

St. Francis County, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



ST. FRANCIS COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas



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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

St. Francis County, Arkansas Officials and Quorum Court Members
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for St. Francis County, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated August 22, 2023. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

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

We evaluated the County's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local County government, state executive and oversight 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 "Roger A. Norman".

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

Little Rock, Arkansas
August 22, 2023
LOCO06822

ST. FRANCIS COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2022
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 11,242,782	\$ 134,510	\$ 15,957,590
Investments			1,249,015
Accounts receivable	<u>325,362</u>	<u>300</u>	<u>197,806</u>
TOTAL ASSETS	<u>\$ 11,568,144</u>	<u>\$ 134,810</u>	<u>\$ 17,404,411</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 116,467	\$ 57,738	\$ 331,737
Settlements pending	<u>22,105</u>		<u>4,016,797</u>
Total Liabilities	<u>138,572</u>	<u>57,738</u>	<u>4,348,534</u>
Fund Balances:			
Nonspendable			1,924,015
Restricted			9,478,490
Committed	6,403,195		620,534
Assigned	2,901,233	77,072	1,035,010
Unassigned	<u>2,125,144</u>		<u>(2,172)</u>
Total Fund Balances	<u>11,429,572</u>	<u>77,072</u>	<u>13,055,877</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,568,144</u>	<u>\$ 134,810</u>	<u>\$ 17,404,411</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, 2022
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 711,665	\$ 1,761,158	\$ 275,848
Federal aid	84,350		2,485,109
Property taxes	1,149,565	197,418	2,057
Sales taxes	572,117	416,117	4,488,511
Fines, forfeitures, and costs	545,472		733,098
Interest	106,220	2,883	85,043
Officers' fees	49,283		185,021
Jail fees	108,725		10,266
Franchise fees	8,123		
Emergency 911 fees	39		486,902
Sanitation fees			1,016,468
Net increase (decrease) in the fair value of investments			(113,952)
Treasurer's commission	118,997		42,733
Collector's commission	205,542		46,663
Taxes apportioned - Assessor's salary and expense	327,178		
Other	253,947	24,175	221,790
TOTAL REVENUES	4,241,223	2,401,751	9,965,557
Less: Treasurer's commission	24,886	17,274	32,890
NET REVENUES	4,216,337	2,384,477	9,932,667
EXPENDITURES			
Current:			
General government	1,438,731		706,380
Law enforcement	1,507,840		6,415,856
Highways and streets		3,016,070	462,856
Public safety	20,797		806,818
Sanitation			1,989,828
Health	33,513		2,631
Recreation and culture	58,135		17,449
Social services	115,704		204,892
Economic development			6,325
Total Current	3,174,720	3,016,070	10,613,035
Debt Service:			
Bond principal			1,810,000
Bond interest and other charges			342,400
Financed purchases principal		163,653	184,813
Financed purchases interest		30,343	1,788
TOTAL EXPENDITURES	3,174,720	3,210,066	12,952,036

ST. FRANCIS COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,041,617	\$ (825,589)	\$ (3,019,369)
OTHER FINANCING SOURCES (USES)			
Transfers in			22,819
Transfers out			(22,819)
TOTAL OTHER FINANCING SOURCES (USES)			0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,041,617	(825,589)	(3,019,369)
FUND BALANCES - JANUARY 1	10,387,955	902,661	16,075,246
FUND BALANCES - DECEMBER 31	\$ 11,429,572	\$ 77,072	\$ 13,055,877

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, 2022
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 487,700	\$ 711,665	\$ 223,965	\$ 1,502,100	\$ 1,761,158	\$ 259,058
Federal aid	22,000	84,350	62,350			
Property taxes	1,571,000	1,149,565	(421,435)	175,600	197,418	21,818
Sales taxes	44,880	572,117	527,237	350,000	416,117	66,117
Fines, forfeitures, and costs	491,800	545,472	53,672			
Interest	23,218	106,220	83,002	885	2,883	1,998
Officers' fees	52,000	49,283	(2,717)			
Jail fees	126,500	108,725	(17,775)			
Franchise fees	5,100	8,123	3,023			
Emergency 911 fees		39	39			
Treasurer's commission	82,500	118,997	36,497			
Collector's commission	295,000	205,542	(89,458)			
Taxes apportioned - Assessor's salary and expense	285,000	327,178	42,178			
Other	279,152	253,947	(25,205)	10,370	24,175	13,805
TOTAL REVENUES	3,765,850	4,241,223	475,373	2,038,955	2,401,751	362,796
Less: Treasurer's commission		24,886	(24,886)		17,274	(17,274)
NET REVENUES	3,765,850	4,216,337	450,487	2,038,955	2,384,477	345,522
EXPENDITURES						
Current:						
General government	1,512,602	1,438,731	73,871			
Law enforcement	2,095,052	1,507,840	587,212			
Highways and streets				3,577,386	3,016,070	561,316
Public safety	31,368	20,797	10,571			
Health	33,345	33,513	(168)			
Recreation and culture	61,251	58,135	3,116			
Social services	128,351	115,704	12,647			
Total Current	3,861,969	3,174,720	687,249	3,577,386	3,016,070	561,316
Debt Service:						
Financed purchase principal				70,000	163,653	(93,653)
Financed purchase interest				7,000	30,343	(23,343)
TOTAL EXPENDITURES	3,861,969	3,174,720	687,249	3,654,386	3,210,066	444,320
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(96,119)	1,041,617	1,137,736	(1,615,431)	(825,589)	789,842
OTHER FINANCING SOURCES (USES)						
Transfers in	550,000		(550,000)	600,000		(600,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	453,881	1,041,617	587,736	(1,015,431)	(825,589)	189,842
FUND BALANCES - JANUARY 1	8,609,424	10,387,955	1,778,531	540,000	902,661	362,661
FUND BALANCES - DECEMBER 31	\$ 9,063,305	\$ 11,429,572	\$ 2,366,267	\$ (475,431)	\$ 77,072	\$ 552,503

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

ST FRANCIS COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

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	\$ 95,530	\$ 97,978	\$ 36,687	\$ 5,234	\$ 13,741	\$ 116,973	\$ 1,001,492	\$ 1,590	\$ 17,250
Investments									
Accounts receivable			10		455	8,622	64,568	18	
TOTAL ASSETS	\$ 95,530	\$ 97,978	\$ 36,697	\$ 5,234	\$ 14,196	\$ 125,595	\$ 1,066,060	\$ 1,608	\$ 17,250
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 94	\$ 2,398		\$ 22		\$ 902	\$ 59,320		\$ 11,332
Settlements pending									
Total Liabilities	94	2,398		22		902	59,320		11,332
Fund Balances:									
Nonspendable									
Restricted	95,436	95,580	\$ 36,697	5,212	\$ 14,196	124,193		\$ 1,608	5,918
Committed									
Assigned						500	1,006,740		
Unassigned									
Total Fund Balances	95,436	95,580	36,697	5,212	14,196	124,693	1,006,740	1,608	5,918
TOTAL LIABILITIES AND FUND BALANCES	\$ 95,530	\$ 97,978	\$ 36,697	\$ 5,234	\$ 14,196	\$ 125,595	\$ 1,066,060	\$ 1,608	\$ 17,250

ST FRANCIS COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

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	\$ 2,736	\$ 32,499	\$ 180,850	\$ 14,170	\$ 1,317,952	\$ 133,816	\$ 2,454	\$ 4,367	\$ 1,894
Investments									
Accounts receivable	36	10,822	576		81,567	1,220			
TOTAL ASSETS	\$ 2,772	\$ 43,321	\$ 181,426	\$ 14,170	\$ 1,399,519	\$ 135,036	\$ 2,454	\$ 4,367	\$ 1,894
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 9,408			\$ 58,912	\$ 402			
Settlements pending									
Total Liabilities		<u>9,408</u>			<u>58,912</u>	<u>402</u>			
Fund Balances:									
Nonspendable									
Restricted	\$ 2,772	29,054	\$ 181,426	\$ 14,170	1,334,719	134,634	\$ 2,454	\$ 4,367	\$ 1,894
Committed									
Assigned		4,859			5,888				
Unassigned									
Total Fund Balances	<u>2,772</u>	<u>33,913</u>	<u>181,426</u>	<u>14,170</u>	<u>1,340,607</u>	<u>134,634</u>	<u>2,454</u>	<u>4,367</u>	<u>1,894</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,772	\$ 43,321	\$ 181,426	\$ 14,170	\$ 1,399,519	\$ 135,036	\$ 2,454	\$ 4,367	\$ 1,894

ST FRANCIS COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

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
ASSETS								
Cash and cash equivalents	\$ 608,271	\$ 29	\$ 4,339	\$ 1,326,180	\$ 12,436	\$ 1,174,171	\$ 422,334	\$ 839
Investments								
Accounts receivable	29,912							
TOTAL ASSETS	\$ 638,183	\$ 29	\$ 4,339	\$ 1,326,180	\$ 12,436	\$ 1,174,171	\$ 422,334	\$ 839
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 10,685					\$ 114,436	\$ 7,885	
Settlements pending								
Total Liabilities	10,685					114,436	7,885	
Fund Balances:								
Nonspendable								
Restricted	6,964	\$ 29	\$ 4,339	\$ 1,326,180	\$ 12,436	1,059,735	414,449	\$ 839
Committed	620,534							
Assigned								
Unassigned								
Total Fund Balances	627,498	29	4,339	1,326,180	12,436	1,059,735	414,449	839
TOTAL LIABILITIES AND FUND BALANCES	\$ 638,183	\$ 29	\$ 4,339	\$ 1,326,180	\$ 12,436	\$ 1,174,171	\$ 422,334	\$ 839

ST FRANCIS COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS								
	Court Improvement Team Grant	Newcastle Rural Volunteer Fire Department	Juvenile Officer Grant	Support Juvenile Funding	Victim/Witness	Homeland Security	Communication Facility and Equipment	Indigent Care Operations
ASSETS								
Cash and cash equivalents	\$ 4,000	\$ 2	\$ 114,381	\$ 3,938	\$ (1,050)	\$ 55	\$ 67,989	\$ 17,023
Investments								
Accounts receivable								
TOTAL ASSETS	<u>\$ 4,000</u>	<u>\$ 2</u>	<u>\$ 114,381</u>	<u>\$ 3,938</u>	<u>\$ (1,050)</u>	<u>\$ 55</u>	<u>\$ 67,989</u>	<u>\$ 17,023</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 10,179		\$ 1,122			
Settlements pending								
Total Liabilities			<u>10,179</u>		<u>1,122</u>			
Fund Balances:								
Nonspendable								
Restricted	\$ 4,000	\$ 2	104,202	\$ 3,938		\$ 55	\$ 67,989	
Committed								
Assigned								\$ 17,023
Unassigned					(2,172)			
Total Fund Balances	<u>4,000</u>	<u>2</u>	<u>104,202</u>	<u>3,938</u>	<u>(2,172)</u>	<u>55</u>	<u>67,989</u>	<u>17,023</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,000</u>	<u>\$ 2</u>	<u>\$ 114,381</u>	<u>\$ 3,938</u>	<u>\$ (1,050)</u>	<u>\$ 55</u>	<u>\$ 67,989</u>	<u>\$ 17,023</u>

ST FRANCIS COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

Schedule 1

	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	CUSTODIAL FUNDS					Totals
				Jail Construction	Sales & Use Tax Bonds	Indigent Care	Treasurer's Accounts	Collector's Accounts	
ASSETS									
Cash and cash equivalents	\$ 2,702,137	\$ 1,731,506	\$ 675,000	\$ 3,601,139	\$ 144,951	\$ 174,585	\$ 71,767	\$ 24,355	\$ 15,957,590
Investments			1,249,015						1,249,015
Accounts receivable									197,806
TOTAL ASSETS	<u>\$ 2,702,137</u>	<u>\$ 1,731,506</u>	<u>\$ 1,924,015</u>	<u>\$ 3,601,139</u>	<u>\$ 144,951</u>	<u>\$ 174,585</u>	<u>\$ 71,767</u>	<u>\$ 24,355</u>	<u>\$ 17,404,411</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 44,640								\$ 331,737
Settlements pending				\$ 3,601,139	\$ 144,951	\$ 174,585	\$ 71,767	\$ 24,355	4,016,797
Total Liabilities	<u>44,640</u>			<u>3,601,139</u>	<u>144,951</u>	<u>174,585</u>	<u>71,767</u>	<u>24,355</u>	<u>4,348,534</u>
Fund Balances:									
Nonspendable			\$ 1,924,015						1,924,015
Restricted	2,657,497	\$ 1,731,506							9,478,490
Committed									620,534
Assigned									1,035,010
Unassigned									(2,172)
Total Fund Balances	<u>2,657,497</u>	<u>1,731,506</u>	<u>1,924,015</u>						<u>13,055,877</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,702,137</u>	<u>\$ 1,731,506</u>	<u>\$ 1,924,015</u>	<u>\$ 3,601,139</u>	<u>\$ 144,951</u>	<u>\$ 174,585</u>	<u>\$ 71,767</u>	<u>\$ 24,355</u>	<u>\$ 17,404,411</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, 2022
 (UNAUDITED)

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				\$ 5,411					\$ 124,657
Federal aid									
Property taxes									
Sales taxes							\$ 988,233		
Fines, forfeitures, and costs			\$ 1,258						
Interest	\$ 378	\$ 330	185	42	\$ 59	\$ 468	2,982	\$ 7	
Officers' fees			375		8,672	126,375		198	
Jail fees									
Emergency 911 fees									
Sanitation fees							1,016,468		
Net increase (decrease) in the fair value of investments									
Treasurer's commission	42,733								
Collector's commission		46,663							
Other	109	5					5,059		
TOTAL REVENUES	43,220	46,998	1,818	5,453	8,731	126,843	2,012,742	205	124,657
Less: Treasurer's commission		338	13	39	65	941	13,459	1	
NET REVENUES	43,220	46,660	1,805	5,414	8,666	125,902	1,999,283	204	124,657
EXPENDITURES									
Current:									
General government	17,292	37,533		6,462	8,338	73,918			152,869
Law enforcement									
Highways and streets									
Public safety									
Sanitation							1,649,856		
Health									
Recreation and culture									
Social services									
Economic development									
Total Current	17,292	37,533		6,462	8,338	73,918	1,649,856		152,869
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal							174,184		
Lease interest							1,354		
TOTAL EXPENDITURES	17,292	37,533		6,462	8,338	73,918	1,825,394		152,869
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	25,928	9,127	1,805	(1,048)	328	51,984	173,889	204	(28,212)
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	25,928	9,127	1,805	(1,048)	328	51,984	173,889	204	(28,212)
FUND BALANCES - JANUARY 1	69,508	86,453	34,892	6,260	13,868	72,709	832,851	1,404	34,130
FUND BALANCES - DECEMBER 31	\$ 95,436	\$ 95,580	\$ 36,697	\$ 5,212	\$ 14,196	\$ 124,693	\$ 1,006,740	\$ 1,608	\$ 5,918

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, 2022
 (UNAUDITED)

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	American Rescue Plan Act
REVENUES									
State aid				\$ 780					
Federal aid									\$ 2,427,396
Property taxes							\$ 2,057		
Sales taxes									
Fines, forfeitures, and costs		\$ 172,228	\$ 11,497			\$ 1,805			
Interest	\$ 14	458	876	72	\$ 7,301	779	26		
Officers' fees	144					12,038			
Jail fees		177	10,089						
Emergency 911 fees					486,902				
Sanitation fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other	116	2,450			3,501	114	20		
TOTAL REVENUES	274	175,313	22,462	852	497,704	14,736	2,103	2,427,396	
Less: Treasurer's commission	1	1,274	159	3	2,948	98	15		
NET REVENUES	273	174,039	22,303	849	494,756	14,638	2,088	2,427,396	
EXPENDITURES									
Current:									
General government							1,685	408,283	
Law enforcement	592	322,147	5			43,271		1,085,189	
Highways and streets								462,856	
Public safety				455	708,051			98,312	
Sanitation								339,972	
Health								2,631	
Recreation and culture								17,449	
Social services								12,704	
Economic development									
Total Current	592	322,147	5	455	708,051	43,271	1,685	2,427,396	
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal									
Lease interest									
TOTAL EXPENDITURES	592	322,147	5	455	708,051	43,271	1,685	2,427,396	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(319)	(148,108)	22,298	394	(213,295)	(28,633)	403		
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	(319)	(148,108)	22,298	394	(213,295)	(28,633)	403		
FUND BALANCES - JANUARY 1	3,091	182,021	159,128	13,776	1,553,902	163,267	\$ 2,454	3,964	
FUND BALANCES - DECEMBER 31	\$ 2,772	\$ 33,913	\$ 181,426	\$ 14,170	\$ 1,340,607	\$ 134,634	\$ 2,454	\$ 4,367	\$ 0

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, 2022
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Sheriff's Equipment	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
REVENUES									
State aid									
Federal aid		\$ 51,388							
Property taxes									
Sales taxes						\$ 875,069	\$ 437,535		
Fines, forfeitures, and costs		545,400		\$ 910					
Interest									
Officers' fees									
Jail fees									
Emergency 911 fees									
Sanitation fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other	\$ 500	5,481				\$ 2,161		7,118	
TOTAL REVENUES	500	602,269		910		2,161	875,069	444,653	
Less: Treasurer's commission		4,021				6,343	3,172		
NET REVENUES	500	598,248		910		2,161	868,726	441,481	
EXPENDITURES									
Current:									
General government									
Law enforcement		591,284		4,240		1,095,071	266,910		
Highways and streets									
Public safety									
Sanitation									
Health									
Recreation and culture									
Social services									
Economic development									
Total Current		591,284		4,240		1,095,071	266,910		
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal								10,629	
Lease interest								434	
TOTAL EXPENDITURES		591,284		4,240		1,095,071	277,973		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	500	6,964		(3,330)		2,161	(226,345)	163,508	
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	500	6,964		(3,330)		2,161	(226,345)	163,508	
FUND BALANCES - JANUARY 1	1,394	620,534	\$ 29	7,669	\$ 1,326,180	10,275	1,286,080	250,941	\$ 839
FUND BALANCES - DECEMBER 31	\$ 1,894	\$ 627,498	\$ 29	\$ 4,339	\$ 1,326,180	\$ 12,436	\$ 1,059,735	\$ 414,449	\$ 839

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, 2022
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Court Improvement Team Grant	Newcastle Rural Volunteer Fire Department	Core-Mark Grant	Juvenile Officer Grant	Support Juvenile Funding	Victim/Witness	Homeland Security	Communication Facility and Equipment	Indigent Care Operations
REVENUES									
State aid				\$ 100,000	\$ 45,000				
Federal aid			\$ 6,325						
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest								\$ 62	\$ 22
Officers' fees								37,219	
Jail fees									
Emergency 911 fees									
Sanitation fees									
Net increase (decrease) in the fair value of investments									
Treasurer's commission									
Collector's commission									
Other						\$ 176,706		1,342	
TOTAL REVENUES			6,325	100,000	45,000	176,706		38,623	22
Less: Treasurer's commission									
NET REVENUES			6,325	100,000	45,000	176,706		38,623	22
EXPENDITURES									
Current:									
General government									
Law enforcement				77,046	41,062			33,174	
Highways and streets									
Public safety									
Sanitation									
Health									
Recreation and culture									
Social services						168,225			23,963
Economic development			6,325						
Total Current			<u>6,325</u>	<u>77,046</u>	<u>41,062</u>	<u>168,225</u>		<u>33,174</u>	<u>23,963</u>
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal									
Lease interest									
TOTAL EXPENDITURES			6,325	77,046	41,062	168,225		33,174	23,963
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES				22,954	3,938	8,481		5,449	(23,941)
OTHER FINANCING SOURCES (USES)									
Transfers in									22,819
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									22,819
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES				22,954	3,938	8,481		5,449	(1,122)
FUND BALANCES - JANUARY 1	\$ 4,000	\$ 2		81,248		(10,653)	\$ 55	62,540	18,145
FUND BALANCES - DECEMBER 31	<u>\$ 4,000</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ 104,202</u>	<u>\$ 3,938</u>	<u>\$ (2,172)</u>	<u>\$ 55</u>	<u>\$ 67,989</u>	<u>\$ 17,023</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, 2022
 (UNAUDITED)

Schedule 2

	<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>	<u>PERMANENT FUND</u>	
	Jail Construction	Sales & Use Tax Bonds	Indigent Care	Totals
REVENUES				
State aid				\$ 275,848
Federal aid				2,485,109
Property taxes				2,057
Sales taxes		\$ 2,187,674		4,488,511
Fines, forfeitures, and costs				733,098
Interest	\$ 34,005	14,158	\$ 22,819	85,043
Officers' fees				185,021
Jail fees				10,266
Emergency 911 fees				486,902
Sanitation fees				1,016,468
Net increase (decrease) in the fair value of investments			(113,952)	(113,952)
Treasurer's commission				42,733
Collector's commission				46,663
Other	17,108			221,790
TOTAL REVENUES	51,113	2,201,832	(91,133)	9,965,557
Less: Treasurer's commission				32,890
NET REVENUES	51,113	2,201,832	(91,133)	9,932,667
EXPENDITURES				
Current:				
General government				706,380
Law enforcement	2,855,865			6,415,856
Highways and streets				462,856
Public safety				806,818
Sanitation				1,989,828
Health				2,631
Recreation and culture				17,449
Social services				204,892
Economic development				6,325
Total Current	2,855,865			10,613,035
Debt Service:				
Bond principal		1,810,000		1,810,000
Bond interest and other charges		342,400		342,400
Lease principal				184,813
Lease interest				1,788
TOTAL EXPENDITURES	2,855,865	2,152,400		12,952,036
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,804,752)	49,432	(91,133)	(3,019,369)
OTHER FINANCING SOURCES (USES)				
Transfers in				22,819
Transfers out			(22,819)	(22,819)
TOTAL OTHER FINANCING SOURCES (USES)			(22,819)	0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,804,752)	49,432	(113,952)	(3,019,369)
FUND BALANCES - JANUARY 1	5,462,249	1,682,074	2,037,967	16,075,246
FUND BALANCES - DECEMBER 31	\$ 2,657,497	\$ 1,731,506	\$ 1,924,015	\$ 13,055,877

ST. FRANCIS COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
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.
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.

ST. FRANCIS COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
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.
Sheriff's Equipment	Established to account for circuit court ordered fines 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, 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile 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.
Core-Mark Grant	Established to account for grant received for building improvements, equipment and machinery to accommodate the Core Mark business.
Juvenile Officer Grant	Established to account for grant received for operations of the juvenile office.
Support Juvenile Funding	Established to account for grant received to supplement the juvenile fund for detention and related expenses.
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.
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.
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.
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.

ST. FRANCIS COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
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, fines, commissary 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, 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 GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

1. A. **Basis of Presentation - Regulatory**

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

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

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

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

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

Road Fund - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, and property taxes, that are restricted or committed for maintaining and constructing roads.

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

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Funds presented on Schedules 1 and 2 are 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. The Capital Projects Fund presented on Schedules 1 and 2 is 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. The Debt Service Fund presented on Schedules 1 and 2 is 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). The Custodial Funds presented on Schedule 1 are reported with other funds in the aggregate.

ST. FRANCIS COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

1. (Continued)

B. 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 a part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

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

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

C. 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 market value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, excess commissions, property taxes, trust and officer 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.

ST. FRANCIS COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

1. (Continued)

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

Fund Balance Classifications (Continued)

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.

D. 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.

E. 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.

F. 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.

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. 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.

ST. FRANCIS COUNTY, ARKANSAS
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2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2022, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Nonspendable:			
Social services			<u>\$ 1,924,015</u>
Restricted for:			
General government			386,500
Law enforcement			2,015,425
Public safety			1,348,946
Social services			12,436
Economic development			1,326,180
Capital outlay			2,657,497
Debt service			1,731,506
Total Restricted			<u>9,478,490</u>
Committed for:			
General government	\$ 6,403,195		
Law enforcement			620,534
Total Committed	<u>6,403,195</u>		<u>620,534</u>
Assigned to:			
General government	2,847,151		500
Law enforcement	54,082		4,859
Highways and streets		\$ 77,072	
Public safety			5,888
Sanitation			1,006,740
Social services			17,023
Total Assigned	<u>2,901,233</u>	<u>77,072</u>	<u>1,035,010</u>
Unassigned	<u>2,125,144</u>		<u>(2,172)</u>
Totals	<u>\$ 11,429,572</u>	<u>\$ 77,072</u>	<u>\$ 13,055,877</u>

3. Commitments

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

	December 31, 2022
Long-term liabilities	\$ 10,504,294
Reappraisal contract	679,140
Total Commitments	<u>\$ 11,183,434</u>

ST. FRANCIS COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
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(UNAUDITED)

3. Commitments (Continued)

Long-term Liabilities

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

	December 31, 2022
<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, 2032; 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.	\$ 9,670,000
<u>Direct Borrowings</u>	
Financed 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.	713,147
Financed 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.	11,745
Total Direct Borrowings	724,892
Compensated absences consisting of accrued sick leave adjusted to current salary cost.	109,402
Total Long-term liabilities	\$ 10,504,294

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 \$9,670,000 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding financed purchases from direct borrowings of \$724,892 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.

ST. FRANCIS COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

3. **Commitments (Continued)**

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2022	Maturities to December 31, 2022
<u>Bonds</u>					
8/27/20	12/31/32	1.25-4%	\$ 13,280,000	\$ 9,670,000	\$ 3,610,000
<u>Direct Borrowings</u>					
12/31/18	2/10/23	3.86%	1,047,656	713,147	334,509
2/4/21	2/4/24	2.29%	29,580	11,745	17,835
Total Direct Borrowings			1,077,236	724,892	352,344
Total Long-Term Debt			\$ 14,357,236	\$ 10,394,892	\$ 3,962,344

Changes in Long-Term Debt

	Balance January 01, 2022	Issued	Retired	Balance December 31, 2022
Bonds payable	\$ 11,480,000	\$ 0	\$ 1,810,000	\$ 9,670,000
<u>Direct Borrowings</u>				
Financed purchases	1,073,358	0	348,466	724,892
Total Long-Term Debt	\$ 12,553,358	\$ 0	\$ 2,158,466	\$ 10,394,892

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 880,000	\$ 316,650	\$ 1,196,650	\$ 723,195	\$ 4,814	\$ 728,009
2024	915,000	281,450	1,196,450	1697	5	1,702
2025	950,000	244,850	1,194,850			
2026	990,000	206,850	1,196,850			
2027	1,030,000	167,250	1,197,250			
2028 through 2032	4,905,000	346,350	5,251,350			
Totals	\$ 9,670,000	\$ 1,563,400	\$ 11,233,400	\$ 724,892	\$ 4,819	\$ 729,711

ST. FRANCIS COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
(UNAUDITED)

3. Commitments (Continued)

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Services, Inc. on October 5, 2022, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$11,319 for a total of \$679,140 beginning January 1, 2023. Contract expense for 2022, was \$135,989.

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

<u>Year</u>	<u>December 31, 2022</u>
2023	\$ 135,828
2024	135,828
2025	135,828
2026	135,828
2027	<u>135,828</u>
Total	<u>\$ 679,140</u>

4. Interfund Transfers

Within Other Funds in the Aggregate, Indigent Care Permanent Fund transferred \$22,819 to the Indigent Care Operations Fund for indigent care purposes.

5. 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, construction, equipping, and furnishing new jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$9,670,000 and \$1,563,400, respectively, payable through August 1, 2032. For 2022, principal and interest and other charges paid were \$1,810,000 and \$342,400, respectively.

The Debt Service Fund received \$2,187,674 in sales taxes in 2022. 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.

6. 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 2022. 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
OTHER GENERAL INFORMATION
DECEMBER 31, 2022
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7. 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, 2022, (date of APERS Employer Allocation Report) were \$ 558,726.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2022, (actuarial valuation date and measurement date) was \$ 4,704,532.

8. Capital Assets

The County's capital assets records are summarized below :

	December 31, 2022
Land	\$ 182,882
Buildings	14,704,534
Equipment	8,433,162
Total	\$ 23,320,578

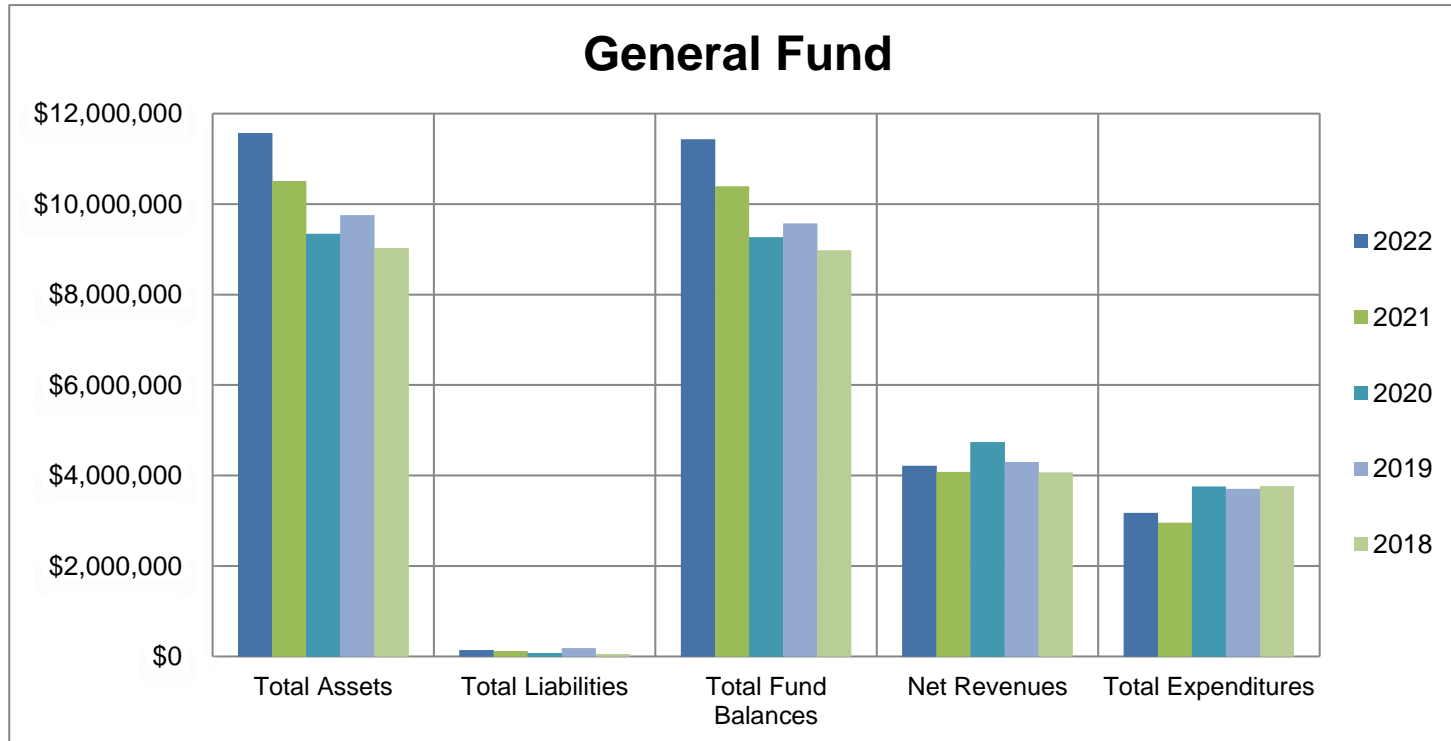
9. Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the County was awarded \$4,854,791 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$4,854,791 of this amount has been received. In 2022, the County was awarded \$100,000 in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. In 2022, the County received funds in the amount of \$50,000. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

ST. FRANCIS COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

Schedule 3-1

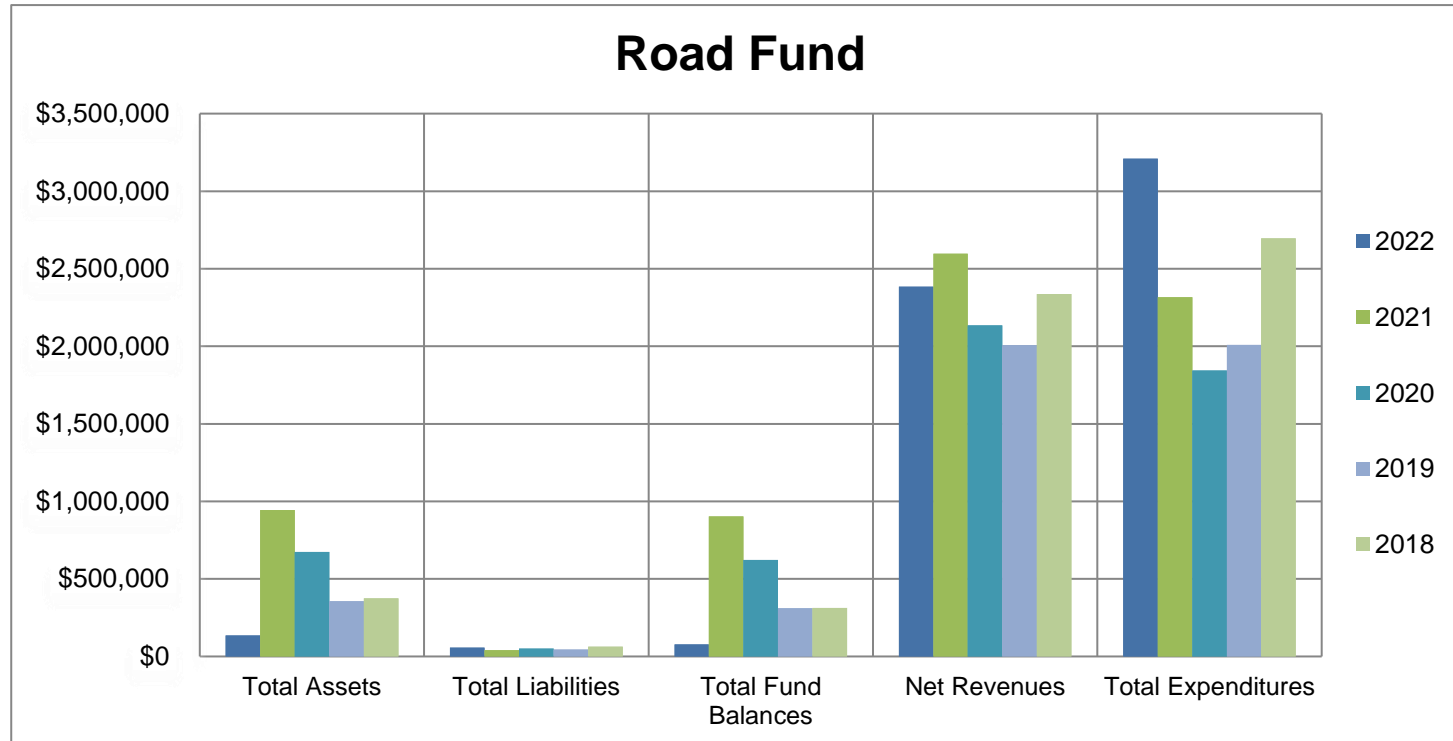
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 11,568,144	\$ 10,505,175	\$ 9,339,089	\$ 9,752,188	\$ 9,021,802
Total Liabilities	138,572	117,220	76,276	183,809	51,381
Total Fund Balances	11,429,572	10,387,955	9,262,813	9,568,379	8,970,421
Net Revenues	4,216,337	4,077,778	4,737,950	4,301,264	4,065,778
Total Expenditures	3,174,720	2,952,636	3,749,811	3,704,181	3,760,981
Total Other Financing Sources/Uses			(1,293,705)	875	(8,575)



ST. FRANCIS COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2022
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	2022	2021	2020	2019	2018
Total Assets	\$ 134,810	\$ 943,384	\$ 673,464	\$ 355,540	\$ 375,456
Total Liabilities	57,738	40,723	50,824	44,375	62,676
Total Fund Balances	77,072	902,661	622,640	311,165	312,780
Net Revenues	2,384,477	2,595,916	2,133,978	2,006,770	2,336,033
Total Expenditures	3,210,066	2,315,895	1,843,003	2,008,385	2,695,589
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, 2022
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 17,404,411	\$ 19,618,952	\$ 21,926,308	\$ 7,616,355	\$ 7,821,707
Total Liabilities	4,348,534	3,543,706	837,809	793,452	735,260
Total Fund Balances	13,055,877	16,075,246	21,088,499	6,822,903	7,086,447
Net Revenues	9,932,667	9,011,623	5,261,857	3,535,526	3,238,874
Total Expenditures	12,952,036	14,024,876	5,492,851	3,798,195	3,676,546
Total Other Financing Sources/Uses			14,496,590	(875)	8,575

