

Ouachita County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



OUACHITA COUNTY, ARKANSAS
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Arkansas

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Senate Chair
Sen. John Payton
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Rep. Jimmy Gazaway
House Chair
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House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

Ouachita 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 Ouachita 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 Ouachita 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 Ouachita 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 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, 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 June 11, 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

A handwritten signature in black ink, appearing to read "Kevin White" with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 11, 2024
LOCO05222

Arkansas

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



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

Kevin William White, CPA, JD
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

Ouachita 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 Ouachita 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 June 11, 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

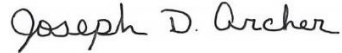
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, non-compliance with which could have a direct and material 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 June 11, 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



Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 11, 2024

Arkansas



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

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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

Ouachita 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: Robert McAdoo
Treasurer: Melinda Chambers
Sheriff/Tax Collector: David Norwood
County Clerk: Angela Owens (appointed October 11, 2022)
Britt Williford (deceased October 1, 2022)
Circuit Clerk: Gladys Nettles
Assessor: Debbie Lambert

We would like to communicate the following item 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. This matters was discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

Treasurer

On December 28, 2022, a vendor contacted the County about a payment of \$2,107 that had not been received. The County discovered that the check that was issued in October 2022 had been endorsed by an unknown individual, who also altered the payee name and address. The County reported the incident to the Ouachita County Sheriff's Department and contacted the bank. As of report date, the County had not recovered the funds.

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 that reads "Joseph D. Archer".

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 11, 2024

OUACHITA 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	\$ 5,169,877	\$ 1,023,994	\$ 10,483,092
Accounts receivable	271,427	12,641	92,068
Interfund receivables	13,320		187,889
	<u>5,454,624</u>	<u>1,036,635</u>	<u>10,763,049</u>
TOTAL ASSETS	<u>\$ 5,454,624</u>	<u>\$ 1,036,635</u>	<u>\$ 10,763,049</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 55,512	\$ 57,314	\$ 34,807
Interfund payables	133,379		67,830
Settlements pending			1,808,843
Total Liabilities	<u>188,891</u>	<u>57,314</u>	<u>1,911,480</u>
Fund Balances:			
Restricted		80,734	8,816,918
Committed	896,979		6,732
Assigned	668,038	898,587	27,919
Unassigned	3,700,716		
Total Fund Balances	<u>5,265,733</u>	<u>979,321</u>	<u>8,851,569</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,454,624</u>	<u>\$ 1,036,635</u>	<u>\$ 10,763,049</u>

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

OUACHITA 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>
REVENUES			
State aid	\$ 875,095	\$ 2,715,883	\$ 145,617
Federal aid	82,739	9,860	2,304,306
Property taxes	1,270,799	532,549	62,777
Sales taxes	1,524,211		5,575,481
Fines, forfeitures, and costs	285,030		100,991
Interest	16,705	3,356	27,674
Officers' fees	112,254		75,572
911 fees			390,550
Jail fees			1,203,167
Sanitation fees	52,677		
Lease income	154,879		
Treasurer's commission	191,800		28,203
Collector's commission	311,309		48,557
Taxes apportioned - Assessor's salary and expense	507,469		
Other	121,731	118,389	161,596
	<u>5,506,698</u>	<u>3,380,037</u>	<u>10,124,491</u>
TOTAL REVENUES			
Less: Treasurer's commission	58,595	47,644	79,602
	<u>5,448,103</u>	<u>3,332,393</u>	<u>10,044,889</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	2,679,053		183,846
Law enforcement	453,192		4,799,783
Highways and streets	3,451	3,223,540	336,400
Public safety	69,149		362,285
Sanitation	1,235,174		290,282
Health	82,902		1,774
Recreation and culture			209,374
Social services	44,098		
Total Current	<u>4,567,019</u>	<u>3,223,540</u>	<u>6,183,744</u>
Debt Service:			
Bond principal			2,250,000
Bond interest and other charges			286,804
Financed purchases principal	3,463	326,774	
Financed purchases interest	294	13,270	
	<u>4,570,776</u>	<u>3,563,584</u>	<u>8,720,548</u>
TOTAL EXPENDITURES			

OUACHITA 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>\$ 877,327</u>	<u>\$ (231,191)</u>	<u>\$ 1,324,341</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		450,000	3,060,082
Transfers out	(486,114)		(3,023,968)
Contribution from City of Camden for Library			96,350
TOTAL OTHER FINANCING SOURCES (USES)	<u>(486,114)</u>	<u>450,000</u>	<u>132,464</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	391,213	218,809	1,456,805
FUND BALANCES - JANUARY 1	<u>4,874,520</u>	<u>760,512</u>	<u>7,394,764</u>
FUND BALANCES - DECEMBER 31	<u>\$ 5,265,733</u>	<u>\$ 979,321</u>	<u>\$ 8,851,569</u>

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

OUACHITA 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	\$ 784,090	\$ 875,095	\$ 91,005	\$ 1,880,187	\$ 2,715,883	\$ 835,696
Federal aid		82,739	82,739		9,860	9,860
Property taxes	942,830	1,270,799	327,969	429,108	532,549	103,441
Sales taxes	1,317,423	1,524,211	206,788			
Fines, forfeitures, and costs	250,044	285,030	34,986			
Interest	14,221	16,705	2,484	2,543	3,356	813
Officers' fees	104,991	112,254	7,263			
Sanitation fees	50,562	52,677	2,115	9,596		(9,596)
Lease income		154,879	154,879			
Treasurer's commission		191,800	191,800			
Collector's commission	347,740	311,309	(36,431)			
Taxes apportioned - Assessor's salary and expense	428,298	507,469	79,171			
Other	311,376	121,731	(189,645)	23,989	118,389	94,400
TOTAL REVENUES	4,551,575	5,506,698	955,123	2,345,423	3,380,037	1,034,614
Less: Treasurer's commission		58,595	(58,595)		47,644	(47,644)
NET REVENUES	4,551,575	5,448,103	896,528	2,345,423	3,332,393	986,970
EXPENDITURES						
Current:						
General government	3,245,798	2,679,053	566,745			
Law enforcement	830,806	453,192	377,614			
Highways and streets	10,000	3,451	6,549	4,414,855	3,223,540	1,191,315
Public safety	93,865	69,149	24,716			
Sanitation	1,804,455	1,235,174	569,281			
Health	179,418	82,902	96,516			
Social services	49,000	44,098	4,902			
Total Current	6,213,342	4,567,019	1,646,323	4,414,855	3,223,540	1,191,315
Debt Service:						
Financed purchases principal		3,463	(3,463)		326,774	(326,774)
Financed purchases interest		294	(294)		13,270	(13,270)
TOTAL EXPENDITURES	6,213,342	4,570,776	1,642,566	4,414,855	3,563,584	851,271

OUACHITA 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	\$ (1,661,767)	\$ 877,327	\$ 2,539,094	\$ (2,069,432)	\$ (231,191)	\$ 1,838,241
OTHER FINANCING SOURCES (USES)						
Transfers in	1,600,723		(1,600,723)	827,333	450,000	(377,333)
Transfers out	(503,451)	(486,114)	17,337	(500,000)		500,000
TOTAL OTHER FINANCING SOURCES (USES)	1,097,272	(486,114)	(1,583,386)	327,333	450,000	122,667
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(564,495)	391,213	955,708	(1,742,099)	218,809	1,960,908
FUND BALANCES - JANUARY 1	3,457,349	4,874,520	1,417,171	801,448	760,512	(40,936)
FUND BALANCES - DECEMBER 31	\$ 2,892,854	\$ 5,265,733	\$ 2,372,879	\$ (940,651)	\$ 979,321	\$ 1,919,972

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

OUACHITA 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 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.

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 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 the Custodial Funds as reported with other funds in the aggregate.

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

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.

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 and accounts, certificates of deposit, and short-term investments with an original maturity of three months or less.

Settlements Pending

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

OUACHITA 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:

	December 31, 2022	
	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,738,666	\$ 2,774,883
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	13,937,621	14,355,991
Total Deposits	\$ 16,676,287	\$ 17,130,874

The above total deposits do not include cash on hand of \$676.

OUACHITA 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
State aid	\$ 844		
Fines, forfeitures, and costs	17,575		\$ 7,230
Interest	268		
Officers' fees	8,710		5,448
911 fees			302
Jail fees			46,151
Sanitation fees	8,235		
Treasurer's commission	220,003		
Other	15,792	\$ 12,641	32,937
Totals	<u>\$ 271,427</u>	<u>\$ 12,641</u>	<u>\$ 92,068</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	<u>\$ 55,512</u>	<u>\$ 57,314</u>	<u>\$ 34,807</u>

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

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2022	
	Interfund Receivables	Interfund Payables
General Fund	\$ 13,320	\$ 133,379
Other Funds in the Aggregate:		
Special Revenue Funds:		
Treasurer's Automation	28,203	
County Library		10,801
Jail Operation and Maintenance	31,910	44,895
CMRS 911 Board (Commercial Mobile Radio Service)		12,134
American Rescue Plan Act	127,776	
Totals	<u>\$ 201,209</u>	<u>\$ 201,209</u>

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. Amounts totaling \$120,113 were paid back in 2023, and the remaining balances totaling \$81,096 are expected to be repaid in 2024.

NOTE 7: Federal Funds Program Compliance

As of report date, the 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.

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

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			\$ 2,953,488
Law enforcement			3,132,470
Highways and streets		\$ 80,734	
Public safety			798,684
Recreation and culture			220,458
Debt service			1,711,818
Total Restricted		<u>80,734</u>	<u>8,816,918</u>
Committed for:			
General government	\$ 806,638		
Law enforcement	52,962		6,732
Highways and streets	37,379		
Total Committed	<u>896,979</u>		<u>6,732</u>
Assigned to:			
Law enforcement	85,594		19,773
Highways and streets		898,587	
Public safety			8,146
Sanitation	322,184		
Health	260,260		
Total Assigned	<u>668,038</u>	<u>898,587</u>	<u>27,919</u>
Unassigned	<u>3,700,716</u>		
Totals	<u>\$ 5,265,733</u>	<u>\$ 979,321</u>	<u>\$ 8,851,569</u>

NOTE 9: 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 \$23,674,209. 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 \$7,058,150. The amount of short-term financing obligations was \$760,815 leaving a legal debt margin of \$6,297,335.

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

NOTE 10: Commitments

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

	December 31, 2022
Long-term liabilities	\$ 9,355,815
Reappraisal contract	595,584
 Total Commitments	 \$ 9,951,399

Long-term Liabilities

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

	December 31, 2022
<u>Bonds</u>	
2019 Series Sales and Use Tax Refunding Bonds, issued November 14, 2019, in the amount of \$7,430,000, due in annual installments of \$235,000 - \$510,000 plus interest through August 1, 2038; interest of 1.70% - 3.00%. Payments are to be made from the 2019 Series Sales and Use Tax Refunding Bonds Debt Service Fund.	\$ 6,560,000
2021 Series Sales and Use Tax Refunding Bonds, issued January 20, 2021, in the amount of \$2,210,000 due in annual installments of \$290,000 - \$525,000 plus interest through August 1, 2038; interest of .80% - 2.25%. Payments are to be made from the 2019 Series Sales and Use Tax Refunding Bonds Debt Service Fund.	2,035,000
Total Bonds	8,595,000
<u>Direct Borrowings</u>	
Financed purchase agreement, dated December 14, 2021, in the amount of \$372,400, with Cadence Equipment Finance for the purchase of four (4) 2018 Mack Dump Trucks, 36 monthly payments of \$5,751 beginning January 14, 2022, with interest of 2.41% with one final payment of \$186,200 plus interest. Payments are to be made from the Road Fund.	306,576
Financed purchase agreement, dated May 19, 2022, in the amount of \$197,516, with John Deere Financial for the purchase of one (1) John Deere 670G Motor Grader, 3 annual payments of \$71,140 beginning January 19, 2023, with interest of 4.7%. Payments are to be made from the Road Fund.	197,516
Financed purchase agreement, dated September 29, 2022, in the amount of \$181,078, with John Deere Financial for the purchase of one (1) John Deere 6110M Cab Tractor with Alamo Samurai-22 rotary cutters, 60 monthly payments of \$3,438 beginning October 29, 2022, with interest of 5.25%. Payments are to be made from the Road Fund.	175,775
Financed purchase agreement, dated October 13, 2022, in the amount of \$88,078, with John Deere Financial for the purchase of one (1) John Deere 5100E Cab Utility Tractor with John Deere FC15R flex wing rotary cutter, 36 monthly payments of \$2,702 beginning October 13, 2022, with interest of 6.95%. Payments are to be made from the Road Fund.	80,948
Total Direct Borrowings	760,815
 Total Long-term liabilities	 \$ 9,355,815

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

NOTE 10: Commitments (Continued)

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 \$8,595,000 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding direct borrowings of \$760,815 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Post Employment Benefits Other Than Pensions

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

Long-Term Debt Issued and Outstanding

<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Rate of Interest</u>	<u>Amount Authorized and Issued</u>	<u>Debt Outstanding December 31, 2022</u>	<u>Maturities to December 31, 2022</u>
<u>Bonds</u>					
11/14/19	8/1/38	1.70 - 3.00%	\$ 7,430,000	\$ 6,560,000	\$ 870,000
1/20/21	8/1/38	0.80 - 2.25%	2,210,000	2,035,000	175,000
Total Bonds			<u>9,640,000</u>	<u>8,595,000</u>	<u>1,045,000</u>
<u>Direct Borrowings</u>					
12/14/21	1/4/25	2.41%	372,400	306,576	65,824
5/19/22	5/19/25	4.70%	197,516	197,516	
9/29/22	9/29/27	5.25%	181,078	175,775	5,303
10/13/22	10/13/25	6.95%	88,078	80,948	7,130
Total Direct Borrowings			<u>839,072</u>	<u>760,815</u>	<u>78,257</u>
Total Long-Term Debt			<u>\$ 10,479,072</u>	<u>\$ 9,355,815</u>	<u>\$ 1,123,257</u>

Changes in Long-Term Debt

	<u>Balance January 01, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2022</u>
Bonds payable	\$ 10,845,000	\$ 0	\$ 2,250,000	\$ 8,595,000
<u>Direct Borrowings</u>				
Financed purchases	624,380 *	466,672	330,237	760,815
Total Long-Term Debt	<u>\$ 11,469,380</u>	<u>\$ 466,672</u>	<u>\$ 2,580,237</u>	<u>\$ 9,355,815</u>

* Includes an adjustment of \$8,411 due to early payment of debt

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

NOTE 10: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 445,000	\$ 230,933	\$ 675,933	\$ 185,209	\$ 26,930	\$ 212,139
2024	450,000	223,413	673,413	192,841	20,984	213,825
2025	455,000	215,513	670,513	313,929	8,977	322,906
2026	470,000	204,162	674,162	38,560	2,695	41,255
2027	490,000	190,662	680,662	30,276	666	30,942
2028 through 2032	2,645,000	737,412	3,382,412			
2033 through 2037	3,050,000	347,363	3,397,363			
2038	590,000	9,450	599,450			
Totals	<u>\$ 8,595,000</u>	<u>\$ 2,158,908</u>	<u>\$ 10,753,908</u>	<u>\$ 760,815</u>	<u>\$ 60,252</u>	<u>\$ 821,067</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on January 1, 2021, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$16,544 for a total of \$992,640 beginning January 15, 2021. Contract expense for 2022 was \$198,528.

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

Year	December 31, 2022
2023	\$ 198,528
2024	198,528
2025	198,528
Total	<u>\$ 595,584</u>

NOTE 11: Pledged Revenues

Jail Refunding Bonds, Series 2019

The County pledged future 1% sales and use taxes to repay \$7,450,000 in sales and use tax refunding bonds that were issued in 2014 to refund a 2008 bond issue that was used to provide funding for construction of a county jail complex. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other County law enforcement purposes.

Total principal and interest remaining on the bonds were \$6,560,000 and \$1,779,250, respectively, payable through August 1, 2038. For 2022, principal and interest paid were \$320,000 and \$196,500, respectively. The Jail Refunding Bonds, Series 2019 Debt Service Fund received \$3,555,163 in sales taxes in 2022.

Jail Refunding Bonds, Series 2021

The County pledged future 1% sales and use taxes to repay \$2,210,000 in sales and use tax refunding bonds that were issued in 2021 to refund a 2015 bond issue that was used to provide funding for construction of a county jail complex. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other County law enforcement purposes.

Total principal and interest remaining on the bonds were \$2,035,000 and \$379,658, respectively, payable through August 1, 2038. For 2022, principal and interest paid were \$115,000 and \$41,753 respectively. The Jail Refunding Bonds, Series 2021 Debt Service Fund received \$161,824 in sales taxes in 2022.

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

NOTE 12: Interfund Transfers

The General Fund transferred \$450,000 to the Road Fund and \$36,114 to Other Funds in the Aggregate (Public Defender) for operating purposes. Within the Other Funds in the Aggregate, Debt Service Funds transferred excess sales taxes of \$3,023,968 to the Jail Operation & Maintenance Fund for operating purposes.

NOTE 13: Joint Venture: Camden-Ouachita County Library

The Camden Library Commission and Ouachita County entered into an agreement in January 1954 in accordance with Ark. Code Ann. § 13-2-401 to establish the Camden-Ouachita County Library. The agreement states that all funds, income, and properties of the City and County, which are levied for library purposes together with all funds received from any source by either the City or County, shall be pooled and made available for the joint preservation of the City-County library system under the management and control of the City-County Library Board. The County Library paid \$209,374 for Camden-Ouachita County Library expenditures in 2022. The City of Camden paid Ouachita County \$96,350 in 2022 for these purposes. Contact the Camden-Ouachita County Library at 405 Cash Rd SW, Camden, Arkansas to obtain financial statements.

NOTE 14: Jointly Governed Organization – Thirteenth Judicial District Drug Task Force

The Prosecuting Attorney's Office of the Thirteenth Judicial District, the Sheriffs' Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita, and Union Counties, and the Police Departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, Rison, and Smackover entered into an agreement to establish the Thirteenth Judicial District Drug Task Force. The agreement covers the period July 1, 2022 – June 30, 2023, and may be extended upon written mutual agreement. Funding is provided through a Drug Law Enforcement Program grant, applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contributions or payment for expenditure were made to the Thirteenth Judicial District Drug Task Force by the County. The 2022 financial statements of the Thirteenth Judicial District Drug Task Force have not been audited.

NOTE 15: 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.

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.

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

NOTE 15: Risk Management

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 16: 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 \$847,993.

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 \$7,140,192.

NOTE 17: Assignment and Lease of Ouachita County Hospital Facilities

Ouachita County Ordinance No. 94-44 (October 14, 1994) authorized the assignment and lease of the Ouachita County Hospital to Ouachita County Medical Center, an Arkansas nonprofit corporation. The lease was signed by both parties on November 16, 1994. The lease stipulates that Ouachita County Medical Center shall lease the hospital facilities and grounds for twenty-five (25) years and shall have the option to renew the lease for two (2) successive terms of twenty-five (25) years each. Ouachita County Medical Center assumes all rights and responsibilities for the operation of the hospital and related ancillary facilities. At the expiration or sooner termination of the lease agreement, all additional structures constructed on the lease premises and all capitalized equipment, furniture, appliance, and apparatus purchased by Ouachita County Medical Center for use on the lease premises shall become property of Ouachita County.

NOTE 18: Arkansas Department of Human Services Lease

Effective July 26, 2011, the County entered into a lease agreement with the Department of Human Services (Lessee) a department of Arkansas state government. Under the terms of the agreement, the Lessee agreed to lease the County's office building located at 222 Van Buren Street NW, Camden, Arkansas for a term of two years beginning October 1, 2011, for \$12,654 a month. The agreement provides that the Lessee may extend the lease not more than 90 days upon the same terms by written notice to the County. On October 28, 2021, the lease agreement was amended to extend the original lease term for an additional two years through December 31, 2023, for \$12,907 a month. The County received \$154,879 during 2022.

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

NOTE 19: 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 \$4,541,679 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$4,541,679 of this amount has been received. In 2022, the County was awarded \$100,000 in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. In 2022, the County received funds in the amount of \$50,000. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	County Clerk Operating
ASSETS								
Cash and cash equivalents	\$ 181,089	\$ 230,462	\$ 136,575	\$ 35,480	\$ 15,124	\$ 235,866	\$ 231,259	\$ 2,111
Accounts receivable			893		218	5,056		18
Interfund receivables	<u>28,203</u>							
TOTAL ASSETS	<u><u>\$ 209,292</u></u>	<u><u>\$ 230,462</u></u>	<u><u>\$ 137,468</u></u>	<u><u>\$ 35,480</u></u>	<u><u>\$ 15,342</u></u>	<u><u>\$ 240,922</u></u>	<u><u>\$ 231,259</u></u>	<u><u>\$ 2,129</u></u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 533			\$ 580		\$ 1,136		
Interfund payables							\$ 10,801	
Settlements pending								
Total Liabilities	<u>533</u>			<u>580</u>		<u>1,136</u>	<u>10,801</u>	
Fund Balances:								
Restricted	208,759	\$ 230,462	\$ 137,468	34,900	\$ 15,342	239,786	220,458	\$ 2,129
Committed								
Assigned								
Total Fund Balances	<u>208,759</u>	<u>230,462</u>	<u>137,468</u>	<u>34,900</u>	<u>15,342</u>	<u>239,786</u>	<u>220,458</u>	<u>2,129</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 209,292</u></u>	<u><u>\$ 230,462</u></u>	<u><u>\$ 137,468</u></u>	<u><u>\$ 35,480</u></u>	<u><u>\$ 15,342</u></u>	<u><u>\$ 240,922</u></u>	<u><u>\$ 231,259</u></u>	<u><u>\$ 2,129</u></u>

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

Schedule 1

SPECIAL REVENUE FUNDS

	Child Support Cost	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Public Defender	Victim/Witness	Indigent Defense
ASSETS								
Cash and cash equivalents	\$ 3,922	\$ 49,515	\$ 2,369,967	\$ 40,993	\$ 782,669	\$ 19,666	\$ 141,827	\$ 54,052
Accounts receivable	36	200	81,134		302	264	1,571	518
Interfund receivables			31,910					
TOTAL ASSETS	\$ 3,958	\$ 49,715	\$ 2,483,011	\$ 40,993	\$ 782,971	\$ 19,930	\$ 143,398	\$ 54,570
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 27,401		\$ 5,000	\$ 157		
Interfund payables			44,895		12,134			
Settlements pending								
Total Liabilities			72,296		17,134	157		
Fund Balances:								
Restricted	\$ 3,958	\$ 49,715	2,410,715	\$ 40,993	757,691		\$ 143,398	\$ 54,570
Committed								
Assigned					8,146	19,773		
Total Fund Balances	3,958	49,715	2,410,715	40,993	765,837	19,773	143,398	54,570
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,958	\$ 49,715	\$ 2,483,011	\$ 40,993	\$ 782,971	\$ 19,930	\$ 143,398	\$ 54,570

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

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Court Program	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Drug Enforcement	Assessor's Late Assessment Fee	American Rescue Plan Act	Law Library	Communication Facility and Equipment
ASSETS								
Cash and cash equivalents	\$ 43,430	\$ 62,836	\$ 4,734	\$ 6,732	\$ 6,044	\$ 2,079,478	\$ 206,060	\$ 22,540
Accounts receivable	45		120				1,693	
Interfund receivables						127,776		
TOTAL ASSETS	\$ 43,475	\$ 62,836	\$ 4,854	\$ 6,732	\$ 6,044	\$ 2,207,254	\$ 207,753	\$ 22,540
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Interfund payables								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 43,475	\$ 62,836	\$ 4,854		\$ 6,044	\$ 2,207,254	\$ 207,753	\$ 22,540
Committed				\$ 6,732				
Assigned								
Total Fund Balances	<u>43,475</u>	<u>62,836</u>	<u>4,854</u>	<u>6,732</u>	<u>6,044</u>	<u>2,207,254</u>	<u>207,753</u>	<u>22,540</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 43,475	\$ 62,836	\$ 4,854	\$ 6,732	\$ 6,044	\$ 2,207,254	\$ 207,753	\$ 22,540

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

Schedule 1

	DEBT SERVICE FUNDS			CUSTODIAL FUNDS					Totals
	2015 Hospital Construction and Refunding Bonds	Jail Refunding Bonds, Series 2019	Jail Refunding Bonds, Series 2021	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	
ASSETS									
Cash and cash equivalents	\$ 1,068,889	\$ 493,743	\$ 149,186	\$ 279,475	\$ 77,316	\$ 223,804	\$ 103,271	\$ 1,124,977	\$ 10,483,092
Accounts receivable									92,068
Interfund receivables									187,889
TOTAL ASSETS	<u>\$ 1,068,889</u>	<u>\$ 493,743</u>	<u>\$ 149,186</u>	<u>\$ 279,475</u>	<u>\$ 77,316</u>	<u>\$ 223,804</u>	<u>\$ 103,271</u>	<u>\$ 1,124,977</u>	<u>\$ 10,763,049</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									\$ 34,807
Interfund payables									67,830
Settlements pending				\$ 279,475	\$ 77,316	\$ 223,804	\$ 103,271	\$ 1,124,977	1,808,843
Total Liabilities				<u>279,475</u>	<u>77,316</u>	<u>223,804</u>	<u>103,271</u>	<u>1,124,977</u>	<u>1,911,480</u>
Fund Balances:									
Restricted	\$ 1,068,889	\$ 493,743	\$ 149,186						8,816,918
Committed									6,732
Assigned									27,919
Total Fund Balances	<u>1,068,889</u>	<u>493,743</u>	<u>149,186</u>						<u>8,851,569</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,068,889</u>	<u>\$ 493,743</u>	<u>\$ 149,186</u>	<u>\$ 279,475</u>	<u>\$ 77,316</u>	<u>\$ 223,804</u>	<u>\$ 103,271</u>	<u>\$ 1,124,977</u>	<u>\$ 10,763,049</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS						
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library
REVENUES							
State aid				\$ 8,077			\$ 9,972
Federal aid							10,275
Property taxes							61,719
Sales taxes							
Fines, forfeitures, and costs			\$ 7,673				
Interest	\$ 774	\$ 732	501	134	\$ 51	\$ 639	700
Officers' fees					4,140	64,590	
911 fees							
Jail fees							
Treasurer's commission	28,203						
Collector's commission		48,557					
Other	3	3	45	33	16	2	36,586
TOTAL REVENUES	28,980	49,292	8,219	8,244	4,207	65,231	119,252
Less: Treasurer's commission	15	15	216	164	79	13	4,274
NET REVENUES	28,965	49,277	8,003	8,080	4,128	65,218	114,978
EXPENDITURES							
Current:							
General government	6,152	35,874		6,194	504	28,310	
Law enforcement			385				
Highways and streets							
Public safety							
Sanitation							
Health							
Recreation and culture							209,374
Total Current	6,152	35,874	385	6,194	504	28,310	209,374
Debt Service:							
Bond principal							
Bond interest and other charges							
TOTAL EXPENDITURES	6,152	35,874	385	6,194	504	28,310	209,374
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	22,813	13,403	7,618	1,886	3,624	36,908	(94,396)
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out							
Contribution from City of Camden for Library							96,350
TOTAL OTHER FINANCING SOURCES (USES)							96,350
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	22,813	13,403	7,618	1,886	3,624	36,908	1,954
FUND BALANCES - JANUARY 1	185,946	217,059	129,850	33,014	11,718	202,878	218,504
FUND BALANCES - DECEMBER 31	<u>\$ 208,759</u>	<u>\$ 230,462</u>	<u>\$ 137,468</u>	<u>\$ 34,900</u>	<u>\$ 15,342</u>	<u>\$ 239,786</u>	<u>\$ 220,458</u>

OUACHITA 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						
	County Clerk Operating	Child Support Cost	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Public Defender
REVENUES							
State aid				\$ 123,798	\$ 2,224		\$ 1,546
Federal aid				23,191			
Property taxes							
Sales taxes							
Fines, forfeitures, and costs			\$ 1,645	28,012			3,472
Interest	\$ 7	\$ 12		7,743	201	\$ 2,209	66
Officers' fees	320	72					
911 fees						390,550	
Jail fees				1,086,622			
Treasurer's commission							
Collector's commission							
Other	1	1	1	122,325	10	1,833	13
TOTAL REVENUES	328	85	1,646	1,391,691	2,435	394,592	5,097
Less: Treasurer's commission	6	1	29	65,769	49	7,849	65
NET REVENUES	322	84	1,617	1,325,922	2,386	386,743	5,032
EXPENDITURES							
Current:							
General government							
Law enforcement				4,353,757			32,226
Highways and streets							
Public safety					(11,625)	311,782	
Sanitation							
Health							
Recreation and culture							
Total Current				4,353,757	(11,625)	311,782	32,226
Debt Service:							
Bond principal							
Bond interest and other charges							
TOTAL EXPENDITURES				4,353,757	(11,625)	311,782	32,226
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	322	84	1,617	(3,027,835)	14,011	74,961	(27,194)
OTHER FINANCING SOURCES (USES)							
Transfers in				3,023,968			36,114
Transfers out							
Contribution from City of Camden for Library							
TOTAL OTHER FINANCING SOURCES (USES)				3,023,968			36,114
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	322	84	1,617	(3,867)	14,011	74,961	8,920
FUND BALANCES - JANUARY 1	1,807	3,874	48,098	2,414,582	26,982	690,876	10,853
FUND BALANCES - DECEMBER 31	<u>\$ 2,129</u>	<u>\$ 3,958</u>	<u>\$ 49,715</u>	<u>\$ 2,410,715</u>	<u>\$ 40,993</u>	<u>\$ 765,837</u>	<u>\$ 19,773</u>

OUACHITA 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						
	Victim/Witness	Indigent Defense	Drug Court Program	Circuit Court Juvenile Division	Circuit Clerk Commissioner' s Fee	Drug Enforcement	Assessor's Late Assessment Fee
REVENUES							
State aid							
Federal aid							
Property taxes							\$ 1,058
Sales taxes							
Fines, forfeitures, and costs	\$ 21,568	\$ 8,067	\$ 1,875	\$ 1,145			
Interest	519	190	169	230	\$ 22	\$ 4	
Officers' fees				2,375	150		
911 fees							
Jail fees							
Treasurer's commission							
Collector's commission							
Other	78	26	13	23			
TOTAL REVENUES	22,165	8,283	2,057	3,773	172	4	1,058
Less: Treasurer's commission	397	131	40	75			
NET REVENUES	21,768	8,152	2,017	3,698	172	4	1,058
EXPENDITURES							
Current:							
General government					2,364		
Law enforcement	10,817		3,219			2,830	
Highways and streets							
Public safety							
Sanitation							
Health							
Recreation and culture							
Total Current	10,817		3,219		2,364	2,830	
Debt Service:							
Bond principal							
Bond interest and other charges							
TOTAL EXPENDITURES	10,817		3,219		2,364	2,830	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,951	8,152	(1,202)	3,698	(2,192)	(2,826)	1,058
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out							
Contribution from City of Camden for Library							
TOTAL OTHER FINANCING SOURCES (USES)							
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	10,951	8,152	(1,202)	3,698	(2,192)	(2,826)	1,058
FUND BALANCES - JANUARY 1	132,447	46,418	44,677	59,138	7,046	9,558	4,986
FUND BALANCES - DECEMBER 31	\$ 143,398	\$ 54,570	\$ 43,475	\$ 62,836	\$ 4,854	\$ 6,732	\$ 6,044

OUACHITA 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			DEBT SERVICE FUNDS			Totals
	American Rescue Plan Act	Law Library	Communication Facility and Equipment	2015 Hospital Construction and Refunding Bonds	Jail Refunding Bonds, Series 2019	Jail Refunding Bonds, Series 2021	
REVENUES							
State aid							\$ 145,617
Federal aid	\$ 2,270,840						2,304,306
Property taxes							62,777
Sales taxes				\$ 1,858,494	\$ 3,555,163	\$ 161,824	5,575,481
Fines, forfeitures, and costs		\$ 27,534					100,991
Interest			\$ 61	7,605	3,785	1,320	27,674
Officers' fees			3,925				75,572
911 fees							390,550
Jail fees			116,545				1,203,167
Treasurer's commission							28,203
Collector's commission							48,557
Other		83	501				161,596
TOTAL REVENUES	2,270,840	27,617	121,032	1,866,099	3,558,948	163,144	10,124,491
Less: Treasurer's commission		415					79,602
NET REVENUES	2,270,840	27,202	121,032	1,866,099	3,558,948	163,144	10,044,889
EXPENDITURES							
Current:							
General government	104,448						183,846
Law enforcement	279,587	4,000	112,962				4,799,783
Highways and streets	336,400						336,400
Public safety	62,128						362,285
Sanitation	290,282						290,282
Health	1,774						1,774
Recreation and culture							209,374
Total Current	1,074,619	4,000	112,962				6,183,744
Debt Service:							
Bond principal				1,815,000	320,000	115,000	2,250,000
Bond interest and other charges				32,317	205,971	48,516	286,804
TOTAL EXPENDITURES	1,074,619	4,000	112,962	1,847,317	525,971	163,516	8,720,548
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,196,221	23,202	8,070	18,782	3,032,977	(372)	1,324,341
OTHER FINANCING SOURCES (USES)							
Transfers in							3,060,082
Transfers out					(3,023,968)		(3,023,968)
Contribution from City of Camden for Library							96,350
TOTAL OTHER FINANCING SOURCES (USES)					(3,023,968)		132,464
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,196,221	23,202	8,070	18,782	9,009	(372)	1,456,805
FUND BALANCES - JANUARY 1	1,011,033	184,551	14,470	1,050,107	484,734	149,558	7,394,764
FUND BALANCES - DECEMBER 31	\$ 2,207,254	\$ 207,753	\$ 22,540	\$ 1,068,889	\$ 493,743	\$ 149,186	\$ 8,851,569

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. Ouachita County Ordinance no. 92-09 (February 13, 1992) allows any fine in excess of \$250 on misdemeanor convictions and 25% of all fines for felony convictions for drug related charges to be deposited in this fund for the use of the Drug Task Force.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Operation and Maintenance	<p>Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.</p> <p>Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.</p>
Boating Safety and Enforcement	<p>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.</p>
CMRS 911 Board (Commercial Mobile Radio Service)	<p>Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.</p>
Public Defender	<p>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.</p>
Victim/Witness	<p>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.</p>
Indigent Defense	<p>Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.</p>

OUACHITA 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>
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Circuit Court Juvenile Division	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expense of the office of circuit clerk.
Drug Enforcement	Ouachita County Ordinance no. 2016-030 (July 5, 2016) established a drug enforcement fund (pursuant to Ark. Code Ann. § 14-21-201) to be administered by the Sheriff.
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 (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Law Library	Ark. Code Ann. §§ 16-23-101 - 105 established fund to receive costs levied on criminal and civil cases to be used for any purpose related to the establishment, maintenance, and operations of a county law library.
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.
2015 Hospital Construction and Refunding Bonds	Ouachita County Ordinance no. 2015-040 (September 1, 2015) provides for the levying of a 1/2 of a percent sales and use tax as approved by referendum on February 10, 2015 to be used solely to retire bonds and authorized the issuance of sales and use tax bonds for the purpose of financing all or a portion of the costs of acquiring, constructing, furnishing, and equipping improvements to the hospital facility including particularly, without limitation, renovations to the emergency and surgery departments as well as to refund Ouachita County Public Facilities Board Healthcare Revenue Bonds, Series 2003.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Refunding Bonds, Series 2019	Established pursuant to Ouachita County Ordinance nos. 2019-019 and 2007-028 (October 1, 2019 and October 23, 2007) to receive sales and use tax monies approved by referendum on February 5, 2008 for the purpose of jail construction and law enforcement purposes, and authorized the issuance of sales and use tax bonds.
Jail Refunding Bonds, Series 2021	Established pursuant to Ouachita County Ordinance nos. 2020-030, 2015-024 and 2007-028 (December 8, 2020, June 2, 2015, and October 23, 2007) to receive sales and use tax monies approved by referendum on February 5, 2008 for the purpose of jail construction and law enforcement purposes, and authorized the issuance of sales and use tax bonds.

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

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

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

County Clerk's accounts consist primarily of 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.

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

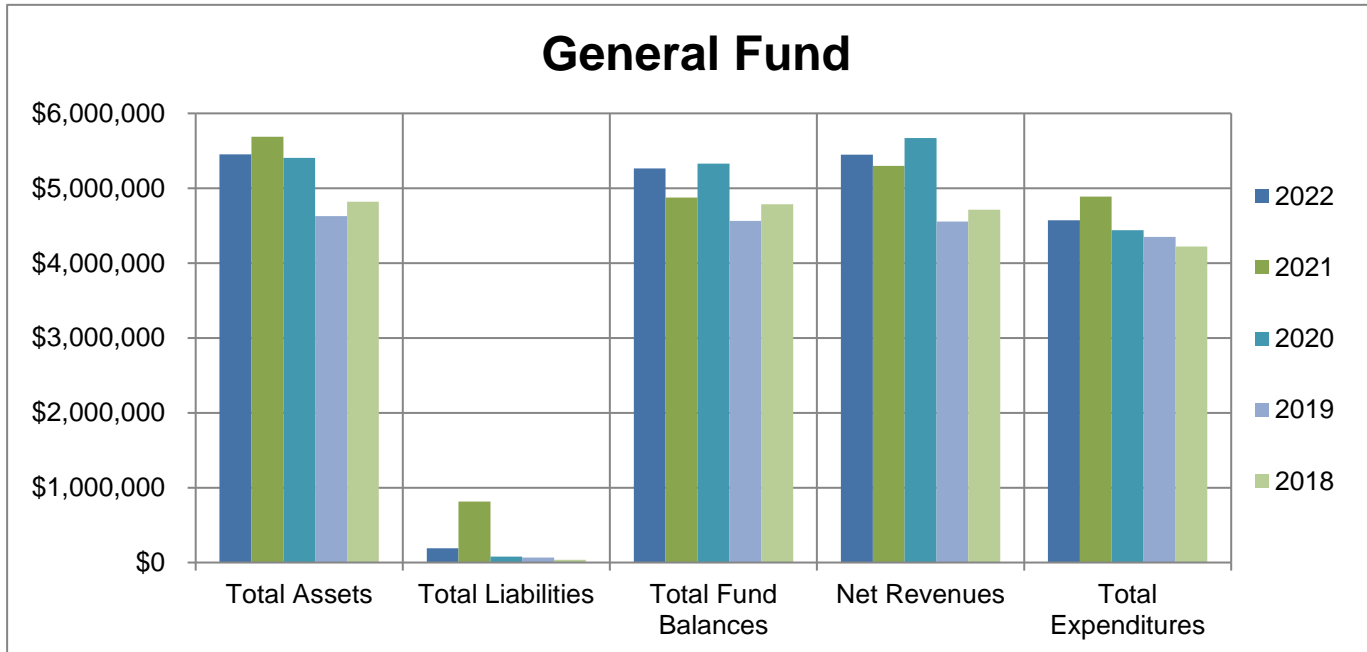
Schedule 3

	<u>December 31, 2022</u>
Land	\$ 541,216
Buildings and improvements	28,423,082
Equipment	<u>6,952,823</u>
Total	<u><u>\$ 35,917,121</u></u>

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

Schedule 4-1

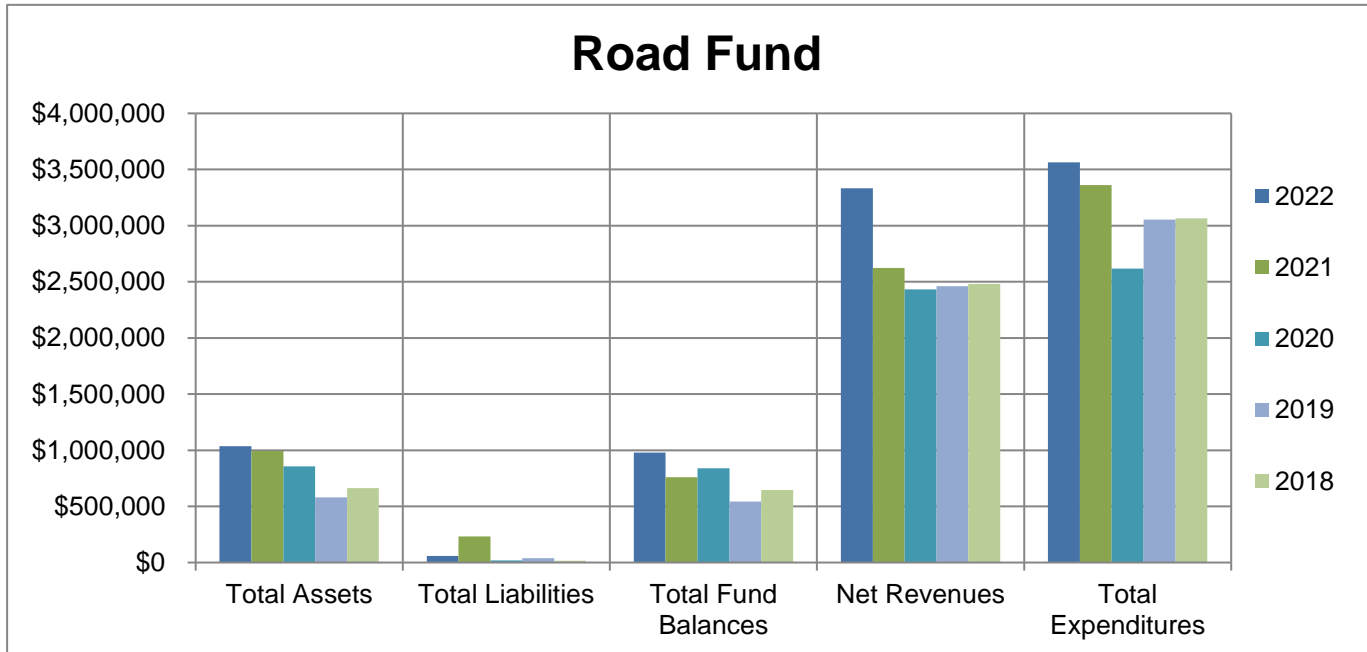
General	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 5,454,624	\$ 5,689,475	\$ 5,405,185	\$ 4,628,705	\$ 4,821,633
Total Liabilities	188,891	814,955	78,032	66,094	35,642
Total Fund Balances	5,265,733	4,874,520	5,327,153	4,562,611	4,785,991
Net Revenues	5,448,103	5,299,057	5,671,315	4,556,707	4,715,071
Total Expenditures	4,570,776	4,886,506	4,440,443	4,349,667	4,221,998
Total Other Financing Sources/Uses	(486,114)	(865,184)	(465,857)	(430,000)	(205,575)



OUACHITA 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>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 1,036,635	\$ 994,309	\$ 857,328	\$ 581,438	\$ 661,536
Total Liabilities	57,314	233,797	19,003	37,951	16,340
Total Fund Balances	979,321	760,512	838,325	543,487	645,196
Net Revenues	3,332,393	2,623,089	2,433,603	2,460,824	2,480,836
Total Expenditures	3,563,584	3,360,902	2,618,765	3,052,533	3,065,798
Total Other Financing Sources/Uses	450,000	660,000	480,000	490,000	425,000



OUACHITA 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	\$ 10,763,049	\$ 9,468,114	\$ 7,817,055	\$ 7,912,482	\$ 8,144,929
Total Liabilities	1,911,480	2,073,350	1,749,341	2,301,790	1,767,435
Total Fund Balances	8,851,569	7,394,764	6,067,714	5,610,692	6,377,494
Net Revenues	10,044,889	10,269,130	8,316,584	7,737,940	7,580,104
Total Expenditures	8,720,548	9,203,163	8,075,059	8,442,114	7,846,303
Total Other Financing Sources/Uses	132,464	261,083	78,220	(62,628)	(128,815)

