

St. Francis County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



ST. FRANCIS COUNTY, ARKANSAS
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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

St. Francis 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 St. Francis 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 St. Francis 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 St. Francis 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 Regulatory Basis 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 September 14, 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
September 14, 2022
LOCO06821

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

St. Francis 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 St. Francis 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 September 14, 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 September 14, 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 that reads "Marti Steel". The signature is written in a cursive, flowing style.

Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
September 14, 2022

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

MANAGEMENT LETTER

St. Francis 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: Gary Hughes
Treasurer: Tammy Talley
Sheriff and Tax Collector: Bobby May
County Clerk: Brandi McCoy
Circuit Clerk: Bette Green
Assessor: Craig Jones

No issues came to our attention that we considered necessary to report to management.

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 cursive script that reads "Marti Steel".

Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
September 14, 2022

ST. FRANCIS COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2021

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 9,312,638	\$ 479,845	\$ 17,305,087
Investments			1,362,967
Accounts receivable	47,235	498	131,845
Interfund receivables	1,145,302	463,041	819,053
	<u>1,145,302</u>	<u>463,041</u>	<u>819,053</u>
TOTAL ASSETS	<u>\$ 10,505,175</u>	<u>\$ 943,384</u>	<u>\$ 19,618,952</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 79,829	\$ 40,723	\$ 637,214
Interfund payables			2,427,396
Settlements pending	37,391		479,096
Total Liabilities	<u>117,220</u>	<u>40,723</u>	<u>3,543,706</u>
Fund Balances:			
Nonspendable			1,983,983
Restricted			12,637,284
Committed	6,308,505		
Assigned	981,975	902,661	1,464,632
Unassigned	3,097,475		(10,653)
Total Fund Balances	<u>10,387,955</u>	<u>902,661</u>	<u>16,075,246</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,505,175</u>	<u>\$ 943,384</u>	<u>\$ 19,618,952</u>

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

ST. FRANCIS 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	\$ 568,006	\$ 1,688,819	\$ 198,023
Federal aid	58,896	257	2,462,901
Property taxes	1,308,474	192,800	1,045
Sales taxes	568,759	712,759	4,015,634
Fines, forfeitures, and costs	530,082		700,431
Interest	71,747	794	27,288
Officers' fees	30,377		157,121
Franchise fees	2,429		4,499
Jails fees	136,073		4,894
Sanitation fees			835,804
Emergency 911 fees	50		504,950
Net increase (decrease) in the fair value of investments			(31,744)
Treasurer's commission	118,997		41,821
Collector's commission	196,460		45,531
Taxes apportioned - Assessor's salary and expense	300,423		
Other	214,362	16,574	78,771
TOTAL REVENUES	4,105,135	2,612,003	9,046,969
Less: Treasurer's commission	27,357	16,087	35,346
NET REVENUES	4,077,778	2,595,916	9,011,623
EXPENDITURES			
Current:			
General government	1,079,698		792,392
Law enforcement	1,697,060		8,341,897
Highways and streets		2,191,637	463,041
Public safety	21,840		382,034
Sanitation			1,756,198
Health	33,346		
Recreation and culture	23,537		16,524
Social services	97,155		49,791
Total Current	2,952,636	2,191,637	11,801,877
Debt Service:			
Bond principal			1,800,000
Bond interest and other charges			359,313
Lease principal		91,948	57,065
Lease interest		32,310	6,621
TOTAL EXPENDITURES	2,952,636	2,315,895	14,024,876

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 1,125,142</u>	<u>\$ 280,021</u>	<u>\$ (5,013,253)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			20,785
Transfers out			<u>(20,785)</u>
TOTAL OTHER FINANCING SOURCES (USES)			<u>0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,125,142	280,021	(5,013,253)
FUND BALANCES - JANUARY 1	<u>9,262,813</u>	<u>622,640</u>	<u>21,088,499</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 10,387,955</u></u>	<u><u>\$ 902,661</u></u>	<u><u>\$ 16,075,246</u></u>

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

ST. FRANCIS 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	\$ 460,619	\$ 568,006	\$ 107,387	\$ 1,395,281	\$ 1,688,819	\$ 293,538
Federal aid	17,000	58,896	41,896		257	257
Property taxes	1,264,901	1,308,474	43,573	140,570	192,800	52,230
Sales taxes	35,000	568,759	533,759	333,735	712,759	379,024
Fines, forfeitures, and costs	432,663	530,082	97,419			
Interest	2,481	71,747	69,266	920	794	(126)
Officers' fees	55,641	30,377	(25,264)			
Franchise fees	5,520	2,429	(3,091)			
Jails fees	114,450	136,073	21,623			
Emergency 911 fees		50	50			
Treasurer's commission		118,997	118,997			
Collector's commission	234,050	196,460	(37,590)			
Taxes apportioned - Assessor's salary and expense	276,000	300,423	24,423			
Other	161,650	214,362	52,712	19,000	16,574	(2,426)
TOTAL REVENUES	3,059,975	4,105,135	1,045,160	1,889,506	2,612,003	722,497
Less: Treasurer's commission		27,357	(27,357)		16,087	(16,087)
NET REVENUES	3,059,975	4,077,778	1,017,803	1,889,506	2,595,916	706,410
EXPENDITURES						
Current:						
General government	1,455,469	1,079,698	375,771			
Law enforcement	1,436,893	1,697,060	(260,167)			
Highways and streets				2,352,936	2,191,637	161,299
Public safety	29,112	21,840	7,272			
Health	33,345	33,346	(1)			
Recreation and culture	25,676	23,537	2,139			
Social services	142,627	97,155	45,472			
Total Current	3,123,122	2,952,636	170,486	2,352,936	2,191,637	161,299
Debt Service:						
Lease principal				70,000	91,948	(21,948)
Lease interest				7,000	32,310	(25,310)
TOTAL EXPENDITURES	3,123,122	2,952,636	170,486	2,429,936	2,315,895	114,041

ST. FRANCIS 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>\$ (63,147)</u>	<u>\$ 1,125,142</u>	<u>\$ 1,188,289</u>	<u>\$ (540,430)</u>	<u>\$ 280,021</u>	<u>\$ 820,451</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	<u>571,000</u>		<u>(571,000)</u>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	507,853	1,125,142	617,289	(540,430)	280,021	820,451
FUND BALANCES - JANUARY 1	<u>1,501,311</u>	<u>9,262,813</u>	<u>7,761,502</u>	<u>500,000</u>	<u>622,640</u>	<u>122,640</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,009,164</u></u>	<u><u>\$ 10,387,955</u></u>	<u><u>\$ 8,378,791</u></u>	<u><u>\$ (40,430)</u></u>	<u><u>\$ 902,661</u></u>	<u><u>\$ 943,091</u></u>

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

ST. FRANCIS 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 and property taxes that are restricted for maintaining and constructing roads.

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

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

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. See Schedules 1 and 2 for the Capital Projects Fund 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 as reported with other funds in the aggregate.

Permanent Funds - Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs - that is, for the benefit of the government or its citizenry. The Permanent Fund presented on Schedules 1 and 2 is reported with other funds in the aggregate.

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

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting - Regulatory

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

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Investments

Investments are reported at fair value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, excess commissions, property taxes, trusts, and officer's fees that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Property Taxes

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

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 9,912,057	\$ 9,914,966
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	17,185,123	20,832,450
Total Deposits	<u>\$ 27,097,180</u>	<u>\$ 30,747,416</u>

The above total deposits do not include cash on hand of \$390.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

NOTE 4: Public Fund Investments

A summary of investments by fund types is as follows:

Fund Type	December 31, 2021 Fair Value
Indigent Care Trust	\$ 1,362,967

Investments are reported at fair value. Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* establishes a hierarchy based on the valuation assumptions used to measure the fair value of the asset as follows:

- **Level I** – quoted prices in active markets for identical assets.
- **Level II** – significant other observable assumptions (e.g., quoted prices for similar instruments in active or inactive markets, etc.)
- **Level III** – significant unobservable assumptions (i.e., prices or valuations using unobservable techniques supported by little or no market activity)

The County's investments are composed of the following:

December 31, 2021 Investment Type	Quoted Prices in Active Markets for Identical Investments Level I	Other Observable Inputs Level II	Total
Mortgage-backed bonds		\$ 586,320	\$ 586,320
Fixed income bonds	\$ 776,647		776,647
Totals	\$ 776,647	\$ 586,320	\$ 1,362,967

The fair value of fixed income bonds is measured on a recurring basis and is based on quoted market prices obtained from independent pricing sources. Mortgage-backed bonds are valued at fair value using quoted market prices from third parties that use, as their basis readily observable market inputs, such as yields on similar instruments with comparable inputs. As a result, these were classified as Level II inputs.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 4: Public Fund Investments (Continued)

Other required disclosures for investments:

- **Credit Risk** – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The County's investments subject to credit risk were as follows: Mortgage backed securities held by the Federal National Home Mortgage Association of \$342,185 (25%) rated AAA by Fitch Credit Agency; Mortgage backed securities held with the Federal Home Loan Mortgage Corporation of \$244,135 (18%) rated Aaa by Moody's Investors service; fixed income bonds held with Federal Farm Credit of \$776,647 (57%) rated AAA by Fitch Credit Agency.
- **Concentration of Credit Risk** – This is the risk associated when investments in any one issuer represents 5 percent or more of total investments. The County's investments were subject to concentration of credit risk as follows: Federal Farm Credit of 776,647 (57%), Federal National Home Mortgage Association of \$342,185 (25%), and Federal Home Loan Mortgage Corporation of \$244,135 (18%).
- **Interest Rate Risk** – Interest rate risk is the risk that the value of investments will be reduced when market interest rates climb higher than the rate of the investment. The County invests in Mortgage-backed securities and bonds. The County's investments subject to interest rate risk as of December 31, 2021 were \$1,362,967 (100%).

NOTE 5: 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	\$ 2,861	\$ 498	
Federal aid			\$ 3,403
Fines, forfeitures, and costs	36,666		50,916
Interest	21		
Officers' fees	3,374		16,502
Sanitation fees			51,476
Emergency 911 fees	6		1,355
Treasurer's commission	4,286		
Other	21		8,193
Totals	<u>\$ 47,235</u>	<u>\$ 498</u>	<u>\$ 131,845</u>

NOTE 6: 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	\$ 75,331	\$ 39,355	\$ 633,292
Payroll taxes payable	4,498	1,368	3,922
Totals	<u>\$ 79,829</u>	<u>\$ 40,723</u>	<u>\$ 637,214</u>

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2021	
	Interfund Receivables	Interfund Payables
General Fund	\$ 1,145,302	
Road Fund	463,041	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Treasurer's Automation	3,998	
County Recorder's Cost	38,028	
Solid Waste/North East Arkansas Recycling	246,785	
Jail Operation and Maintenance	80,506	
Emergency 911	89,482	
I-40 Interdictory	332,060	
Juvenile Services	28,194	
American Rescue Plan Act		\$ 2,427,396
Totals	<u>\$ 2,427,396</u>	<u>\$ 2,427,396</u>

Interfund receivables and payables consist of ARPA expenditures being reimbursed to other funds. These balances were repaid June 23, 2022.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Nonspendable:			
Social services			\$ 1,983,983
Restricted for:			
General government			294,180
Law enforcement			2,228,350
Public safety			1,561,847
Social services			82,404
Economic development			1,326,180
Capital outlay			5,462,249
Debt service			1,682,074
Total Restricted			<u>12,637,284</u>
Committed for:			
General government	\$ 6,308,505		
Assigned to:			
General government	943,451		500
Law enforcement	38,524		625,393
Highways and streets		\$ 902,661	
Public safety			5,888
Sanitation			832,851
Total Assigned	<u>981,975</u>	<u>902,661</u>	<u>1,464,632</u>
Unassigned	<u>3,097,475</u>		<u>(10,653)</u>
Totals	<u>\$ 10,387,955</u>	<u>\$ 902,661</u>	<u>\$ 16,075,246</u>

NOTE 9: Deficit Fund Balance

The following funds have deficit fund balance as of December 31, 2021:

	December 31, 2021
Other Funds in the Aggregate:	
Special Revenue Fund:	
Victim/Witness	<u>\$ (10,653)</u>

This deficit fund balance was eliminated by revenues in 2022.

NOTE 10: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2021, the legal debt limit for bonded debt was \$ 23,796,670. There were no property tax secured bond issues.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 10: Legal Debt Limit (Continued)

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2021, the legal debt limit for short-term financing obligations was \$7,483,069. The amount of short-term financing obligations was \$1,073,358 leaving a legal debt margin of \$6,409,711.

NOTE 11: Commitments

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

	December 31, 2021
Long-term liabilities	\$ 12,658,210
Reappraisal contract	135,989
Construction contract	<u>1,853,734</u>
Total Commitments	<u>\$ 14,647,933</u>

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

Long-term Liabilities

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

	December 31, 2021
<u>Bonds</u>	
St. Francis County Sales & Use Tax Bonds of \$13,280,000 dated August 27, 2020, due in semi-annual installments of \$840,000 - \$1,185,000 plus interest through December 31, 2033; interest at 1.25% - 4.00%. Payments are to be made from the St. Francis Sales and Use Tax Bonds, Series 2020 Debt Service Fund.	\$ 11,480,000
<u>Direct Borrowings</u>	
Lease-purchase with Armor Bank, dated December 31, 2018, for the purchase of 5 Caterpillar road graders. Purchased for \$1,047,656 to be repaid in 48 monthly installments and 1 balloon payment with an interest rate of 3.86%. Payments are \$10,000 due monthly beginning February 2019, with a balloon payment of \$705,485 due February 2023. Payments are to be paid from Road Fund.	803,718
Lease-purchase with Bancorp South, dated March 11, 2020, for the purchase of a Mack Refuse Truck. Purchased for \$234,180 to be repaid in 24 monthly installments and 1 balloon payment at an interest rate of 3.16%. Payments are \$3,269 due monthly beginning April 2020, with a balloon payment of \$169,000 due April 2022. Payments are to be paid from Solid Waste/North East Arkansas Recycling Company Fund.	174,184
Lease-purchase with Bancorp South, dated April 16, 2020, for the purchase of a Mack Dump Truck. Purchased for \$93,643 to be repaid in 24 monthly installments and 1 balloon payment at an interest rate of 2.99%. Payments are \$1,188 due monthly beginning May 2020, with a balloon payment of \$70,231 due May 2022. Payments are to be paid from Road Fund.	73,082
Lease-purchase with Bancorp South, dated February 4, 2021, for the purchase of a Chevrolet Express Passenger Van. Purchased for \$29,580 to be repaid in 36 monthly installments at an interest rate of 2.29%. Payments are \$851 due monthly beginning March 4, 2021. Payments are to be paid from the Juvenile Services Fund.	22,374
Total Direct Borrowings	1,073,358
Compensated absences consisting of accrued sick leave adjusted to current salary cost.	104,852
Total Long-term liabilities	\$ 12,658,210

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 \$11,480,000 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

The County's lease-purchases from direct borrowings of \$1,073,358 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.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2021	Maturities to December 31, 2021
<u>Bonds</u>					
8/27/20	12/31/33	1.25-4%	\$ 13,280,000	\$ 11,480,000	\$ 1,800,000
<u>Direct Borrowings</u>					
12/31/18	2/10/23	3.86%	1,047,656	803,718	243,938
3/11/20	4/11/22	3.16%	234,180	174,184	59,996
4/16/20	5/16/22	2.99%	93,643	73,082	20,561
2/4/21	2/4/24	2.29%	29,580	22,374	7,206
Total Direct Borrowings			1,405,059	1,073,358	331,701
Total Long-Term Debt			<u>\$ 14,685,059</u>	<u>\$ 12,553,358</u>	<u>\$ 2,131,701</u>

Changes in Long-Term Debt

	Balance January 01, 2021	Issued	Retired	Balance December 31, 2021
Bonds payable	\$ 13,280,000	\$ 0	\$ 1,800,000	\$ 11,480,000
<u>Direct Borrowings</u>				
Capital leases	1,192,791	29,580	149,013	1,073,358
Total Long-Term Debt	<u>\$ 14,472,791</u>	<u>\$ 29,580</u>	<u>\$ 1,949,013</u>	<u>\$ 12,553,358</u>

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 845,000	\$ 350,450	\$ 1,195,450	\$ 348,466	\$ 31,931	\$ 380,397
2023	880,000	316,650	1,196,650	723,195	4,814	728,009
2024	915,000	281,450	1,196,450	1,697	5	1,702
2025	950,000	244,850	1,194,850			
2026	990,000	206,850	1,196,850			
2027 through 2031	5,505,000	484,163	5,989,163			
2032 through 2033	1,395,000	44,250	1,439,250			
Totals	<u>\$ 11,480,000</u>	<u>\$ 1,928,663</u>	<u>\$ 13,408,663</u>	<u>\$ 1,073,358</u>	<u>\$ 36,750</u>	<u>\$ 1,110,108</u>

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 11: Commitments (Continued)

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Services, Inc. on November 13, 2017, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$11,332 for a total of \$679,945 beginning January 15, 2018. Contract expense for 2021 was \$135,989.

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

<u>Year</u>	<u>December 31, 2021</u>
2022	<u>\$ 135,989</u>

Construction Contract

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

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance December 31, 2021</u>
St. Francis Detention Center	June 1, 2022	<u>\$ 1,853,734</u>

NOTE 12: Interfund Transfers

Within Other Funds in the Aggregate, Indigent Care Permanent Fund transferred \$20,785 to the Indigent Care Operations Fund for indigent care purposes.

NOTE 13: Pledged Revenues

The County pledged future 0.625% and 0.25% sales and use taxes to repay \$13,280,000 in bonds that were issued in 2020 to provide funding for acquiring, constructing, equipping, and furnishing new jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$11,480,000 and \$1,928,663, respectively, payable through August 1, 2033. For 2021, principal and interest paid were \$1,800,000 and \$356,313, respectively.

The Debt Service Fund received \$2,083,822 in sales taxes in 2021. Any sales taxes collected in excess of debt service payments on these bonds is required to be used for the early retirement of the bonds until it is repaid.

NOTE 14: Jointly Governed Organizations

First Judicial District Drug Task Force

The First Judicial District Drug Task Force is a jointly governed organization comprised of representatives from Monroe, Lee, Phillips, St. Francis, Cross and Woodruff Counties and participating cities within the aforementioned counties. The Sheriff from each county acts as a representative. The County did not pay any drug task force expenditures in 2021. Contact the First Judicial District Drug Task Force at 113 S. Main Street, Clarendon, Arkansas 72029 to inquire on the availability of financial statements.

Delta Regional Airport Authority

Cross and St. Francis Counties, including the Cities of Wynne and Forrest City, entered into an agreement on February 11, 2003, to establish the Delta Regional Airport Authority (DRAA). The Delta Regional Airport Authority is governed by eight board members. Three commissioners were appointed by the Mayor of each of the cities and one commissioner was appointed by the Judge of each of the counties. Any funds received by the county relating to the DRAA are reflected in the respective financial statements. Any accounts handled directly by the DRAA are not included. Contact the DRAA at 21 CR 703, Wynne, Arkansas 72396 to inquire on the availability of financial statements.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 15: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years, except for a \$900,000 settlement in 2020 for a civil claim against the County due to the death of a prisoner. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

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

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

Vehicle Program

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

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$300,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$2,500 deductible per occurrence.

NOTE 16: Arkansas Public Employees Retirement System

Plan Description

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

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 16: Arkansas Public Employees Retirement System (Continued)

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 \$488,034.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2021 (actuarial valuation date and measurement date) was \$1,226,507.

NOTE 17: 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 \$4,854,791 in federal aid from the American Rescue Plan Act of 2021. In 2021 and 2022, the County received funds in the amount of \$2,427,396 and \$2,427,395, respectively. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Solid Waste/North East Arkansas Recycling	County Clerk Operating	Reappraisal Cost
ASSETS									
Cash and cash equivalents	\$ 66,123	\$ 86,453	\$ 34,674	\$ 6,260	\$ 13,118	\$ 23,389	\$ 583,495	\$ 1,390	\$ 34,130
Investments									
Accounts receivable			218		750	11,978	51,476	14	
Interfund receivables	3,998					38,028	246,785		
TOTAL ASSETS	<u>\$ 70,121</u>	<u>\$ 86,453</u>	<u>\$ 34,892</u>	<u>\$ 6,260</u>	<u>\$ 13,868</u>	<u>\$ 73,395</u>	<u>\$ 881,756</u>	<u>\$ 1,404</u>	<u>\$ 34,130</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 613					\$ 686	\$ 48,905		
Interfund payables									
Settlements pending									
Total Liabilities	<u>613</u>					<u>686</u>	<u>48,905</u>		
Fund Balances:									
Nonspendable									
Restricted	69,508	\$ 86,453	\$ 34,892	\$ 6,260	\$ 13,868	72,209		\$ 1,404	\$ 34,130
Assigned						500	832,851		
Unassigned									
Total Fund Balances	<u>69,508</u>	<u>86,453</u>	<u>34,892</u>	<u>6,260</u>	<u>13,868</u>	<u>72,709</u>	<u>832,851</u>	<u>1,404</u>	<u>34,130</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 70,121</u>	<u>\$ 86,453</u>	<u>\$ 34,892</u>	<u>\$ 6,260</u>	<u>\$ 13,868</u>	<u>\$ 73,395</u>	<u>\$ 881,756</u>	<u>\$ 1,404</u>	<u>\$ 34,130</u>

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Support Collections Costs	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Equipment
ASSETS									
Cash and cash equivalents	\$ 3,055	\$ 88,227	\$ 158,264	\$ 13,776	\$ 1,532,087	\$ 162,900	\$ 2,454	\$ 3,964	\$ 1,394
Investments									
Accounts receivable	36	14,118	864		1,355	865			
Interfund receivables		80,506			89,482				
TOTAL ASSETS	<u>\$ 3,091</u>	<u>\$ 182,851</u>	<u>\$ 159,128</u>	<u>\$ 13,776</u>	<u>\$ 1,622,924</u>	<u>\$ 163,765</u>	<u>\$ 2,454</u>	<u>\$ 3,964</u>	<u>\$ 1,394</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 830			\$ 69,022	\$ 498			
Interfund payables									
Settlements pending									
Total Liabilities		<u>830</u>			<u>69,022</u>	<u>498</u>			
Fund Balances:									
Nonspendable									
Restricted	\$ 3,091	177,162	\$ 159,128	\$ 13,776	1,548,014	163,267	\$ 2,454	\$ 3,964	\$ 1,394
Assigned		4,859			5,888				
Unassigned									
Total Fund Balances	<u>3,091</u>	<u>182,021</u>	<u>159,128</u>	<u>13,776</u>	<u>1,553,902</u>	<u>163,267</u>	<u>2,454</u>	<u>3,964</u>	<u>1,394</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,091</u>	<u>\$ 182,851</u>	<u>\$ 159,128</u>	<u>\$ 13,776</u>	<u>\$ 1,622,924</u>	<u>\$ 163,765</u>	<u>\$ 2,454</u>	<u>\$ 3,964</u>	<u>\$ 1,394</u>

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

Schedule 1

SPECIAL REVENUE FUNDS									
	I-40 Interdictory	Special Response Team	Juvenile Court Monitors	Economic Development Tax	Veterans Transportation	Jail Operation and Maintenance - Sales Tax Revenue	Juvenile Services	Circuit Clerk Automated Systems Grant	Court Improvement Team Grant
ASSETS									
Cash and cash equivalents	\$ 261,942	\$ 29	\$ 7,669	\$ 1,326,180	\$ 10,275	\$ 1,286,080	\$ 235,773	\$ 839	\$ 4,000
Investments									
Accounts receivable	39,119								
Interfund receivables	332,060						28,194		
TOTAL ASSETS	<u>\$ 633,121</u>	<u>\$ 29</u>	<u>\$ 7,669</u>	<u>\$ 1,326,180</u>	<u>\$ 10,275</u>	<u>\$ 1,286,080</u>	<u>\$ 263,967</u>	<u>\$ 839</u>	<u>\$ 4,000</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 12,587						\$ 13,026		
Interfund payables									
Settlements pending									
Total Liabilities	<u>12,587</u>						<u>13,026</u>		
Fund Balances:									
Nonspendable									
Restricted		\$ 29	\$ 7,669	\$ 1,326,180	\$ 10,275	\$ 1,286,080	250,941	\$ 839	\$ 4,000
Assigned	620,534								
Unassigned									
Total Fund Balances	<u>620,534</u>	<u>29</u>	<u>7,669</u>	<u>1,326,180</u>	<u>10,275</u>	<u>1,286,080</u>	<u>250,941</u>	<u>839</u>	<u>4,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 633,121</u>	<u>\$ 29</u>	<u>\$ 7,669</u>	<u>\$ 1,326,180</u>	<u>\$ 10,275</u>	<u>\$ 1,286,080</u>	<u>\$ 263,967</u>	<u>\$ 839</u>	<u>\$ 4,000</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUND
	Newcastle Rural Volunteer Fire Department	Juvenile Officer Grant	Homeland Security	Communication Facility and Equipment	Indigent Care Operations	American Rescue Plan Act	Victim/Witness	Jail Construction
ASSETS								
Cash and cash equivalents	\$ 2	\$ 81,248	\$ 55	\$ 59,438	\$ 18,145	\$ 2,427,396	\$ (18,119)	\$ 5,952,812
Investments								
Accounts receivable				3,102			7,950	
Interfund receivables								
TOTAL ASSETS	<u>\$ 2</u>	<u>\$ 81,248</u>	<u>\$ 55</u>	<u>\$ 62,540</u>	<u>\$ 18,145</u>	<u>\$ 2,427,396</u>	<u>\$ (10,169)</u>	<u>\$ 5,952,812</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable							\$ 484	\$ 490,563
Interfund payables						\$ 2,427,396		
Settlements pending								
Total Liabilities						<u>2,427,396</u>	<u>484</u>	<u>490,563</u>
Fund Balances:								
Nonspendable								
Restricted	\$ 2	\$ 81,248	\$ 55	\$ 62,540	\$ 18,145			5,462,249
Assigned								
Unassigned							(10,653)	
Total Fund Balances	<u>2</u>	<u>81,248</u>	<u>55</u>	<u>62,540</u>	<u>18,145</u>		<u>(10,653)</u>	<u>5,462,249</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2</u>	<u>\$ 81,248</u>	<u>\$ 55</u>	<u>\$ 62,540</u>	<u>\$ 18,145</u>	<u>\$ 2,427,396</u>	<u>\$ (10,169)</u>	<u>\$ 5,952,812</u>

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

Schedule 1

	DEBT SERVICE FUND	PERMENANT FUND	CUSTODIAL FUNDS					
	Sales & Use Tax Bonds	Indigent Care	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 1,682,074	\$ 675,000	\$ 44,346	\$ 133,405	\$ 184,118	\$ 95,224	\$ 22,003	\$ 17,305,087
Investments		1,362,967						1,362,967
Accounts receivable								131,845
Interfund receivables								819,053
TOTAL ASSETS	<u>\$ 1,682,074</u>	<u>\$ 2,037,967</u>	<u>\$ 44,346</u>	<u>\$ 133,405</u>	<u>\$ 184,118</u>	<u>\$ 95,224</u>	<u>\$ 22,003</u>	<u>\$ 19,618,952</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 637,214
Interfund payables								2,427,396
Settlements pending			\$ 44,346	\$ 133,405	\$ 184,118	\$ 95,224	\$ 22,003	479,096
Total Liabilities			<u>44,346</u>	<u>133,405</u>	<u>184,118</u>	<u>95,224</u>	<u>22,003</u>	<u>3,543,706</u>
Fund Balances:								
Nonspendable		\$ 1,983,983						1,983,983
Restricted	\$ 1,682,074	53,984						12,637,284
Assigned								1,464,632
Unassigned								(10,653)
Total Fund Balances	<u>1,682,074</u>	<u>2,037,967</u>						<u>16,075,246</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,682,074</u>	<u>\$ 2,037,967</u>	<u>\$ 44,346</u>	<u>\$ 133,405</u>	<u>\$ 184,118</u>	<u>\$ 95,224</u>	<u>\$ 22,003</u>	<u>\$ 19,618,952</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Solid Waste/North East Arkansas Recycling	County Clerk Operating	Reappraisal Cost
REVENUES									
State aid				\$ 5,544					\$ 135,989
Federal aid							\$ 5		
Property taxes									
Sales taxes							681,519		
Fines, forfeitures, and costs			\$ 2,888						
Interest	\$ 74	\$ 101	53	12	\$ 18	\$ 61	1,009	\$ 2	
Officers' fees					9,102	133,223		216	
Franchise fees									
Jails fees									
Sanitation fees							835,804		
Emergency 911 fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission	41,821								
Collector's commission		45,531							
Other	382					11,322	9,106		
TOTAL REVENUES	42,277	45,632	2,941	5,556	9,120	144,606	1,527,443	218	135,989
Less: Treasurer's commission		340	16	41	65	962	13,162	1	
NET REVENUES	42,277	45,292	2,925	5,515	9,055	143,644	1,514,281	217	135,989
EXPENDITURES									
Current:									
General government	14,337	29,598		3,462	3,500	91,233			135,989
Law enforcement									
Highways and streets									
Public safety									
Sanitation							1,509,413		
Recreation and culture									
Social services									
Total Current	14,337	29,598		3,462	3,500	91,233	1,509,413		135,989
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal							49,859		
Lease interest							6,169		
TOTAL EXPENDITURES	14,337	29,598		3,462	3,500	91,233	1,565,441		135,989
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	27,940	15,694	2,925	2,053	5,555	52,411	(51,160)	217	
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	27,940	15,694	2,925	2,053	5,555	52,411	(51,160)	217	
FUND BALANCES - JANUARY 1	41,568	70,759	31,967	4,207	8,313	20,298	884,011	1,187	34,130
FUND BALANCES - DECEMBER 31	\$ 69,508	\$ 86,453	\$ 34,892	\$ 6,260	\$ 13,868	\$ 72,709	\$ 832,851	\$ 1,404	\$ 34,130

ST. FRANCIS 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								
	Support Collections Costs	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Equipment
REVENUES									
State aid				\$ 761	\$ 6,184				
Federal aid		\$ 1,609			1,888				
Property taxes								\$ 1,045	
Sales taxes									
Fines, forfeitures, and costs		113,684	\$ 14,476			\$ 535			
Interest	\$ 5	279	238	22	2,196	272		6	
Officers' fees	252		318			9,982			
Franchise fees					4,499				
Jails fees			4,894						
Sanitation fees									
Emergency 911 fees					504,950				
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other					1,558				
TOTAL REVENUES	257	115,572	19,926	783	521,275	10,789		1,051	
Less: Treasurer's commission	1	1,028	141	6	5,001	78		7	
NET REVENUES	256	114,544	19,785	777	516,274	10,711		1,044	
EXPENDITURES									
Current:									
General government							\$ 1	600	
Law enforcement		225,614				41,352			
Highways and streets									
Public safety					255,801				
Sanitation									
Recreation and culture									
Social services									
Total Current		225,614			255,801	41,352	1	600	
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal									
Lease interest									
TOTAL EXPENDITURES		225,614			255,801	41,352	1	600	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	256	(111,070)	19,785	777	260,473	(30,641)	(1)	444	
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	256	(111,070)	19,785	777	260,473	(30,641)	(1)	444	
FUND BALANCES - JANUARY 1	2,835	293,091	139,343	12,999	1,293,429	193,908	2,455	3,520	\$ 1,394
FUND BALANCES - DECEMBER 31	\$ 3,091	\$ 182,021	\$ 159,128	\$ 13,776	\$ 1,553,902	\$ 163,267	\$ 2,454	\$ 3,964	\$ 1,394

ST. FRANCIS 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								
	I-40 Interdictory	Special Response Team	Juvenile Court Monitors	Economic Development Tax	Veterans Transportation	Jail Operation and Maintenance - Sales Tax Revenue	Juvenile Services	Circuit Clerk Automated Systems Grant	Court Improvement Team Grant
REVENUES									
State aid								\$ 11,160	
Federal aid	\$ 32,003								
Property taxes									
Sales taxes						\$ 833,529	\$ 416,764		
Fines, forfeitures, and costs	568,848								
Interest						97	49		
Officers' fees									
Franchise fees									
Jails fees									
Sanitation fees									
Emergency 911 fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other	26,195				\$ 4,430		368		
TOTAL REVENUES	627,046				4,430	833,626	417,181	11,160	
Less: Treasurer's commission	4,333					7,110	3,054		
NET REVENUES	622,713				4,430	826,516	414,127	11,160	
EXPENDITURES									
Current:									
General government								11,160	
Law enforcement	508,096						385,538		
Highways and streets									
Public safety									
Sanitation									
Recreation and culture									
Social services									
Total Current	508,096						385,538	11,160	
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal							7,206		
Lease interest							452		
TOTAL EXPENDITURES	508,096						393,196	11,160	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	114,617				4,430	826,516	20,931		
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	114,617				4,430	826,516	20,931		
FUND BALANCES - JANUARY 1	505,917	\$ 29	\$ 7,669	\$ 1,326,180	5,845	459,564	230,010	839	\$ 4,000
FUND BALANCES - DECEMBER 31	\$ 620,534	\$ 29	\$ 7,669	\$ 1,326,180	\$ 10,275	\$ 1,286,080	\$ 250,941	\$ 839	\$ 4,000

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

Schedule 2

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUND
	Newcastle Rural Volunteer Fire Department	Juvenile Officer Grant	Homeland Security	Communication Facility and Equipment	Indigent Care Operations	American Rescue Plan Act	Courthouse Security Grant	Victim/Witness	Jail Construction
REVENUES									
State aid	\$ 23,385						\$ 15,000		
Federal aid						\$ 2,427,396			
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest				\$ 19	\$ 7				\$ 1,688
Officers' fees				4,028					
Franchise fees									
Jails fees									
Sanitation fees									
Emergency 911 fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other				17,418				\$ 7,950	42
TOTAL REVENUES	23,385			21,465	7	2,427,396	15,000	7,950	1,730
Less: Treasurer's commission									
NET REVENUES	23,385			21,465	7	2,427,396	15,000	7,950	1,730
EXPENDITURES									
Current:									
General government						502,512			
Law enforcement		\$ 46,197		29,687		1,086,030	15,000		6,003,433
Highways and streets						463,041			
Public safety	23,385					102,848			
Sanitation						246,785			
Recreation and culture						16,524			
Social services					21,532	9,656		18,603	
Total Current	23,385	46,197		29,687	21,532	2,427,396	15,000	18,603	6,003,433
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal									
Lease interest									
TOTAL EXPENDITURES	23,385	46,197		29,687	21,532	2,427,396	15,000	18,603	6,003,433
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(46,197)		(8,222)	(21,525)			(10,653)	(6,001,703)
OTHER FINANCING SOURCES (USES)									
Transfers in					20,785				
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)					20,785				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(46,197)		(8,222)	(740)			(10,653)	(6,001,703)
FUND BALANCES - JANUARY 1	2	127,445	\$ 55	70,762	18,885				11,463,952
FUND BALANCES - DECEMBER 31	\$ 2	\$ 81,248	\$ 55	\$ 62,540	\$ 18,145	\$ 0	\$ 0	\$ (10,653)	\$ 5,462,249

ST. FRANCIS 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

	DEBT SERVICE FUND	PERMENANT FUND	
	Sales & Use Tax Bonds	Indigent Care	Totals
REVENUES			
State aid			\$ 198,023
Federal aid			2,462,901
Property taxes			1,045
Sales taxes	\$ 2,083,822		4,015,634
Fines, forfeitures, and costs			700,431
Interest	295	\$ 20,785	27,288
Officers' fees			157,121
Franchise fees			4,499
Jails fees			4,894
Sanitation fees			835,804
Emergency 911 fees			504,950
Net increase (decrease) in the fair value of investments		(31,744)	(31,744)
Treasurer's commission			41,821
Collector's commission			45,531
Other			78,771
TOTAL REVENUES	2,084,117	(10,959)	9,046,969
Less: Treasurer's commission			35,346
NET REVENUES	2,084,117	(10,959)	9,011,623
EXPENDITURES			
Current:			
General government			792,392
Law enforcement	950		8,341,897
Highways and streets			463,041
Public safety			382,034
Sanitation			1,756,198
Recreation and culture			16,524
Social services			49,791
Total Current	950		11,801,877
Debt Service:			
Bond principal	1,800,000		1,800,000
Bond interest and other charges	359,313		359,313
Lease principal			57,065
Lease interest			6,621
TOTAL EXPENDITURES	2,160,263		14,024,876
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(76,146)	(10,959)	(5,013,253)
OTHER FINANCING SOURCES (USES)			
Transfers in			20,785
Transfers out		(20,785)	(20,785)
TOTAL OTHER FINANCING SOURCES (USES)		(20,785)	0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(76,146)	(31,744)	(5,013,253)
FUND BALANCES - JANUARY 1	1,758,220	2,069,711	21,088,499
FUND BALANCES - DECEMBER 31	\$ 1,682,074	\$ 2,037,967	\$ 16,075,246

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
Solid Waste/North East Arkansas Recycling	Established to a account for a 1 cent sales tax for the purpose of collection and disposal of solid waste per St. Francis County Ordinance no. 94-21 (September 20, 1994) as approved by voters in a special election.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.

ST. FRANCIS 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>
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Juvenile Court Representation	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
Sheriff's Equipment	Established to account for circuit court ordered fines and donations to be used for sheriff's equipment expenses.
I-40 Interdictory	St. Francis County Ordinance no. 08-34 (October 21, 2008) established fund to receive fines for the purpose of law enforcement expenditures related to patrolling Interstate 40.
Special Response Team	St. Francis County Ordinance no. 08-31 (October 21, 2008) established fund to receive voluntary contributions for the purpose of maintaining the County Emergency Response Team.
Juvenile Court Monitors	Established to account for grant received for the purpose of purchasing monitors for the Juvenile Courts.
Economic Development Tax	St. Francis County Ordinance no. 13-04 (April 30, 2013) called for a special election to established half cent sales and use tax for the purpose of economic development.
Veterans Transportation	Established to account for donations for the purpose of transportation expenses of veterans.
Jail Operation and Maintenance - Sales Tax Revenue	St. Francis County Ordinance no. 19-09 (October 1, 2019) to account for sales tax funds for the purpose of jail and law enforcement facilities expenditures. Funds shall be used to acquire, construct, improve, expand, equip, furnish, demolish, operate and maintain new or existing jail and law enforcement facilities, including any necessary land acquisition and utility, road and parking improvements related thereto or in support thereof and to pay and secure the repayment of bonds approved by the voters and issued by the County from time to time to finance jail and law enforcement facilities.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2021

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Services	St. Francis County Ordinance no. 19-13 (October 1, 2019) to account for sales tax funds to be used to support and provide programs and services for juveniles in the County.
Circuit Clerk Automated Systems Grant	Established to account for grant received for the purpose of updating an automated circuit clerk recording system.
Court Improvement Team Grant	Established to account for grant received to offset the expense that is incurred from meetings, to include but not limited to; office space, refreshments, materials, technical assistance and training for team members.
Newcastle Rural Volunteer Fire Department	Established to account for grant received for the purpose of purchasing a side-by-side utility vehicle and trailer that will equip the department with the tools needed to serve and protect area citizens.
Juvenile Officer Grant	Established to account for grant received for operations of the juvenile office.
Homeland Security	Established to account for grants received from Arkansas Department of Emergency Management for the purpose of purchasing equipment.
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.
Indigent Care Operations	Established by St. Francis County Ordinance no. 83-2 (January 4, 1983) and no. 83-3 (January 4, 1983) to be used for St. Francis County indigent residents.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Courthouse Security Grant	Established to account for grant received from Arkansas Department of Emergency Management for the purpose of purchasing and installation of face recognition and temperature detection systems for district and circuit court buildings.
Victim/Witness	Established to account for grants received on a reimbursement basis from Victims of Crime Act, purpose of funds are to provide residents with services, necessary referrals, and information of their rights under Arkansas law.
Jail Construction	St. Francis County Ordinance no. 19-11 (October 1, 2019) authorized the issuance of capital improvement bonds to finance the costs of acquiring, constructing, equipping, and furnishing new jail and law enforcement facilities.

ST. FRANCIS 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 & Use Tax Bonds	St. Francis County Ordinance no. 20-07 (July 21, 2020) as approved by voters authorized the issuance of sales and use tax bonds. This fund was established in order to facilitate the retirement of the related debt.
Indigent Care	Established agreement by St. Francis County Ordinance no. 83-2 (January 4, 1983) and no. 83-3 (January 4, 1983) with interest earned transferred to Indigent Care Operations Fund.

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

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

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

County Clerk's accounts consist primarily of trust money.

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

ST. FRANCIS COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2021
(Unaudited)

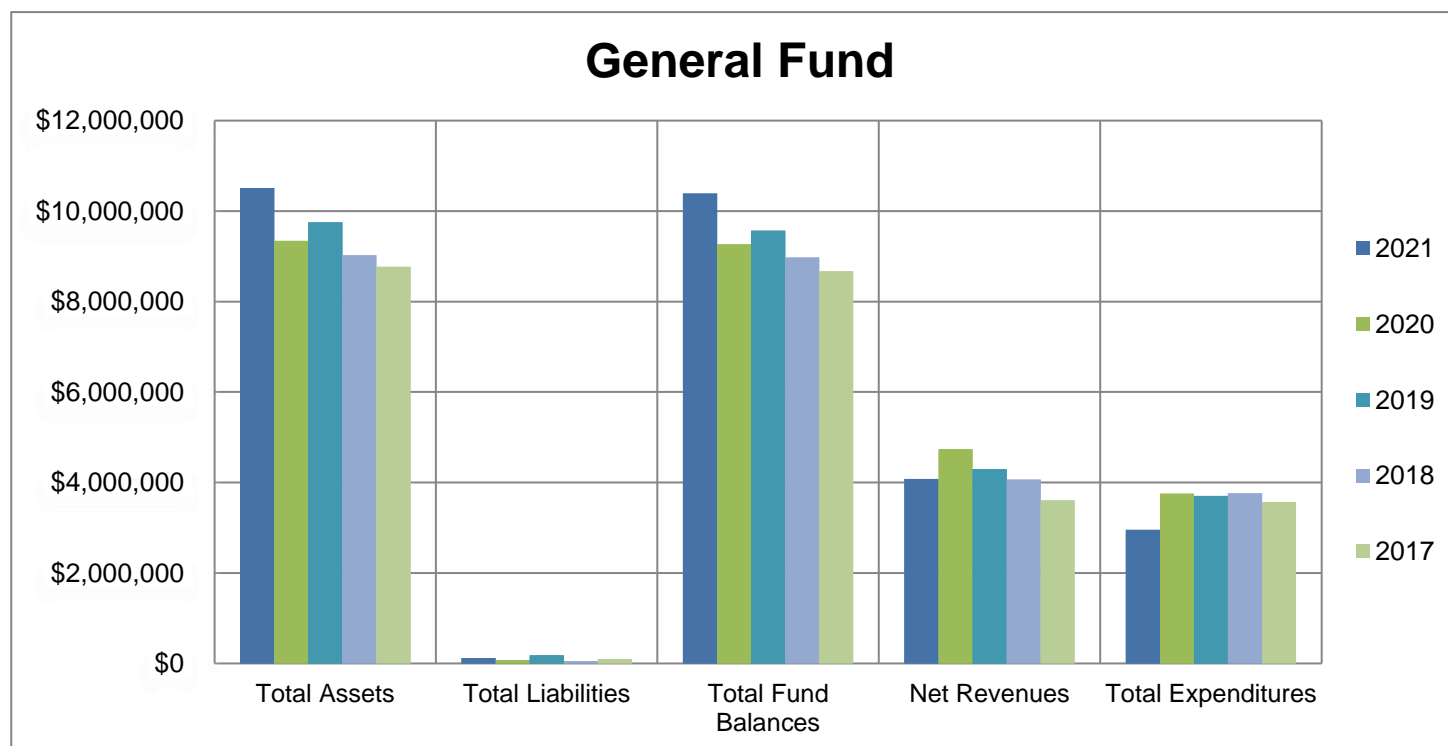
Schedule 3

	December 31, 2021
	<hr/>
Land	\$ 182,882
Buildings	4,030,496
Equipment	7,888,812
Construction in progress	<hr/> 7,670,900
	<hr/>
Total	<u><u>\$ 19,773,090</u></u>

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

Schedule 4-1

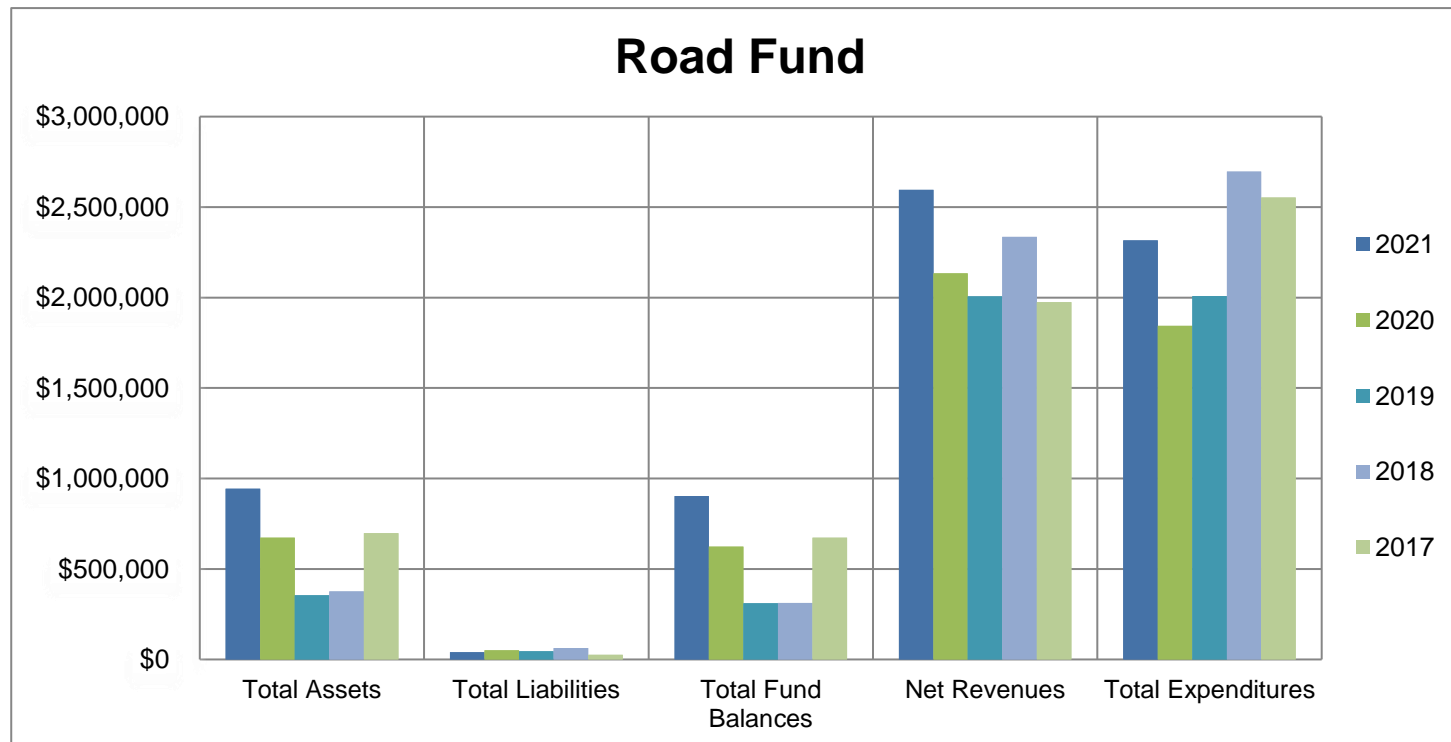
<u>General</u>	2021	2020	2019	2018	2017
Total Assets	\$ 10,505,175	\$ 9,339,089	\$ 9,752,188	\$ 9,021,802	\$ 8,768,599
Total Liabilities	117,220	76,276	183,809	51,381	97,331
Total Fund Balances	10,387,955	9,262,813	9,568,379	8,970,421	8,671,268
Net Revenues	4,077,778	4,737,950	4,301,264	4,065,778	3,601,701
Total Expenditures	2,952,636	3,749,811	3,704,181	3,760,981	3,565,915
Total Other Financing Sources/Uses		(1,293,705)	875	(8,575)	(27,661)



ST. FRANCIS 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	\$ 943,384	\$ 673,464	\$ 355,540	\$ 375,456	\$ 697,803
Total Liabilities	40,723	50,824	44,375	62,676	25,533
Total Fund Balances	902,661	622,640	311,165	312,780	672,270
Net Revenues	2,595,916	2,133,978	2,006,770	2,336,033	1,974,308
Total Expenditures	2,315,895	1,843,003	2,008,385	2,695,589	2,553,431
Total Other Financing Sources/Uses		20,500			



ST. FRANCIS 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

Other Funds in the Aggregate	2021	2020	2019	2018	2017
Total Assets	\$ 19,618,952	\$ 21,926,308	\$ 7,616,355	\$ 7,821,707	\$ 12,333,945
Total Liabilities	3,543,706	837,809	793,452	735,260	4,818,401
Total Fund Balances	16,075,246	21,088,499	6,822,903	7,086,447	7,515,544
Net Revenues	9,011,623	5,261,857	3,535,526	3,238,874	4,100,173
Total Expenditures	14,024,876	5,492,851	3,798,195	3,676,546	2,803,947
Total Other Financing Sources/Uses		14,496,590	(875)	8,575	27,661

