jointly governed organization comprised of representatives from Howard, Pike, Sevier, Little River, Hempstead, Lafayette, Montgomery, Nevada, and Polk Counties and participating cities within the aforementioned counties. The Upper Southwest Arkansas Regional Solid Waste Management District is governed by a Board of Directors consisting of the respective judges and mayors unless some other representative is appointed by the participating entity. Separate audited financial statements for the Upper Southwest Arkansas Regional Solid Waste Management District are available at www.arklegaudit.gov.

Ninth West Judicial Drug Task Force

The Prosecuting Attorney of the Ninth West Judicial District, the Sheriffs' Departments of Sevier, Little River, Howard, and Pike Counties, and the Police Departments of De Queen, Ashdown, and Nashville entered into an agreement to establish the Ninth West Judicial Drug Task Force (Task Force). The agreement covers the period July 1, 2021 to June 30, 2022, and may be extended upon written mutual agreement. Funding is provided through federal and state grants in addition to contributions from participating entities. The County contributed \$5,994 to the Task Force in 2021. Separate financial statements for the Task Force are not available.

Little River Intermodal Authority

Little River County and the City of Ashdown entered into an agreement on November 4, 2015, to establish the Little River Intermodal Authority (Authority) pursuant to Ark. Code Ann. §§ 14-143-101 – 14-143-129. The Authority shall be governed by a board of directors consisting of nine members appointed by the participating County Judge and Mayor. Little River County and the City of Ashdown will each receive four members, and the ninth member will be appointed by mutual agreement between the entities. In 2020, the County made no contributions to the Authority. Separate financial statements for the Little River Intermodal Authority are not available.

NOTE 16: 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.

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 16: 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 17: Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2021 (date of APERS Employer Allocation Report) were \$492,211.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2021 (actuarial valuation date and measurement date) was \$ 1,237,005.

LITTLE RIVER COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 18: Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The County was awarded \$2,381,167 in federal aid from the American Rescue Plan Act of 2021. As of report date, the County received funds in the amounts of \$2,381,167. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

NOTE 19: Lease of Hospital Facilities

Little River Memorial Hospital was operated as a county hospital through June 30, 2016. During 2016, members of the Board of Governors of the Little River Memorial Hospital formed a 501(C)(3) not-for-profit corporation for the purpose of leasing the hospital facilities from the County and operating it as a private concern. On June 30, 2016, Little River Medical Center, Inc. entered into a lease agreement with the County to lease the facilities for 25 years for \$25 annually.

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library
ASSETS							
Cash and cash equivalents	\$ 82,966	\$ 167,530	\$ 16,716	\$ 24,813	\$ 51,039	\$ 121,426	\$ 32,869
Accounts receivable			140		652	4,805	514
Interfund receivables							
TOTAL ASSETS	\$ 82,966	\$ 167,530	\$ 16,856	\$ 24,813	\$ 51,691	\$ 126,231	\$ 33,383
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 861					\$ 5,080	\$ 497
Interfund payables							
Settlements pending							
Total Liabilities	861					5,080	497
Fund Balances:							
Restricted	82,105	\$ 167,530	\$ 16,856	\$ 24,813	\$ 51,691	121,151	
Assigned							32,886
Unassigned							
Total Fund Balances	82,105	167,530	16,856	24,813	51,691	121,151	32,886
TOTAL LIABILITIES AND FUND BALANCES	\$ 82,966	\$ 167,530	\$ 16,856	\$ 24,813	\$ 51,691	\$ 126,231	\$ 33,383

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

Schedule 1

SPECIAL REVENUE FUNDS

	Solid Waste	Child Support Cost	Communication Facility and Equipment	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle
ASSETS							
Cash and cash equivalents	\$ 853,558	\$ 3,245	\$ 14,338	\$ 28,160	\$ 7,036	\$ 174,975	\$ 12,865
Accounts receivable	3,906		1,176	18,018		2,620	190
Interfund receivables							
TOTAL ASSETS	\$ 857,464	\$ 3,245	\$ 15,514	\$ 46,178	\$ 7,036	\$ 177,595	\$ 13,055
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 39,552			\$ 72,561		\$ 4,230	
Interfund payables						5,824	
Settlements pending							
Total Liabilities	39,552			72,561		10,054	
Fund Balances:							
Restricted	788,435	\$ 3,245	\$ 15,514		\$ 7,036	167,541	\$ 13,055
Assigned	29,477						
Unassigned				(26,383)			
Total Fund Balances	817,912	3,245	15,514	(26,383)	7,036	167,541	13,055
TOTAL LIABILITIES AND FUND BALANCES	\$ 857,464	\$ 3,245	\$ 15,514	\$ 46,178	\$ 7,036	\$ 177,595	\$ 13,055

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

Schedule 1

	SPECIAL REVENUE FUNDS						
	Public Defender	Victim/Witness	Public Safety	Juvenile Court Representation	Assessor's Late Assessment Fee	American Rescue Plan Act	County Grants in Aid
ASSETS							
Cash and cash equivalents	\$ 1,736	\$ 1,127	\$ 896	\$ 2,098	\$ 1,338	\$ 733,263	\$ 1,400
Accounts receivable	923	500	9	20			
Interfund receivables						8,827	
TOTAL ASSETS	<u>\$ 2,659</u>	<u>\$ 1,627</u>	<u>\$ 905</u>	<u>\$ 2,118</u>	<u>\$ 1,338</u>	<u>\$ 742,090</u>	<u>\$ 1,400</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							
Interfund payables							
Settlements pending							
Total Liabilities							
Fund Balances:							
Restricted			\$ 905		\$ 1,338	\$ 742,090	
Assigned	\$ 2,659	\$ 1,627		\$ 2,118			\$ 1,400
Unassigned							
Total Fund Balances	<u>2,659</u>	<u>1,627</u>	<u>905</u>	<u>2,118</u>	<u>1,338</u>	<u>742,090</u>	<u>1,400</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,659</u>	<u>\$ 1,627</u>	<u>\$ 905</u>	<u>\$ 2,118</u>	<u>\$ 1,338</u>	<u>\$ 742,090</u>	<u>\$ 1,400</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUND	DEBIT SERVICE FUND
	Law Library	Cossatot Community College Sales Tax	Law Enforcement Grants	Arkansas Historic Preservation Grant	Jail Construction	2019 Sales & Use Tax Bonds
ASSETS						
Cash and cash equivalents	\$ 7,473	\$ 2,057			\$ 4,687,567	\$ 1,516,882
Accounts receivable	455		\$ 37,311	\$ 37,987		
Interfund receivables						
TOTAL ASSETS	\$ 7,928	\$ 2,057	\$ 37,311	\$ 37,987	\$ 4,687,567	\$ 1,516,882
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable				\$ 10,996	\$ 343,443	
Interfund payables						
Settlements pending		\$ 2,057				
Total Liabilities		<u>2,057</u>		<u>10,996</u>	<u>343,443</u>	
Fund Balances:						
Restricted	\$ 7,928		\$ 37,311	26,991	4,344,124	\$ 1,516,882
Assigned						
Unassigned						
Total Fund Balances	<u>7,928</u>	<u>0</u>	<u>37,311</u>	<u>26,991</u>	<u>4,344,124</u>	<u>1,516,882</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,928	\$ 2,057	\$ 37,311	\$ 37,987	\$ 4,687,567	\$ 1,516,882

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

Schedule 1

	CUSTODIAL FUNDS					
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS						
Cash and cash equivalents	\$ 151	\$ 85,800	\$ 7,938	\$ 1,706	\$ 46,323	\$ 8,689,291
Accounts receivable						109,226
Interfund receivables						8,827
TOTAL ASSETS	<u>\$ 151</u>	<u>\$ 85,800</u>	<u>\$ 7,938</u>	<u>\$ 1,706</u>	<u>\$ 46,323</u>	<u>\$ 8,807,344</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 477,220
Interfund payables						5,824
Settlements pending	\$ 151	\$ 85,800	\$ 7,938	\$ 1,706	\$ 46,323	143,975
Total Liabilities	<u>151</u>	<u>85,800</u>	<u>7,938</u>	<u>1,706</u>	<u>46,323</u>	<u>627,019</u>
Fund Balances:						
Restricted						8,136,541
Assigned						70,167
Unassigned						(26,383)
Total Fund Balances						<u>8,180,325</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 151</u>	<u>\$ 85,800</u>	<u>\$ 7,938</u>	<u>\$ 1,706</u>	<u>\$ 46,323</u>	<u>\$ 8,807,344</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Solid Waste
REVENUES								
State aid				\$ 4,635			\$ 7,442	
Federal aid								
Property taxes							81,540	
Sales taxes								\$ 856,929
Fines, forfeitures, and costs			\$ 2,316					
Interest					\$ 214	\$ 460.00	70	3,237
Officers' fees					8,619	69,945		
Contribution from cities								
Sanitation fees								462,450
Jail fees								
911 surcharge								
Treasurer's commission	\$ 18,811							
Collector's commission		\$ 47,879						
Other							3,562	12,950
TOTAL REVENUES	18,811	47,879	2,316	4,635	8,833	70,405	92,614	1,335,566
Less: Treasurer's commission			32	71	137	1,088	1,380	20,274
NET REVENUES	18,811	47,879	2,284	4,564	8,696	69,317	91,234	1,315,292
EXPENDITURES								
Current:								
General government	15,879	31,398			16,250	94,223		
Law enforcement			1,452					
Highways and streets								
Public safety								
Sanitation								1,277,705
Recreation and culture							122,884	
Total Current	15,879	31,398	1,452		16,250	94,223	122,884	1,277,705
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES	15,879	31,398	1,452		16,250	94,223	122,884	1,277,705
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	2,932	16,481	832	4,564	(7,554)	(24,906)	(31,650)	37,587
OTHER FINANCING SOURCES (USES)								
Transfers in							40,000	
Transfers out								
Sales tax remitted to Little River Memorial Hospital								
Sales tax remitted to Cossatot Community College								
Contribution to Little River Memorial Hospital								
TOTAL OTHER FINANCING SOURCES (USES)							40,000	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	2,932	16,481	832	4,564	(7,554)	(24,906)	8,350	37,587
FUND BALANCES - JANUARY 1	79,173	151,049	16,024	20,249	59,245	146,057	24,536	780,325
FUND BALANCES - DECEMBER 31	\$ 82,105	\$ 167,530	\$ 16,856	\$ 24,813	\$ 51,691	\$ 121,151	\$ 32,886	\$ 817,912

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

Schedule 2

	SPECIAL REVENUE FUNDS						
	Child Support Cost	Communication Facility and Equipment	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle	Public Defender Victim/Witness
REVENUES							
State aid				\$ 1,671			
Federal aid							
Property taxes							
Sales taxes							
Fines, forfeitures, and costs			\$ 56,940			\$ 3,175	\$ 12,646
Interest	\$ 13	\$ 26	248	56	\$ 493		\$ 5,998
Officers' fees		1,919					
Contribution from cities					82,646		
Sanitation fees							
Jail fees		6,587	93,172				
911 surcharge					276,065		
Treasurer's commission							
Collector's commission							
Other			1,600				
TOTAL REVENUES	13	8,532	151,960	1,727	359,204	3,175	12,646
Less: Treasurer's commission		5	1,052	26	5,562	45	192
NET REVENUES	13	8,527	150,908	1,701	353,642	3,130	12,454
EXPENDITURES							
Current:							
General government	580						
Law enforcement			902,986	4,531			16,500
Highways and streets							7,838
Public safety					314,155		
Sanitation							
Recreation and culture							
Total Current	580		902,986	4,531	314,155		16,500
Debt Service:							
Bond principal							
Bond interest and other charges							
TOTAL EXPENDITURES	580		902,986	4,531	314,155		16,500
EXCESS OF REVENUES OVER (UNDER)							
EXPENDITURES	(567)	8,527	(752,078)	(2,830)	39,487	3,130	(4,046)
OTHER FINANCING SOURCES (USES)							
Transfers in			600,000				4,500
Transfers out							2,000
Sales tax remitted to Little River Memorial Hospital							
Sales tax remitted to Cossatot Community College							
Contribution to Little River Memorial Hospital							
TOTAL OTHER FINANCING SOURCES (USES)			600,000				4,500
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)							
EXPENDITURES AND OTHER USES	(567)	8,527	(152,078)	(2,830)	39,487	3,130	454
FUND BALANCES - JANUARY 1	3,812	6,987	125,695	9,866	128,054	9,925	2,205
FUND BALANCES - DECEMBER 31	\$ 3,245	\$ 15,514	\$ (26,383)	\$ 7,036	\$ 167,541	\$ 13,055	\$ 2,659

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Public Safety	Juvenile Court Representation	Assessor's Late Assessment Fee	American Rescue Plan Act	Rural Fire Protection	Local Law Enforcement Block Grant	Arkansas Economic Development Grant	County Grants in Aid
REVENUES								
State aid								
Federal aid				\$ 1,190,584		\$ 2,550	\$ 4,000	
Property taxes			\$ 201					
Sales taxes								
Fines, forfeitures, and costs	\$ 54	\$ 1,675						
Interest				2,111				
Officers' fees								
Contribution from cities								
Sanitation fees								
Jail fees								
911 surcharge								
Treasurer's commission								
Collector's commission								
Other								
TOTAL REVENUES	54	1,675	201	1,192,695		2,550	4,000	
Less: Treasurer's commission	1	25	3					
NET REVENUES	53	1,650	198	1,192,695		2,550	4,000	
EXPENDITURES								
Current:								
General government				124,478				\$ 5,000
Law enforcement		3,879		142,387		2,550		
Highways and streets				88,760				
Public safety				34,235	\$ 16,300			
Sanitation				48,979				
Recreation and culture				11,766			4,000	1,100
Total Current		3,879		450,605	16,300	2,550	4,000	6,100
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES		3,879		450,605	16,300	2,550	4,000	6,100
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	53	(2,229)	198	742,090	(16,300)			(6,100)
OTHER FINANCING SOURCES (USES)								
Transfers in					16,300			7,500
Transfers out			(4,599)					
Sales tax remitted to Little River Memorial Hospital								
Sales tax remitted to Cossatot Community College								
Contribution to Little River Memorial Hospital							(41,166)	
TOTAL OTHER FINANCING SOURCES (USES)			(4,599)		16,300		(41,166)	7,500
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	53	(2,229)	(4,401)	742,090			(41,166)	1,400
FUND BALANCES - JANUARY 1	852	4,347	5,739				41,166	
FUND BALANCES - DECEMBER 31	\$ 905	\$ 2,118	\$ 1,338	\$ 742,090	\$ 0	\$ 0	\$ 0	\$ 1,400

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

Schedule 2

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
	Courthouse Security Grant	Law Library	Little River Hospital Sales Tax	Cossatot Community College Sales Tax	Law Enforcement Grants	Arkansas Historic Preservation Grant	Jail Construction	2019 Sales & Use Tax Bonds	Totals
REVENUES									
State aid	\$ 15,000				\$ 37,311	\$ 37,987			\$ 104,046
Federal aid									1,197,134
Property taxes									81,741
Sales taxes			\$ 856,929	\$ 428,464				\$ 1,071,161	3,213,483
Fines, forfeitures, and costs		\$ 6,548							89,352
Interest							\$ 739	1,461	9,128
Officers' fees									80,483
Contribution from cities									82,646
Sanitation fees									462,450
Jail fees									99,759
911 surcharge									276,065
Treasurer's commission									18,811
Collector's commission									47,879
Other									18,112
TOTAL REVENUES	15,000	6,548	856,929	428,464	37,311	37,987	739	1,072,622	5,781,089
Less: Treasurer's commission		93		6,512				6,531	43,120
NET REVENUES	15,000	6,455	856,929	421,952	37,311	37,987	739	1,066,091	5,737,969
EXPENDITURES									
Current:									
General government						10,996			298,804
Law enforcement		6,334					3,168,700		4,257,157
Highways and streets									88,760
Public safety	15,000								379,690
Sanitation									1,326,684
Recreation and culture									139,750
Total Current	15,000	6,334				10,996	3,168,700		6,490,845
Debt Service:									
Bond principal								180,000	180,000
Bond interest and other charges								264,981	264,981
TOTAL EXPENDITURES	15,000	6,334				10,996	3,168,700	444,981	6,935,826
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES		121	856,929	421,952	37,311	26,991	(3,167,961)	621,110	(1,197,857)
OTHER FINANCING SOURCES (USES)									
Transfers in									670,300
Transfers out							(3,491)		(8,090)
Sales tax remitted to Little River Memorial Hospital			(856,929)						(856,929)
Sales tax remitted to Cossatot Community College				(421,952)					(421,952)
Contribution to Little River Memorial Hospital									(41,166)
TOTAL OTHER FINANCING SOURCES (USES)			(856,929)	(421,952)			(3,491)		(657,837)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES		121			37,311	26,991	(3,171,452)	621,110	(1,855,694)
FUND BALANCES - JANUARY 1		7,807					7,515,576	895,772	10,036,019
FUND BALANCES - DECEMBER 31	\$ 0	\$ 7,928	\$ 0	\$ 0	\$ 37,311	\$ 26,991	\$ 4,344,124	\$ 1,516,882	\$ 8,180,325

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
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.
Solid Waste	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on fee schedule contained in an ordinance. Little River County Ordinance no. 2015-3 (February 11, 2015) authorized solid waste management fees.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Operation and Maintenance	<p>Little River County Ordinance no. 2009-7 (June 8, 2009) pursuant to Ark. Code Ann. § 16-17-129 allows the 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.</p> <p>Little River County Ordinance no. 2019-4 (February 11, 2019), pursuant to Ark. Code Ann. § 12-41-505 established fund to receive booking and administration fees 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.</p>
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
CMRS 911 Board (Commercial Mobile Radio Service)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
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.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Court Representation	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.
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.
Rural Fire Protection	Established to account for expenditures related to rural fire departments.
Local Law Enforcement Block Grant	Established to account for a grant received from the State of Arkansas for local law enforcement programs.
Arkansas Economic Development Grant	Established fund to account for rural community block grants
County Grants in Aid	Established to receive transfers for the payment of expenditures associated with grants to other entities.
Courthouse 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.
Law Library	Ark. Code Ann. § 16-23-101 established fund to receive court costs to be used for any purpose related to the establishment, maintenance, and operation of a county law library.
Little River Hospital Sales Tax	Established to receive and remit 1/2 cent sales tax approved by Little River County ordinance no. 2000-5 (February 24, 2000) as approved by referendum on March 28, 2000, for the purpose of operation and maintenance of hospital and nursing home facilities and related health care facilities.
Cossatot Community College Sales Tax	Established to receive and remit 1/4 cent sales tax approved by Little River County ordinance no. 2007-6 (February 12, 2007) as approved by referendum May 8, 2007, for the purpose of operating and maintaining college facilities.
Law Enforcement Grants	Established to account for grant proceeds for law enforcement grant to be used for bullet proof vests.
Arkansas Historic Preservation Grant	Established to account for a grant received from the State of Arkansas for maintenance to the courthouse.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Construction	Little River County Ordinance no. 2019-16 (October 29, 2019) established fund to receive the proceeds from the issuance of bonds to be used for the cost of constructing jail and law enforcement facilities.
2019 Sales & Use Tax Bonds	Little River County Ordinance nos. 2019-7 and 2019-9 (May 29, 2019) established fund to receive future collections of two sales and use taxes aggregating .625%, approved by referendum on September 10, 2019, to pay the principal and interest on bonds as they become due at maturity or redemption prior to maturity and the Trustee's fees and expenses.

Treasurer's accounts consist primarily of interest not distributed to the appropriate agencies.

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

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

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

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

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

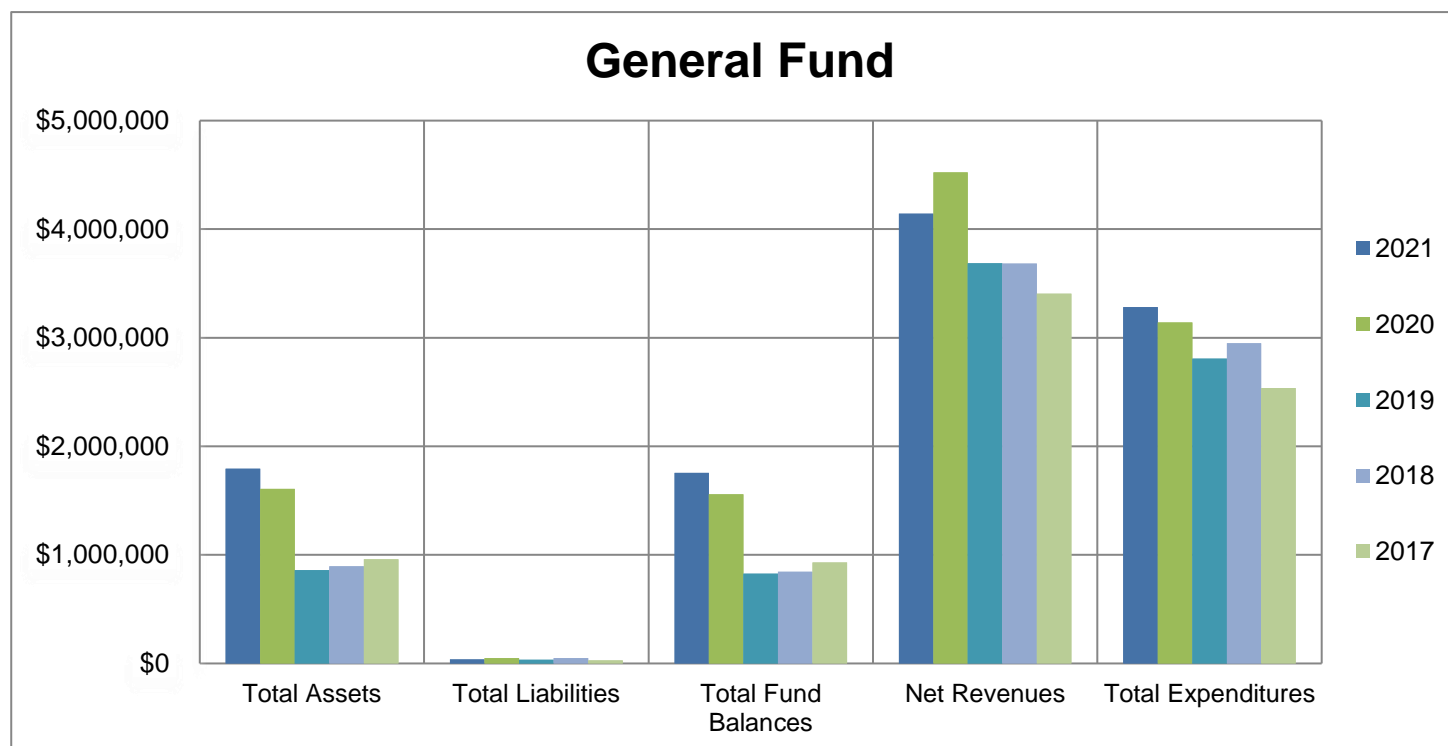
Schedule 3

	December 31, 2021
Land	\$ 299,969
Buildings	2,668,098
Equipment	5,949,436
Construction in progress	<u>3,553,135</u>
Total	<u><u>\$ 12,470,638</u></u>

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

Schedule 4-1

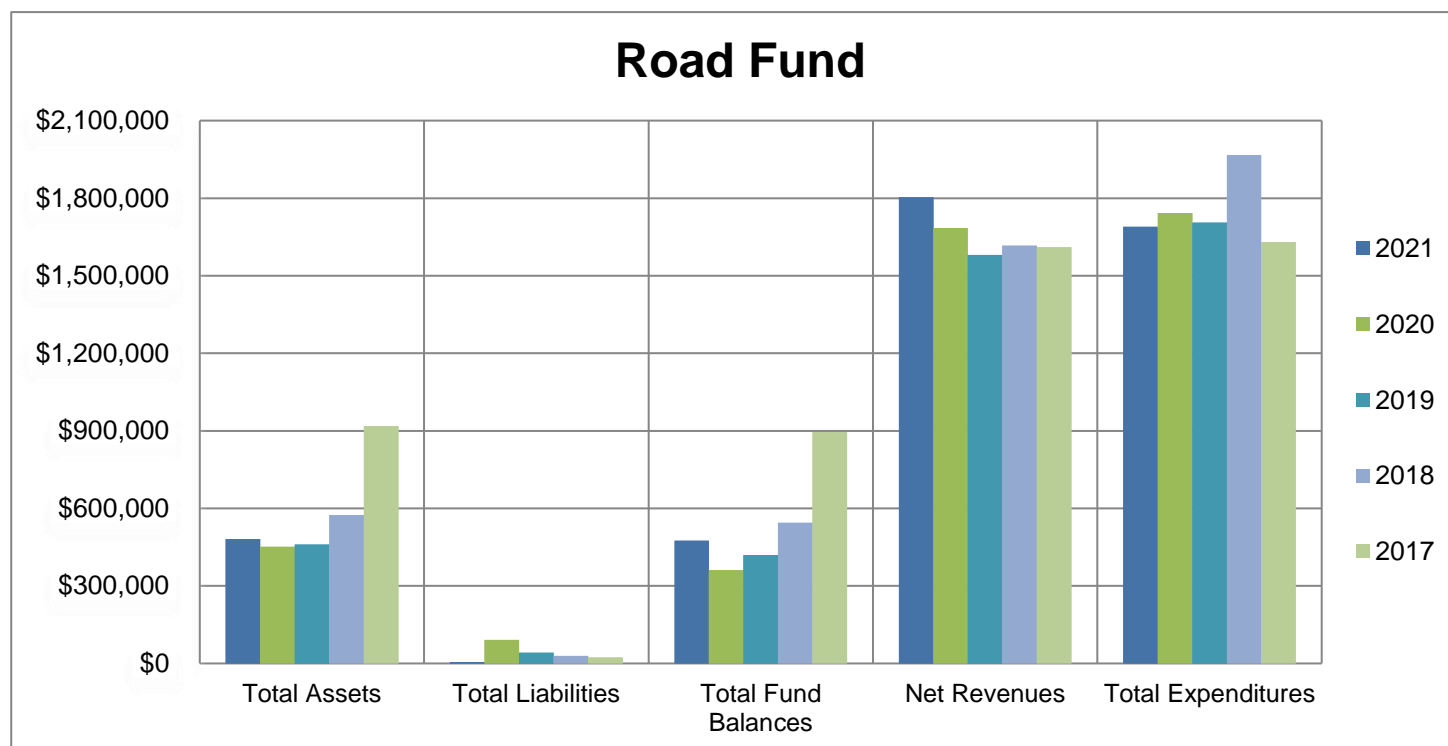
<u>General</u>	2021	2020	2019	2018	2017
Total Assets	\$ 1,792,924	\$ 1,606,855	\$ 858,414	\$ 895,600	\$ 958,350
Total Liabilities	36,738	47,987	32,788	49,988	29,229
Total Fund Balances	1,756,186	1,558,868	825,626	845,612	929,121
Net Revenues	4,142,927	4,522,228	3,686,196	3,683,084	3,406,894
Total Expenditures	3,283,399	3,141,239	2,806,477	2,948,184	2,535,289
Total Other Financing Sources/Uses	(662,210)	(647,747)	(899,705)	(818,409)	(824,930)



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

Schedule 4-2

<u>Road</u>	2021	2020	2019	2018	2017
Total Assets	\$ 480,655	\$ 451,414	\$ 460,468	\$ 573,719	\$ 917,470
Total Liabilities	6,145	91,017	41,862	29,009	22,547
Total Fund Balances	474,510	360,397	418,606	544,710	894,923
Net Revenues	1,803,323	1,684,464	1,579,717	1,615,753	1,609,372
Total Expenditures	1,689,210	1,742,673	1,705,821	1,965,966	1,629,356
Total Other Financing Sources/Uses					



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2021	2020	2019	2018	2017
Total Assets	\$ 8,807,344	\$ 10,326,030	\$ 10,013,234	\$ 1,619,315	\$ 1,381,926
Total Liabilities	627,019	290,011	208,632	314,100	272,777
Total Fund Balances	8,180,325	10,036,019	9,804,602	1,305,215	1,109,149
Net Revenues	5,737,969	4,409,202	2,996,639	2,989,843	3,019,617
Total Expenditures	6,935,826	3,606,146	3,211,158	2,557,533	2,813,885
Total Other Financing Sources/Uses	(657,837)	(581,067)	8,713,906	(236,244)	81,766

