

# **Arkansas County, Arkansas**

## **Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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ARKANSAS COUNTY, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

REGULATORY BASIS FINANCIAL STATEMENTS

|  | <u>Exhibit</u> |
|--|----------------|
| Balance Sheet – Regulatory Basis (Unaudited)   | A              |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis (Unaudited)   | B              |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –<br>General and Road Funds – Regulatory Basis (Unaudited) | C              |

SUPPLEMENTARY INFORMATION

|  | <u>Schedule</u> |
|--|-----------------|
| Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis (Unaudited)  | 1               |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –<br>Other Funds in the Aggregate – Regulatory Basis (Unaudited) | 2               |
| Notes to Schedules 1 and 2 (Unaudited)   |                 |
| Other General Information (Unaudited)  |                 |
| Schedule of Selected Information for the Last Five Years –<br>General Fund - Regulatory Basis (Unaudited)                                    | 3-1             |
| Schedule of Selected Information for the Last Five Years –<br>Road Fund - Regulatory Basis (Unaudited)                                       | 3-2             |
| Schedule of Selected Information for the Last Five Years –<br>Other Funds in the Aggregate - Regulatory Basis (Unaudited)                    | 3-3             |

# Arkansas

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Senate Chair  
**Sen. Jim Dotson**  
Senate Vice Chair



**Rep. Robin Lundstrum**  
House Chair  
**Rep. RJ Hawk**  
House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Arkansas 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 Arkansas County, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated September 8, 2025. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2023:

County Judge: Thomas "Eddie" Best  
Treasurer: Ruby Dillion  
Sheriff/Tax Collector: Johnny Cheek  
County Clerk: Melissa Wood  
Circuit Clerk: Sarah Merchant  
Assessor: Marcia Theis  
County Librarian: Sarah Beth Cole

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

Noncompliance with state law and accepted accounting practices was noted in the office of **County Judge**. Additionally, an issue came to our attention that would warrant disclosure in this report.

#### County Judge

OMB Circular A-133 requires management to obtain a federal compliance audit or alternative procedure when federal expenditures exceed \$750,000. The County had federal expenditures in excess of \$750,000 and has not yet received a compliance engagement for the year ended December 31, 2023. The County Judge has indicated the County would comply using the alternative procedure method of compliance.

#### Other Issue

Two checks totaling \$5,097 were altered and cashed on September 25, 2023, and October 6, 2023. The bank and county personnel discovered the transactions, and the funds were recovered from the bank.

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 dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
September 8, 2025  
LOCO00123

ARKANSAS COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Exhibit A

|                                     | General             | Road              | Other Funds<br>in the<br>Aggregate |
|-------------------------------------|---------------------|-------------------|------------------------------------|
| ASSETS                              |                     |                   |                                    |
| Cash and cash equivalents           | \$ 6,640,236        | \$ 867,810        | \$ 6,452,415                       |
| Accounts receivable                 | 168,465             | 24,308            | 53,797                             |
| Interfund receivables               |                     |                   | 9,076                              |
|                                     | <u>6,808,701</u>    | <u>892,118</u>    | <u>6,515,288</u>                   |
| TOTAL ASSETS                        | <u>\$ 6,808,701</u> | <u>\$ 892,118</u> | <u>\$ 6,515,288</u>                |
| LIABILITIES AND FUND BALANCES       |                     |                   |                                    |
| Liabilities:                        |                     |                   |                                    |
| Accounts payable                    | \$ 199,382          | \$ 99,144         | \$ 248,537                         |
| Interfund payables                  | 9,076               |                   |                                    |
| Settlements pending                 |                     |                   | 574,594                            |
| Total Liabilities                   | <u>208,458</u>      | <u>99,144</u>     | <u>823,131</u>                     |
| Fund Balances:                      |                     |                   |                                    |
| Restricted                          |                     | 792,974           | 3,016,545                          |
| Assigned                            | 216,069             |                   | 2,675,612                          |
| Unassigned                          | 6,384,174           |                   |                                    |
| Total Fund Balances                 | <u>6,600,243</u>    | <u>792,974</u>    | <u>5,692,157</u>                   |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 6,808,701</u> | <u>\$ 892,118</u> | <u>\$ 6,515,288</u>                |

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

ARKANSAS COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Exhibit B

|   | General    | Road         | Other Funds<br>in the<br>Aggregate |
|---|------------|--------------|------------------------------------|
| REVENUES  |            |              |                                    |
| State aid   | \$ 607,634 | \$ 2,239,288 | \$ 213,528                         |
| Federal aid                                       | 279,777    | 7,746        | 3,258                              |
| Property taxes                                    | 2,014,005  | 843,923      | 180,504                            |
| Sales taxes                                       |            |              | 4,677,402                          |
| Fines, forfeitures, and costs                     | 204,405    |              | 79,424                             |
| Interest  | 41,088     | 425          | 32,274                             |
| Officers' fees                                    | 111,622    |              | 87,541                             |
| Franchise fees                                    | 333        |              |                                    |
| Sanitation  | 555,066    |              |                                    |
| Jail fees   |            |              | 634,232                            |
| 911 fees  |            |              | 298,483                            |
| Commissary profit                                 |            |              | 33,968                             |
| Phone commission                                  |            |              | 85,151                             |
| Donations   |            |              | 20,509                             |
| Treasurer's commission                            | 141,120    |              | 27,075                             |
| Collector's commission                            | 318,310    |              | 78,025                             |
| Taxes apportioned - Assessor's salary and expense | 362,126    |              |                                    |
| Other   | 119,299    | 60,869       | 58,934                             |
| TOTAL REVENUES                                    | 4,754,785  | 3,152,251    | 6,510,308                          |
| Less: Treasurer's commission                      | 35,599     | 35,733       | 66,197                             |
| NET REVENUES                                      | 4,719,186  | 3,116,518    | 6,444,111                          |
| EXPENDITURES                                      |            |              |                                    |
| Current:  |            |              |                                    |
| General government                                | 2,139,302  |              | 482,376                            |
| Law enforcement                                   | 1,005,932  |              | 3,194,864                          |
| Highways and streets                              | 33,251     | 3,277,362    |                                    |
| Public safety                                     | 22,554     |              | 196,144                            |
| Sanitation  | 556,310    |              |                                    |
| Health  | 30,530     |              | 13,634                             |
| Recreation and culture                            |            |              | 168,851                            |
| Social services                                   | 119,116    |              | 3,729                              |
| Total Current                                     | 3,906,995  | 3,277,362    | 4,059,598                          |
| Debt Service:                                     |            |              |                                    |
| Financed purchase principal                       |            | 99,499       |                                    |
| Financed purchase interest                        |            | 972          |                                    |
| TOTAL EXPENDITURES                                | 3,906,995  | 3,377,833    | 4,059,598                          |

ARKANSAS COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Exhibit B

|  | General      | Road         | Other Funds<br>in the<br>Aggregate |
|--|--------------|--------------|------------------------------------|
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES                                  | \$ 812,191   | \$ (261,315) | \$ 2,384,513                       |
| OTHER FINANCING SOURCES (USES)<br>Sales tax remitted to community college        |              |              | (2,342,791)                        |
| EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br>EXPENDITURES AND OTHER USES | 812,191      | (261,315)    | 41,722                             |
| FUND BALANCES - JANUARY 1  | 5,788,052    | 1,054,289    | 5,650,435                          |
| FUND BALANCES - DECEMBER 31  | \$ 6,600,243 | \$ 792,974   | \$ 5,692,157                       |

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

ARKANSAS 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, 2023  
(UNAUDITED)

Exhibit C

|   | General      |              |  | Road         |              |  |
|---|--------------|--------------|--|--------------|--------------|--|
|   | Budget       | Actual       | Variance<br>Favorable<br>(Unfavorable) | Budget       | Actual       | Variance<br>Favorable<br>(Unfavorable) |
| REVENUES  |              |              |  |              |              |  |
| State aid   | \$ 341,324   | \$ 607,634   | \$ 266,310                             | \$ 1,387,247 | \$ 2,239,288 | \$ 852,041                             |
| Federal aid                                       | 31,980       | 279,777      | 247,797                                | 6,922        | 7,746        | 824                                    |
| Property taxes                                    | 2,875,923    | 2,014,005    | (861,918)                              | 791,469      | 843,923      | 52,454                                 |
| Fines, forfeitures, and costs                     | 184,747      | 204,405      | 19,658                                 | 1,035        |              | (1,035)                                |
| Interest  | 2,278        | 41,088       | 38,810                                 | 1,035        | 425          | (610)                                  |
| Officers' fees                                    | 93,835       | 111,622      | 17,787                                 | 4,936        |              | (4,936)                                |
| Franchise fees                                    | 705          | 333          | (372)                                  |              |              |  |
| Sanitation  | 660,553      | 555,066      | (105,487)                              |              |              |  |
| Treasurer's commission                            | 137,327      | 141,120      | 3,793                                  |              |              |  |
| Collector's commission                            | 330,000      | 318,310      | (11,690)                               |              |              |  |
| Taxes apportioned - Assessor's salary and expense | 320,960      | 362,126      | 41,166                                 |              |              |  |
| Other   | 180,815      | 119,299      | (61,516)                               | 20,845       | 60,869       | 40,024                                 |
| TOTAL REVENUES                                    | 5,160,447    | 4,754,785    | (405,662)                              | 2,213,489    | 3,152,251    | 938,762                                |
| Less: Treasurer's commission                      |              | 35,599       | (35,599)                               |              | 35,733       | (35,733)                               |
| NET REVENUES                                      | 5,160,447    | 4,719,186    | (441,261)                              | 2,213,489    | 3,116,518    | 903,029                                |
| EXPENDITURES                                      |              |              |  |              |              |  |
| Current:  |              |              |  |              |              |  |
| General government                                | 2,287,085    | 2,139,302    | 147,783                                |              |              |  |
| Law enforcement                                   | 1,649,481    | 1,005,932    | 643,549                                |              |              |  |
| Highways and streets                              |              | 33,251       | (33,251)                               | 3,564,896    | 3,277,362    | 287,534                                |
| Public safety                                     | 69,817       | 22,554       | 47,263                                 |              |              |  |
| Sanitation  | 637,100      | 556,310      | 80,790                                 |              |              |  |
| Health  | 46,625       | 30,530       | 16,095                                 |              |              |  |
| Social services                                   | 123,947      | 119,116      | 4,831                                  |              |              |  |
| Total Current                                     | 4,814,055    | 3,906,995    | 907,060                                | 3,564,896    | 3,277,362    | 287,534                                |
| Debt Service:                                     |              |              |  |              |              |  |
| Financed purchase principal                       |              |              |  | 100,471      | 99,499       | 972                                    |
| Financed purchase interest                        |              |              |  |              | 972          | (972)                                  |
| TOTAL EXPENDITURES                                | 4,814,055    | 3,906,995    | 907,060                                | 3,665,367    | 3,377,833    | 287,534                                |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES   | 346,392      | 812,191      | 465,799                                | (1,451,878)  | (261,315)    | 1,190,563                              |
| FUND BALANCES - JANUARY 1                         | 3,700,000    | 5,788,052    | 2,088,052                              | 941,628      | 1,054,289    | 112,661                                |
| FUND BALANCES - DECEMBER 31                       | \$ 4,046,392 | \$ 6,600,243 | \$ 2,553,851                           | \$ (510,250) | \$ 792,974   | \$ 1,303,224                           |

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

ARKANSAS COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 1

| SPECIAL REVENUE FUNDS                      |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------------|------------------------|---------------------------|---------------------|---------------------------------|--------------------------|
|  | Treasurer's<br>Automation | Collector's<br>Automation | Circuit Court<br>Automation | Assessor's<br>Amendment<br>no. 79 | County Clerk's<br>Cost | County<br>Recorder's Cost | Reappraisal<br>Cost | Support<br>Collections<br>Costs | County Jail<br>Sales Tax |
| ASSETS                                     |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Cash and cash equivalents                  | \$ 112,569                | \$ 463,338                | \$ 25,035                   | \$ 33,910                         | \$ 38,891              | \$ 147,203                | \$ 925              | \$ 1,326                        | \$ 2,648,144             |
| Accounts receivable                        |                           |                           |                             |                                   | 650                    |                           |                     |                                 | 24,203                   |
| Interfund receivables                      |                           |                           |                             |                                   |                        |                           | 9,076               |                                 |                          |
| <b>TOTAL ASSETS</b>                        | <b>\$ 112,569</b>         | <b>\$ 463,338</b>         | <b>\$ 25,035</b>            | <b>\$ 33,910</b>                  | <b>\$ 39,541</b>       | <b>\$ 147,203</b>         | <b>\$ 10,001</b>    | <b>\$ 1,326</b>                 | <b>\$ 2,672,347</b>      |
| LIABILITIES AND FUND BALANCES              |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Liabilities:                               |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Accounts payable                           | \$ 3,286                  |                           |                             |                                   |                        | \$ 836                    |                     |                                 | \$ 26,736                |
| Settlements pending                        |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| <b>Total Liabilities</b>                   | <b>3,286</b>              |                           |                             |                                   |                        | <b>836</b>                |                     |                                 | <b>26,736</b>            |
| Fund Balances:                             |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Restricted                                 | 89,283                    | \$ 463,338                | \$ 25,035                   | \$ 33,910                         | \$ 39,541              | 146,367                   |                     | \$ 1,326                        |                          |
| Assigned                                   | 20,000                    |                           |                             |                                   |                        |                           | \$ 10,001           |                                 | 2,645,611                |
| <b>Total Fund Balances</b>                 | <b>109,283</b>            | <b>463,338</b>            | <b>25,035</b>               | <b>33,910</b>                     | <b>39,541</b>          | <b>146,367</b>            | <b>10,001</b>       | <b>1,326</b>                    | <b>2,645,611</b>         |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 112,569</b>         | <b>\$ 463,338</b>         | <b>\$ 25,035</b>            | <b>\$ 33,910</b>                  | <b>\$ 39,541</b>       | <b>\$ 147,203</b>         | <b>\$ 10,001</b>    | <b>\$ 1,326</b>                 | <b>\$ 2,672,347</b>      |



ARKANSAS COUNTY, ARKANSAS  
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Schedule 1

|                                     | SPECIAL REVENUE FUNDS                |  |                                       |  |   |  |   |   |                                       |
|-------------------------------------|--------------------------------------|--|---------------------------------------|--|---|--|---|---|---------------------------------------|
|                                     | Boating<br>Safety and<br>Enforcement | CMRS 911<br>Board<br>(Commercial<br>Mobile Radio<br>Service) | Circuit Court<br>Juvenile<br>Division | Circuit Clerk<br>Commissioner's<br>Fee | Assessor's<br>Late<br>Assessment<br>Fee | County Library<br>Southern<br>District | Phillips<br>County<br>Community<br>College Sales<br>Tax | Records<br>Preservation<br>and<br>Restoration | Juvenile<br>Detention<br>Center Grant |
| ASSETS                              |                                      |  |                                       |  |   |  |   |   |                                       |
| Cash and cash equivalents           | \$ 40,310                            | \$ 1,120,091   | \$ 215                                | \$ 738                                 | \$ 2,170                                | \$ 847,633                             | \$ 190,542  | \$ 35,018                                     | \$ 2,652                              |
| Accounts receivable                 |                                      | 11   |                                       |  |   |  | 19,683  |   |                                       |
| Interfund receivables               |                                      |  |                                       |  |   |  |   |   |                                       |
|                                     |                                      |  |                                       |  |   |  |   |   |                                       |
| TOTAL ASSETS                        | <u>\$ 40,310</u>                     | <u>\$ 1,120,102</u>  | <u>\$ 215</u>                         | <u>\$ 738</u>                          | <u>\$ 2,170</u>                         | <u>\$ 847,633</u>                      | <u>\$ 210,225</u>                                       | <u>\$ 35,018</u>                              | <u>\$ 2,652</u>                       |
| LIABILITIES AND FUND BALANCES       |                                      |  |                                       |  |   |  |   |   |                                       |
| Liabilities:                        |                                      |  |                                       |  |   |  |   |   |                                       |
| Accounts payable                    |                                      | \$ 4,886   |                                       |  |   |  | \$ 190,542  | \$ 21,217                                     | \$ 1,028                              |
| Settlements pending                 |                                      |  |                                       |  |   |  |   |   |                                       |
| Total Liabilities                   |                                      | <u>4,886</u>   |                                       |  |   |  | <u>190,542</u>  | <u>21,217</u>                                 | <u>1,028</u>                          |
| Fund Balances:                      |                                      |  |                                       |  |   |  |   |   |                                       |
| Restricted                          | \$ 40,310                            | 1,115,216  | \$ 215                                | \$ 738                                 | \$ 2,170                                | \$ 847,633                             | 19,683  | 13,801  | 1,624                                 |
| Assigned                            |                                      |  |                                       |  |   |  |   |   |                                       |
| Total Fund Balances                 | <u>40,310</u>                        | <u>1,115,216</u>   | <u>215</u>                            | <u>738</u>                             | <u>2,170</u>                            | <u>847,633</u>                         | <u>19,683</u>   | <u>13,801</u>                                 | <u>1,624</u>                          |
|                                     |                                      |  |                                       |  |   |  |   |   |                                       |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 40,310</u>                     | <u>\$ 1,120,102</u>  | <u>\$ 215</u>                         | <u>\$ 738</u>                          | <u>\$ 2,170</u>                         | <u>\$ 847,633</u>                      | <u>\$ 210,225</u>                                       | <u>\$ 35,018</u>                              | <u>\$ 2,652</u>                       |

ARKANSAS COUNTY, ARKANSAS  
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Schedule 1

|                                     | SPECIAL REVENUE FUNDS                      |  | CUSTODIAL FUNDS         |                         |                       |                            |                             |                          |                     |
|-------------------------------------|--|--|-------------------------|-------------------------|-----------------------|----------------------------|-----------------------------|--------------------------|---------------------|
|                                     | Communication<br>Facility and<br>Equipment | Peer<br>Recovery<br>Support<br>Specialist<br>Grant | Treasurer's<br>Accounts | Collector's<br>Accounts | Sheriff's<br>Accounts | County Clerk's<br>Accounts | Circuit Clerk's<br>Accounts | County Judge<br>Accounts | Totals              |
| ASSETS                              |  |  |                         |                         |                       |                            |                             |                          |                     |
| Cash and cash equivalents           | \$ 120,816                                 | \$ 46,295  | \$ 375,070              | \$ 1,200                | \$ 71,425             | \$ 1,990                   | \$ 86,557                   | \$ 38,352                | \$ 6,452,415        |
| Accounts receivable                 | 9,250                                      |  |                         |                         |                       |                            |                             |                          | 53,797              |
| Interfund receivables               |  |  |                         |                         |                       |                            |                             |                          | 9,076               |
|                                     |  |  |                         |                         |                       |                            |                             |                          |                     |
| TOTAL ASSETS                        | <u>\$ 130,066</u>                          | <u>\$ 46,295</u>                                   | <u>\$ 375,070</u>       | <u>\$ 1,200</u>         | <u>\$ 71,425</u>      | <u>\$ 1,990</u>            | <u>\$ 86,557</u>            | <u>\$ 38,352</u>         | <u>\$ 6,515,288</u> |
| LIABILITIES AND FUND BALANCES       |  |  |                         |                         |                       |                            |                             |                          |                     |
| Liabilities:                        |  |  |                         |                         |                       |                            |                             |                          |                     |
| Accounts payable                    |  | \$ 6   |                         |                         |                       |                            |                             |                          | \$ 248,537          |
| Settlements pending                 |  |  | \$ 375,070              | \$ 1,200                | \$ 71,425             | \$ 1,990                   | \$ 86,557                   | \$ 38,352                | 574,594             |
| Total Liabilities                   |  | <u>6</u>   | <u>375,070</u>          | <u>1,200</u>            | <u>71,425</u>         | <u>1,990</u>               | <u>86,557</u>               | <u>38,352</u>            | <u>823,131</u>      |
| Fund Balances:                      |  |  |                         |                         |                       |                            |                             |                          |                     |
| Restricted                          | \$ 130,066                                 | 46,289   |                         |                         |                       |                            |                             |                          | 3,016,545           |
| Assigned                            |  |  |                         |                         |                       |                            |                             |                          | 2,675,612           |
| Total Fund Balances                 | <u>130,066</u>                             | <u>46,289</u>                                      |                         |                         |                       |                            |                             |                          | <u>5,692,157</u>    |
|                                     |  |  |                         |                         |                       |                            |                             |                          |                     |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 130,066</u>                          | <u>\$ 46,295</u>                                   | <u>\$ 375,070</u>       | <u>\$ 1,200</u>         | <u>\$ 71,425</u>      | <u>\$ 1,990</u>            | <u>\$ 86,557</u>            | <u>\$ 38,352</u>         | <u>\$ 6,515,288</u> |

ARKANSAS 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, 2023  
 (UNAUDITED)

Schedule 2

|  | SPECIAL REVENUE FUNDS     |                           |                             |                                   |                        |                           |                     |                                 |                          |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------------|------------------------|---------------------------|---------------------|---------------------------------|--------------------------|
|  | Treasurer's<br>Automation | Collector's<br>Automation | Circuit Court<br>Automation | Assessor's<br>Amendment<br>no. 79 | County Clerk's<br>Cost | County<br>Recorder's Cost | Reappraisal<br>Cost | Support<br>Collections<br>Costs | County Jail<br>Sales Tax |
| REVENUES   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| State aid  |                           |                           |                             | \$ 6,205                          |                        |                           | \$ 108,906          |                                 |                          |
| Federal aid  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Property taxes   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Sales taxes  |                           |                           |                             |                                   |                        |                           |                     |                                 | \$ 2,338,701             |
| Fines, forfeitures, and costs  |                           |                           | \$ 14,419                   |                                   |                        |                           |                     |                                 | 65,005                   |
| Interest   | \$ 75                     | \$ 279                    | 18                          | 26                                | \$ 26                  | \$ 128                    |                     | \$ 1                            | 13,107                   |
| Officers' fees   |                           |                           |                             |                                   | 8,199                  | 71,934                    |                     | 945                             |                          |
| Jail fees  |                           |                           |                             |                                   |                        |                           |                     |                                 | 634,232                  |
| 911 fees   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Commissary profit  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Phone commission   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Donations  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Treasurer's commission   | 27,075                    |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Collector's commission   |                           | 78,025                    |                             |                                   |                        |                           |                     |                                 |                          |
| Other  |                           |                           | 106                         |                                   | 108                    | 1,263                     |                     | 5                               | 25,141                   |
| <b>TOTAL REVENUES</b>  | <b>27,150</b>             | <b>78,304</b>             | <b>14,543</b>               | <b>6,231</b>                      | <b>8,333</b>           | <b>73,325</b>             | <b>108,906</b>      | <b>951</b>                      | <b>3,076,186</b>         |
| Less: Treasurer's commission   |                           |                           | 214                         |                                   | 165                    | 1,677                     |                     | 19                              | 30,506                   |
| <b>NET REVENUES</b>  | <b>27,150</b>             | <b>78,304</b>             | <b>14,329</b>               | <b>6,231</b>                      | <b>8,168</b>           | <b>71,648</b>             | <b>108,906</b>      | <b>932</b>                      | <b>3,045,680</b>         |
| EXPENDITURES   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Current:   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| General government   | 27,801                    | 28,173                    |                             | 2,663                             | 5,500                  | 128,343                   | 108,906             | 889                             |                          |
| Law enforcement  |                           |                           | 8,000                       |                                   |                        |                           |                     |                                 | 2,404,480                |
| Public safety  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Health   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Recreation and culture   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Social services  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| <b>TOTAL EXPENDITURES</b>  | <b>27,801</b>             | <b>28,173</b>             | <b>8,000</b>                | <b>2,663</b>                      | <b>5,500</b>           | <b>128,343</b>            | <b>108,906</b>      | <b>889</b>                      | <b>2,404,480</b>         |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>(651)</b>              | <b>50,131</b>             | <b>6,329</b>                | <b>3,568</b>                      | <b>2,668</b>           | <b>(56,695)</b>           |                     | <b>43</b>                       | <b>641,200</b>           |
| OTHER FINANCING SOURCES (USES)   |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| Sales tax remitted to community college  |                           |                           |                             |                                   |                        |                           |                     |                                 |                          |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>(651)</b>              | <b>50,131</b>             | <b>6,329</b>                | <b>3,568</b>                      | <b>2,668</b>           | <b>(56,695)</b>           |                     | <b>43</b>                       | <b>641,200</b>           |
| <b>FUND BALANCES - JANUARY 1</b>   | <b>109,934</b>            | <b>413,207</b>            | <b>18,706</b>               | <b>30,342</b>                     | <b>36,873</b>          | <b>203,062</b>            | <b>10,001</b>       | <b>1,283</b>                    | <b>2,004,411</b>         |
| <b>FUND BALANCES - DECEMBER 31</b>   | <b>\$ 109,283</b>         | <b>\$ 463,338</b>         | <b>\$ 25,035</b>            | <b>\$ 33,910</b>                  | <b>\$ 39,541</b>       | <b>\$ 146,367</b>         | <b>\$ 10,001</b>    | <b>\$ 1,326</b>                 | <b>\$ 2,645,611</b>      |

ARKANSAS 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, 2023  
 (UNAUDITED)

Schedule 2

|  | SPECIAL REVENUE FUNDS                |  |                                       |  |                                      |                                |  |  |  |
|--|--------------------------------------|--|---------------------------------------|--|--------------------------------------|--------------------------------|--|--|--|
|  | Boating Safety<br>and<br>Enforcement | CMRS 911<br>Board<br>(Commercial<br>Mobile Radio<br>Service) | Circuit Court<br>Juvenile<br>Division | Circuit Clerk<br>Commissioner's<br>Fee | Assessor's Late<br>Assessment<br>Fee | American<br>Rescue Plan<br>Act | County Library<br>Southern<br>District | Phillips County<br>Community<br>College Sales<br>Tax | Records<br>Preservation<br>and Restoration |
| REVENUES   |                                      |  |                                       |  |                                      |                                |  |  |  |
| State aid  | \$ 2,248                             |  |                                       |  |                                      |                                | \$ 15,002                              |  |  |
| Federal aid  |                                      |  |                                       |  |                                      |                                | 3,258                                  |  |  |
| Property taxes   |                                      |  |                                       |  |                                      |                                | 180,504                                |  |  |
| Sales taxes  |                                      |  |                                       |  |                                      |                                |  | \$ 2,338,701   |  |
| Fines, forfeitures, and costs  |                                      |  |                                       |  |                                      |                                |  |  |  |
| Interest   | 631                                  | \$ 752   |                                       |  |                                      |                                | 16,375                                 |  | \$ 19                                      |
| Officers' fees   |                                      |  |                                       | \$ 415                                 |                                      |                                |  |  |  |
| Jail fees  |                                      |  |                                       |  |                                      |                                |  |  |  |
| 911 fees   |                                      | 298,483  |                                       |  |                                      |                                |  |  |  |
| Commissary profit  |                                      |  |                                       |  |                                      |                                |  |  |  |
| Phone commission   |                                      |  |                                       |  |                                      |                                |  |  |  |
| Donations  |                                      |  |                                       |  |                                      |                                |  |  | 20,509                                     |
| Treasurer's commission   |                                      |  |                                       |  |                                      |                                |  |  |  |
| Collector's commission   |                                      |  |                                       |  |                                      |                                |  |  |  |
| Other  |                                      | 3,867  |                                       | 3                                      |                                      |                                | 5,299                                  | 22,542   |  |
| TOTAL REVENUES   | 2,879                                | 303,102  |                                       | 418                                    |                                      |                                | 220,438                                | 2,361,243  | 20,528                                     |
| Less: Treasurer's commission   | 34                                   | 3,044  |                                       | 8                                      |                                      |                                | 3,439                                  | 27,091   |  |
| NET REVENUES   | 2,845                                | 300,058  |                                       | 410                                    |                                      |                                | 216,999                                | 2,334,152  | 20,528                                     |
| EXPENDITURES   |                                      |  |                                       |  |                                      |                                |  |  |  |
| Current:   |                                      |  |                                       |  |                                      |                                |  |  |  |
| General government   | 11,270                               |  |                                       | 453                                    |                                      | \$ 146,695                     |  |  | 21,683                                     |
| Law enforcement  |                                      |  |                                       |  |                                      | 664,169                        |  |  |  |
| Public safety  |                                      | 151,990  |                                       |  |                                      | 44,154                         |  |  |  |
| Health   |                                      |  |                                       |  |                                      | 13,634                         |  |  |  |
| Recreation and culture   |                                      |  |                                       |  |                                      |                                | 168,851                                |  |  |
| Social services  |                                      |  |                                       |  |                                      | 3,729                          |  |  |  |
| TOTAL EXPENDITURES   | 11,270                               | 151,990  |                                       | 453                                    |                                      | 872,381                        | 168,851                                |  | 21,683                                     |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES                                  | (8,425)                              | 148,068  |                                       | (43)                                   |                                      | (872,381)                      | 48,148                                 | 2,334,152  | (1,155)                                    |
| OTHER FINANCING SOURCES (USES)   |                                      |  |                                       |  |                                      |                                |  |  |  |
| Sales tax remitted to community college  |                                      |  |                                       |  |                                      |                                |  | (2,342,791)  |  |
| EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br>EXPENDITURES AND OTHER USES | (8,425)                              | 148,068  |                                       | (43)                                   |                                      | (872,381)                      | 48,148                                 | (8,639)  | (1,155)                                    |
| FUND BALANCES - JANUARY 1  | 48,735                               | 967,148  | \$ 215                                | 781                                    | \$ 2,170                             | 872,381                        | 799,485                                | 28,322   | 14,956                                     |
| FUND BALANCES - DECEMBER 31  | \$ 40,310                            | \$ 1,115,216   | \$ 215                                | \$ 738                                 | \$ 2,170                             | \$ 0                           | \$ 847,633                             | \$ 19,683  | \$ 13,801                                  |

ARKANSAS 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, 2023  
(UNAUDITED)

Schedule 2

|  | SPECIAL REVENUE FUNDS                 |  |  |                     |
|--|---------------------------------------|--|--|---------------------|
|  | Juvenile<br>Detention<br>Center Grant | Communication<br>Facility and<br>Equipment | Peer Recovery<br>Support<br>Specialist Grant | Totals              |
| REVENUES   |                                       |  |  |                     |
| State aid  | \$ 31,167                             |  | \$ 50,000                                    | \$ 213,528          |
| Federal aid  |                                       |  |  | 3,258               |
| Property taxes   |                                       |  |  | 180,504             |
| Sales taxes  |                                       |  |  | 4,677,402           |
| Fines, forfeitures, and costs  |                                       |  |  | 79,424              |
| Interest   |                                       | \$ 837                                     |  | 32,274              |
| Officers' fees   |                                       | 6,048                                      |  | 87,541              |
| Jail fees  |                                       |  |  | 634,232             |
| 911 fees   |                                       |  |  | 298,483             |
| Commissary profit  |                                       | 33,968                                     |  | 33,968              |
| Phone commission   |                                       | 85,151                                     |  | 85,151              |
| Donations  |                                       |  |  | 20,509              |
| Treasurer's commission   |                                       |  |  | 27,075              |
| Collector's commission   |                                       |  |  | 78,025              |
| Other  |                                       | 600  |  | 58,934              |
| <b>TOTAL REVENUES</b>  | <b>31,167</b>                         | <b>126,604</b>                             | <b>50,000</b>                                | <b>6,510,308</b>    |
| Less: Treasurer's commission   |                                       |  |  | 66,197              |
| <b>NET REVENUES</b>  | <b>31,167</b>                         | <b>126,604</b>                             | <b>50,000</b>                                | <b>6,444,111</b>    |
| EXPENDITURES   |                                       |  |  |                     |
| Current:   |                                       |  |  |                     |
| General government   |                                       |  |  | 482,376             |
| Law enforcement  | 29,543                                | 84,961                                     | 3,711  | 3,194,864           |
| Public safety  |                                       |  |  | 196,144             |
| Health   |                                       |  |  | 13,634              |
| Recreation and culture   |                                       |  |  | 168,851             |
| Social services  |                                       |  |  | 3,729               |
| <b>TOTAL EXPENDITURES</b>  | <b>29,543</b>                         | <b>84,961</b>                              | <b>3,711</b>                                 | <b>4,059,598</b>    |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>1,624</b>                          | <b>41,643</b>                              | <b>46,289</b>                                | <b>2,384,513</b>    |
| OTHER FINANCING SOURCES (USES)   |                                       |  |  |                     |
| Sales tax remitted to community college  |                                       |  |  | (2,342,791)         |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>1,624</b>                          | <b>41,643</b>                              | <b>46,289</b>                                | <b>41,722</b>       |
| <b>FUND BALANCES - JANUARY 1</b>   |                                       | <b>88,423</b>                              |  | <b>5,650,435</b>    |
| <b>FUND BALANCES - DECEMBER 31</b>   | <b>\$ 1,624</b>                       | <b>\$ 130,066</b>                          | <b>\$ 46,289</b>                             | <b>\$ 5,692,157</b> |

ARKANSAS COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023  
(UNAUDITED)

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.  |
| 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.   |
| County Jail Sales Tax                            | Arkansas County Ordinance no. 93-6 (May 11, 1993) established fund providing for the levy of a 1/2 of 1% sales and use tax to be used for the acquisition, construction, operation, and maintenance of a new correctional facility. 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. |
| 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.   |
| CMRS 911 Board (Commercial Mobile Radio Service) | Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.   |

ARKANSAS COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023  
(UNAUDITED)

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

| <u>Fund Name</u>                            | <u>Fund Description</u>  |
|---|--|
| Circuit Court Juvenile Division             | Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.   |
| Circuit Clerk Commissioner's Fee            | Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.  |
| 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.  |
| County Library Southern District            | Arkansas County Ordinance no. 78-24 (July 14, 1978) established fund to receive all library state aid and property taxes which in turn are paid to the Southern District Library Board for the maintenance, repairs, and day-to-day operations of the Southern District Library. Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.  |
| Phillips County Community College Sales Tax | Arkansas County Ordinance no. 96-1 (February 13, 1996) established fund providing for the levy of a 1/2 of 1% sales and use tax to be used for the acquisition, construction, operation, and maintenance of the Arkansas County campuses.  |
| Records Preservation and Restoration        | Established (February 2004) to receive grants and donations for the preservation and restoration of county clerk and circuit clerk records.  |
| Juvenile Detention Center Grant             | Grants received from the State of Arkansas for the operation and maintenance of the Juvenile Detention Center.   |
| 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. |

ARKANSAS COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023  
(UNAUDITED)

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

| <u>Fund Name</u>                       | <u>Fund Description</u>   |
|--|---|
| Peer Recovery Support Specialist Grant | Arkansas County Ordinance no. 2023-23 (December 12, 2023) established fund for Arkansas County Adult Drug Court to receive Arkansas Department of Human Services Grant to provide support and guidance for those struggling with behavioral health disorders. |

Treasurer's accounts consist primarily of treasurer's commission not distributed to the appropriate agencies and funds held for the County Law Library.

Collector's accounts consist primarily of change funds.

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.

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

County Judge's accounts consist primarily of rural waste fees due to the treasurer.



ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(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.

**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.

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(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.

**C. 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, officer's fees, trust monies, and rural waste fees 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. 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.
3. 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.

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**1. (Continued)**

**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.

There were no committed fund balances at year end.

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**2. Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2023, are composed of the following:

| Description            | General<br>Fund     | Road<br>Fund      | Other Funds in<br>the Aggregate |
|------------------------|---------------------|-------------------|---------------------------------|
| Fund Balances:         |                     |                   |                                 |
| Restricted for:        |                     |                   |                                 |
| General government     |                     |                   | \$ 850,467                      |
| Law enforcement        |                     |                   | 203,229                         |
| Highways and streets   |                     | \$ 792,974        |                                 |
| Public safety          |                     |                   | 1,115,216                       |
| Recreation and culture |                     |                   | 847,633                         |
| Total Restricted       |                     | <u>792,974</u>    | <u>3,016,545</u>                |
| Assigned to:           |                     |                   |                                 |
| General government     |                     |                   | 30,001                          |
| Law enforcement        | \$ 7,777            |                   | 2,645,611                       |
| Sanitation             | 208,292             |                   |                                 |
| Total Assigned         | <u>216,069</u>      |                   | <u>2,675,612</u>                |
| Unassigned             | <u>6,384,174</u>    |                   |                                 |
| Totals                 | <u>\$ 6,600,243</u> | <u>\$ 792,974</u> | <u>\$ 5,692,157</u>             |

**3. Commitments**

Total commitments consist of the following at December 31, 2023:

|                       | December 31,<br>2023 |
|-----------------------|----------------------|
| Long-term liabilities | \$ 107,876           |
| Reappraisal contract  | <u>435,988</u>       |
| Total Commitments     | <u>\$ 543,864</u>    |

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**3. Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2023, are comprised of the following:

|   | December 31,<br>2023 |
|---|----------------------|
| <u>Direct Borrowings</u>  |                      |
| Financed purchase agreement dated April 19, 2021, with Deere Credit, Inc. in the amount of \$180,016 for 2018 John Deere 670G Motor Grader; 48 monthly payments of \$3,820 through April 2025; Interest 0.9%. Payments are to be made from the Road Fund. | \$ 60,728            |
| Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost  | 47,148               |
| Total Long-term liabilities   | \$ 107,876           |

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

The County's outstanding direct borrowings of \$60,728 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Post Employment Benefits Other Than Pensions

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

Long-Term Debt Issued and Outstanding

| Date<br>of Issue         | Date of Final<br>Maturity | Rate of<br>Interest | Amount<br>Authorized<br>and Issued | Debt<br>Outstanding<br>December 31, 2023 | Maturities<br>to<br>December 31, 2023 |
|--------------------------|---------------------------|---------------------|------------------------------------|--|---------------------------------------|
| <u>Direct Borrowings</u> |                           |                     |                                    |  |                                       |
| 4/19/21                  | 4/19/25                   | 0.9%                | \$ 180,016                         | \$ 60,728                                | \$ 119,288                            |

Changes in Long-Term Debt

|                          | Balance<br>January 01, 2023 | Issued | Retired   | Balance<br>December 31, 2023 |
|--------------------------|-----------------------------|--------|-----------|------------------------------|
| <u>Direct Borrowings</u> |                             |        |           |                              |
| Financed purchases       | \$ 160,227                  | \$ 0   | \$ 99,499 | \$ 60,728                    |

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**3. Commitments (Continued)**

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2023:

| Years Ending<br>December 31, | Direct Borrowings |               |                  |
|------------------------------|-------------------|---------------|------------------|
|                              | Principal         | Interest      | Total            |
| 2024                         | \$ 45,476         | \$ 359        | \$ 45,835        |
| 2025                         | 15,252            | 28            | 15,280           |
| Totals                       | <u>\$ 60,728</u>  | <u>\$ 387</u> | <u>\$ 61,115</u> |

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Service on November 7, 2023, for a county-wide reappraisal. The County is obligated for 48 monthly payments of \$9,083 for a total of \$435,988 beginning January 1, 2024. Contract expense for 2023, was \$108,906.

The County is obligated for the following amounts at December 31, 2023:

| Year  | December 31, 2023 |
|-------|-------------------|
| 2024  | \$ 108,997        |
| 2025  | 108,997           |
| 2026  | 108,997           |
| 2027  | 108,997           |
| Total | <u>\$ 435,988</u> |

**4. Joint Venture: Regional Library**

The Stuttgart Library Commission and the Arkansas County (Northern District) Library Board entered into an agreement in May 1975, in accordance with Amendment no. 30 Section 4 of Amendment no. 38 to the Arkansas Constitution. The agreement states that the Stuttgart Library Commission agrees to make its facilities, books, and employees available for County Library purposes to all residents of the Northern District of Arkansas County, Arkansas. The Arkansas County (Northern District) Library Board agrees to pay over all of the County Library taxes it receives to the Stuttgart Library Commission and to coordinate all its public library activities with those of the Stuttgart Library Commission so as to eliminate duplication of effort and purchases and to achieve the maximum possible benefits of the coordination agreements. The Stuttgart Library Commission agrees to keep accurate records of all monies expended and to render an annual accounting to the Arkansas County (Northern District) Library Board and Arkansas County. The County paid \$260,963 to the Stuttgart Library Commission in 2023. Financial statements of the Stuttgart Library Commission are available at Stuttgart City Hall.

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**5. Jointly Governed Organizations**

Tri-County Drug Task Force

The Sheriffs' Departments of Arkansas, Jefferson, and Lincoln Counties and the Prosecuting Attorney Offices of the 11<sup>th</sup> Judicial District East and 11<sup>th</sup> Judicial District West entered into an agreement to establish the Tri-County Drug Task Force. The agreement covers the period July 1, 2023 to June 30, 2024, and may be extended upon written agreement. Funding was provided by a Drug Law Enforcement Program grant applied for by the Tri-County Drug Task Force. No contributions or payments for expenditures were made to the Tri-County Drug Task Force by the County. The 2023 financial statements of the Tri-County Drug Task Force have not been audited.

Southeast Arkansas Regional Solid Waste Management District

Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Grant Jefferson, and Lincoln Counties entered into an agreement in 1991 to form the Southeast Arkansas Regional Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-703. The County did not provide any funding for the Southeast Arkansas Regional Solid Waste Management District. Separate financial statements may be obtained at: P.O. Box 6806, Pine Bluff, AR 71611.

**6. 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](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.5% as of July 1, 2023. 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, 2023, (date of APERS Employer Allocation Report) were \$586,600.

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, 2023, (actuarial valuation date and measurement date) was \$5,034,423.

ARKANSAS COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2023  
(UNAUDITED)

**7. Capital Assets**

The County's capital assets records are summarized below :

|           | December 31,<br>2023 |
|-----------|----------------------|
| Land      | \$ 29,000            |
| Buildings | 9,179,794            |
| Equipment | <u>4,053,304</u>     |
| Total     | <u>\$ 13,262,098</u> |

**8. Corona Virus (COVID-19)**

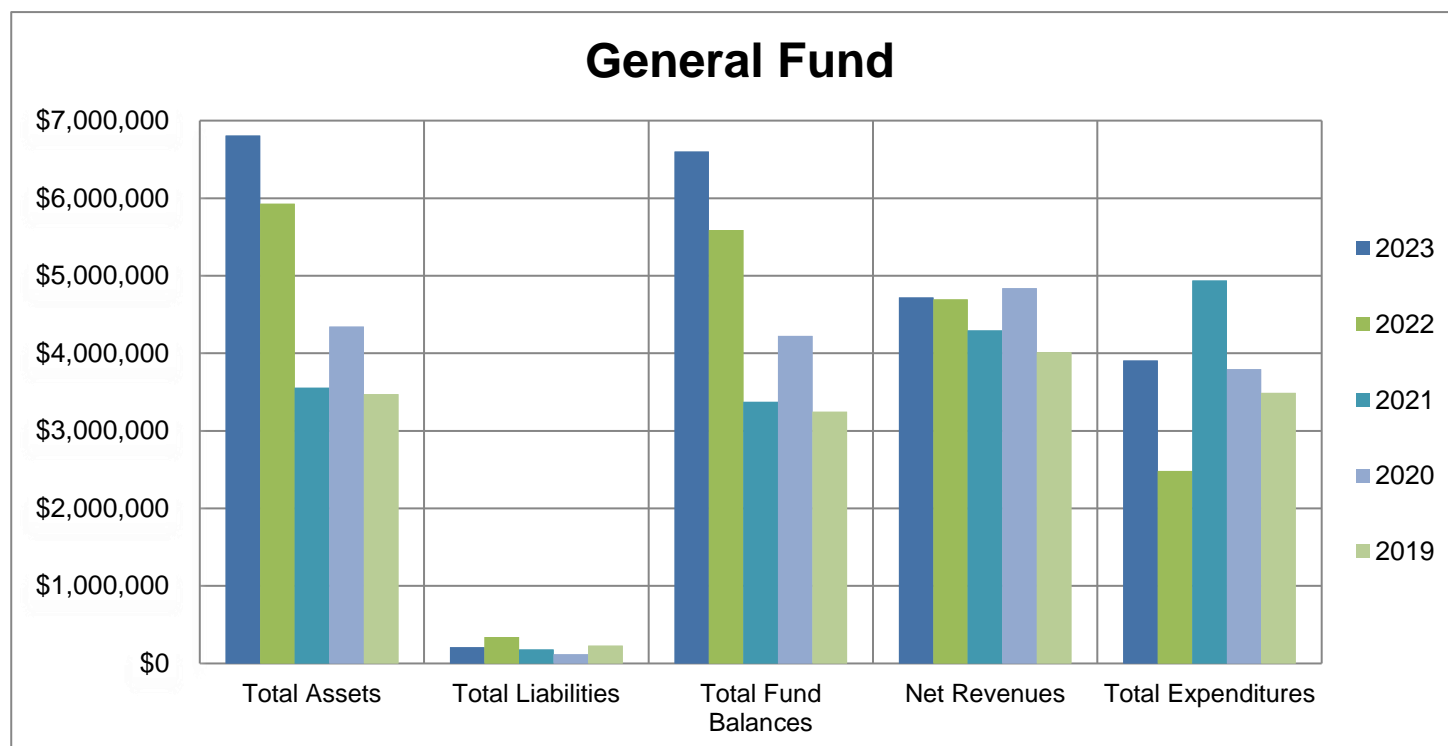
On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2023 and 2022, the County was awarded \$244,964, and \$244,964, respectively, in federal aid from the Local Assistance and Tribal Consistency Fund, which was a part of the American Rescue Plan Act of 2021. As of report date, \$489,928 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.



ARKANSAS COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3-1

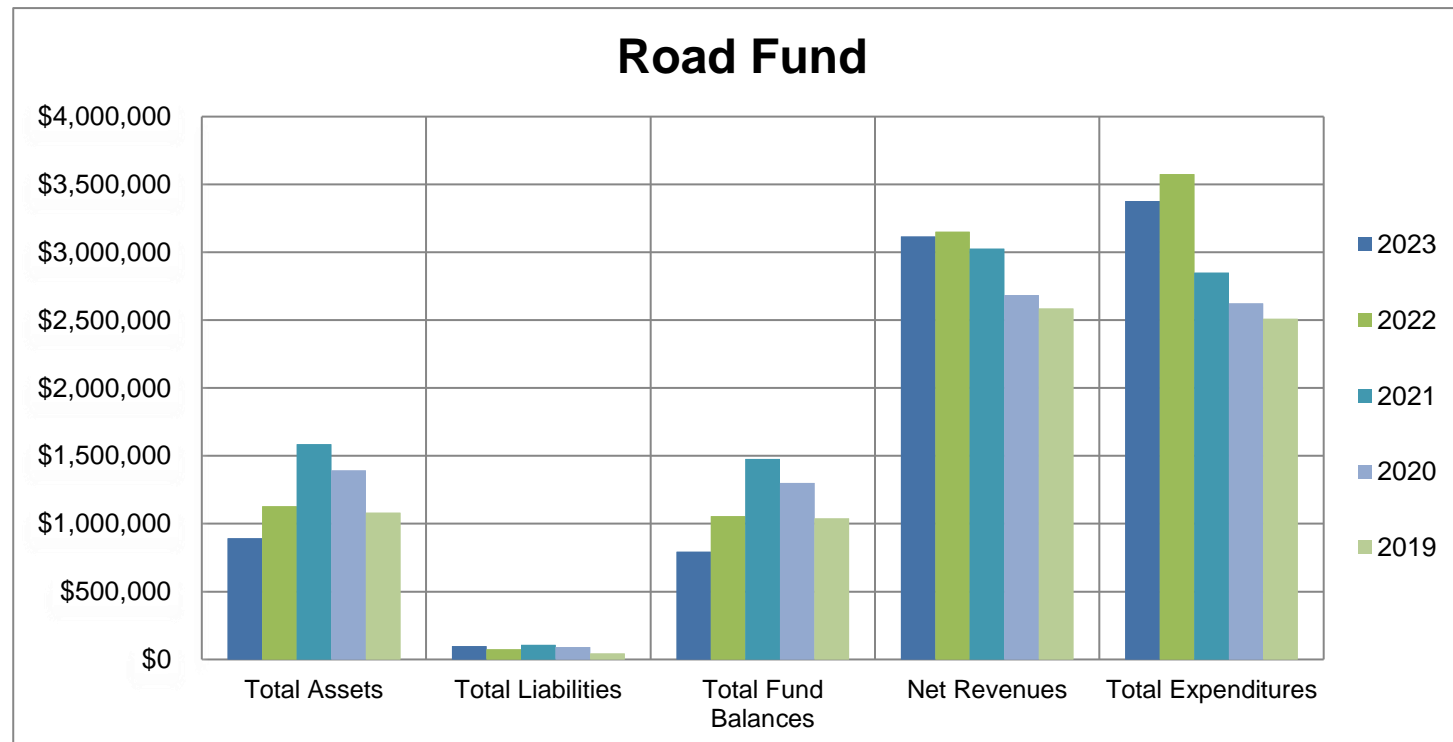
| <u>General</u>                     | 2023         | 2022         | 2021         | 2020         | 2019         |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Assets                       | \$ 6,808,701 | \$ 5,927,182 | \$ 3,554,927 | \$ 4,342,316 | \$ 3,473,834 |
| Total Liabilities                  | 208,458      | 339,699      | 180,090      | 117,112      | 229,968      |
| Total Fund Balances                | 6,600,243    | 5,587,483    | 3,374,837    | 4,225,204    | 3,243,866    |
| Net Revenues                       | 4,719,186    | 4,694,875    | 4,294,633    | 4,837,858    | 4,012,249    |
| Total Expenditures                 | 3,906,995    | 2,482,229    | 4,937,883    | 3,794,486    | 3,488,526    |
| Total Other Financing Sources/Uses |              |              |              | (200,500)    | (250,000)    |



ARKANSAS COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3-2

| <u>Road</u>                        | 2023       | 2022         | 2021         | 2020         | 2019         |
|------------------------------------|------------|--------------|--------------|--------------|--------------|
| Total Assets                       | \$ 892,118 | \$ 1,129,579 | \$ 1,585,964 | \$ 1,391,684 | \$ 1,081,850 |
| Total Liabilities                  | 99,144     | 75,290       | 107,844      | 91,474       | 43,134       |
| Total Fund Balances                | 792,974    | 1,054,289    | 1,478,120    | 1,300,210    | 1,038,716    |
| Net Revenues                       | 3,116,518  | 3,151,928    | 3,026,747    | 2,685,229    | 2,585,364    |
| Total Expenditures                 | 3,377,833  | 3,575,759    | 2,848,837    | 2,623,735    | 2,509,361    |
| Total Other Financing Sources/Uses |            |              |              | 200,000      | 250,000      |



ARKANSAS COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3-3

| <u>Other Funds in the Aggregate</u> | <u>2023</u>  | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Assets                        | \$ 6,515,288 | \$ 6,696,516 | \$ 6,621,434 | \$ 4,548,421 | \$ 3,859,111 |
| Total Liabilities                   | 823,131      | 1,046,081    | 552,093      | 1,039,979    | 256,314      |
| Total Fund Balances                 | 5,692,157    | 5,650,435    | 6,069,341    | 3,508,442    | 3,602,797    |
| Net Revenues                        | 6,444,111    | 7,607,340    | 7,128,865    | 5,018,428    | 4,637,760    |
| Total Expenditures                  | 4,059,598    | 5,688,259    | 2,943,927    | 2,779,876    | 2,938,245    |
| Total Other Financing Sources/Uses  | (2,342,791)  | (2,337,987)  | (1,831,077)  | (2,194,441)  | (1,637,307)  |

