

Lonoke County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



LONOKE COUNTY, ARKANSAS
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Arkansas

Sen. David Wallace
Senate Chair
Sen. John Payton
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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

Lonoke 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 Lonoke County, Arkansas (County), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, road fund, and other funds in the aggregate as of December 31, 2022, and the related Statements of Revenues, Expenses, and Changes in Fund Balances and Budget and Actual – General and Road Funds – Regulatory Basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Lonoke County, Arkansas, as of December 31, 2022; the regulatory basis revenues, expenditures, and changes in net position; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, road fund, and other funds in the aggregate of Lonoke County, Arkansas, as of December 31, 2022, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

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

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

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

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

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
March 13, 2024
LOCO04322

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

Lonoke 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 Lonoke County, Arkansas (County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated March 13, 2024. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We also reported to management of the County in a separate letter dated March 13, 2024.

Purpose of This Report

The purpose of this report is solely to describe 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



Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
March 13, 2024

Arkansas



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

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

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2022:

County Judge: Doug Erwin
Treasurer: Patti Weathers
Sheriff: John Staley
Tax Collector: Therese O'Donnell
County Clerk: Dawn Porterfield
Circuit Clerk: Deborah Oglesby
Assessor: Donna Pedersen
County Librarian: Kathleen Ashmore

We would like to communicate the following items that came to our attention during this audit. The purpose of such comments 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. These matters were discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

County Clerk

A review of payroll records in the County Clerk's office, for the period January 1, 2022 through July 22, 2023, revealed the following questionable payments totaling \$4,231:

- \$2,994 paid to Employee A:
 - \$1,731 for vacation leave taken before leave was earned.
 - \$427 in compensatory time without taxes withheld.
 - \$287 in overpayments due to hours worked being reported in incorrect pay periods.
 - \$196 duplicate payment for inclement weather.
 - \$180 for personal leave without adequate supporting documentation of hours available.
 - \$173 overpayment for miscalculated compensatory time.
- \$836 paid to Employee B:
 - \$522 overpayment for miscalculated compensatory time.
 - \$200 for sick leave taken before leave was earned.
 - \$114 for personal leave without adequate supporting documentation of hours available.
- \$401 paid to Employee C for miscalculated compensatory time.

We recommend the County consult with legal counsel regarding the legalities and irreconcilable nature of the Clerk's Executive Office Policy compared to the General Lonoke County Personnel Policy.

County Sheriff

The Arkansas Department of Inspector General, Office of Internal Audit (OIG/OIA) disclosed in a report dated April 19, 2023, that an employee of the Lonoke County Sheriff's Office (LCSO) whose time was funded by the Comprehensive Opioid Abuse Program (COAP) grant duplicated hours on time sheets for a total of 146.5 hours. The 146.5 duplicated hours of compensation by off duty services and the LCSO/COAP grant resulted in a COAP grant overpayment of \$2,586. The Arkansas Department of Finance and Administration, Office of Intergovernmental Services (DFA/IGS) agreed to recover the overpayment by reducing the remaining reimbursements by the same amount for the investigator position. In addition, DFA/IGS will require the LCSO to certify the accuracy of payroll time and effort with each submission for reimbursement.

County Judge

In June 2019, under Ark. Code. Ann. §§ 14-22-102 – 14-22-115, the County solicited bids for “county road right-of-way mowing” services and accepted a bid of \$195 per mile. The contract terms, dated June 7, 2019, were for the remainder of the calendar year, with the County having the option to renew the contract for up to “three (3) annual extensions, provided the funding is appropriated.” In 2023, the County continued to use this Vendor without soliciting bids, as required by Ark. Code Ann. § 14-22-102, or exempting the solicitation of bids by designating this Vendor as a professional services provider via a two-thirds vote of the Quorum Court.

Our review of selected Road Fund disbursements revealed payments totaling \$4,395,222 were paid to one Vendor for County road right-of-way mowing services for the five-year period ended December 31, 2023. We discovered nine duplicate invoice payments totaling \$132,679 for which the checks were not voided, and the County did not seek repayment or credit. Claims for Vendor payment were marked “Return Check To Office,” indicating checks were either hand-delivered to, or picked-up by, the Vendor. As of report date, Vendor overpayments totaling \$132,679, listed in the chart below, remained outstanding, and the County had not pursued reimbursement from the Vendor.

The Vendor submitted invoices to the County that contained names of privately-owned roads, and the County adjusted the invoice amount before making payment. We noted that some invoices did not contain evidence that the invoice was reviewed for mowing of non-County roads. It appears the Vendor selected which right-of-way to mow rather than the County determining the areas for mowing, contrary to the terms of the contract. Furthermore, documentation was not available to support County review and oversight of the services provided by the Vendor.

Duplicate Vendor Invoice Payments

Payment Information						
Invoice Number	Invoice Date	Original Payment Date	Check Number	Duplicate Payment Date	Check Number	Duplicate Payment Amount
26227	6/13/2019	6/19/2019	122178	6/26/2019	122278	\$ 16,829
26545 / 26649	1 7/22/2019; 8/2/2019	7/29/2019	123459	8/14/2019	124092	4,816
26663	8/5/2019	8/6/2019	123800	8/14/2019	124096	14,469
27007 / 27006	2 9/22/2019	9/26/2019	125217	9/26/2019	125219	3,247
29809	8/21/2020	8/25/2020	134765	9/4/2020	135023	18,979
29936	9/9/2020	9/17/2020	135289	9/28/2020	135515	17,842
30085	10/1/2020	10/14/2020	135957	10/22/2020	136140	18,735
30143	10/9/2020	10/22/2020	136139	10/22/2022	136141	19,578
31627	5/28/2021	6/3/2021	142485	6/10/2021	142753	18,184
						<u>\$ 132,679</u>

- 1: The same County road right-of-w ays w ere mow ed eleven days apart and invoiced w ith a different invoice number.
- 2: The same fourteen County road right-of-w ays w ere invoiced on the same date w ith a different invoice number.

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



Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
March 13, 2024

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

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 4,717,586	\$ 9,253,324	\$ 22,354,155
Accounts receivable	300,124	97,940	262,831
Interfund receivables	909		
	<u>5,018,619</u>	<u>9,351,264</u>	<u>22,616,986</u>
TOTAL ASSETS			
	<u>\$ 5,018,619</u>	<u>\$ 9,351,264</u>	<u>\$ 22,616,986</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 141,880	\$ 173,476	\$ 529,343
Interfund payables			909
Settlements pending	14,882		3,030,417
Total Liabilities	<u>156,762</u>	<u>173,476</u>	<u>3,560,669</u>
Fund Balances:			
Restricted		9,177,788	18,709,891
Committed			197,055
Assigned	76,547		157,043
Unassigned	4,785,310		(7,672)
Total Fund Balances	<u>4,861,857</u>	<u>9,177,788</u>	<u>19,056,317</u>
	<u>\$ 5,018,619</u>	<u>\$ 9,351,264</u>	<u>\$ 22,616,986</u>
TOTAL LIABILITIES AND FUND BALANCES			

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 1,009,837	\$ 3,543,235	\$ 789,560
Federal aid	31,202		7,384,704
Property taxes	3,719,339	1,323,467	971,832
Sales taxes		3,493,682	7,201,112
Fines, forfeitures, and costs	376,002		267,212
Interest	33,753	80,134	155,205
Officers' fees	725,183		347,209
Franchise fees	50,672		
Jail fees			530,761
Commissary sales	122,521		138,984
911 fees			1,123,691
Library fines and fees			25,365
Insurance premiums			897
Treasurer's commission	272,686		72,879
Collector's commission	375,791		209,144
Taxes apportioned - Assessor's salary and expense	651,908		
Other	418,265	171,614	126,453
TOTAL REVENUES	7,787,159	8,612,132	19,345,008
Less: Treasurer's commission	63,838	69,272	84,244
NET REVENUES	7,723,321	8,542,860	19,260,764
EXPENDITURES			
Current:			
General government	2,972,133		3,450,355
Law enforcement	1,673,622		5,772,108
Highways and streets		9,521,203	
Public safety	90,528		2,040,094
Sanitation			936,966
Health	39,644		
Recreation and culture			1,512,399
Social services	160,027		
Total Current	4,935,954	9,521,203	13,711,922
Debt Service:			
Financed purchase principal			23,300
Financed purchase interest			2,085
TOTAL EXPENDITURES	4,935,954	9,521,203	13,737,307

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 2,787,367</u>	<u>\$ (978,343)</u>	<u>\$ 5,523,457</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			24,630
Transfers out	(24,630)		
Contributions from cities			<u>366,761</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(24,630)</u>		<u>391,391</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,762,737	(978,343)	5,914,848
FUND BALANCES - JANUARY 1	<u>2,099,120</u>	<u>10,156,131</u>	<u>13,141,469</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 4,861,857</u></u>	<u><u>\$ 9,177,788</u></u>	<u><u>\$ 19,056,317</u></u>

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,014,059	\$ 1,009,837	\$ (4,222)	\$ 3,023,137	\$ 3,543,235	\$ 520,098
Federal aid		31,202	31,202			
Property taxes	3,398,675	3,719,339	320,664	1,374,361	1,323,467	(50,894)
Sales taxes				3,010,417	3,493,682	483,265
Fines, forfeitures, and costs	449,854	376,002	(73,852)			
Interest	12,313	33,753	21,440	127,660	80,134	(47,526)
Officers' fees	464,586	725,183	260,597			
Franchise fees	60,961	50,672	(10,289)			
Commissary sales	135,085	122,521	(12,564)			
Treasurer's commission	292,477	272,686	(19,791)			
Collector's commission	471,793	375,791	(96,002)			
Taxes apportioned - Assessor's salary and expense	793,796	651,908	(141,888)			
Other	621,476	418,265	(203,211)	110,538	171,614	61,076
TOTAL REVENUES	7,715,075	7,787,159	72,084	7,646,113	8,612,132	966,019
Less: Treasurer's commission		63,838	(63,838)		69,272	(69,272)
NET REVENUES	7,715,075	7,723,321	8,246	7,646,113	8,542,860	896,747
EXPENDITURES						
Current:						
General government	3,436,366	2,972,133	464,233			
Law enforcement	1,803,013	1,673,622	129,391			
Highways and streets				17,543,538	9,521,203	8,022,335
Public safety	99,030	90,528	8,502			
Health	30,259	39,644	(9,385)			
Social services	178,662	160,027	18,635			
TOTAL EXPENDITURES	5,547,330	4,935,954	611,376	17,543,538	9,521,203	8,022,335

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,167,745	\$ 2,787,367	\$ 619,622	\$ (9,897,425)	\$ (978,343)	\$ 8,919,082
OTHER FINANCING SOURCES (USES)						
Transfers in	23,670		(23,670)			
Transfers out	(774,630)	(24,630)	750,000			
TOTAL OTHER FINANCING SOURCES (USES)	(750,960)	(24,630)	726,330			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,416,785	2,762,737	1,345,952	(9,897,425)	(978,343)	8,919,082
FUND BALANCES - JANUARY 1	204,275	2,099,120	1,894,845	10,815,457	10,156,131	(659,326)
FUND BALANCES - DECEMBER 31	\$ 1,621,060	\$ 4,861,857	\$ 3,240,797	\$ 918,032	\$ 9,177,788	\$ 8,259,756

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

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

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

B. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting – Regulatory (Continued)

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

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

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, trust, property taxes, and excess commissions 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.
3. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
4. 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.
5. 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.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Property Taxes

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

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 1,702,853	\$ 1,762,577
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	34,619,284	38,602,108
Total Deposits	\$ 36,322,137	\$ 40,364,685

The above total deposits do not include cash on hand of \$2,928.

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

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

NOTE 4: Accounts Receivable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fines, forfeitures, and costs	\$ 20,395		\$ 10,227
Officers' fees	12,100		53,225
Franchise fees	11,736		
Jail fees			59,498
Commissary sales	24,739		
911 fees			8,004
Treasurer's commission	113,090		
Taxes apportioned - Assessor's salary and expense	25,024		
Other	3,250	\$ 510	13,386
Treasurer's commission charged	89,790	97,430	118,491
Totals	<u>\$ 300,124</u>	<u>\$ 97,940</u>	<u>\$ 262,831</u>

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 137,879	\$ 171,606	\$ 519,749
Payroll taxes payable	4,001	1,870	9,594
Totals	<u>\$ 141,880</u>	<u>\$ 173,476</u>	<u>\$ 529,343</u>

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

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2022	
	Interfund Receivables	Interfund Payables
General Fund	\$ 909	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Sheriff's Federal Forfeiture		\$ 909
 Totals	\$ 909	\$ 909

Interfund receivables and payables consist of errors in depositing restricted revenues. These balances were repaid on June 12, 2023.

NOTE 7: Federal Funds Program Compliance

As of report date, Lonoke County's federal grants were in the process of being audited in accordance with federal program requirements, 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 has entered a contract for an accounting firm to perform a federal compliance audit.

NOTE 8: 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			\$ 11,184,529
Law enforcement			2,705,820
Highways and streets		\$ 9,177,788	
Public safety			1,676,533
Sanitation			902,167
Recreation and culture			2,237,891
Capital outlay			2,951
Total Restricted		9,177,788	18,709,891
Committed for:			
Law enforcement			197,055
Assigned to:			
General government	\$ 3,108		
Law enforcement	73,439		157,043
Total Assigned	76,547		157,043
Unassigned	4,785,310		(7,672)
Totals	\$ 4,861,857	\$ 9,177,788	\$ 19,056,317

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

NOTE 9: Deficit Fund Balances

The following fund has a deficit fund balance as of December 31, 2022:

	December 31, 2022
Other Funds in the Aggregate:	
Special Revenue Funds:	
Victim of Crime Case Coordinator	\$ (7,672)

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, 2022, the legal debt limit for bonded debt was \$109,144,511. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2022, the legal debt limit for short-term financing obligations was \$29,006,388. The amount of short-term financing obligations was \$125,468 leaving a legal debt margin of \$28,880,920.

NOTE 11: Commitments

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

	December 31, 2022
Long-term liabilities	\$ 125,468
Reappraisal contract	1,292,832
Total Commitments	\$ 1,418,300

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

NOTE 11: Commitments (Continued)

Long-term Liabilities

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

	December 31, 2022
<u>Direct Borrowings</u>	
Financed purchase agreement with Red River Dodge, dated October 28, 2020, in the amount of \$69,639 for the purchase of two 2020 Dodge Ram 1500s and one 2020 Jeep Cherokee 4WD. Thirty-six (36) monthly payments of \$2,115 at 5.90% interest, beginning December 2020. Payments are to be made from the Sheriff's Comprehensive Opioid Abuse Site-Based Program (COAP) Grant Fund.	\$ 22,597
Financed purchase agreement with Arvest Equipment Finance, dated November 9, 2022, in the amount of \$102,871 for the purchase of a 2023 MACK Roll-Back Truck. Three (3) annual payments of \$36,336 at 4.50% interest, beginning March 1, 2023. Payments are to be made from the Solid Waste Fund.	102,871
Total Long-term liabilities	\$ 125,468

The County's outstanding financed purchases from direct borrowings of \$125,468 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.

Compensated Absences

Compensated absences do vest or accumulate. The amount of compensated absences was not determined.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2022	Maturities to December 31, 2022
<u>Direct Borrowings</u>					
10/28/20	10/28/23	5.90%	\$ 69,639	\$ 22,597	\$ 47,042
11/9/22	3/1/25	4.50%	102,871	102,871	0
Total Long-Term Debt			\$ 172,510	\$ 125,468	\$ 47,042

Changes in Long-Term Debt

	Balance January 01, 2022	Issued	Retired	Balance December 31, 2022
<u>Direct Borrowings</u>				
Financed purchases	\$ 45,897	\$ 102,871	\$ 23,300	\$ 125,468

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

NOTE 11: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2023	\$ 57,492	\$ 2,112	\$ 59,604
2024	33,226	3,110	36,336
2025	34,750	1,586	36,336
Totals	<u>\$ 125,468</u>	<u>\$ 6,808</u>	<u>\$ 132,276</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation for real estate appraisal and appraisal maintenance on November 15, 2021. The County is obligated for 60 monthly payments of \$26,934 for a total of \$1,616,040 beginning January 15, 2022. Contract expense for 2022 was \$323,208.

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

Year	December 31, 2022
2023	\$ 323,208
2024	323,208
2025	323,208
2026	323,208
Total	<u>\$ 1,292,832</u>

NOTE 12: Interfund Transfers

The General Fund transferred \$24,630 to Other Funds in the Aggregate Victim of Crime Case Coordinator (\$22,500) and Court Security (\$2,130) Funds for operating expenses.

NOTE 13: Jointly Governed Organization

Pursuant to Act 752 of the Acts of Arkansas of 1991, the Central Arkansas Solid Waste Management District and Board were organized to protect the public health and environmental quality for its service area by establishing a regional solid waste management system in Arkansas Counties of Lonoke, Prairie, and Monroe. The District's board of directors is composed in accordance with the requirements of the Act and is comprised of representatives of the counties in the District and representatives of all first class cities, of all cities with a population over 2,000 and of the largest city of each county in the District. The County made no contributions to or disbursements on behalf of the District in 2022. Separate financial statements of the Central Arkansas Regional Solid Waste Management District are available at 902 N. Center, Lonoke, Arkansas, 72086.

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

NOTE 14: Risk Management

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

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

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

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

Vehicle Program

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

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.

NOTE 15: Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.25% as of July 1, 2022. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2022, (date of APERS Employer Allocation Report) were \$1,130,463.

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

NOTE 15: Arkansas Public Employees Retirement System (Continued)

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 \$9,518,619.

NOTE 16: Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the County was awarded \$14,239,414 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$14,239,414 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 1

SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	County Recorder's Cost	Solid Waste	Communication Facility and Equipment	Reappraisal Cost	Emergency 911	Circuit Clerk Commissioner's Fee
ASSETS								
Cash and cash equivalents	\$ 447,066	\$ 601,136	\$ 258,327	\$ 925,220	\$ 380,905	\$ 23,567	\$ 1,672,504	\$ 1,001
Accounts receivable			54,618	12,936	734		8,983	7
TOTAL ASSETS	\$ 447,066	\$ 601,136	\$ 312,945	\$ 938,156	\$ 381,639	\$ 23,567	\$ 1,681,487	\$ 1,008
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 16,651	\$ 5,623	\$ 35,989	\$ 1,303		\$ 12,248	
Interfund payables								
Settlements pending								
Total Liabilities		16,651	5,623	35,989	1,303		12,248	
Fund Balances:								
Restricted	\$ 447,066	584,485	307,322	902,167	380,336	\$ 23,567	1,669,239	\$ 1,008
Committed								
Assigned								
Unassigned								
Total Fund Balances	447,066	584,485	307,322	902,167	380,336	23,567	1,669,239	1,008
TOTAL LIABILITIES AND FUND BALANCES	\$ 447,066	\$ 601,136	\$ 312,945	\$ 938,156	\$ 381,639	\$ 23,567	\$ 1,681,487	\$ 1,008

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

Schedule 1

SPECIAL REVENUE FUNDS

	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	Child Support Cost	Jail Maintenance	Boating Safety	Victim of Crime Case Coordinator	Public Safety
ASSETS								
Cash and cash equivalents	\$ 2,910	\$ 77,250	\$ 15,902	\$ 2,054	\$ 120,269	\$ 56,063	\$ (7,211)	\$ 7,278
Accounts receivable	963	294	246	5	11,385	63	12	16
TOTAL ASSETS	<u>\$ 3,873</u>	<u>\$ 77,544</u>	<u>\$ 16,148</u>	<u>\$ 2,059</u>	<u>\$ 131,654</u>	<u>\$ 56,126</u>	<u>\$ (7,199)</u>	<u>\$ 7,294</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 275					\$ 473	
Interfund payables								
Settlements pending								
Total Liabilities		<u>275</u>					<u>473</u>	
Fund Balances:								
Restricted	\$ 3,873	77,269	\$ 16,148	\$ 2,059	\$ 131,654	\$ 56,126		\$ 7,294
Committed								
Assigned								
Unassigned							(7,672)	
Total Fund Balances	<u>3,873</u>	<u>77,269</u>	<u>16,148</u>	<u>2,059</u>	<u>131,654</u>	<u>56,126</u>	<u>(7,672)</u>	<u>7,294</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,873</u>	<u>\$ 77,544</u>	<u>\$ 16,148</u>	<u>\$ 2,059</u>	<u>\$ 131,654</u>	<u>\$ 56,126</u>	<u>\$ (7,199)</u>	<u>\$ 7,294</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Juvenile Probation Fee	Voting System Grant	Sheriff's Federal Forfeiture	Jail Employment	Court Improvement Team Grant	Court Security	Juvenile Grants	Brownsville Branch Project
ASSETS								
Cash and cash equivalents	\$ 49,592	\$ 1,260	\$ 24,071	\$ 197,055	\$ 19,317	\$ 2,238	\$ 24,955	\$ 5,356
Accounts receivable	822							
TOTAL ASSETS	\$ 50,414	\$ 1,260	\$ 24,071	\$ 197,055	\$ 19,317	\$ 2,238	\$ 24,955	\$ 5,356
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Interfund payables			\$ 909					
Settlements pending								
Total Liabilities			909					
Fund Balances:								
Restricted	\$ 50,414	\$ 1,260	23,162		\$ 19,317	\$ 2,238	\$ 24,955	\$ 5,356
Committed				\$ 197,055				
Assigned								
Unassigned								
Total Fund Balances	50,414	1,260	23,162	197,055	19,317	2,238	24,955	5,356
TOTAL LIABILITIES AND FUND BALANCES	\$ 50,414	\$ 1,260	\$ 24,071	\$ 197,055	\$ 19,317	\$ 2,238	\$ 24,955	\$ 5,356

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Drug Court Mini Grant	Furrow Wastewater Grant	County Public Library	Sheriff's Drug Control	Assessor's Late Assessment Fee	County Clerk Operating	Sheriff's Grants	Sheriff's Comprehensive Opioid Abuse Site- Based Program (COAP) Grant
ASSETS								
Cash and cash equivalents	\$ 83	\$ 1,153	\$ 2,244,472	\$ 4,486	\$ 14,755	\$ 1,628	\$ 2,000	\$ 4,319
Accounts receivable			14,442		29	9		
TOTAL ASSETS	\$ 83	\$ 1,153	\$ 2,258,914	\$ 4,486	\$ 14,784	\$ 1,637	\$ 2,000	\$ 4,319
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 21,023					\$ 1,662
Interfund payables								
Settlements pending								
Total Liabilities			21,023					1,662
Fund Balances:								
Restricted	\$ 83	\$ 1,153	2,237,891	\$ 4,486	\$ 14,784	\$ 1,637	\$ 2,000	2,657
Committed								
Assigned								
Unassigned								
Total Fund Balances	83	1,153	2,237,891	4,486	14,784	1,637	2,000	2,657
TOTAL LIABILITIES AND FUND BALANCES	\$ 83	\$ 1,153	\$ 2,258,914	\$ 4,486	\$ 14,784	\$ 1,637	\$ 2,000	\$ 4,319

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

Schedule 1

	<u>SPECIAL REVENUE FUNDS</u>		<u>CAPITAL PROJECTS FUNDS</u>				
	<u>Law Enforcement</u>	<u>American Rescue Plan Act</u>	<u>Courtroom Renovation</u>	<u>Department of Energy Grant</u>	<u>Lonoke County Veterans' Memorial Grant</u>	<u>Jail Construction</u>	<u>County Detention Center Repairs</u>
ASSETS							
Cash and cash equivalents	\$ 2,081,252	\$ 10,058,554	\$ 27	\$ 201	\$ 1,052	\$ 7	\$ 1,664
Accounts receivable	157,267						
TOTAL ASSETS	<u>\$ 2,238,519</u>	<u>\$ 10,058,554</u>	<u>\$ 27</u>	<u>\$ 201</u>	<u>\$ 1,052</u>	<u>\$ 7</u>	<u>\$ 1,664</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 76,957	\$ 357,139					
Interfund payables							
Settlements pending							
Total Liabilities	<u>76,957</u>	<u>357,139</u>					
Fund Balances:							
Restricted	2,004,519	9,701,415	\$ 27	\$ 201	\$ 1,052	\$ 7	\$ 1,664
Committed							
Assigned	157,043						
Unassigned							
Total Fund Balances	<u>2,161,562</u>	<u>9,701,415</u>	<u>27</u>	<u>201</u>	<u>1,052</u>	<u>7</u>	<u>1,664</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,238,519</u>	<u>\$ 10,058,554</u>	<u>\$ 27</u>	<u>\$ 201</u>	<u>\$ 1,052</u>	<u>\$ 7</u>	<u>\$ 1,664</u>

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

Schedule 1

CUSTODIAL FUNDS

	<u>Treasurer's Accounts</u>	<u>Collector's Accounts</u>	<u>Sheriff's Accounts</u>	<u>County Clerk's Accounts</u>	<u>Circuit Clerk's Accounts</u>	<u>Juvenile Court Accounts</u>	<u>Totals</u>
ASSETS							
Cash and cash equivalents	\$ 1,391,365	\$ 393,753	\$ 82,047	\$ 84,816	\$ 1,077,163	\$ 1,273	\$ 22,354,155
Accounts receivable							262,831
TOTAL ASSETS	<u><u>\$ 1,391,365</u></u>	<u><u>\$ 393,753</u></u>	<u><u>\$ 82,047</u></u>	<u><u>\$ 84,816</u></u>	<u><u>\$ 1,077,163</u></u>	<u><u>\$ 1,273</u></u>	<u><u>\$ 22,616,986</u></u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 529,343
Interfund payables							909
Settlements pending	\$ 1,391,365	\$ 393,753	\$ 82,047	\$ 84,816	\$ 1,077,163	\$ 1,273	3,030,417
Total Liabilities	<u>1,391,365</u>	<u>393,753</u>	<u>82,047</u>	<u>84,816</u>	<u>1,077,163</u>	<u>1,273</u>	<u>3,560,669</u>
Fund Balances:							
Restricted							18,709,891
Committed							197,055
Assigned							157,043
Unassigned							(7,672)
Total Fund Balances							<u>19,056,317</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 1,391,365</u></u>	<u><u>\$ 393,753</u></u>	<u><u>\$ 82,047</u></u>	<u><u>\$ 84,816</u></u>	<u><u>\$ 1,077,163</u></u>	<u><u>\$ 1,273</u></u>	<u><u>\$ 22,616,986</u></u>

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	County Recorder's Cost	Solid Waste	Communication Facility and Equipment	Reappraisal Cost	Emergency 911	Circuit Clerk Commissioner's Fee
REVENUES								
State aid						\$ 282,800		
Federal aid								
Property taxes								
Sales taxes				\$ 1,071,396				
Fines, forfeitures, and costs					\$ 746			
Interest	\$ 3,528	\$ 4,522	\$ 1,891	7,183	3,247		\$ 14,865	
Officers' fees			256,674		9,274			\$ 585
Jail fees								
Commissary sales					138,984			
911 fees							1,123,691	
Library fines and fees								
Insurance premiums								
Treasurer's commission	72,879							
Collector's commission		209,144						
Other		590		3,509			20,286	
TOTAL REVENUES	76,407	214,256	258,565	1,082,088	152,251	282,800	1,158,842	585
Less: Treasurer's commission			6,629	8,904	84		706	5
NET REVENUES	76,407	214,256	251,936	1,073,184	152,167	282,800	1,158,136	580
EXPENDITURES								
Current:								
General government	20,302	171,931	118,273			259,233		
Law enforcement					92,443			
Public safety							1,374,050	
Sanitation				936,966				
Recreation and culture								
Total Current	20,302	171,931	118,273	936,966	92,443	259,233	1,374,050	
Debt Service:								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	20,302	171,931	118,273	936,966	92,443	259,233	1,374,050	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	56,105	42,325	133,663	136,218	59,724	23,567	(215,914)	580
OTHER FINANCING SOURCES (USES)								
Transfers in								
Contributions from cities								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	56,105	42,325	133,663	136,218	59,724	23,567	(215,914)	580
FUND BALANCES - JANUARY 1	390,961	542,160	173,659	765,949	320,612		1,885,153	428
FUND BALANCES - DECEMBER 31	\$ 447,066	\$ 584,485	\$ 307,322	\$ 902,167	\$ 380,336	\$ 23,567	\$ 1,669,239	\$ 1,008

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	Child Support Cost	Jail Maintenance	Boating Safety	Victim of Crime Case Coordinator	Public Safety
REVENUES								
State aid		\$ 25,167				\$ 5,391		
Federal aid							\$ 23,793	
Property taxes								
Sales taxes								
Fines, forfeitures, and costs	\$ 7,689				\$ 33,406		36,190	
Interest	16	803	\$ 89	\$ 16	959	494	7	\$ 60
Officers' fees			18,356	408	14,433			256
Jail fees								
Commissary sales								
911 fees								
Library fines and fees								
Insurance premiums								
Treasurer's commission								
Collector's commission								
Other							1,126	
TOTAL REVENUES	7,705	25,970	18,445	424	48,798	5,885	61,116	316
Less: Treasurer's commission		209	174	3	952	45	8	2
NET REVENUES	7,705	25,761	18,271	421	47,846	5,840	61,108	314
EXPENDITURES								
Current:								
General government		51,257	14,232					
Law enforcement	6,169					10,144	78,431	
Public safety								
Sanitation								
Recreation and culture								
Total Current	6,169	51,257	14,232			10,144	78,431	
Debt Service:								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	6,169	51,257	14,232			10,144	78,431	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,536	(25,496)	4,039	421	47,846	(4,304)	(17,323)	314
OTHER FINANCING SOURCES (USES)								
Transfers in							22,500	
Contributions from cities								
TOTAL OTHER FINANCING SOURCES (USES)							22,500	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,536	(25,496)	4,039	421	47,846	(4,304)	5,177	314
FUND BALANCES - JANUARY 1	2,337	102,765	12,109	1,638	83,808	60,430	(12,849)	6,980
FUND BALANCES - DECEMBER 31	\$ 3,873	\$ 77,269	\$ 16,148	\$ 2,059	\$ 131,654	\$ 56,126	\$ (7,672)	\$ 7,294

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Juvenile Probation Fee	Voting System Grant	Sheriff's Federal Forfeiture	Jail Employment	Court Improvement Team Grant	Court Security	Juvenile Grants	Brownsville Branch Project
REVENUES								
State aid					\$ 20,091		\$ 31,750	
Federal aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs				\$ 67,444				
Interest	\$ 425		\$ 42	1,441		\$ 4		\$ 45
Officers' fees	9,125							
Jail fees								
Commissary sales								
911 fees								
Library fines and fees								
Insurance premiums								
Treasurer's commission								
Collector's commission								
Other								
TOTAL REVENUES	9,550		42	68,885	20,091	4	31,750	45
Less: Treasurer's commission	75							
NET REVENUES	9,475		42	68,885	20,091	4	31,750	45
EXPENDITURES								
Current:								
General government								
Law enforcement	5,935		720		846		7,038	
Public safety								
Sanitation								
Recreation and culture								
Total Current	5,935		720		846		7,038	
Debt Service:								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	5,935		720		846		7,038	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,540		(678)	68,885	19,245	4	24,712	45
OTHER FINANCING SOURCES (USES)								
Transfers in						2,130		
Contributions from cities								
TOTAL OTHER FINANCING SOURCES (USES)						2,130		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,540		(678)	68,885	19,245	2,134	24,712	45
FUND BALANCES - JANUARY 1	46,874	\$ 1,260	23,840	128,170	72	104	243	5,311
FUND BALANCES - DECEMBER 31	\$ 50,414	\$ 1,260	\$ 23,162	\$ 197,055	\$ 19,317	\$ 2,238	\$ 24,955	\$ 5,356

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Drug Court Mini Grant	Furlow Wastewater Grant	County Public Library	Sheriff's Drug Control	Assessor's Late Assessment Fee	County Clerk Operating	Sheriff's Grants	Sheriff's Comprehensive Opioid Abuse Site- Based Program (COAP) Grant
REVENUES								
State aid			\$ 260,886				\$ 2,000	
Federal aid			24,821					\$ 215,085
Property taxes			969,336		\$ 2,496			
Sales taxes			93,165					
Fines, forfeitures, and costs				\$ 2,098				
Interest			12,238			\$ 15		
Officers' fees						694		
Jail fees								
Commissary sales								
911 fees								
Library fines and fees			25,365					
Insurance premiums								
Treasurer's commission								
Collector's commission								
Other	\$ 100		19,063					1,251
TOTAL REVENUES	100		1,404,874	2,098	2,496	709	2,000	216,336
Less: Treasurer's commission			10,190		19	7		
NET REVENUES	100		1,394,684	2,098	2,477	702	2,000	216,336
EXPENDITURES								
Current:								
General government						1,383		
Law enforcement	628			440				188,508
Public safety								
Sanitation								
Recreation and culture			1,498,366					
Total Current	628		1,498,366	440		1,383		188,508
Debt Service:								
Financed purchase principal								21,363
Financed purchase interest								1,906
TOTAL EXPENDITURES	628		1,498,366	440		1,383		211,777
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(528)		(103,682)	1,658	2,477	(681)	2,000	4,559
OTHER FINANCING SOURCES (USES)								
Transfers in								
Contributions from cities			366,761					
TOTAL OTHER FINANCING SOURCES (USES)			366,761					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(528)		263,079	1,658	2,477	(681)	2,000	4,559
FUND BALANCES - JANUARY 1	611	\$ 1,153	1,974,812	2,828	12,307	2,318		(1,902)
FUND BALANCES - DECEMBER 31	\$ 83	\$ 1,153	\$ 2,237,891	\$ 4,486	\$ 14,784	\$ 1,637	\$ 2,000	\$ 2,657

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

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS					Totals
	Law Enforcement	American Rescue Plan Act	Courtroom Renovation	Department of Energy Grant	Lonoke County Veterans' Memorial Grant	Jail Construction	County Detention Center Repairs	
REVENUES								
State aid	\$ 161,475							\$ 789,560
Federal aid	1,298	\$ 7,119,707						7,384,704
Property taxes								971,832
Sales taxes	6,036,551							7,201,112
Fines, forfeitures, and costs	119,639							267,212
Interest	11,567	91,748						155,205
Officers' fees	37,404							347,209
Jail fees	530,761							530,761
Commissary sales								138,984
911 fees								1,123,691
Library fines and fees								25,365
Insurance premiums	897							897
Treasurer's commission								72,879
Collector's commission								209,144
Other	80,528							126,453
TOTAL REVENUES	6,980,120	7,211,455						19,345,008
Less: Treasurer's commission	56,232							84,244
NET REVENUES	6,923,888	7,211,455						19,260,764
EXPENDITURES								
Current:								
General government		2,813,744						3,450,355
Law enforcement	5,373,113	7,693						5,772,108
Public safety		666,044						2,040,094
Sanitation								936,966
Recreation and culture		14,033						1,512,399
Total Current	5,373,113	3,501,514						13,711,922
Debt Service:								
Financed purchase principal	1,937							23,300
Financed purchase interest	179							2,085
TOTAL EXPENDITURES	5,375,229	3,501,514						13,737,307
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,548,659	3,709,941						5,523,457
OTHER FINANCING SOURCES (USES)								
Transfers in								24,630
Contributions from cities								366,761
TOTAL OTHER FINANCING SOURCES (USES)								391,391
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,548,659	3,709,941						5,914,848
FUND BALANCES - JANUARY 1	612,903	5,991,474	\$ 27	\$ 201	\$ 1,052	\$ 7	\$ 1,664	13,141,469
FUND BALANCES - DECEMBER 31	\$ 2,161,562	\$ 9,701,415	\$ 27	\$ 201	\$ 1,052	\$ 7	\$ 1,664	\$ 19,056,317

LONOKE 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.
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.
Solid Waste	Lonoke County Ordinance no. 2-1985 (May 15, 1985) established fund allocating 23% of county one cent sales tax to fund solid waste program.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
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.
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.

LONOKE 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>
County Clerk's 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.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the costs of incarcerating county prisoners, including construction and maintenance of the county jail.
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.
Victim of Crime Case Coordinator	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.
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.
Voting System Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
Sheriff's Federal Forfeiture	Established to meet tracking requirements of federal forfeitures.
Jail Employment	Lonoke County Ordinance no. 2009-24 (December 21, 2009) allocating 67% of fine monies collected under Ark. Code Ann. § 16-17-129 for employment related expenses associated with operation of the new county jail.
Court Improvement Team Grant	Established to receive grant funds from the Administrative Office of the Courts to provide materials and training to improve the dependency-neglect court process.
Court Security	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.

LONOKE 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>
Juvenile Grants	Established to receive grant funds for the Juvenile Department.
Brownsville Branch Project	Established to receive funds from Arkansas Natural Resource Commission Water Development Fund for removal of beavers at Brownsville Branch.
Drug Court Mini Grant	Established to receive funds to expand public awareness and emphasize the benefits Drug Court.
Furlow Wastewater Grant	Established to receive grant funds for construction of a centralized sewer collection and treatment system for the Community of Furlow, Lonoke County, AR.
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.
Sheriff's Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
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.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for county clerk's cost.
Sheriff's Grants	Established to receive grants funds.
Sheriff's Comprehensive Opioid Abuse Site-Based Program (COAP) Grant	Established by Lonoke County Ordinance no. 2020-15 (September 17, 2020) to receive state funds.
Law Enforcement	Established by Lonoke County Ordinance no. 2021-11 (March 18, 2021) for special election levying a county wide 0.5% sales and use tax for the purpose of operating, maintaining, constructing, equipping, and repairing County detention center facilities and operating and equipping the County Sheriff's department. Ordinance no. 2021-10 (March 18, 2021) providing for the levy of a 0.5% sales and use tax within Lonoke County. Ordinance no. 2021-30 (November 18, 2021) to establish Special Revenue Fund 3413 to receive revenues from the \$.05 sales tax for the purpose of law enforcement expenditures.

LONOKE 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>
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.
Courtroom Renovation	Established to receive funds to renovate the existing Sheriff's Office into a room for the Circuit Court.
Department of Energy Grant	Established to receive funds to renovate and repair courthouse.
Lonoke County Veterans' Memorial Grant	Established to receive funds for renovation, repairs, and equipment purchase for veterans' memorials and parks.
Jail Construction	Lonoke County Ordinance no. 2008-06 (March 11, 2008) levying a one percent county sales and use tax to be collected for 12 months for the purpose of acquiring, constructing, and equipping a new county jail.
County Detention Center Repairs	Established to receive funds to repair the detention center metal roof.

Treasurer's accounts consist primarily of property taxes, treasurer's commission, and interest not distributed to the appropriate agencies.

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

Sheriff's accounts consist primarily of inmate trust money.

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

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

Juvenile Court accounts consist primarily of probation fees and court costs not yet distributed to the proper agency.

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

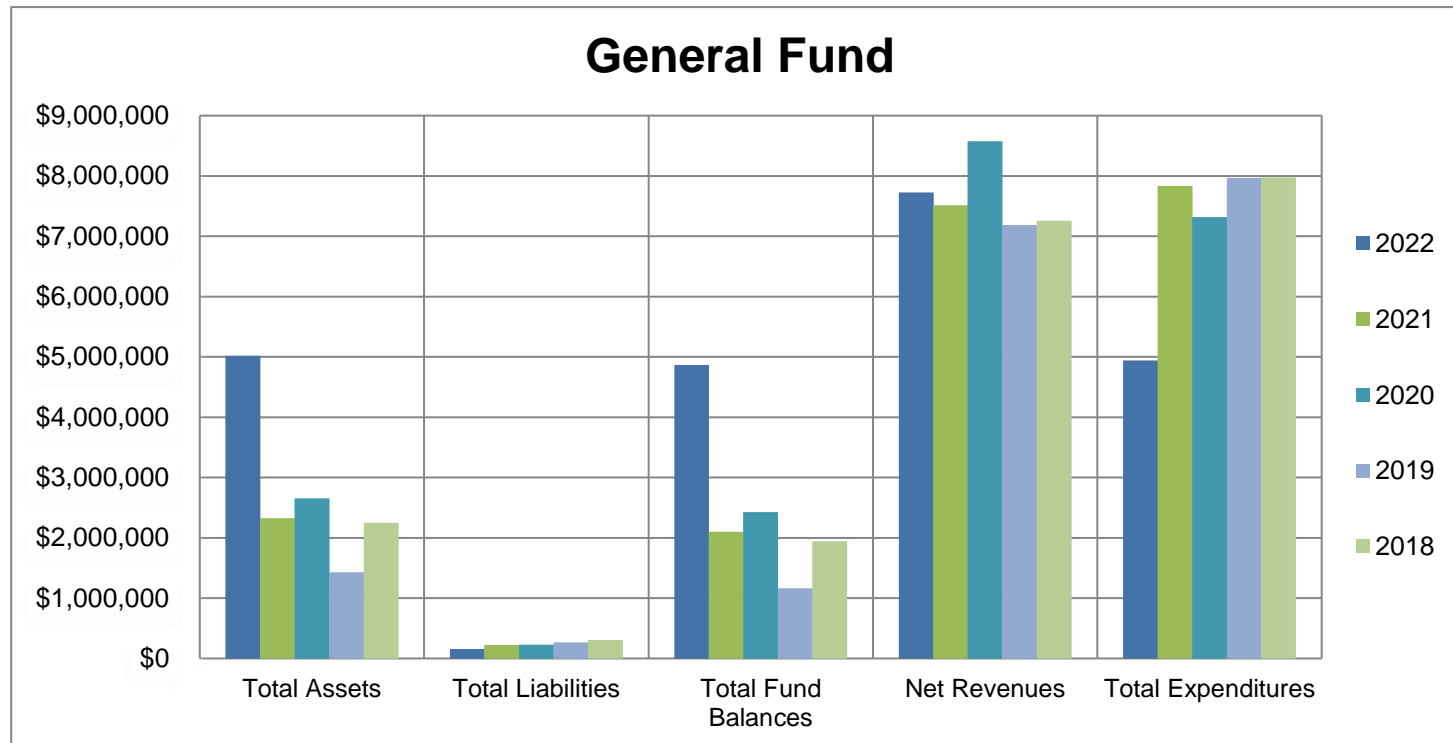
Schedule 3

	<u>December 31, 2022</u>
Land	\$ 570,553
Buildings	8,882,740
Equipment	<u>9,589,820</u>
Total	<u><u>\$ 19,043,113</u></u>

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

Schedule 4-1

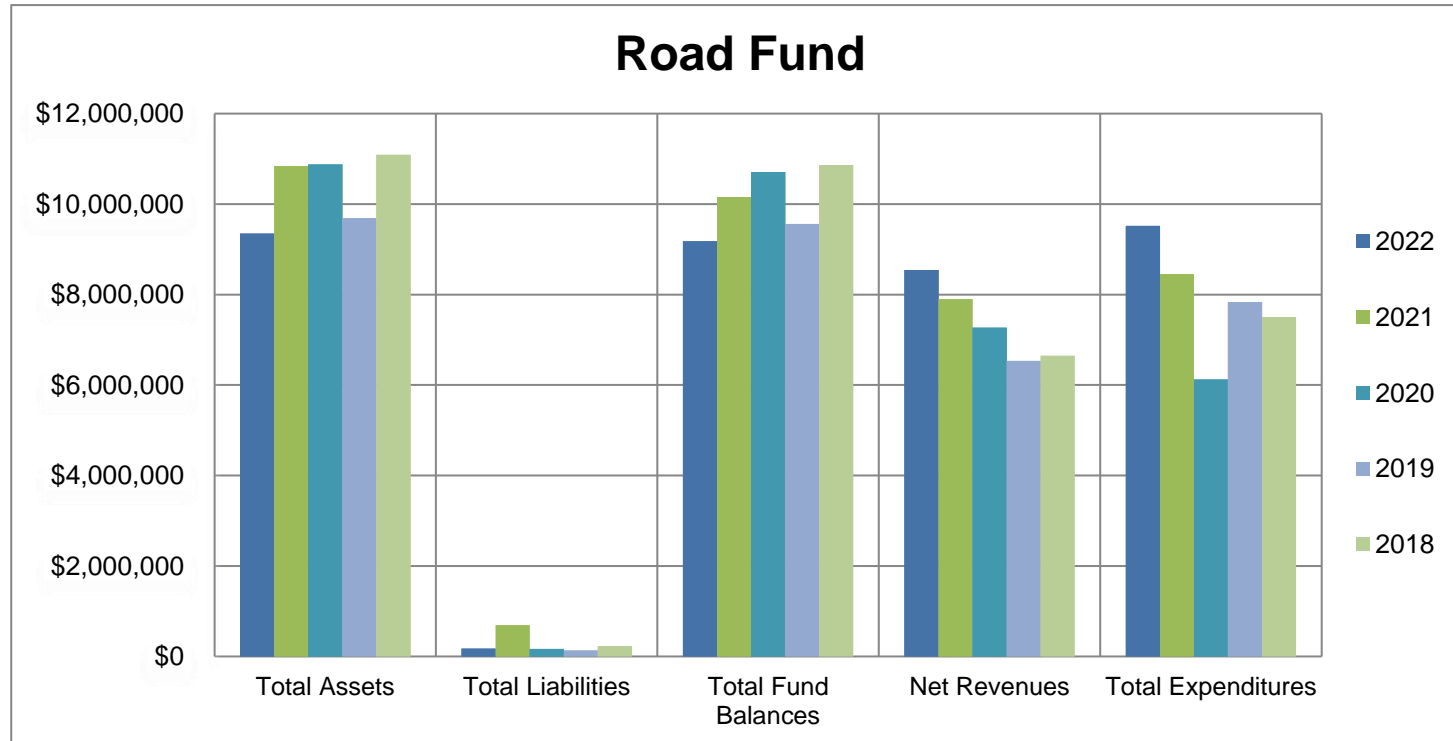
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 5,018,619	\$ 2,319,255	\$ 2,650,516	\$ 1,424,248	\$ 2,244,620
Total Liabilities	156,762	220,135	228,326	263,848	304,544
Total Fund Balances	4,861,857	2,099,120	2,422,190	1,160,400	1,940,076
Net Revenues	7,723,321	7,511,073	8,573,471	7,188,195	7,255,313
Total Expenditures	4,935,954	7,834,143	7,311,681	7,967,871	7,969,772
Total Other Financing Sources/Uses	(24,630)				



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

Schedule 4-2

<u>Road</u>	2022	2021	2020	2019	2018
Total Assets	\$ 9,351,264	\$ 10,844,476	\$ 10,874,912	\$ 9,691,401	\$ 11,091,616
Total Liabilities	173,476	688,345	168,310	132,161	231,301
Total Fund Balances	9,177,788	10,156,131	10,706,602	9,559,240	10,860,315
Net Revenues	8,542,860	7,898,181	7,268,376	6,536,070	6,649,409
Total Expenditures	9,521,203	8,448,652	6,121,014	7,837,145	7,499,053
Total Other Financing Sources/Uses					



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 22,616,986	\$ 17,040,420	\$ 8,281,567	\$ 7,850,092	\$ 6,848,862
Total Liabilities	3,560,669	3,898,951	2,663,228	3,078,717	2,060,308
Total Fund Balances	19,056,317	13,141,469	5,618,339	4,771,375	4,788,554
Net Revenues	19,260,764	13,705,110	5,736,423	4,692,218	5,614,441
Total Expenditures	13,737,307	6,525,175	5,210,462	5,038,855	5,404,047
Total Other Financing Sources/Uses	391,391	343,195	321,003	329,458	300,305

