

Saline County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



SALINE COUNTY, ARKANSAS
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Sen. Ronald Caldwell
Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE **ARKANSAS LEGISLATIVE AUDIT**

Independent Auditor's Report

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

Unmodified Opinions on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

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

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. 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 November 18, 2022, 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
November 18, 2022
LOCO06221

Arkansas

Sen. Ronald Caldwell
Senate Chair

Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair

Rep. Nelda Speaks
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

Saline 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 Saline County, Arkansas (County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated November 18, 2022. 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 November 18, 2022.

Purpose of This Report

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
November 18, 2022

Arkansas

Sen. Ronald Caldwell
Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

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

County Judge: Jeff Arey
Treasurer: Larry Davis
Sheriff: Rodney Wright
Tax Collector: Holly Sanders
County Clerk: Doug Curtis
Circuit Clerk: Myka Bono-Sample
Assessor: Bob Ramsey
County Librarian: Patty Hector
District Court Clerk: Leah Redmon
Airport Commission Chairman: Brandon Guillot

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

District Court Clerk

The District Court Clerk was unable to identify \$57,576 remaining in the bank account with receipts issued for cases not yet adjudicated and the payments made on all unpaid individual time pay accounts, as required by Ark. Code Ann. § 16-10-209.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
November 18, 2022

SALINE COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2021

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 9,280,804	\$ 8,789,601	\$ 36,573,077
Accounts receivable	388,132	87,835	763,064
Interfund receivables	96,613		
	<u>9,765,549</u>	<u>8,877,436</u>	<u>37,336,141</u>
TOTAL ASSETS	<u>\$ 9,765,549</u>	<u>\$ 8,877,436</u>	<u>\$ 37,336,141</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 305,165	\$ 386,341	\$ 803,450
Interfund payables			96,613
Settlements pending			4,297,367
Total Liabilities	<u>305,165</u>	<u>386,341</u>	<u>5,197,430</u>
Fund Balances:			
Restricted	406,772	8,491,095	30,660,889
Committed			1,048,519
Assigned			429,303
Unassigned	9,053,612		
Total Fund Balances	<u>9,460,384</u>	<u>8,491,095</u>	<u>32,138,711</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,765,549</u>	<u>\$ 8,877,436</u>	<u>\$ 37,336,141</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 2,620,043	\$ 4,691,940	\$ 582,676
Federal aid	225,276	56,536	12,814,808
Property taxes	9,079,353	3,782,642	3,190,557
Sales taxes			8,108,970
Fines, forfeitures, and costs	445,086		964,996
Interest	43,914	40,441	394,337
Officers' fees	193,017		1,715,697
Natural gas severance tax		160,609	
Franchise fees	76,903		
Insurance premiums collected	224,381	5,637	
Jail fees			1,469,631
911 fees			1,557,492
Hangar rent			183,209
Fuel sales			350,623
Library sales			36,471
Library fines and fees			7,810
Treasurer's commission	223,340		82,738
Collector's commission	851,058		403,563
Taxes apportioned - Assessor's salary and expense	1,709,012		
Other	1,143,131	15,460	91,180
TOTAL REVENUES	16,834,514	8,753,265	31,954,758
Less: Treasurer's commission	76,176	49,435	61,772
NET REVENUES	16,758,338	8,703,830	31,892,986

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXPENDITURES			
Current:			
General government	\$ 5,696,800		\$ 19,504,791
Law enforcement	7,372,214		4,101,195
Highways and streets		\$ 5,783,294	
Public safety	325,701		2,375,541
Health	74,956		
Recreation and culture			3,556,306
Social services	156,328		66,091
Airport			868,630
Total Current	<u>13,625,999</u>	<u>5,783,294</u>	<u>30,472,554</u>
Debt Service:			
Bond principal			10,500,000
Bond interest and other charges			1,524,495
Lease principal	540,951		
Lease interest	124,765		
Note principal			19,776
Note interest			13,058
TOTAL EXPENDITURES	<u>14,291,715</u>	<u>5,783,294</u>	<u>42,529,883</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,466,623</u>	<u>2,920,536</u>	<u>(10,636,897)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	303,984		1,431,864
Transfers out	(1,431,864)		(303,984)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,127,880)</u>		<u>1,127,880</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,338,743	2,920,536	(9,509,017)
FUND BALANCES - JANUARY 1	<u>8,121,641</u>	<u>5,570,559</u>	<u>41,647,728</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 9,460,384</u></u>	<u><u>\$ 8,491,095</u></u>	<u><u>\$ 32,138,711</u></u>

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 2,397,812	\$ 2,620,043	\$ 222,231	\$ 3,960,000	\$ 4,691,940	\$ 731,940
Federal aid	219,668	225,276	5,608	53,594	56,536	2,942
Property taxes	8,970,349	9,079,353	109,004	3,520,000	3,782,642	262,642
Fines, forfeitures, and costs	408,831	445,086	36,255			
Interest	125,386	43,914	(81,472)	61,000	40,441	(20,559)
Officers' fees	162,550	193,017	30,467			
Natural gas severance tax					160,609	160,609
Franchise fees	111,000	76,903	(34,097)			
Insurance premiums collected	203,148	224,381	21,233	2,000	5,637	3,637
Treasurer's commission	235,000	223,340	(11,660)			
Collector's commission	615,000	851,058	236,058			
Taxes apportioned - Assessor's salary and expense	1,495,000	1,709,012	214,012			
Other	1,280,084	1,143,131	(136,953)	177,873	15,460	(162,413)
TOTAL REVENUES	16,223,828	16,834,514	610,686	7,774,467	8,753,265	978,798
Less: Treasurer's commission		76,176	(76,176)		49,435	(49,435)
NET REVENUES	16,223,828	16,758,338	534,510	7,774,467	8,703,830	929,363
EXPENDITURES						
Current:						
General government	7,927,482	5,696,800	2,230,682			
Law enforcement	10,095,757	7,372,214	2,723,543			
Highways and streets				9,148,470	5,783,294	3,365,176
Public safety	1,347,174	325,701	1,021,473			
Health	92,550	74,956	17,594			
Social services	212,633	156,328	56,305			
Total Current	19,675,596	13,625,999	6,049,597	9,148,470	5,783,294	3,365,176
Debt Service:						
Lease principal		540,951	(540,951)			
Lease interest		124,765	(124,765)			
TOTAL EXPENDITURES	19,675,596	14,291,715	5,383,881	9,148,470	5,783,294	3,365,176

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (3,451,768)</u>	<u>\$ 2,466,623</u>	<u>\$ 5,918,391</u>	<u>\$ (1,374,003)</u>	<u>\$ 2,920,536</u>	<u>\$ 4,294,539</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,018,107	303,984	(714,123)	500		(500)
Transfers out		<u>(1,431,864)</u>	<u>(1,431,864)</u>			
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,018,107</u>	<u>(1,127,880)</u>	<u>(2,145,987)</u>	<u>500</u>		<u>(500)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(2,433,661)</u>	<u>1,338,743</u>	<u>3,772,404</u>	<u>(1,373,503)</u>	<u>2,920,536</u>	<u>4,294,039</u>
FUND BALANCES - JANUARY 1	<u>5,194,468</u>	<u>8,121,641</u>	<u>2,927,173</u>	<u>3,624,235</u>	<u>5,570,559</u>	<u>1,946,324</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,760,807</u></u>	<u><u>\$ 9,460,384</u></u>	<u><u>\$ 6,699,577</u></u>	<u><u>\$ 2,250,732</u></u>	<u><u>\$ 8,491,095</u></u>	<u><u>\$ 6,240,363</u></u>

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

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

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 federal aid 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.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 and 2 for the Debt Service Fund reported with other funds in the aggregate.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation – Regulatory (Continued)

Other Funds in the Aggregate (Continued)

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

C. Basis of Accounting - Regulatory

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

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, commissions, interest, trust accounts, and property taxes 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.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

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.

E. Property Taxes

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

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

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.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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)	\$ 1,776,483	\$ 2,083,461
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	50,618,846	51,731,785
Uncollateralized	<u>2,242,767</u>	<u>2,242,767</u>
 Total Deposits	 <u>\$ 54,638,096</u>	 <u>\$ 56,058,013</u>

The above total deposits do not include cash on hand of \$5,386.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2021, \$2,242,767 of the County's bank balances were exposed to custodial credit risk. The balances exposed to custodial credit risk totaling \$2,150,237 were deposited in money market funds consisting of liquid, U.S. government debt securities, which are not insured or collateralized. In addition, the County Sheriff's accounts had \$92,530 of its bank balance that was not insured or collateralized.

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.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 4: Accounts Receivable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 43,594		
Federal aid	10,302		\$ 241,018
Fines, forfeitures, and costs	12,838		51,108
Officers' fees	10,700		151,491
Franchise fees	45,967		
Insurance premiums collected	49,484		
Jail fees			121,836
911 fees			11,773
Treasurer's commission			82,738
Other	89,690	\$ 20	1,286
Treasurer's commission charged	125,557	87,815	101,814
Totals	<u>\$ 388,132</u>	<u>\$ 87,835</u>	<u>\$ 763,064</u>

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 305,165</u>	<u>\$ 386,341</u>	<u>\$ 803,450</u>

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2021	
	Interfund Receivables	Interfund Payables
General Fund	\$ 96,613	
Other Funds in the Aggregate:		
Special Revenue Funds:		
County Recorder Cost 75%		\$ 63,368
County Recorder Cost 25%		33,005
Arrest Grant		240
Totals	<u>\$ 96,613</u>	<u>\$ 96,613</u>

Interfund receivables and payables consist of payroll reimbursements and interfund loans. These balances were repaid the first quarter of 2022.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government	\$ 406,772		\$ 13,958,407
Law enforcement			1,145,881
Highways and streets		\$ 8,491,095	
Public safety			580,030
Recreation and culture			3,680,178
Airport			81,448
Capital outlay			9,127,708
Debt service			2,087,237
Total Restricted	<u>406,772</u>	<u>8,491,095</u>	<u>30,660,889</u>
Committed for:			
General government			634,797
Law enforcement			370,286
Recreation and culture			37,212
Airport			6,224
Total Committed			<u>1,048,519</u>
Assigned to:			
General government			22,699
Law enforcement			406,604
Total Assigned			<u>429,303</u>
Unassigned	<u>9,053,612</u>		
Totals	<u>\$ 9,460,384</u>	<u>\$ 8,491,095</u>	<u>\$ 32,138,711</u>

NOTE 8: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2021, the legal debt limit for bonded debt was \$197,618,299. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2021, the legal debt limit for short-term financing obligations was \$51,179,458. The amount of short-term financing obligations was \$6,831,171, leaving a legal debt margin of \$44,348,287.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9: Commitments

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

	December 31, 2021
Long-term liabilities	\$ 38,481,171
Noncancellable lease	107,930
Reappraisal contract	616,539
Construction contracts	<u>2,176,075</u>
Total Commitments	<u><u>\$ 41,381,715</u></u>

Long-term Liabilities

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

	December 31, 2021
<u>Bonds</u>	
2019 Sales and Use Tax Bonds, dated March 11, 2019, in the amount of \$43,530,000; 23 annual installments of \$625,000 to \$2,790,000 due June 1 beginning in 2020 to 2042; interest rate of 2.89% to 4%. Payments are to be made from the 2019 Sales and Use Tax Bond Fund.	<u>\$ 31,650,000</u>
<u>Direct Borrowings</u>	
Promissory note with First Security Bank, dated October 30, 2019, for the construction of twelve airport hangars; original loan for \$801,189, renewed for \$601,189 on December 8, 2020; original interest rate 5%; renewed rate 4.75%; new monthly interest due beginning on December 25, 2020, for 6 months followed by 40 monthly payments of principal and interest of \$3,901 beginning June 25, 2021, with one final balloon payment of \$539,082 due October 25, 2024. Payments are to be made from the Airport Fund.	251,588
Lease purchase agreement with First Security Bank, dated August 26, 2020, in the amount of \$6,881,403, for the purchase of energy savings improvements; due in 20 annual payments ranging from \$352,453 to \$537,796 at 2.29%, beginning June 1, 2021, with the final payment due June 1, 2040. Payments are to be made General Fund.	<u>6,579,583</u>
Total Direct Borrowings	<u>6,831,171</u>
Total Long-term liabilities	<u><u>\$ 38,481,171</u></u>

Due to the County's regulatory basis of accounting, these liabilities are not recorded in the financial statements.

The County's outstanding bonds payable of \$31,650,000 contains 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.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9: Commitments (Continued)

The County's outstanding note and lease-purchase agreement from direct borrowings of \$6,831,171 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.

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, 2021</u>	<u>Maturities to December 31, 2021</u>
<u>Bonds</u>					
3/11/19	6/1/42	2.89 to 4%	\$ 43,530,000	\$ 31,650,000	\$ 11,880,000
<u>Direct Borrowings</u>					
10/30/19	10/25/24	4.75 to 5%	601,189	251,588	349,601
8/26/20	6/1/40	2.29%	6,881,403	6,579,583	301,820
Total Direct Borrowings			7,482,592	6,831,171	651,421
Total Long-Term Debt			\$ 51,012,592	\$ 38,481,171	\$ 12,531,421

Changes in Long-Term Debt

	<u>Balance January 01, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2021</u>
Bonds payable	\$ 42,150,000	\$ 0	\$ 10,500,000	\$ 31,650,000
<u>Direct Borrowings</u>				
Notes payable	271,364	0	19,776	251,588
Capital leases	7,120,534	0	540,951	6,579,583
Total Direct Borrowings	7,391,898	0	560,727	6,831,171
Total Long-Term Debt	\$ 49,541,898	\$ 0	\$ 11,060,727	\$ 38,481,171

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 4,280,000	\$ 1,102,815	\$ 5,382,815	\$ 230,436	\$ 161,842	\$ 392,278
2023	1,400,000	1,008,195	2,408,195	243,604	155,657	399,261
2024	1,445,000	962,664	2,407,664	396,708	147,978	544,686
2025	1,495,000	913,768	2,408,768	230,980	136,494	367,474
2026	1,545,000	861,161	2,406,161	244,070	131,204	375,274
2027 through 2031	8,600,000	3,395,703	11,995,703	1,467,019	565,778	2,032,797
2032 through 2036	10,390,000	1,563,866	11,953,866	2,032,566	371,546	2,404,112
2037 through 2041	2,330,000	75,888	2,405,888	1,985,788	115,445	2,101,233
2042	165,000	2,929	167,929			
Totals	<u>\$31,650,000</u>	<u>\$ 9,886,989</u>	<u>\$41,536,989</u>	<u>\$ 6,831,171</u>	<u>\$ 1,785,944</u>	<u>\$ 8,617,115</u>

Noncancellable Lease

The County entered into various noncancellable lease agreements for copy machines. Terms of the leases are monthly rental payment ranging from \$79 - \$179 for 36 months; \$117 - \$1,034 for 48 months; and \$65 - \$800 for 60 months. At the end of the lease term, the County may purchase copy machines for fair market value.

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

Year	December 31, 2021
2022	\$ 51,034
2023	28,749
2024	11,828
2025	10,487
2026	5,832
Total	<u>\$ 107,930</u>

Rental expense for 2021 was \$99,320.

County-Wide Reappraisal Contract

The County entered into a professional services contract with Miller and Associates Appraisal Services, Inc., for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$51,378 for a total of \$3,082,695 beginning November 17, 2017. Contract expense for 2021 was \$616,539.

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

Year	December 31, 2021
2022	<u>\$ 616,539</u>

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9: Commitments (Continued)

Construction Contracts

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

Project Name	Completed or Estimated Completion Date	Contract Balance December 31, 2021
Career Technical Education Center	June 2022	\$ 697,475
Energy Improvements	August 2022	65,816
Old River Bridge Project Phase 2	November 2023	1,364,976
Taxiway Safety Area Improvements	August 2023	<u>47,808</u>
Total Construction Contracts		<u>\$ 2,176,075</u>

NOTE 10: Interfund Transfers

The General Fund transferred \$1,431,864 to the Other Funds in the Aggregate to supplement operations and federal grant matching. Other Funds in the Aggregate transferred \$303,984 to the General Fund for excess pledged revenues.

NOTE 11: Subsequent Events

County was awarded \$2,696,000 in federal grant funds through the Transportation Alternative Program from December 2015 to July 2022 to develop or improve the Old River Bridge. The funds are available at 80% federal participation and 20% local match. Federal-aid funds are available on a reimbursable basis. Estimated cost for the Old River Bridge project total is \$4,321,000. The County has received four reimbursements totaling \$391,333. Phases I and II have been completed and the bidding process for Phase III has begun with hopes of finishing the final phase in November of 2023.

Ordinance no. 2022-27 (September 19, 2022) appropriated American Rescue Plan Act (ARPA) funds for the Arkansas Wireless Information Network (AWIN) Simulcast Project. On September 15, 2022, the County entered into a contract with Motorola Solutions, Inc. totaling \$5,318,801. ARPA funds will be utilized for the construction of the AWIN Simulcast Project, with funding commencing October 1, 2022, and terminating either upon the completion of the AWIN Simulcast Project, or December 31, 2026, whatever date occurs first.

NOTE 12: Pledged Revenues

Sales and Use Tax

The County pledged future 0.375% sales and use taxes to repay \$43,530,000 in bonds that were issued in 2019 to provide funding for the costs of acquiring, constructing, furnishing, equipping, and repairing job training facilities, including particularly, without limitation, a career and technical education center and any necessary land acquisition and utility, road, drainage, and lighting and parking improvement. Total principal and interest remaining on the bonds are \$31,650,000 and \$9,886,989, respectively, payable through June 1, 2042. For 2021, principal and interest paid were \$10,500,000 and \$1,520,745, respectively.

The Debt Service Fund received \$8,100,446 in sales taxes in 2021. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for any lawful county purpose.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 13: Joint Venture: Mid Arkansas Regional Library

Dallas, Grant, and Hot Spring Counties entered into an agreement in January 1982 in accordance with Ark. Code Ann. § 13-2-401 to establish the Mid-Arkansas Regional Library. The agreement was amended in September 1989 to include Cleveland County and in July 2019 to include Saline County. The agreement states that business of the Mid-Arkansas Regional Library shall be handled by the Regional Board composed of the chairman, one other member of each county board and four co-regional librarians and shall be administered by a regional director. Funds for the Mid-Arkansas Regional Library consist of state aid grants, federal funds and other available funds for the purchase of books, maintenance of bookmobiles and the employment of drivers and clerks. Each county continues to supervise control over its income from the county's one mill tax and has control of its particular library. The County Library made payments to or on behalf of the Regional Library in 2021 totaling \$39,820. The financial statements of the Mid-Arkansas Regional Library have not been audited. Financial information may be obtained at the Hot Spring County Library, 202 East Third Street, Malvern, Arkansas 72104.

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.

SALINE COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 14: Risk Management (Continued)

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 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. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2021, (date of APERS Employer Allocation Report) were \$2,048,127.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2021, (actuarial valuation date and measurement date) was \$5,147,269.

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). The County was awarded \$23,781,952 in federal aid from the American Rescue Plan Act of 2021, and as of report date, \$23,781,952 of this amount had been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	County Recorder Cost 75%	County Library	Child Support Collection
ASSETS								
Cash and cash equivalents	\$ 210,453	\$ 230,946	\$ 33,876	\$ 4,112	\$ 34,565	\$ 949,578	\$ 3,777,465	\$ 22,158
Accounts receivable	82,738		1,181	605	4,112	80,421	41,479	1,125
TOTAL ASSETS	<u>\$ 293,191</u>	<u>\$ 230,946</u>	<u>\$ 35,057</u>	<u>\$ 4,717</u>	<u>\$ 38,677</u>	<u>\$ 1,029,999</u>	<u>\$ 3,818,944</u>	<u>\$ 23,283</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 4,599	\$ 7,273	\$ 1,749			\$ 4,797	\$ 138,766	\$ 110
Interfund payables						63,368		
Settlements pending								
Total Liabilities	<u>4,599</u>	<u>7,273</u>	<u>1,749</u>			<u>68,165</u>	<u>138,766</u>	<u>110</u>
Fund Balances:								
Restricted	288,592	223,673	33,308	\$ 4,717	\$ 15,978	961,834	3,680,178	23,173
Committed								
Assigned					22,699			
Total Fund Balances	<u>288,592</u>	<u>223,673</u>	<u>33,308</u>	<u>4,717</u>	<u>38,677</u>	<u>961,834</u>	<u>3,680,178</u>	<u>23,173</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 293,191</u>	<u>\$ 230,946</u>	<u>\$ 35,057</u>	<u>\$ 4,717</u>	<u>\$ 38,677</u>	<u>\$ 1,029,999</u>	<u>\$ 3,818,944</u>	<u>\$ 23,283</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Sheriff's Drug Control	Jail Maintenance	Boating Safety	911 Emergency	Public Defender	Victim/Witness	Drug Court	Juvenile Fees
ASSETS								
Cash and cash equivalents	\$ 49,817	\$ 243,462	\$ 166	\$ 499,062	\$ 169,899	\$ 5,319	\$ 35,117	\$ 169,374
Accounts receivable	3,879	140,415	172	31,274			240	3,331
TOTAL ASSETS	<u>\$ 53,696</u>	<u>\$ 383,877</u>	<u>\$ 338</u>	<u>\$ 530,336</u>	<u>\$ 169,899</u>	<u>\$ 5,319</u>	<u>\$ 35,357</u>	<u>\$ 172,705</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 141,313		\$ 6,226	\$ 5,859	\$ 5,319	\$ 374	\$ 1,083
Interfund payables								
Settlements pending								
Total Liabilities		<u>141,313</u>		<u>6,226</u>	<u>5,859</u>	<u>5,319</u>	<u>374</u>	<u>1,083</u>
Fund Balances:								
Restricted	\$ 53,696		\$ 338	524,110			34,983	171,622
Committed								
Assigned		242,564			164,040			
Total Fund Balances	<u>53,696</u>	<u>242,564</u>	<u>338</u>	<u>524,110</u>	<u>164,040</u>		<u>34,983</u>	<u>171,622</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 53,696</u>	<u>\$ 383,877</u>	<u>\$ 338</u>	<u>\$ 530,336</u>	<u>\$ 169,899</u>	<u>\$ 5,319</u>	<u>\$ 35,357</u>	<u>\$ 172,705</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Airport Commission	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	District Court Cost	Sheriff's Bail Bond 10%	County Planning Board	County Recorder Cost 25%	County Emergency
ASSETS								
Cash and cash equivalents	\$ 6,245	\$ 5,340	\$ 6,085	\$ 22,787	\$ 226,731	\$ 89,699	\$ 342,174	\$ 371,915
Accounts receivable		76	27	5	17,212	369	26,807	
TOTAL ASSETS	<u>\$ 6,245</u>	<u>\$ 5,416</u>	<u>\$ 6,112</u>	<u>\$ 22,792</u>	<u>\$ 243,943</u>	<u>\$ 90,068</u>	<u>\$ 368,981</u>	<u>\$ 371,915</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 21				\$ 19,722	\$ 797	\$ 5,624	
Interfund payables							33,005	
Settlements pending								
Total Liabilities	<u>21</u>				<u>19,722</u>	<u>797</u>	<u>38,629</u>	
Fund Balances:								
Restricted		\$ 5,416	\$ 6,112	\$ 22,792	224,221	89,271	330,352	
Committed	6,224							\$ 371,915
Assigned								
Total Fund Balances	<u>6,224</u>	<u>5,416</u>	<u>6,112</u>	<u>22,792</u>	<u>224,221</u>	<u>89,271</u>	<u>330,352</u>	<u>371,915</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,245</u>	<u>\$ 5,416</u>	<u>\$ 6,112</u>	<u>\$ 22,792</u>	<u>\$ 243,943</u>	<u>\$ 90,068</u>	<u>\$ 368,981</u>	<u>\$ 371,915</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Voluntary Tax Warning System	Animal Control	Saline County Fairgrounds	County Improvement	Sheriff's Federal Drug Control	Sheriff's Fine and Restitution Installment	Circuit Clerk's Fine and Restitution Installment	Law Enforcement Protection Services
ASSETS								
Cash and cash equivalents	\$ 7,054	\$ 93,954	\$ 37,212	\$ 232,413	\$ 59,074	\$ 77,864	\$ 5,752	\$ 273,994
Accounts receivable	698	1,040		30,469	1,154	2,167	135	1,298
TOTAL ASSETS	<u>\$ 7,752</u>	<u>\$ 94,994</u>	<u>\$ 37,212</u>	<u>\$ 262,882</u>	<u>\$ 60,228</u>	<u>\$ 80,031</u>	<u>\$ 5,887</u>	<u>\$ 275,292</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable					\$ 1,980			
Interfund payables								
Settlements pending								
Total Liabilities					<u>1,980</u>			
Fund Balances:								
Restricted	\$ 7,752				58,248	\$ 80,031	\$ 5,887	
Committed		\$ 94,994	\$ 37,212	\$ 262,882				\$ 275,292
Assigned								
Total Fund Balances	<u>7,752</u>	<u>94,994</u>	<u>37,212</u>	<u>262,882</u>	<u>58,248</u>	<u>80,031</u>	<u>5,887</u>	<u>275,292</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,752</u>	<u>\$ 94,994</u>	<u>\$ 37,212</u>	<u>\$ 262,882</u>	<u>\$ 60,228</u>	<u>\$ 80,031</u>	<u>\$ 5,887</u>	<u>\$ 275,292</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Benton District DWI Court Grant	Hope Court Grant	Miscellaneous State Grant	Court Improvement Team Grant	Arrest Grant	Sheriff DUI/Seatbelt Program	STOP (Services Training Officers Prosecutors)	VOCA (Victim of Crime Assistance) Program Grant
ASSETS								
Cash and cash equivalents	\$ 14,431	\$ 9,677	\$ 42,666	\$ 1,129	\$ 43,026	\$ 2,410	\$ 38,522	\$ 31,520
Accounts receivable					13,126		6,556	5,363
TOTAL ASSETS	<u>\$ 14,431</u>	<u>\$ 9,677</u>	<u>\$ 42,666</u>	<u>\$ 1,129</u>	<u>\$ 56,152</u>	<u>\$ 2,410</u>	<u>\$ 45,078</u>	<u>\$ 36,883</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable					\$ 5,774			\$ 15
Interfund payables					240			
Settlements pending								
Total Liabilities					<u>6,014</u>			<u>15</u>
Fund Balances:								
Restricted	\$ 14,431	\$ 9,677	\$ 42,666	\$ 1,129	50,138	\$ 2,410	\$ 45,078	36,868
Committed								
Assigned								
Total Fund Balances	<u>14,431</u>	<u>9,677</u>	<u>42,666</u>	<u>1,129</u>	<u>50,138</u>	<u>2,410</u>	<u>45,078</u>	<u>36,868</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 14,431</u>	<u>\$ 9,677</u>	<u>\$ 42,666</u>	<u>\$ 1,129</u>	<u>\$ 56,152</u>	<u>\$ 2,410</u>	<u>\$ 45,078</u>	<u>\$ 36,883</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUNDS		
	BJA (Bureau of Justice Assistance) FY20 Coronavirus Emergency Supplemental Funding (CESF) Program	Justice Assistance Grant (JAG) FY 2020	Volunteer Fire Improvement	Communication Facility and Equipment	Airport	American Rescue Plan Act	Sales and Use Tax 2019 Building Repair	Sales and Use Tax Bond 2019 Construction	Escrow Account - Energy Savings Project
ASSETS									
Cash and cash equivalents	\$ 46,440	\$ 14,040	\$ 5,502	\$ 290,452	\$ 80,500	\$ 11,919,956	\$ 210,778	\$ 9,080,763	\$ 62,999
Accounts receivable				48,331	215,973			1,286	
TOTAL ASSETS	<u>\$ 46,440</u>	<u>\$ 14,040</u>	<u>\$ 5,502</u>	<u>\$ 338,783</u>	<u>\$ 296,473</u>	<u>\$ 11,919,956</u>	<u>\$ 210,778</u>	<u>\$ 9,082,049</u>	<u>\$ 62,999</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 7,035			\$ 1,871	\$ 215,025			\$ 228,118	
Interfund payables									
Settlements pending									
Total Liabilities	<u>7,035</u>			<u>1,871</u>	<u>215,025</u>			<u>228,118</u>	
Fund Balances:									
Restricted	39,405	\$ 14,040	\$ 5,502	336,912	81,448	\$ 11,919,956	\$ 210,778	8,853,931	\$ 62,999
Committed									
Assigned									
Total Fund Balances	<u>39,405</u>	<u>14,040</u>	<u>5,502</u>	<u>336,912</u>	<u>81,448</u>	<u>11,919,956</u>	<u>210,778</u>	<u>8,853,931</u>	<u>62,999</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 46,440</u>	<u>\$ 14,040</u>	<u>\$ 5,502</u>	<u>\$ 338,783</u>	<u>\$ 296,473</u>	<u>\$ 11,919,956</u>	<u>\$ 210,778</u>	<u>\$ 9,082,049</u>	<u>\$ 62,999</u>

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

Schedule 1

	DEBT SERVICE FUND	CUSTODIAL FUNDS						
	2019 Sales and Use Tax Bond	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 2,087,237	\$ 995,147	\$ 806,145	\$ 1,155,108	\$ 196,424	\$ 999,548	\$ 144,995	\$ 36,573,077
Accounts receivable								763,064
TOTAL ASSETS	<u>\$ 2,087,237</u>	<u>\$ 995,147</u>	<u>\$ 806,145</u>	<u>\$ 1,155,108</u>	<u>\$ 196,424</u>	<u>\$ 999,548</u>	<u>\$ 144,995</u>	<u>\$ 37,336,141</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 803,450
Interfund payables								96,613
Settlements pending		\$ 995,147	\$ 806,145	\$ 1,155,108	\$ 196,424	\$ 999,548	\$ 144,995	4,297,367
Total Liabilities		<u>995,147</u>	<u>806,145</u>	<u>1,155,108</u>	<u>196,424</u>	<u>999,548</u>	<u>144,995</u>	<u>5,197,430</u>
Fund Balances:								
Restricted	\$ 2,087,237							30,660,889
Committed								1,048,519
Assigned								429,303
Total Fund Balances	<u>2,087,237</u>							<u>32,138,711</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,087,237</u>	<u>\$ 995,147</u>	<u>\$ 806,145</u>	<u>\$ 1,155,108</u>	<u>\$ 196,424</u>	<u>\$ 999,548</u>	<u>\$ 144,995</u>	<u>\$ 37,336,141</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	County Recorder Cost 75%	County Library	Child Support Collection
REVENUES								
State aid				\$ 48,583			\$ 478,797	
Federal aid							321,077	
Property taxes							2,944,109	
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 1,626	\$ 105	\$ 203		\$ 211	\$ 4,584	16,328	\$ 124
Officers' fees			17,840		48,530	920,759		2,823
Jail fees								
911 fees								
Hangar rent								
Fuel sales								
Library sales							36,471	
Library fines and fees							7,810	
Treasurer's commission	82,738							
Collector's commission		403,563						
Other							31,741	
TOTAL REVENUES	84,364	403,668	18,043	48,583	48,741	925,343	3,836,333	2,947
Less: Treasurer's commission			132	367	366	7,009	25,166	24
NET REVENUES	84,364	403,668	17,911	48,216	48,375	918,334	3,811,167	2,923
EXPENDITURES								
Current:								
General government	132,865	542,072	18,497	49,141	50,400	658,355		180
Law enforcement								
Public safety								
Recreation and culture							3,329,147	
Social services								
Airport								
Total Current	132,865	542,072	18,497	49,141	50,400	658,355	3,329,147	180
Debt Service:								
Bond principal								
Bond interest and other charges								
Note principal								
Note interest								
TOTAL EXPENDITURES	132,865	542,072	18,497	49,141	50,400	658,355	3,329,147	180
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	(48,501)	(138,404)	(586)	(925)	(2,025)	259,979	482,020	2,743
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	(48,501)	(138,404)	(586)	(925)	(2,025)	259,979	482,020	2,743
FUND BALANCES - JANUARY 1	337,093	362,077	33,894	5,642	40,702	701,855	3,198,158	20,430
FUND BALANCES - DECEMBER 31	\$ 288,592	\$ 223,673	\$ 33,308	\$ 4,717	\$ 38,677	\$ 961,834	\$ 3,680,178	\$ 23,173

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Sheriff's Drug Control	Jail Maintenance	Boating Safety	911 Emergency	Public Defender	Victim/Witness	Drug Court	Juvenile Fees
REVENUES								
State aid			\$ 13,782					
Federal aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs	\$ 20,491	\$ 164,212			\$ 22,592	\$ 67,209	\$ 5,475	\$ 25,262
Interest	291	2,547		\$ 5,848	1,108			961
Officers' fees					2,753			7,650
Jail fees		1,469,631						
911 fees				1,557,492				
Hangar rent								
Fuel sales								
Library sales								
Library fines and fees								
Treasurer's commission								
Collector's commission								
Other		11,813		1,600	349	1,040		
TOTAL REVENUES	20,782	1,648,203	13,782	1,564,940	26,802	68,249	5,475	33,873
Less: Treasurer's commission	127	11,272	104	11,831				242
NET REVENUES	20,655	1,636,931	13,678	1,553,109	26,802	68,249	5,475	33,631
EXPENDITURES								
Current:								
General government								
Law enforcement	18,560	3,337,704	13,648		54,617	68,249	2,307	20,639
Public safety				2,202,710				
Recreation and culture								
Social services								
Airport								
Total Current	18,560	3,337,704	13,648	2,202,710	54,617	68,249	2,307	20,639
Debt Service:								
Bond principal								
Bond interest and other charges								
Note principal								
Note interest								
TOTAL EXPENDITURES	18,560	3,337,704	13,648	2,202,710	54,617	68,249	2,307	20,639
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	2,095	(1,700,773)	30	(649,601)	(27,815)		3,168	12,992
OTHER FINANCING SOURCES (USES)								
Transfers in		1,400,000						
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)		1,400,000						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	2,095	(300,773)	30	(649,601)	(27,815)		3,168	12,992
FUND BALANCES - JANUARY 1	51,601	543,337	308	1,173,711	191,855		31,815	158,630
FUND BALANCES - DECEMBER 31	\$ 53,696	\$ 242,564	\$ 338	\$ 524,110	\$ 164,040	\$ 0	\$ 34,983	\$ 171,622

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Airport Commission	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	District Court Cost	Sheriff's Bail Bond 10%	County Planning Board	County Recorder Cost 25%	County Emergency
REVENUES								
State aid								
Federal aid								
Property taxes			\$ 2,151					
Sales taxes								
Fines, forfeitures, and costs				\$ 9,348	\$ 160,447			
Interest		\$ 28	67	97		\$ 408	\$ 1,503	\$ 2,174
Officers' fees		1,810					306,920	
Jail fees								
911 fees								
Hangar rent								
Fuel sales								
Library sales								
Library fines and fees								
Treasurer's commission								
Collector's commission								
Other	\$ 6,461			139		29,650		
TOTAL REVENUES	6,461	1,838	2,218	9,584	160,447	30,058	308,423	2,174
Less: Treasurer's commission		13	16			224	2,336	
NET REVENUES	6,461	1,825	2,202	9,584	160,447	29,834	306,087	2,174
EXPENDITURES								
Current:								
General government		749	6,000			3,032	202,287	
Law enforcement					26,688			
Public safety								
Recreation and culture								
Social services								
Airport								
Total Current		749	6,000		26,688	3,032	202,287	
Debt Service:								
Bond principal								
Bond interest and other charges								
Note principal								
Note interest								
TOTAL EXPENDITURES		749	6,000		26,688	3,032	202,287	
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	6,461	1,076	(3,798)	9,584	133,759	26,802	103,800	2,174
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	6,461	1,076	(3,798)	9,584	133,759	26,802	103,800	2,174
FUND BALANCES - JANUARY 1	(237)	4,340	9,910	13,208	90,462	62,469	226,552	369,741
FUND BALANCES - DECEMBER 31	\$ 6,224	\$ 5,416	\$ 6,112	\$ 22,792	\$ 224,221	\$ 89,271	\$ 330,352	\$ 371,915

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Voluntary Tax Warning System	Animal Control	Saline County Fairgrounds	County Improvement	Sheriff's Federal Drug Control	Sheriff's Fine and Restitution Installment	Circuit Clerk's Fine and Restitution Installment	Law Enforcement Protection Services	Benton District DWI Court Grant
REVENUES									
State aid				\$ 33,000					
Federal aid									
Property taxes	\$ 56,239	\$ 83,666						\$ 104,392	
Sales taxes									
Fines, forfeitures, and costs		250		397,010	\$ 92,700				
Interest	15	22	\$ 934	1,367	389	\$ 339	\$ 24	27	
Officers' fees				27,888		37,805	2,600		
Jail fees									
911 fees									
Hangar rent									
Fuel sales									
Library sales									
Library fines and fees									
Treasurer's commission									
Collector's commission									
Other								4,000	
TOTAL REVENUES	56,254	83,938	934	459,265	93,089	38,144	2,624	108,419	
Less: Treasurer's commission	424	631			700			788	
NET REVENUES	55,830	83,307	934	459,265	92,389	38,144	2,624	107,631	
EXPENDITURES									
Current:									
General government				169,569					
Law enforcement		108,690			54,918	4,410		12	
Public safety	172,445								
Recreation and culture			227,159						
Social services									
Airport									
Total Current	172,445	108,690	227,159	169,569	54,918	4,410		12	
Debt Service:									
Bond principal									
Bond interest and other charges									
Note principal									
Note interest									
TOTAL EXPENDITURES	172,445	108,690	227,159	169,569	54,918	4,410		12	
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(116,615)	(25,383)	(226,225)	289,696	37,471	33,734	2,624	107,619	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out				(303,984)					
TOTAL OTHER FINANCING SOURCES (USES)				(303,984)					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(116,615)	(25,383)	(226,225)	(14,288)	37,471	33,734	2,624	107,619	
FUND BALANCES - JANUARY 1	124,367	120,377	263,437	277,170	20,777	46,297	3,263	167,673	\$ 14,431
FUND BALANCES - DECEMBER 31	\$ 7,752	\$ 94,994	\$ 37,212	\$ 262,882	\$ 58,248	\$ 80,031	\$ 5,887	\$ 275,292	\$ 14,431

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Hope Court Grant	Miscellaneous State Grant	Court Improvement Team Grant	Arrest Grant	Sheriff DUI/Seatbelt Program	STOP (Services Training Officers Prosecutors)	VOCA (Victim of Crime Assistance) Program Grant	BJA (Bureau of Justice Assistance) FY20 Coronavirus Emergency Supplemental Funding (CESF) Program	Justice Assistance Grant (JAG) FY 2020
REVENUES									
State aid	\$ 8,514								
Federal aid				\$ 147,447		\$ 56,747	\$ 41,098	\$ 15,432	\$ 11,558
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
Jail fees									
911 fees									
Hangar rent									
Fuel sales									
Library sales									
Library fines and fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	8,514			147,447		56,747	41,098	15,432	11,558
Less: Treasurer's commission									
NET REVENUES	8,514			147,447		56,747	41,098	15,432	11,558
EXPENDITURES									
Current:									
General government				4,001					
Law enforcement				74,635	\$ 1,017	54,199	42,760	22,467	1,069
Public safety		\$ 386							
Recreation and culture									
Social services				66,091					
Airport									
Total Current		386		144,727	1,017	54,199	42,760	22,467	1,069
Debt Service:									
Bond principal									
Bond interest and other charges									
Note principal									
Note interest									
TOTAL EXPENDITURES		386		144,727	1,017	54,199	42,760	22,467	1,069
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	8,514	(386)		2,720	(1,017)	2,548	(1,662)	(7,035)	10,489
OTHER FINANCING SOURCES (USES)									
Transfers in						16,643	15,221		
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)						16,643	15,221		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	8,514	(386)		2,720	(1,017)	19,191	13,559	(7,035)	10,489
FUND BALANCES - JANUARY 1	1,163	43,052	\$ 1,129	47,418	3,427	25,887	23,309	46,440	3,551
FUND BALANCES - DECEMBER 31	\$ 9,677	\$ 42,666	\$ 1,129	\$ 50,138	\$ 2,410	\$ 45,078	\$ 36,868	\$ 39,405	\$ 14,040

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

Schedule 2

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS			DEBT SERVICE FUND	
	Volunteer Fire Improvement	Communication Facility and Equipment	Airport	American Rescue Plan Act	Sales and Use Tax 2019 Building Repair	Sales and Use Tax Bond 2019 Construction	Escrow Account - Energy Savings Project	2019 Sales and Use Tax Bond	Totals
REVENUES									
State aid									\$ 582,676
Federal aid			\$ 330,473	\$ 11,890,976					12,814,808
Property taxes									3,190,557
Sales taxes			8,524					\$ 8,100,446	8,108,970
Fines, forfeitures, and costs									964,996
Interest		\$ 145		28,980	\$ 2,915	\$ 318,763	\$ 69	2,135	394,337
Officers' fees		338,319							1,715,697
Jail fees									1,469,631
911 fees									1,557,492
Hangar rent			183,209						183,209
Fuel sales			350,623						350,623
Library sales									36,471
Library fines and fees									7,810
Treasurer's commission									82,738
Collector's commission									403,563
Other			3,101			1,286			91,180
TOTAL REVENUES		338,464	875,930	11,919,956	2,915	320,049	69	8,102,581	31,954,758
Less: Treasurer's commission									61,772
NET REVENUES		338,464	875,930	11,919,956	2,915	320,049	69	8,102,581	31,892,986
EXPENDITURES									
Current:									
General government						16,140,249	1,527,394		19,504,791
Law enforcement		194,606							4,101,195
Public safety									2,375,541
Recreation and culture									3,556,306
Social services									66,091
Airport			868,630						868,630
Total Current		194,606	868,630			16,140,249	1,527,394		30,472,554
Debt Service:									
Bond principal								10,500,000	10,500,000
Bond interest and other charges								1,524,495	1,524,495
Note principal			19,776						19,776
Note interest			13,058						13,058
TOTAL EXPENDITURES		194,606	901,464			16,140,249	1,527,394	12,024,495	42,529,883
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		143,858	(25,534)	11,919,956	2,915	(15,820,200)	(1,527,325)	(3,921,914)	(10,636,897)
OTHER FINANCING SOURCES (USES)									
Transfers in									1,431,864
Transfers out									(303,984)
TOTAL OTHER FINANCING SOURCES (USES)									1,127,880
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		143,858	(25,534)	11,919,956	2,915	(15,820,200)	(1,527,325)	(3,921,914)	(9,509,017)
FUND BALANCES - JANUARY 1	\$ 5,502	193,054	106,982		207,863	24,674,131	1,590,324	6,009,151	41,647,728
FUND BALANCES - DECEMBER 31	\$ 5,502	\$ 336,912	\$ 81,448	\$ 11,919,956	\$ 210,778	\$ 8,853,931	\$ 62,999	\$ 2,087,237	\$ 32,138,711

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions 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 costs of administering Ark. Const. amend. 79.
County Clerk's Automation	Ark. Code Ann. § 21-6-413 established fund to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder Cost 75%	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 property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Child Support Collection	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
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.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
911 Emergency	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Juvenile Fees	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.
Airport Commission	Saline County Ordinance no. 2008-94 (October 21, 2008) established fund to operate the Saline County Airport.
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 expenses of the office of Circuit Clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive fees to help pay for the expense of assessing property.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Sheriff's Bail Bond 10%	Arkansas Rule of Criminal Procedure 9.2 (b)(ii) authorized the retention of 10% of a deposit made in connection with an unsecured bond in accordance with the orders of the Court.
County Planning Board	Ark. Code Ann. § 14-17-204 authorizes counties to receive and appropriate funds for Planning Board purposes.
County Recorder Cost 25%	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
County Emergency	Saline County Ordinance no. 1998-87 (December 15, 1998) established fund to receive portions of general fund revenues to be appropriated by 2/3 vote of the Quorum Court in case of emergency.
Voluntary Tax Warning System	Saline County Ordinance no. 2006-51 (August 24, 2006) calling for election to establish voluntary \$5 levy on real property owners to finance emergency warning system.
Animal Control	Saline County Ordinance no. 2013-03 (January 15, 2013) established fund to receive an annual voluntary tax in the amount of \$5 per property owner for the purpose of establishing animal control services in the unincorporated areas of the County.
Saline County Fairgrounds	Saline County Ordinance no. 2014-33 (August 26, 2014) established fund to account for money received from the sale of fairgrounds property.
County Improvement	Saline County Ordinance no. 2015-19 (April 21, 2015) established fund to account for funds set aside for County improvements as approved by the County Judge.
Sheriff's Federal Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due arresting agency.
Sheriff's Fine and Restitution Installment	Saline County Ordinance no. 2017-18 (May 15, 2017) established fund to receive fines and restitution installment payment fees collected in accordance with Ark. Code Ann. §§ 16-13-704, 5-4-205.
Circuit Clerk's Fine and Restitution Installment	Saline County Ord. no. 2019-02 (January 22, 2019) established fund to account for installment payment fee in accordance with Ark. Code Ann. §§ 16-13-704, 5-4-205.
Law Enforcement Protection Services	Saline County Ord. no. 2018-34 (December 17, 2018) established fund to account for a voluntary tax in the amount of \$10 on every tax statement for real property and personal property for the purpose of financing law enforcement protection services.
Benton District DWI Court Grant	Saline County Ordinance no. 2016-04 (February 16, 2016) established fund to account for DWI Court Grant.
Hope Court Grant	Saline County Ordinance no. 2016-11 (March 21, 2016) established fund to account for the Hawaii's Opportunity Probation with Enforcement (HOPE) Court Grant to help identify probationers with a high risk for reoffending, focusing on reducing drug use, new crimes, and incarceration.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Miscellaneous State Grant	Saline County Ordinance no. 2016-18 (June 20, 2016) established fund to account for miscellaneous small state grants.
Court Improvement Team Grant	Established to receive federal grant funds to provide materials and training to improve court efficiency and the quality of legal representation and to increase training for court personnel.
Arrest Grant	Established to receive federal funds used to encourage arrest policies and enforcement.
Sheriff DUI/Seatbelt Program	Established to receive federal funds to operate a DUI/Seatbelt Program.
STOP (Services Training Officers Prosecutors)	Established to receive federal funds for operating a Domestic and Sexual Violence Against Women Program.
VOCA (Victim of Crime Assistance) Program Grant	Established to receive federal funds to be used to provide direct services to crime victims.
BJA (Bureau of Justice Assistance) FY20 Coronavirus Emergency Supplemental Funding (CESF) Program	Established by County Ordinance no. 2020-13 (May 18, 2020) to receive federal funds to aid in preventing, preparing for, and responding to the coronavirus in the Sheriff's Department.
Justice Assistance Grant (JAG) FY 2020	Established by Saline County Ordinance no. 2020-20 (August 17, 2020) to account for Justice Assistance Grant.
Volunteer Fire Improvement	Established to receive state grant funds to be used for support of the county volunteer fire departments.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Airport	Ark. Code Ann. § 14-357-101 and Saline County Ordinance no. 2002-18 (May 23, 2002) authorized the establishment of the Saline County Airport Commission for the purpose of operating and managing the airport and its related properties and facilities.
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.
Sales and Use Tax 2019 Building Repair	Saline County Ord. no. 2019-10 (April 15, 2019) established fund to receive excess bond proceeds to be used at a later date for building repairs and maintenance.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Sales and Use Tax Bond 2019 Construction	Saline County Ord. no. 2019-07 (March 4, 2019) authorized the issuance of sales and use tax bonds for the purpose of financing all or a portion of the cost of capital improvements for the Career Technical Education Center.
Escrow Account - Energy Savings Project	Saline County Ord. no. 2020-18 (July 20, 2020) established fund to receive proceeds from the lease purchase agreement for energy savings and allowing the escrow agent to pay cost associated with the project.
2019 Sales and Use Tax Bond	Saline County Ord. no. 2019-07 (March 4, 2019) established fund for the purpose of providing funds for the payment of principal and interest on bond issue.

Treasurer's accounts consist primarily of treasurer's commission, payroll withholdings, 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 fees settlement, bond, evidence, and inmate trust money.

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

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

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

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

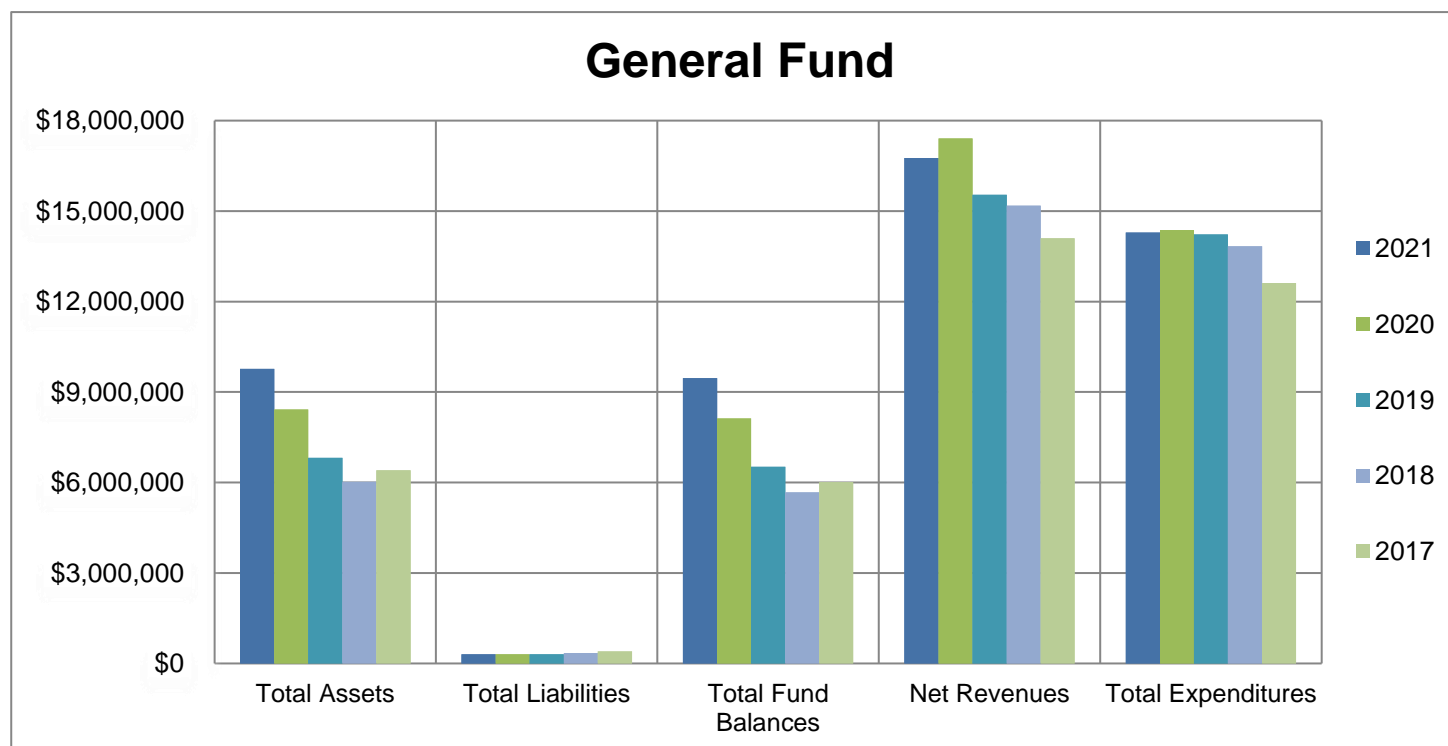
Schedule 3

	December 31, 2021
	<hr/>
Land	\$ 1,668,323
Buildings	34,045,058
Equipment	13,567,198
Construction in Progress	<hr/> 35,671,118
Total	<hr/> <hr/> \$ 84,951,697

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

Schedule 4-1

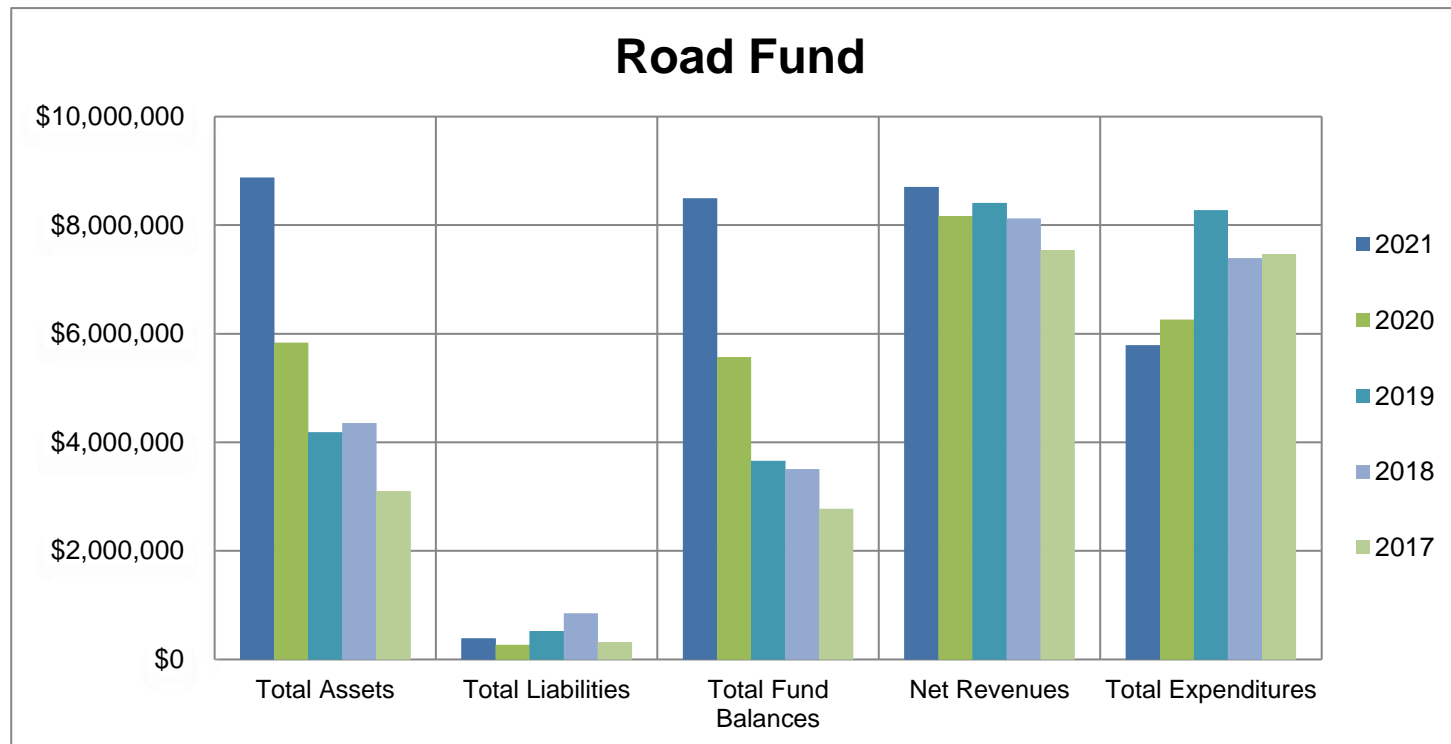
<u>General</u>	2021	2020	2019	2018	2017
Total Assets	\$ 9,765,549	\$ 8,422,607	\$ 6,822,095	\$ 6,021,026	\$ 6,404,097
Total Liabilities	305,165	300,966	305,997	348,374	396,413
Total Fund Balances	9,460,384	8,121,641	6,516,098	5,672,652	6,007,684
Net Revenues	16,758,338	17,412,053	15,538,183	15,176,532	14,099,580
Total Expenditures	14,291,715	14,376,018	14,221,795	13,830,298	12,614,859
Total Other Financing Sources/Uses	(1,127,880)	(1,430,492)	(472,942)	(1,681,266)	(1,005,510)



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

Schedule 4-2

<u>Road</u>	2021	2020	2019	2018	2017
Total Assets	\$ 8,877,436	\$ 5,836,219	\$ 4,182,597	\$ 4,351,937	\$ 3,098,834
Total Liabilities	386,341	265,660	524,427	846,454	324,427
Total Fund Balances	8,491,095	5,570,559	3,658,170	3,505,483	2,774,407
Net Revenues	8,703,830	8,167,999	8,408,854	8,119,207	7,541,098
Total Expenditures	5,783,294	6,255,610	8,271,167	7,388,131	7,467,008
Total Other Financing Sources/Uses			15,000		



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2021	2020	2019	2018	2017
Total Assets	\$ 37,336,141	\$ 48,527,723	\$ 55,445,680	\$ 13,217,162	\$ 13,524,866
Total Liabilities	5,197,430	6,879,995	4,676,173	3,690,411	4,234,813
Total Fund Balances	32,138,711	41,647,728	50,769,507	9,526,751	9,290,053
Net Revenues	31,892,986	17,676,390	13,194,737	9,835,638	10,256,981
Total Expenditures	42,529,883	35,457,950	16,197,041	11,280,206	10,828,755
Total Other Financing Sources/Uses	1,127,880	8,659,781	44,245,060	1,681,266	1,405,510

