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

**LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT**

June 11, 2021

The Honorable Keith Chrestman
Prosecuting Attorney
Second Judicial District
PO Box 49
Marion, AR 72364

Dear Mr. Chrestman:

Pursuant to Ark. Code Ann. §§ 10-4-419, 21-2-708, we are notifying you of the following information disclosed in our report of Craighead County for the year ended December 31, 2020:

After a Deputy County Clerk's employment was terminated in October 2019, the County Clerk obtained exclusive authority over the Payroll Clearing Account (Account), creating a lack of segregation of duties over the Account. Subsequently, the County Clerk had sole responsibility for making payments from the Account to various vendors for payroll deductions. This control deficiency was due to management's failure to maintain established controls. After being contacted by a financial institution regarding questionable Account transfers, the County Judge, in conjunction with auditors, determined that 12 unauthorized transfers, totaling \$1,579,057, were made from the Account to the County Clerk's personal account during the period January 23 through June 24, 2020. Also during this period, funds totaling \$168,257 were transferred from the personal account back to the Account, leaving a net shortage of \$1,410,800. This misappropriation of assets was reported in the Management Letter, date December 20, 2020, of the 2019 audit report.

The enclosed report is being early released on June 16, 2021. This report will become public information at that time and available on our website (www.arklegaudit.gov). This report will be presented to the full membership of the Legislative Joint Auditing Committee for its review at 9:00 a.m., Friday, August 13, 2021, in Committee Room A, Mac Building, Little Rock, Arkansas.

Please notify us of action taken by your office, or other outcome regarding this matter, by fax, postal mail, or email to Michelle Atchley at michelle.atchley@arklegaudit.gov.

ARKANSAS LEGISLATIVE AUDIT

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

RAN:cmc
Enclosure

cc: The Honorable Asa Hutchinson, Governor
Office of the Prosecutor Coordinator
The Honorable Marvin Day, County Judge



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



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

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LEGISLATIVE JOINT AUDITING COMMITTEE

ARKANSAS LEGISLATIVE AUDIT

June 11, 2021

The Honorable County Judge and Quorum Court Members
Craighead County, Arkansas

We have audited the regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Craighead County, Arkansas, as of and for the year ended December 31, 2020, and have issued our report thereon dated May 17, 2021. An audit finding is disclosed on page 3 of the enclosed audit report. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 25, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Management has corrected all such misstatements.

In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 17, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Craighead County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CRAIGHEAD COUNTY, ARKANSAS
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Arkansas

Sen. Ronald Caldwell
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Sen. Gary Stubblefield
Senate Vice Chair



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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Craighead County, Arkansas, as of and for the year ended December 31, 2020, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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.

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" paragraph, the 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 Craighead County, Arkansas, as of December 31, 2020, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the 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 Craighead County, Arkansas, as of December 31, 2020, 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.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements. The accompanying supplementary information and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information 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.

The other information has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That 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
May 17, 2021
LOCO01620

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

Craighead 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 accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Craighead County, Arkansas, as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated May 17, 2021. 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.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

2020-1 Arkansas Code requires that County management maintain an adequate accounting system to ensure proper safeguarding of assets.

After a Deputy County Clerk's employment was terminated in October 2019, the County Clerk obtained exclusive authority over the Payroll Clearing Account (Account), creating a lack of segregation of duties over the Account. Subsequently, the County Clerk had sole responsibility for making payments from the Account to various vendors for payroll deductions. This control deficiency was due to management's failure to maintain established controls. After being contacted by a financial institution regarding questionable Account transfers, the County Judge, in conjunction with auditors, determined that 12 unauthorized transfers, totaling \$1,579,057, were made from the Account to the County Clerk's personal account during the period January 23 through June 24, 2020. Also during this period, funds totaling \$168,257 were transferred from the personal account back to the Account, leaving a net shortage of \$1,410,800. This misappropriation of assets was reported in the Management Letter, date December 20, 2020, of the 2019 audit report.

We recommend County management implement procedures to restore segregation of duties over the Payroll Clearing Account. The County adopted Craighead County Ordinance no. 2020-25 (December 29, 2020), which established internal controls by enabling oversight between elected officials' offices.

County Clerk Kade Holliday resigned on June 29, 2020, and was subsequently charged with 11 counts of wire fraud. A trial in federal court has been scheduled for October 18, 2021.

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 the state constitution, laws, regulations, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Internal Control over Financial Reporting section as item 2020-1.

Entity's Response to Findings

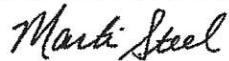
The County's response to the findings identified in our audit is described above. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

We also reported to management of the County in a separate letter dated May 17, 2021.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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



Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
May 17, 2021

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

Craighead 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 2020:

County Judge: Marvin Day
Treasurer: Terry McNatt
Sheriff: Marty Boyd
Tax Collector: Wes Eddington
County Clerk: Kade Holliday (resigned June 29, 2020)
 Lesli Penny (appointed July 27, 2020)
Circuit Clerk: Candace Edwards
Assessor: Hannah Towell
District Court Clerk: Bridget Clift

Other than finding 2020-1 regarding the misstatement of assets from the payroll account as reported in the 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*, no issues came to our attention that we considered necessary of reporting 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 black ink that reads "Marti Steel".

Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
May 17, 2021

CRAIGHEAD COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 10,234,478	\$ 6,247,351	\$ 6,861,594
Accounts receivable	886,038	134,405	639,107
TOTAL ASSETS	\$ 11,120,516	\$ 6,381,756	\$ 7,500,701
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 449,748	\$ 117,330	\$ 410,741
Settlements pending		506	3,096,228
Total Liabilities	449,748	117,836	3,506,969
Fund Balances:			
Restricted			3,658,537
Committed			63,544
Assigned	2,110,786	6,263,920	271,651
Unassigned	8,559,982		
Total Fund Balances	10,670,768	6,263,920	3,993,732
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,120,516	\$ 6,381,756	\$ 7,500,701

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

CRAIGHEAD COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 1,397,470	\$ 3,247,997	\$ 1,646,049
Federal aid	1,933,399		556,876
Property taxes	7,687,225	1,945,623	917,290
Sales taxes	2,086,794	2,086,793	
Fines, forfeitures, and costs	352,800		659,666
Interest	223,642	197,638	104,058
Officers' fees	212,805		1,092,984
Jail fees	3,086,833		206,546
Franchise fees	31,243		
911 fees			74,271
Insurance premiums	49,633		
Treasurer's commission	132,091		86,925
Collector's commission	323,551		348,916
Taxes apportioned - Assessor's salary and expense	1,003,668		
Other	1,516,875	45,106	102,579
TOTAL REVENUES	20,038,029	7,523,157	5,796,160
Less: Treasurer's commission	65,853	36,199	13,355
NET REVENUES	19,972,176	7,486,958	5,782,805
EXPENDITURES			
Current:			
General government	5,777,713		1,363,826
Law enforcement	10,755,033		1,000,221
Highways and streets		6,246,140	40,294
Public safety	201,317		41,022
Health	29,793		1,355,899
Recreation and culture			1,024,962
Social services	208,835		5,997
TOTAL EXPENDITURES	16,972,691	6,246,140	4,832,221

CRAIGHEAD COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,999,485	\$ 1,240,818	\$ 950,584
OTHER FINANCING SOURCES (USES) Transfers in	49,111	(86,962)	86,962
Transfers out			(49,111)
TOTAL OTHER FINANCING SOURCES (USES)	49,111	(86,962)	37,851
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,048,596	1,153,856	988,435
FUND BALANCES - JANUARY 1	7,622,172	5,110,064	3,005,297
FUND BALANCES - DECEMBER 31	\$ 10,670,768	\$ 6,263,920	\$ 3,993,732

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

CRAIGHEAD 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, 2020

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,529,301	\$ 1,397,470	\$ (131,831)	\$ 3,461,772	\$ 3,247,997	\$ (213,775)
Federal aid	74,290	1,933,399	1,859,109			
Property taxes	7,164,630	7,687,225	522,595	1,738,284	1,945,623	207,339
Sales taxes	1,947,158	2,086,794	139,636	1,939,122	2,086,793	147,671
Fines, forfeitures, and costs	501,685	352,800	(148,885)			
Interest	96,106	223,642	127,536	107,664	197,638	89,974
Officers' fees	206,162	212,805	6,643			
Jail fees	3,336,057	3,086,833	(249,224)			
Franchise fees	33,216	31,243	(1,973)			
Insurance premiums	45,289	49,633	4,344			
Treasurer's commission	198,639	132,091	(66,548)	215,326		(215,326)
Collector's commission	489,361	323,551	(165,810)			
Taxes apportioned - Assessor's salary and expense	924,988	1,003,668	78,680			
Other	1,553,086	1,516,875	(36,211)		45,106	45,106
TOTAL REVENUES	18,099,968	20,038,029	1,938,061	7,462,168	7,523,157	60,989
Less: Treasurer's commission		65,853	(65,853)		36,199	(36,199)
NET REVENUES	18,099,968	19,972,176	1,872,208	7,462,168	7,486,958	24,790
EXPENDITURES						
Current:						
General government	6,729,748	5,777,713	952,035			
Law enforcement	11,586,580	10,755,033	831,547			
Highways and streets				7,721,506	6,246,140	1,475,366
Public safety	182,438	201,317	(18,879)			
Health	59,301	29,793	29,508			
Social services	222,052	208,835	13,217			
TOTAL EXPENDITURES	18,780,119	16,972,691	1,807,428	7,721,506	6,246,140	1,475,366

CRAIGHEAD 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, 2020

Exhibit C

	General		Variance Favorable (Unfavorable)	Road		Variance Favorable (Unfavorable)
	Budget	Actual		Budget	Actual	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (680,151)	\$ 2,999,485	\$ 3,679,636	\$ (259,338)	\$ 1,240,818	\$ 1,500,156
OTHER FINANCING SOURCES (USES)						
Transfers in	49,111	49,111				
Transfers out	250,000		(250,000)	(86,962)	(86,962)	
TOTAL OTHER FINANCING SOURCES (USES)	299,111	49,111	(250,000)	(86,962)	(86,962)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(381,040)	3,048,596	3,429,636	(346,300)	1,153,856	1,500,156
FUND BALANCES - JANUARY 1	1,200,000	7,622,172	6,422,172	1,125,000	5,110,064	3,985,064
FUND BALANCES - DECEMBER 31	\$ 818,960	\$ 10,670,768	\$ 9,851,808	\$ 778,700	\$ 6,263,920	\$ 5,485,220

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

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

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.

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.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

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 and savings accounts, and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, state aid, and commissions that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

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.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 1,524,898	\$ 1,826,076
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	21,816,220	28,021,034
Total Deposits	<u>\$ 23,341,118</u>	<u>\$ 29,847,110</u>

The above total deposits do not include cash on hand of \$2,305.

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.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2020, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid			\$ 291,836
Federal aid	\$ 41,056		35,066
Property taxes	85,202	\$ 12,413	7,632
Fines, forfeitures, and costs	23,337		44,555
Interest			289
Officers' fees	64,952		93,585
Jail fees	125,848		23,440
Franchise fees	26,352		6,062
Insurance premiums	1,601		
Treasurer's commission	132,091		86,925
Collector's commission	14,587		
Taxes apportioned - Assessor's salary and expense	5,296		
Other	151,976	4,402	6,376
Treasurer's commission charged	213,740	117,590	43,341
Totals	<u>\$ 886,038</u>	<u>\$ 134,405</u>	<u>\$ 639,107</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2020, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 449,748</u>	<u>\$ 117,330</u>	<u>\$ 410,741</u>

NOTE 6: Federal Funds Program Compliance

As of report date, Craighead County's federal grants were in the process of being audited in accordance with federal program requirements, therefore, any instances of noncompliance with federal grant requirements had not been determined. Disbursements that are not in accordance with federal program requirements are subject to reimbursement by the County.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2020, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,477,450
Law enforcement			1,766,249
Public safety			64,936
Health			334,716
Recreation and culture			15,183
Social services			3
Total Restricted			<u>3,658,537</u>
Committed for:			
Health			63,542
Capital outlay			2
Total Committed			<u>63,544</u>
Assigned to:			
General government	\$ 2,110,786		123,442
Law enforcement			85,096
Highways and streets		\$ 6,263,920	52,944
Public safety			10,169
Total Assigned	<u>2,110,786</u>	<u>6,263,920</u>	<u>271,651</u>
Unassigned	<u>8,559,982</u>		
Totals	<u>\$ 10,670,768</u>	<u>\$ 6,263,920</u>	<u>\$ 3,993,732</u>

NOTE 8: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2020, the legal debt limit for bonded debt was \$193,302,650. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2020, the legal debt limit for short-term financing obligations was \$50,478,311. There were no short-term financing obligations.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9: Commitments

Total commitments consist of the following at December 31, 2020:

	December 31, 2020
	<hr/>
Long-term liabilities	<u>\$ 1,410,424</u>

Long-term Liabilities

Long-term liabilities at December 31, 2020, are comprised of the following:

	December 31, 2020
	<hr/>
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost.	<u>\$ 1,410,424</u>

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

Post Employment Benefits Other Than Pensions

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

NOTE 10: Interfund Transfers

The Road Fund transferred \$86,962 to the Other Funds in the Aggregate (Hazard Mitigation Project County Road 312 and Hazard Mitigation Project County Road 780) for operating purposes due to assigned balance. Other Funds in the Aggregate transferred \$49,111 (Crisis Stabilization Unit Grant \$44,158 and Crisis Stabilization Unit \$4,953) to the General Fund for prior year expense reimbursement.

NOTE 11: Joint Venture: Regional Library

A. Craighead County – Jonesboro Public Library

Craighead County and the City of Jonesboro entered into an agreement in July 1941 in accordance with Ark. Code Ann. § 13-2-401 to establish the Craighead County – Jonesboro Public Library. The agreement states that resources would be consolidated in order to provide more complete, efficient, and economical services. The County and City were given equal representation on the library board and each entity retained title to all books, bookcases, shelves, desks, etc. that were moved to the Craighead County – Jonesboro Public Library location. Contact the Craighead County – Jonesboro Public Library at 315 West Oak Avenue, Jonesboro, Arkansas 72401 to obtain financial statements.

B. Crowley's Ridge Regional Library

Craighead and Poinsett Counties entered into an agreement on February 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Crowley's Ridge Regional Library. The agreement states that each county shall provide its own quarters and that county and branch library staff members are to be employed by the county library boards with salaries to be paid from county library funds. The Craighead County librarian shall serve as the regional librarian and may employ a regional staff with the salaries being provided from the regional funds. The Arkansas Library Commission shall supervise the Crowley's Ridge Regional Library for the period of this agreement. Contact the Crowley's Ridge Regional Library at 315 West Oak Avenue, Jonesboro, Arkansas 72401 to obtain financial statements.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 12: Interlocal Agreement

Craighead County Regional Crisis Stabilization Unit

The Counties of Clay, Craighead, Crittenden, Cross, Fulton, Greene, Independence, Izard, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Randolph, Sharp, St. Francis, White, and Woodruff and the Cities of Ash Flat, Augusta, Bald Knob, Batesville, Blytheville, Brinkley, Clarendon, Forrest City, Harrisburg, Helena-West Helena, Hoxie, Jonesboro, Marianna, Marion, Marmaduke, Melbourne, Newport, Osceola, Paragould, Pocahontas, Salem, Searcy, Trumann, Walnut Ridge, West Memphis, and Wynne entered into an agreement for the purpose of establishing and funding the operations of the Craighead County Regional Crisis Stabilization unit (CCRCSU).

The Counties and Cities desire to enter into a contractual agreement whereby County and City funds are made available to Craighead County to assist in the maintenance and operations of the CCRCSU. To help defray maintenance and operation costs of the CCRCSU the Counties and Cities agree to pay \$30 per day, up to the length of stay, for each individual they deliver for treatment. The Craighead County Judge shall review the reimbursement amount annually and send notice of modifications by November 1 of each year. Craighead County shall send an itemized bill to each County and City by the tenth day of each month. The CCRCSU began taking patients in September 2019. The County did not receive any reimbursement payments in 2020.

The County has contracted with the Mid-South Health Systems, Inc to provide medical services to the CCRCSU. The County paid Mid-South Health Systems, Inc. \$1,310,642 in 2020.

NOTE 13: Risk Management

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

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

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

Vehicle Program

A. **Liability** - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.

B. **Physical Damage** - This program covers vehicles (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board. Each county also agrees to pay the first \$500 of the aggregate cost for all expenses on each lawsuit.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 13: Risk Management (Continued)

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

NOTE 14: 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, 2020 (date of APERS Employer Allocation Report) were \$1,893,799.

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, 2020 (actuarial valuation date and measurement date) was \$18,142,161.

NOTE 15: 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). On November 30, 2020, the County received \$1,833,223 in federal aid from the Coronavirus Aid, Relief and Economic Securities (CARES) Act. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Western District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Child Support Cost
ASSETS									
Cash and cash equivalents	\$ 78,241	\$ 506,968	\$ 277,235	\$ 118,792	\$ 138,663	\$ 48,692	\$ 529,535	\$ 70,862	\$ 24,472
Accounts receivable	86,925	170	3,050	5,560	554	5,471	103,783	22,661	318
TOTAL ASSETS	\$ 165,166	\$ 507,138	\$ 280,285	\$ 124,352	\$ 139,217	\$ 54,163	\$ 633,318	\$ 93,523	\$ 24,790
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 2,583	\$ 6,308	\$ 397	\$ 3,475		\$ 2,583	\$ 27,024	\$ 78,100	\$ 1,134
Settlements pending								240	
Total Liabilities	2,583	6,308	397	3,475		2,583	27,024	78,340	1,134
Fund Balances:									
Restricted	162,583	500,830	279,888	120,877	\$ 139,217	51,580	529,745	15,183	23,656
Committed									
Assigned									
Total Fund Balances	162,583	500,830	279,888	120,877	139,217	51,580	76,549	15,183	23,656
TOTAL LIABILITIES AND FUND BALANCES	\$ 165,166	\$ 507,138	\$ 280,285	\$ 124,352	\$ 139,217	\$ 54,163	\$ 633,318	\$ 93,523	\$ 24,790

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

SPECIAL REVENUE FUNDS

	Communication Facility and Equipment	Drug Control	Jail Operation and Maintenance	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	Public Defender	Indigent Criminal Defense
ASSETS									
Cash and cash equivalents	\$ 511,396	\$ 11,934	\$ 147,754	\$ 8,969	\$ 47,710	\$ 38,647	\$ 37,112	\$ 45,404	\$ 192,825
Accounts receivable	25,492	6	22,149	969	137	7,212	1,040	61	7,676
TOTAL ASSETS	\$ 536,888	\$ 11,940	\$ 169,903	\$ 9,938	\$ 47,847	\$ 45,859	\$ 38,152	\$ 45,465	\$ 200,501
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 140					\$ 871			\$ 2,495
Settlements pending						871			2,495
Total Liabilities									
Fund Balances:									
Restricted	536,748	\$ 11,940	\$ 102,782	\$ 5,472	\$ 47,847	34,819	\$ 38,152	\$ 45,465	198,006
Committed			67,121	4,466		10,169			
Assigned	536,748	11,940	169,903	9,938	47,847	44,988	38,152	45,465	198,006
Total Fund Balances	\$ 536,888	\$ 11,940	\$ 169,903	\$ 9,938	\$ 47,847	\$ 45,859	\$ 38,152	\$ 45,465	\$ 200,501
TOTAL LIABILITIES AND FUND BALANCES									

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

Schedule 1

SPECIAL REVENUE FUNDS

	Adult Drug Court	Public Safety	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	District Court Specialty Court	Juvenile Court Drug Court Fee	Sheriff's Drug Abuse Resistance Education	Sheriff Federal Drug Forfeiture
ASSETS									
Cash and cash equivalents	\$ 5,366	\$ 4,038	\$ 46,225	\$ 25,107	\$ 56,529	\$ 841	\$ 1,471	\$ 29,919	\$ 15,272
Accounts receivable	32	37	6,417	526	344	9	30	16	8
TOTAL ASSETS	\$ 5,398	\$ 4,075	\$ 52,642	\$ 25,633	\$ 56,873	\$ 850	\$ 1,501	\$ 29,935	\$ 15,280
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 184		\$ 204	\$ 109			\$ 74	\$ 75	
Settlements pending									
Total Liabilities	184		204	109			74	75	
Fund Balances:									
Restricted	5,214	\$ 4,075	52,438	25,524	\$ 10,002	\$ 850	1,427	29,860	\$ 15,280
Committed									
Assigned					46,871				
Total Fund Balances	5,214	4,075	52,438	25,524	56,873	850	1,427	29,860	15,280
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,398	\$ 4,075	\$ 52,642	\$ 25,633	\$ 56,873	\$ 850	\$ 1,501	\$ 29,935	\$ 15,280

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

SPECIAL REVENUE FUNDS

	Eastern District Court Automation	County Jail	Juvenile Detention Facilities Grant	Adult Drug Court Grant	Veterans Coronavirus Aid, Relief, and Economic Security Grant	Rural Community Grant - Southridge Fire District	Success Through Addiction Recovery Court Grant	Hazard Mitigation Project Grant - County Road 312	Hazard Mitigation Project Grant - County Road 780
ASSETS									
Cash and cash equivalents	\$ 13,435	\$ 202,572	\$ 40,528	\$ 569	\$ 4,996	\$ 15,034	\$ 1,114	\$ 93	\$ 47,400
Accounts receivable	501	10,876	19			1		5,440	11
TOTAL ASSETS	\$ 13,936	\$ 213,448	\$ 40,547	\$ 569	\$ 4,996	\$ 15,035	\$ 1,114	\$ 5,533	\$ 47,411
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable					\$ 4,993		\$ 1,114		
Settlements pending					4,993		1,114		
Total Liabilities									
Fund Balances:									
Restricted	\$ 13,936	\$ 199,939	\$ 40,547	\$ 569	3	\$ 15,035		\$ 5,533	\$ 47,411
Committed									
Assigned		13,509							
Total Fund Balances	13,936	213,448	40,547	569	3	15,035		5,533	47,411
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,936	\$ 213,448	\$ 40,547	\$ 569	\$ 4,996	\$ 15,035	\$ 1,114	\$ 5,533	\$ 47,411

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

Schedule 1

SPECIAL REVENUE FUNDS

	Accountability Court Grant - Veterans Diversion	Center for Tech and Civic Life Coronavirus Response Grant	Coronavirus Preparedness Grant	Accountability Court Grant - Sobriety	District Court Driving While Intoxicated Court Grant	Juvenile Officer Grant	Accountability Court Grant - Mental Health	Court Improvement Program Grant
ASSETS								
Cash and cash equivalents	\$ 2	\$ 36,922	\$ (351)	\$ 19	\$ 17			\$ 1,314
Accounts receivable	430	7	682	3,164		1	\$ 2,655	
TOTAL ASSETS	\$ 432	\$ 36,929	\$ 331	\$ 3,183	\$ 17	1	\$ 2,655	\$ 1,314
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 430	\$ 2,616	\$ 76	\$ 3,164			\$ 2,655	
Settlements pending								
Total Liabilities	430	2,616	76	3,164			2,655	
Fund Balances:								
Restricted	2	34,313	255	19	17	1		\$ 1,314
Committed								
Assigned								
Total Fund Balances	2	34,313	255	19	17	1		1,314
TOTAL LIABILITIES AND FUND BALANCES	\$ 432	\$ 36,929	\$ 331	\$ 3,183	\$ 17	1	\$ 2,655	\$ 1,314

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUND
	Northeast Arkansas Veterans Court Expansion	Arkansas Historic Preservation Program Grant	Crisis Stabilization Unit Grant	Rural Community Grant - Brookland Fire District	Project Lifesaver (Alzheimer's)	Arkansas Mental Health Court Expansion Project	Courthouse Security Grant	
ASSETS								
Cash and cash equivalents	\$ 17	\$ 22	\$ 367,727	\$ 15,081	\$ 1	\$ 29	\$ 200	
Accounts receivable	13,604		280,276	1		19,667	3	\$ 2
TOTAL ASSETS	\$ 13,621	\$ 22	\$ 648,003	\$ 15,082	\$ 1	\$ 19,696	\$ 203	\$ 2
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 9,272		\$ 250,000			\$ 10,665		
Settlements pending								
Total Liabilities	9,272		250,000			10,665		
Fund Balances:								
Restricted	4,349		334,461	\$ 15,082	\$ 1	9,031	\$ 203	\$ 2
Committed			63,542					
Assigned		\$ 22						
Total Fund Balances	4,349	22	398,003	15,082	1	9,031	203	2
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,621	\$ 22	\$ 648,003	\$ 15,082	\$ 1	\$ 19,696	\$ 203	\$ 2

CRAIGHEAD COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2020

Schedule 1

CUSTODIAL FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	Juvenile Probation Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 1,155,466	\$ 546,936	\$ 309,716	\$ 211,537	\$ 578,392	\$ 293,866	\$ 75	\$ 6,861,594
Accounts receivable								639,107
TOTAL ASSETS	\$ 1,155,466	\$ 546,936	\$ 309,716	\$ 211,537	\$ 578,392	\$ 293,866	\$ 75	\$ 7,500,701
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 410,741
Settlements pending	\$ 1,155,466	\$ 546,936	\$ 309,716	\$ 211,537	\$ 578,392	\$ 293,866	\$ 75	\$ 3,096,228
Total Liabilities	1,155,466	546,936	309,716	211,537	578,392	293,866	75	3,506,969
Fund Balances:								
Restricted								3,658,537
Committed								63,544
Assigned								271,651
Total Fund Balances								3,993,732
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,155,466	\$ 546,936	\$ 309,716	\$ 211,537	\$ 578,392	\$ 293,866	\$ 75	\$ 7,500,701

CRAIGHEAD 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, 2020

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Western District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	
REVENUES									
State aid					\$ 31,569			\$ 116,806	
Federal aid									
Property taxes			\$ 43,314	\$ 64,061				912,469	
Fines, forfeitures, and costs			8,995	3,374	4,673	\$ 1,312	\$ 15,694	1,439	
Interest	\$ 4,081	\$ 11,086				58,967	974,330		
Officers' fees									
Jail fees									
911 fees	86,925								
Treasurer's commission		348,916							
Collector's commission	171	549		16	5	146	1,620		
Other	91,177	360,551	52,309	67,451	36,247	60,425	991,644	1,030,714	
TOTAL REVENUES			257	326	171	286	4,559	4,707	
Less: Treasurer's commission	91,177	360,498	52,052	67,125	36,076	60,139	987,085	1,026,007	
NET REVENUES									
EXPENDITURES									
Current:									
General government	115,227	366,577	37,043	25,172		47,032	779,419		
Law enforcement									
Highways and streets									
Public safety									
Health									1,024,962
Recreation and culture									
Social services									
TOTAL EXPENDITURES									
EXCESS OF REVENUES OVER (UNDER)	115,227	366,577	37,043	25,172		47,032	779,419	1,024,962	
EXPENDITURES	(24,050)	(6,079)	15,009	41,953	36,076	13,107	207,666	1,045	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)	(24,050)	(6,079)	15,009	41,953	36,076	13,107	207,666	1,045	
EXPENDITURES AND OTHER USES									
FUND BALANCES - JANUARY 1	186,633	506,909	264,879	78,924	103,141	38,473	398,628	14,138	
FUND BALANCES - DECEMBER 31	\$ 162,583	\$ 500,830	\$ 279,888	\$ 120,877	\$ 139,217	\$ 51,580	\$ 606,294	\$ 15,183	

CRAIGHEAD COUNTY, ARKANSAS
 SCHEDULE 2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2020

SPECIAL REVENUE FUNDS									
REVENUES	Child Support Cost	Communication Facility and Equipment	Drug Control	Jail Operation and Maintenance	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	
State aid						\$ 7,447			
Federal aid									
Property taxes									
Fines, forfeitures, and costs				\$ 289,044	\$ 18,535			\$ 12,390	
Interest	\$ 557	\$ 11,895	\$ 405	\$ 5,529	351	1,492	\$ 921	\$ 1,656	
Officers' fees	17,928	21,588							
Jail fees		206,546							
911 fees							74,271		
Treasurer's commission									
Collector's commission									
Other	11	696							
TOTAL REVENUES	18,496	240,525	405	294,573	18,886	8,939	75,192	15,138	
Less: Treasurer's commission	87	632	2	1,438	91	42	355	32	
NET REVENUES	18,409	239,893	403	293,135	18,795	8,897	74,837	15,106	
EXPENDITURES									
Current:									
General government	4,011								
Law enforcement		125,083		326,487	16,527			27,999	
Highways and streets									
Public safety						40,018			
Health									
Recreation and culture									
Social services									
TOTAL EXPENDITURES	4,011	125,083		326,487	16,527				
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	14,398	114,810	403	(33,352)	2,268	8,897	34,819	(12,893)	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)	14,398	114,810	403	(33,352)	2,268	8,897	34,819	(12,893)	
EXPENDITURES AND OTHER USES									
FUND BALANCES - JANUARY 1	9,258	421,938	11,537	203,255	7,670	38,950	10,169	51,045	
FUND BALANCES - DECEMBER 31	\$ 23,656	\$ 536,748	\$ 11,940	\$ 189,903	\$ 9,938	\$ 47,847	\$ 44,988	\$ 38,152	

CRAIGHEAD 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, 2020

	SPECIAL REVENUE FUNDS							
	Public Defender	Indigent Criminal Defense	Adult Drug Court	Public Safety	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	District Court Specialty Court
REVENUES								
State aid								
Federal aid								
Property taxes							\$ 4,821	\$ 450
Fines, forfeitures, and costs	2,522	90,981	1,950	323				
Interest	1,506	6,452	156	135	\$ 1,491	\$ 809	1,829	21
Officers' fees					15,308	2,978		
Jail fees								
911 fees								
Treasurer's commission								
Collector's commission								
Other		7,305	1	3	6,475		10	2
TOTAL REVENUES	4,028	104,738	2,107	461	23,274	3,787	6,660	473
Less: Treasurer's commission	19	31	10	2	79	18	31	2
NET REVENUES	4,009	104,707	2,097	459	23,195	3,769	6,629	471
EXPENDITURES								
Current:								
General government						519		203
Law enforcement		89,415	446	169	10,583			
Highways and streets								
Public safety								
Health								
Recreation and culture								
Social services								
TOTAL EXPENDITURES								
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,009	15,292	1,651	290	12,612	3,250	6,629	268
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	4,009	15,292	1,651	290	12,612	3,250	6,629	268
FUND BALANCES - JANUARY 1	41,456	182,714	3,563	3,785	39,826	22,274	50,244	582
FUND BALANCES - DECEMBER 31	\$ 45,465	\$ 198,006	\$ 5,214	\$ 4,075	\$ 52,438	\$ 25,524	\$ 56,873	\$ 850

CRAIGHEAD 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, 2020

Schedule 2

SPECIAL REVENUE FUNDS									
	Juvenile Court Drug Court Fee	Sheriff's Drug Abuse Resistance Education	Sheriff Federal Drug Forfeiture	Eastern District Court Automation	County Jail	Juvenile Detention Facilities Grant	Adult Drug Court Grant	Veterans Coronavirus Aid, Relief, and Economic Security Grant	
REVENUES									
State aid						\$ 31,167			
Federal aid									
Property taxes									
Fines, forfeitures, and costs				\$ 6,363	\$ 129,733				
Interest	\$ 56	\$ 1,069	\$ 519	382	4,755	1,242	\$ 19		
Officers' fees	1,885								
Jail fees									
911 fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	1,941	1,069	519	6,745	144,793	32,670	19	4,996	
Less: Treasurer's commission	9	5	3	33	22	6			
NET REVENUES	1,932	1,064	516	6,712	144,771	32,664	19	4,996	
EXPENDITURES									
Current:									
General government									
Law enforcement	2,177	2,390		1,150		36,768			
Highways and streets									
Public safety									
Health									
Recreation and culture									
Social services								4,993	
TOTAL EXPENDITURES	2,177	2,390		1,150		36,768		4,993	
EXCESS OF REVENUES OVER (UNDER)	(245)	(1,326)	516	5,562	144,771	(4,104)	19	3	
EXPENDITURES									
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)	(245)	(1,326)	516	5,562	144,771	(4,104)	19	3	
EXPENDITURES AND OTHER USES									
FUND BALANCES - JANUARY 1	1,672	31,186	14,764	8,374	68,677	44,651	550		
FUND BALANCES - DECEMBER 31	\$ 1,427	\$ 29,860	\$ 15,280	\$ 13,936	\$ 213,448	\$ 40,547	\$ 569	\$ 3	

CRAIGHEAD 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, 2020

	SPECIAL REVENUE FUNDS									
	Rural Community Grant - Southridge Fire District	Success Through Addition Recovery Court Grant	Hazard Mitigation Project Grant - County Road 312	Hazard Mitigation Project Grant - County Road 780	Accountability Court Grant - Veterans Diversion	Center for Tech and Civic Life Coronavirus Response Grant	Coronavirus Preparedness Grant	Blue and You Foundation Mini- Grant		
REVENUES										
State aid	\$ 14,995	\$ 1,114	\$ 5,438		\$ 3,471		\$ 45,480			
Federal aid										
Property taxes										
Fines, forfeitures, and costs	40		88	\$ 705	2	\$ 491	18	\$ 34		
Interest										
Officers' fees										
Jail fees										
911 fees										
Treasurer's commission										
Collector's commission										
Other										
TOTAL REVENUES	15,035	1,114	5,526	705	3,473	59,856	14	9,000		
Less: Treasurer's commission						2				
NET REVENUES	15,035	1,114	5,526	702	3,473	60,345	45,512	9,034		
EXPENDITURES										
Current:										
General government						26,032		3,009		
Law enforcement		1,114			3,471			4,017		
Highways and streets			10,870	29,376				1,004		
Public safety										
Health										
Recreation and culture								45,257		
Social services										
TOTAL EXPENDITURES		1,114	10,870	29,376		26,032		1,004		
EXCESS OF REVENUES OVER (UNDER)										
EXPENDITURES	15,035		(5,344)	(28,674)	2	34,313	255			
OTHER FINANCING SOURCES (USES)										
Transfers in			10,877	76,085						
Transfers out										
TOTAL OTHER FINANCING SOURCES (USES)			10,877	76,085						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)	15,035		5,533	47,411	2	34,313	255			
EXPENDITURES AND OTHER USES										
FUND BALANCES - JANUARY 1										
FUND BALANCES - DECEMBER 31	\$ 15,035	\$ 0	\$ 5,533	\$ 47,411	\$ 2	\$ 34,313	\$ 255	\$ 0		

CRAIGHEAD 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, 2020

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS FUND	
	Rural Community Grant - Brookland Fire District	Culverts Mitigation Grant Project - County Road 315	Project Lifesaver (Alzheimer's)	Culverts Mitigation Grant Project - County Road 155 and 160	Northeast Arkansas Mental Health Court Expansion Project	Courthouse Security Grant	Crisis Stabilization Unit	Totals
REVENUES								
State aid	\$ 15,000				\$ 141,888	\$ 15,000		\$ 1,646,049
Federal aid								556,876
Property taxes								917,290
Fines, forfeitures, and costs								659,666
Interest	40				29	199	\$ 151	104,058
Officers' fees								1,092,984
Jail fees								206,546
911 fees								74,271
Treasurer's commission								86,925
Collector's commission								348,916
Other								102,579
TOTAL REVENUES	15,040				141,917	15,199	151	5,796,160
Less: Treasurer's commission						1	1	13,355
NET REVENUES	15,040				141,917	15,198	150	5,782,805
EXPENDITURES								
Current:								
General government								1,363,826
Law enforcement								1,000,221
Highways and streets				\$ 32	132,887	14,995		40,294
Public safety								41,022
Health								1,355,899
Recreation and culture								1,024,962
Social services								5,997
TOTAL EXPENDITURES								4,832,221
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES								
	15,040				132,887	14,995	150	950,584
OTHER FINANCING SOURCES (USES)								
Transfers in								86,962
Transfers out								(49,111)
TOTAL OTHER FINANCING SOURCES (USES)								37,851
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	15,040	(16)		(32)	9,030	203	(4,803)	988,435
FUND BALANCES - JANUARY 1	42	16	\$ 1	32	1		4,805	3,005,297
FUND BALANCES - DECEMBER 31	\$ 15,082	\$ 0	\$ 1	\$ 0	\$ 9,031	\$ 203	\$ 2	\$ 3,993,732

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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.
Western District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Operation and Maintenance	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	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.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Indigent Criminal Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense an representation of indigent person.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Juvenile Probation Fee	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
District Court Specialty Court	Ark. Code Ann. § 16-10-141 established fund to receive district court cost and fees - specialty courts.
Juvenile Court Drug Court Fee	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Sheriff's Drug Abuse Resistance Education	Established to account for donations of education against drug abuse.
Sheriff Federal Drug Forfeiture	Established to receive federal asset forfeitures resulting from drug offense cases to be used for law enforcement purposes.
Eastern District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
County Jail	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for county jail.
Juvenile Detention Facilities Grant	Established to account for a grant received from the Department of Finance and Administration to supplement the operations of the juvenile detention center and holdover facility.
Adult Drug Court Grant	Established to account for grant received from United States Department of Justice to provide assistance to implement treatment drug courts.
Veterans Coronavirus Aid, Relief, and Economic Security Grant	Established to account for grant received from Mid South Health Systems to provide direct support to veterans and their families with necessities such as food and clothing.
Rural Community Grant - Southridge Fire District	Established to account for grant received from Arkansas Economic Development Grant Program for the purchase of protective equipment for the Southridge Fire District.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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

<u>Fund Name</u>	<u>Fund Description</u>
Success Through Addiction Recovery Court Grant	Established to account for grant received from United States Department of Justice to expand the Craighead County Success Through Addiction Recovery Program.
Hazard Mitigation Project Grant - County Road 312	Established to account for grant received from Arkansas Department of Emergency Management, State Hazard Mitigation Grant Program for installing culverts on County Road 312.
Hazard Mitigation Project Grant - County Road 780	Established to account for grant received from Arkansas Department of Emergency Management, State Hazard Mitigation Grant Program for installing culverts on County Road 780.
Accountability Court Grant - Veterans Diversion	Ark. Code Ann. § 16-10-139 established fund to receive funds from the Arkansas Community Correction Accountability Court Grant for a Veteran's Court Program.
Center for Tech and Civic Life Coronavirus Response Grant	Established to account for grant received from Center for Tech and Civic Life for planning and operationalizing safe and secure election administration.
Coronavirus Preparedness Grant	Established to account for grant received from United States Department of Justice to prevent, prepare for, and respond to the Coronavirus.
Blue and You Foundation Mini-Grant	Established to account for grants received from the Blue and You Foundation for a Healthier Arkansas to purchase portable Automated External Defibrillators to be placed in offices, departments, and a County Deputy Sheriff vehicle.
Accountability Court Grant - Sobriety	Established to receive funds from the Arkansas Community Correction Accountability Court Grant for a Sobriety Court Program.
District Court Driving While Intoxicated Court Grant	Established to account for grants received from United States Department of Transportation to provide training to implement a driving while intoxicated court.
Juvenile Officer Grant	Established to account for grant received from Arkansas Administrative Office of the Courts to purchase equipment and supplies to allow contact to the county database, Court Connect, and Contexte.
Accountability Court Grant - Mental Health	Established to receive funds from the Arkansas Community Correction Accountability Court Grant for the Mental Health Court Program.
Court Improvement Program Grant	Established to account for grants received from Court Improvement Program (CIP) designed to improve the quality of court proceedings in child abuse and neglect cases.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Officer Grant	Established to account for grant received from Arkansas Administrative Office of the Courts to purchase equipment and supplies to allow contact to the county database, Court Connect, and Contexte.
Accountability Court Grant - Mental Health	Established to receive funds from the Arkansas Community Correction Accountability Court Grant for the Mental Health Court Program.
Court Improvement Program Grant	Established to account for grants received from Court Improvement Program (CIP) designed to improve the quality of court proceedings in child abuse and neglect cases.
Northeast Arkansas Veterans Court Expansion	Established to account for grant received from United States Department of Justice, Adult Drug Court Discretionary Grant Program to implement and enhance the operations of the Northeast Arkansas Veterans Court.
Arkansas Historic Preservation Program Grant	Established to account for a grant received from Arkansas Historic Preservation Program to preserve the state's historic resources.
Crisis Stabilization Unit Grant	Craighead County Ordinance no. 2019-11 (May 28, 2019) established fund for designating County revenues to be appropriated for cost of furnishing, initial start-up, training, and other costs related to operating the facility. This fund also receives state and federal grants to establish and maintain facility.
Rural Community Grant - Brookland Fire District	Established to account for grant received from the Arkansas Rural Community Grant Program for the purchase of protective equipment for the Brookland Fire District.
Culverts Mitigation Grant Project - County Road 315	Established to account for grant received from Arkansas Department of Emergency Management, State Hazard Mitigation Grant Program for installing culverts on County Road 315.
Project Lifesaver (Alzheimer's)	Established to account for donations and grants received in conjunction with Act 92 of 2009, which was approved to establish a task force on the effect of Alzheimer's disease and other cognitive disorders. Use of funds may include purchasing and maintenance of equipment, administrative costs, programming, additional manpower, training, record keeping, and other duties that are directly related to this program.
Culverts Mitigation Grant Project - County Road 155 and 160	Established to account for grant received from Arkansas Department of Emergency Management, State Hazard Mitigation Grant Program for installing culverts on County Road 155 and County Road 160.

CRAIGHEAD COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2020

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

<u>Fund Name</u>	<u>Fund Description</u>
Crisis Stabilization Unit	Craighead County Ordinance no 2019-3A (February 11, 2019) established fund to pay for constructing and equipping the new Crisis Stabilization Unit facility.
Treasurer's accounts consist primarily of property taxes, treasurer's commission, and interest not distributed to the appropriate agencies.	
Collector's accounts consist primarily of property 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 fee money to be settled with the treasurer and probate and payroll money to be disbursed to appropriate entities.	
Circuit Clerk's accounts consist of trust money and circuit bond money awaiting disposition by the applicable court and settlements due to the Treasurer.	
District Court accounts consist primarily of fines and costs not yet distributed to the county and/or state.	
Juvenile Probation office accounts consist primarily of juvenile fees not yet remitted to the treasurer and restitution not yet paid to individuals.	

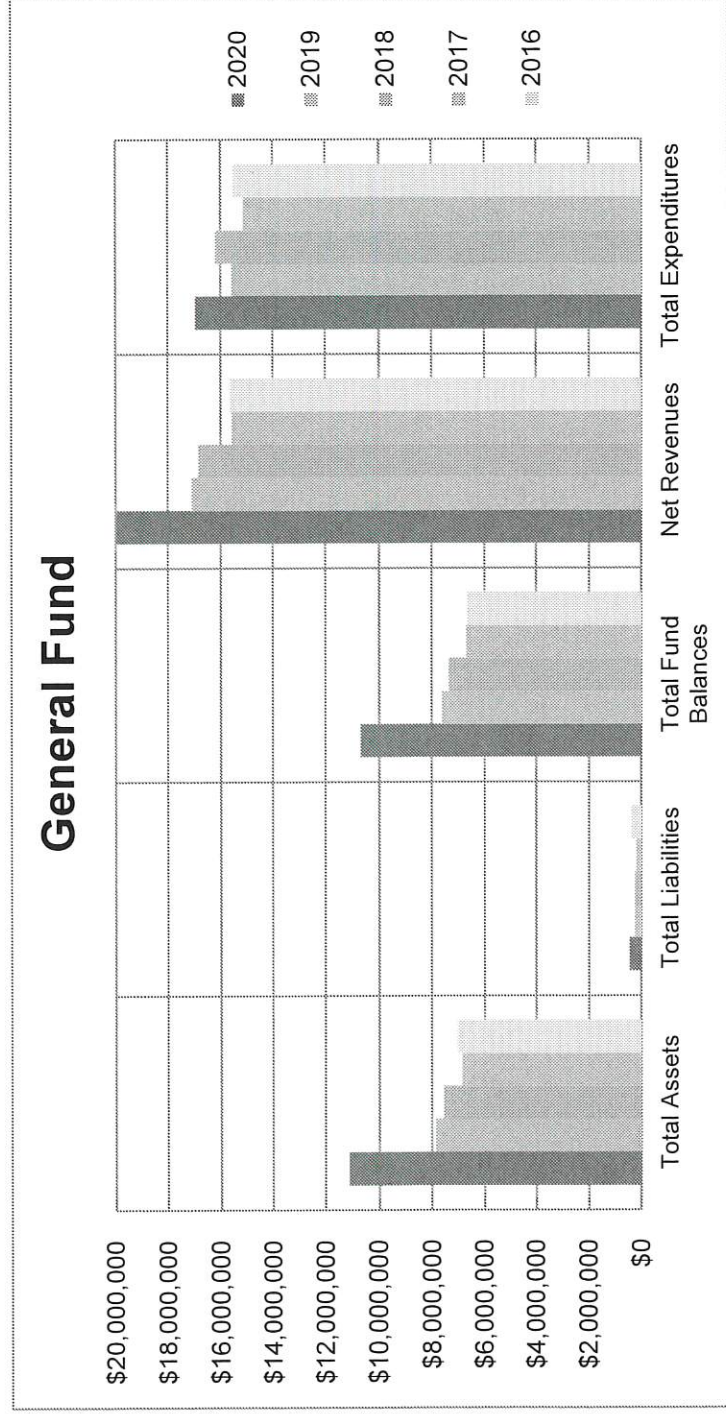
CRAIGHEAD COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2020
(Unaudited)

Schedule 3

	<u>December 31, 2020</u>
Land	\$ 1,241,769
Buildings	21,486,248
Equipment	<u>14,063,725</u>
Total	<u>\$ 36,791,742</u>

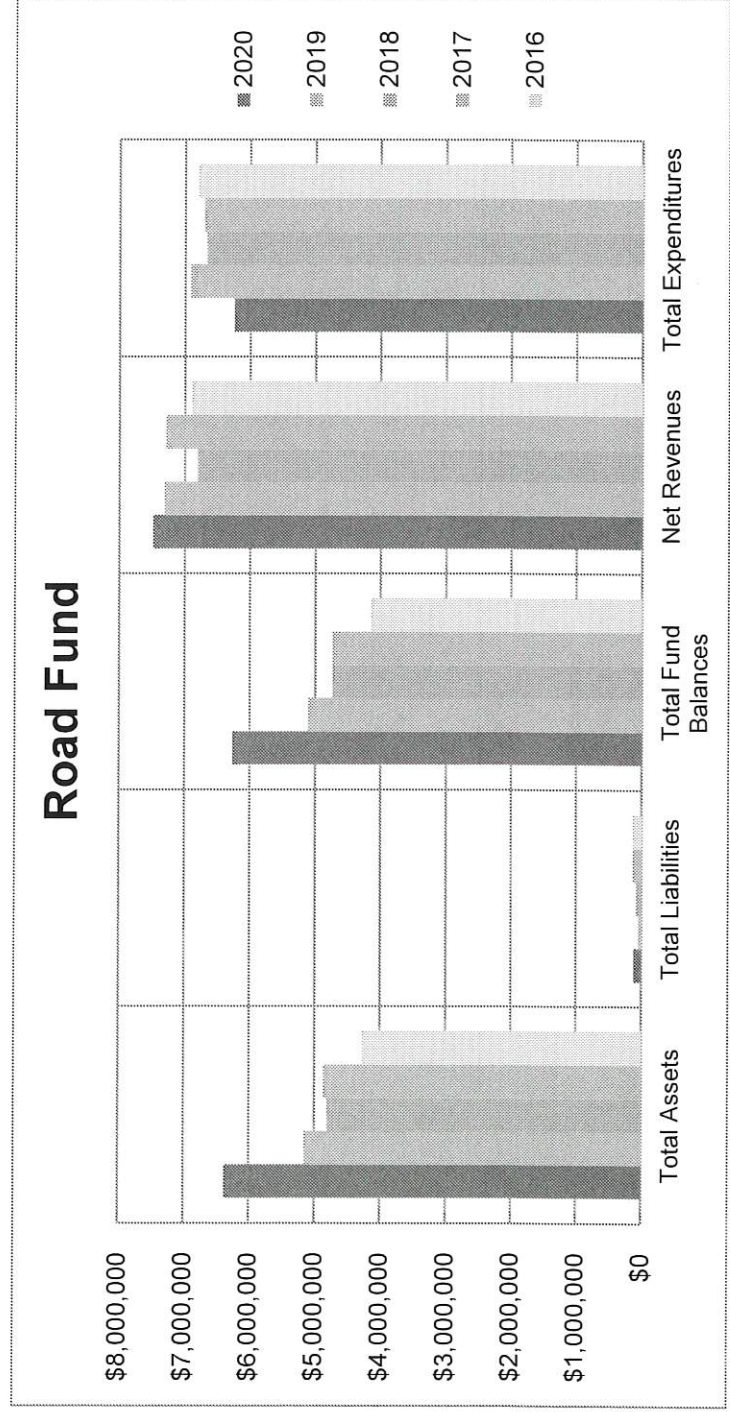
CRAIGHEAD COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
DECEMBER 31, 2020
(Unaudited)

<u>General</u>	2020	2019	2018	2017	2016
Total Assets	\$ 11,120,516	\$ 7,868,561	\$ 7,566,077	\$ 6,843,076	\$ 7,022,169
Total Liabilities	449,748	246,389	225,419	175,662	392,975
Total Fund Balances	10,670,768	7,622,172	7,340,658	6,667,414	6,629,194
Net Revenues	19,972,176	17,101,212	16,883,416	15,570,842	15,650,128
Total Expenditures	16,972,691	15,562,221	16,185,176	15,110,311	15,501,838
Total Other Financing Sources/Uses	49,111	(1,257,477)	(24,996)	(422,311)	(574,907)



CRAIGHEAD COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
DECEMBER 31, 2020
(Unaudited)

<u>Road</u>	2020	2019	2018	2017	2016
Total Assets	\$ 6,381,756	\$ 5,152,062	\$ 4,798,265	\$ 4,853,066	\$ 4,272,516
Total Liabilities	117,836	41,998	74,015	131,360	132,583
Total Fund Balances	6,263,920	5,110,064	4,724,250	4,721,706	4,139,933
Net Revenues	7,486,958	7,304,149	6,801,545	7,287,072	6,891,271
Total Expenditures	6,246,140	6,918,335	6,661,010	6,705,299	6,788,295
Total Other Financing Sources/Uses	(86,962)		(137,991)		



CRAIGHEAD COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2020
 (Unaudited)

Other Funds in the Aggregate

	2020	2019	2018	2017	2016
Total Assets	\$ 7,500,701	\$ 5,944,036	\$ 5,294,980	\$ 5,218,189	\$ 4,801,207
Total Liabilities	3,506,969	2,938,739	2,995,509	2,998,604	2,646,304
Total Fund Balances	3,993,732	3,005,297	2,299,471	2,219,585	2,154,903
Net Revenues	5,782,805	3,929,995	3,516,314	3,664,787	3,812,169
Total Expenditures	4,832,221	4,481,646	3,599,415	4,022,416	4,061,090
Total Other Financing Sources/Uses	37,851	1,257,477	162,987	422,311	574,907

Other Funds in the Aggregate