

**Independence County, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

**Sen. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Independent Auditor's Report

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

#### Report on the Audit of the Financial Statements

##### *Opinions*

We have audited the regulatory basis financial statements of Independence County, Arkansas (County), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, road fund, and other funds in the aggregate as of December 31, 2023; the related Statement of Revenues, Expenditures, and Change in Fund Balance - Regulatory Basis; and Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General and Roads Funds - Regulatory Basis for the year then ended, and the related notes to the financial statements.

##### *Unmodified Opinions on Regulatory Basis of Accounting*

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Independence County, Arkansas, as of December 31, 2023; the regulatory basis revenues, expenditures, and changes in fund balance; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

##### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, road fund, and other funds in the aggregate of Independence County, Arkansas, as of December 31, 2023, or the revenues, expenditures, and changes in fund balance and, where applicable, cash flows thereof for the year then ended.

##### *Basis for Opinions*

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

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

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

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

##### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, the County would have included another fund under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, this fund is not required to be included as part of the reporting entity. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

### ***Other Information***

Management is responsible for the other information included in the report. The other information is comprised of the schedules listed in the table of contents but does not include the regulatory basis financial statements, supplemental information, and our auditor's reports thereon. Our opinions on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the regulatory basis financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Kevin White" with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
September 26, 2024  
LOCO03223

# Arkansas

**Sen. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Kevin William White, CPA, JD**  
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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Independence County, Arkansas (County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated September 26, 2024. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### Report on Compliance and Other Matters

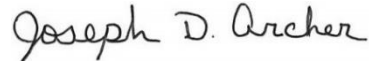
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also reported to management of the County in a separate letter dated September 26, 2024.

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

ARKANSAS LEGISLATIVE AUDIT



Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
September 26, 2024

# Arkansas

**Sen. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



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Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

Independence 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 2023:

County Judge: Kevin Jeffery  
Treasurer: Bob Treadway  
Sheriff: Shawn Stephens  
Tax Collector: Paul Albert  
County Clerk: Tracey Mitchell  
Circuit Clerk: Greg Wallis  
Assessor: Diane Tucker  
County Librarian: Carlene Morrison  
District Court Clerk: Tammy Gregory

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

#### County Judge

On May 1, 2024, the County discovered a collection notice in the desk of a former employee who resigned on March 11, 2024. The notice indicated a balance owed on a credit card account established by the previous County Judge, who indicated the account was established using his personal credit but was utilized primarily for County business. The previous County Judge and the former employee had access to the card and allowed other officials to use it as well.

Based on our review of credit card statements from November 10, 2022 through October 11, 2023, provided by the previous County Judge and current County officials, we determined the balance owed consists of the following:

- \$3,794 for unpaid charges incurred prior to our review period.
- \$1,362 in fees and interest charges incurred in 2023.
- \$416 for purchases made in January 2023.

Without supporting documentation, we were unable to determine the validity of the purchases made. Additionally, statements were not reconciled, and balances were not always paid in full each month, resulting in the fees and interest noted.

In February 2023, the County paid \$1,305 for charges made in 2022 for which documentation was provided, and a County employee reimbursed \$55 for personal charges made in 2023. Statements received after these payments were not provided to the current or previous County Judges. As of report date, the \$4,212 balance remained unpaid, at the recommendation of the County Attorney, and the County was working to obtain additional documentation to substantiate amounts owed.

#### County Clerk and County Judge

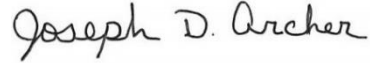
Competitive bids were not solicited for the purchase of the following items in the Sheriff's office, in noncompliance with Ark. Code Ann. §§ 14-22-101 - 14-22-115:

- 2023 Chevrolet Silverado costing \$49,467 in 2023. Additionally, this vehicle was purchased with the restricted Jail Operation and Maintenance Fund, which does not appear to be an allowable use of these funds as specified by Ark. Code Ann. § 16-17-129.
- Two 2024 Chevrolet Silverados costing \$99,452 in 2024.



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 "Joseph D. Archer". The signature is written in a cursive style with a large, prominent "J" and "A".

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
September 26, 2024

INDEPENDENCE COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,360,814	\$ 2,382,748	\$ 11,496,180
Accounts receivable	326,163	76,156	454,562
Interfund receivables	114,312		
<b>TOTAL ASSETS</b>	<b>\$ 7,801,289</b>	<b>\$ 2,458,904</b>	<b>\$ 11,950,742</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 98,155	\$ 81,018	\$ 701,528
Interfund payables			114,312
Settlements pending			1,083,915
Total Liabilities	98,155	81,018	1,899,755
Fund Balances:			
Restricted		145,070	7,024,174
Committed		2,232,816	1,959,515
Assigned	1,946,928		1,067,298
Unassigned	5,756,206		
Total Fund Balances	7,703,134	2,377,886	10,050,987
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,801,289</b>	<b>\$ 2,458,904</b>	<b>\$ 11,950,742</b>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 1,053,406	\$ 2,773,248	\$ 252,227
Federal aid	65,920	311,566	1,242,645
Property taxes	2,916,658	1,376,035	594,574
Sales taxes	671,966	1,832,635	5,604,060
Fines, forfeitures, and costs	955,040		150,903
Interest	219,432	40,276	267,975
Officers' fees	309,566		211,715
Jail fees	613,074		51,633
Reimbursement of law enforcement	811,808		
Sanitation fees			1,477,232
911 fees			653,866
Franchise fees	4,224		
Treasurer's commission	137,418		45,000
Collector's commission	371,238		
Taxes apportioned - Assessor's salary and expense	602,994		
Other	231,520	436,894	1,022,803
<b>TOTAL REVENUES</b>	<b>8,964,264</b>	<b>6,770,654</b>	<b>11,574,633</b>
Less: Treasurer's commission	40,216	41,158	59,333
<b>NET REVENUES</b>	<b>8,924,048</b>	<b>6,729,496</b>	<b>11,515,300</b>
<b>EXPENDITURES</b>			
Current:			
General government	2,421,018		301,397
Law enforcement	4,179,922		1,358,026
Highways and streets		5,287,486	
Public safety	155,363		1,398,100
Sanitation			2,166,211
Health	2,619		205,979
Recreation and culture			974,665
Social services	150,389		1,739,397
Hydroelectric project			3,933
Economic development			391,062
<b>Total Current</b>	<b>6,909,311</b>	<b>5,287,486</b>	<b>8,538,770</b>
Debt Service:			
Financed purchases principal		47,440	
Financed purchases interest		10,197	
<b>TOTAL EXPENDITURES</b>	<b>6,909,311</b>	<b>5,345,123</b>	<b>8,538,770</b>

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

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,014,737	\$ 1,384,373	\$ 2,976,530
OTHER FINANCING SOURCES (USES)			
Transfers in			211,750
Transfers out	(149,750)		(62,000)
Contribution of sales and property taxes from City of Southside (Note 14)	148,154	493,332	188,560
Sales taxes collected and remitted to community college			(2,005,599)
Sales taxes collected and remitted to fire departments			(2,005,599)
Refund of security bond proceeds		(300,000)	
TOTAL OTHER FINANCING SOURCES (USES)	(1,596)	193,332	(3,672,888)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,013,141	1,577,705	(696,358)
FUND BALANCES - JANUARY 1	5,689,993	800,181	10,747,345
FUND BALANCES - DECEMBER 31	\$ 7,703,134	\$ 2,377,886	\$ 10,050,987

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

INDEPENDENCE 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,011,617	\$ 1,053,406	\$ 41,789	\$ 2,548,000	\$ 2,773,248	\$ 225,248
Federal aid		65,920	65,920	500,000	311,566	(188,434)
Property taxes	2,571,210	2,916,658	345,448	1,170,800	1,376,035	205,235
Sales taxes	600,543	671,966	71,423	1,637,845	1,832,635	194,790
Fines, forfeitures, and costs	852,000	955,040	103,040			
Interest	10,000	219,432	209,432	15,000	40,276	25,276
Officers' fees	299,800	309,566	9,766			
Jail fees	368,700	613,074	244,374			
Reimbursement of law enforcement	561,269	811,808	250,539			
Franchise fees		4,224	4,224			
Treasurer's commission		137,418	137,418			
Collector's commission	428,679	371,238	(57,441)			
Taxes apportioned - Assessor's salary and expense	715,793	602,994	(112,799)			
Other	665,165	231,520	(433,645)	927,750	436,894	(490,856)
<b>TOTAL REVENUES</b>	<b>8,084,776</b>	<b>8,964,264</b>	<b>879,488</b>	<b>6,799,395</b>	<b>6,770,654</b>	<b>(28,741)</b>
Less: Treasurer's commission		40,216	(40,216)		41,158	(41,158)
<b>NET REVENUES</b>	<b>8,084,776</b>	<b>8,924,048</b>	<b>839,272</b>	<b>6,799,395</b>	<b>6,729,496</b>	<b>(69,899)</b>
EXPENDITURES						
Current:						
General government	2,673,247	2,421,018	252,229			
Law enforcement	7,581,164	4,179,922	3,401,242			
Highways and streets				7,706,965	5,287,486	2,419,479
Public safety	115,449	155,363	(39,914)			
Health	2,400	2,619	(219)			
Social services	150,160	150,389	(229)			
Total Current	10,522,420	6,909,311	3,613,109	7,706,965	5,287,486	2,419,479
Debt Service:						
Financed purchases principal					47,440	(47,440)
Financed purchases interest					10,197	(10,197)
<b>TOTAL EXPENDITURES</b>	<b>10,522,420</b>	<b>6,909,311</b>	<b>3,613,109</b>	<b>7,706,965</b>	<b>5,345,123</b>	<b>2,361,842</b>

INDEPENDENCE 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,437,644)	\$ 2,014,737	\$ 4,452,381	\$ (907,570)	\$ 1,384,373	\$ 2,291,943
OTHER FINANCING SOURCES (USES)						
Transfers in	436,618		(436,618)			
Transfers out	(143,750)	(149,750)	(6,000)			
Contribution of sales and property taxes from City of Southside (Note 14)	132,000	148,154	16,154	400,000	493,332	93,332
Refund of security bond proceeds					(300,000)	(300,000)
TOTAL OTHER FINANCING SOURCES (USES)	424,868	(1,596)	(426,464)	400,000	193,332	(206,668)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,012,776)	2,013,141	4,025,917	(507,570)	1,577,705	2,085,275
FUND BALANCES - JANUARY 1	837,950	5,689,993	4,852,043	800,000	800,181	181
FUND BALANCES - DECEMBER 31	\$ (1,174,826)	\$ 7,703,134	\$ 8,877,960	\$ 292,430	\$ 2,377,886	\$ 2,085,456

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

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**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. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following fund of the County would have been included in the reporting entity: Independence County White River Hydroelectric. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

**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, federal grants, property taxes, and sales 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. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

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

**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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**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, state aid, sales taxes, officer's fees, commission, solid waste collection fees, and property taxes that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
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.



INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**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)	\$ 1,116,456	\$ 1,126,903
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	20,117,517	22,091,012
Total Deposits	\$ 21,233,973	\$ 23,217,915

The above total deposits do not include cash on hand of \$5,769.

**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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2023, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 16,790	\$ 10,073	\$ 27,107
Federal aid	4,524		240,326
Fines, forfeitures, and costs	50,547		10,485
Interest	23,580		588
Officers' fees	16,226		14,144
Jail fees	94,616		387
Sanitation fees			107,013
911 fees			5,145
Other	119,880	66,083	49,367
<b>Totals</b>	<b>\$ 326,163</b>	<b>\$ 76,156</b>	<b>\$ 454,562</b>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2023, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 95,664	\$ 80,538	\$ 701,138
Salaries payable	2,491	480	390
<b>Totals</b>	<b>\$ 98,155</b>	<b>\$ 81,018</b>	<b>\$ 701,528</b>

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2023	
	Interfund Receivables	Interfund Payables
General Fund	\$ 114,312	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Delta Regional Authority (Stave)		\$ 114,312
<b>Totals</b>	<b>\$ 114,312</b>	<b>\$ 114,312</b>

Interfund receivables and payables consist of interfund loans. These balances were repaid in 2024.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 7: Details of Fund Balance Classifications**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 5,286,667
Law enforcement			518,163
Highways and streets		\$ 145,070	
Public safety			42,876
Recreation and culture			685,121
Economic development			491,347
Total Restricted		<u>145,070</u>	<u>7,024,174</u>
Committed for:			
Highways and streets		2,232,816	
Sanitation			1,629,727
Recreation and culture			328,581
Hydroelectric project			1,207
Total Committed		<u>2,232,816</u>	<u>1,959,515</u>
Assigned to:			
General government			388
Law enforcement	\$ 1,946,928		1,419
Public safety			200,998
Sanitation			606,840
Health			228,803
Social services			28,850
Total Assigned	<u>1,946,928</u>		<u>1,067,298</u>
Unassigned	<u>5,756,206</u>		
Totals	<u>\$ 7,703,134</u>	<u>\$ 2,377,886</u>	<u>\$ 10,050,987</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, 2023, the legal debt limit for bonded debt was \$55,108,605. 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, 2023, the legal debt limit for short-term financing obligations was \$17,051,801. The amount of short-term financing obligations was \$338,904 leaving a legal debt margin of \$16,712,897.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 9: Commitments**

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

	December 31, 2023
Long-term liabilities	\$ 338,904
Construction contracts	2,383,001
<b>Total Commitments</b>	<b>\$ 2,721,905</b>

Long-term Liabilities

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

	December 31, 2023
<u>Direct Borrowings</u>	
Financed purchase agreement with Caterpillar Financial Services Corporation in the amount of \$216,600, entered into on August 24, 2021, for the purchase of a motor grader to be repaid in 59 monthly payments of \$2,226 beginning October 13, 2021 and a final payment of \$109,826 on September 13, 2026. The interest rate is 2.99%. Payments are to be made from the Road Fund.	\$ 169,387
Financed purchase agreement with Cadence Bank in the amount of \$212,750, entered into on April 28, 2022, for the purchase of a motor grader to be repaid in 48 monthly payments of \$2,577 beginning May 28, 2022 and a final payment of \$106,000 on May 28, 2026. The interest rate is 2.59%. Payments are to be made from the Road Fund.	169,517
<b>Total Long-term liabilities</b>	<b>\$ 338,904</b>

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 \$338,904 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2023	Maturities to December 31, 2023
<u>Direct Borrowings</u>					
8/24/21	9/13/26	2.99%	\$ 216,600	\$ 169,387	\$ 47,213
4/28/22	5/28/26	2.59%	212,750	169,517	43,233
<b>Total Long-Term Debt</b>			<b>\$ 429,350</b>	<b>\$ 338,904</b>	<b>\$ 90,446</b>

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 9: Commitments (Continued)**

Changes in Long-Term Debt

	Balance January 01, 2023	Issued	Retired	Balance December 31, 2023
<u>Direct Borrowings</u>				
Financed purchases	\$ 386,344	\$ 0	\$ 47,440	\$ 338,904

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2024	\$ 48,771	\$ 8,866	\$ 57,637
2025	50,139	7,497	57,636
2026	239,994	3,949	243,943
Totals	\$ 338,904	\$ 20,312	\$ 359,216

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2023:

Project Name	Estimated Completion Date	Contract Balance December 31, 2023
Senior Citizen Center Construction	12/31/24	\$ 2,371,913
County Courthouse Window Installation	10/31/24	11,088
Total Construction Contracts		\$ 2,383,001

**NOTE 10: Interfund Transfers**

The General Fund transferred \$149,750 to Other Funds in the Aggregate (Emergency 911 \$125,000, Indigent Defense \$18,750, and Greenway Bike/Pedestrian Trail Grant \$6,000) for supplemental funding. Within the Other Funds in the Aggregate, Sales Tax – Recreation transferred \$62,000 to Independence County Shooting Sports (\$40,000) and Senior Citizens (\$22,000) for supplemental funding.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 11: Risk Management**

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

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

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

Property Program – This program is a blanket policy with coverage up to \$1,100,000,000 for any one loss with a \$1,000 deductible. The County shall pay into the program each year a charge established by the Risk Management Fund Board for covered county property.

Vehicle Program

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

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

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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 12: 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 \$1,118,251.

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 \$9,597,245.

**NOTE 13: Jointly Governed Organization**

White River Regional Solid Waste Management District

The County is a member of the White River Regional Solid Waste Management District. The District is a jointly governed organization comprised of Cleburne, Fulton, Independence, Izard, Jackson, Sharp, Stone, Van Buren, White, and Woodruff Counties and participating cities within the aforementioned counties. Representatives are the respective county judges and mayors unless some other representative is appointed by the participating entity. Independence County did not make any payments to the White River Regional Solid Waste Management District in 2023.

**NOTE 14: Interlocal Agreement**

The County entered into an interlocal agreement with the City of Southside on January 2, 2017, to provide various services. Under the agreement, the City will donate all of its road millage (property taxes) funds received from the County and 82.5% of its sales tax revenue to be used by the County for the following purposes: general use (4.5%); law enforcement (12%); road repairs, maintenance, and improvements (45%); and solid waste supplements, garbage, and roadside pickup (21%).

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Costs	County Recorder's Costs	County Library	Solid Waste
<b>ASSETS</b>								
Cash and cash equivalents	\$ 104,347	\$ 456,992	\$ 195,115	\$ 92,412	\$ 2,208	\$ 16,355	\$ 681,235	\$ 1,949,754
Accounts receivable			1,369		653	10,611	3,500	142,617
<b>TOTAL ASSETS</b>	<b>\$ 104,347</b>	<b>\$ 456,992</b>	<b>\$ 196,484</b>	<b>\$ 92,412</b>	<b>\$ 2,861</b>	<b>\$ 26,966</b>	<b>\$ 684,735</b>	<b>\$ 2,092,371</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 261		\$ 168			\$ 1,134	\$ 19,614	\$ 126,314
Interfund payables								
Settlements pending								
<b>Total Liabilities</b>	<b>261</b>		<b>168</b>			<b>1,134</b>	<b>19,614</b>	<b>126,314</b>
<b>Fund Balances:</b>								
Restricted	104,086	\$ 456,992	196,316	\$ 92,412	\$ 2,473	25,832	665,121	
Committed								1,359,217
Assigned					388			606,840
<b>Total Fund Balances</b>	<b>104,086</b>	<b>456,992</b>	<b>196,316</b>	<b>92,412</b>	<b>2,861</b>	<b>25,832</b>	<b>665,121</b>	<b>1,966,057</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 104,347</b>	<b>\$ 456,992</b>	<b>\$ 196,484</b>	<b>\$ 92,412</b>	<b>\$ 2,861</b>	<b>\$ 26,966</b>	<b>\$ 684,735</b>	<b>\$ 2,092,371</b>



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

Schedule 1

SPECIAL REVENUE FUNDS								
	Child Support Fee	Communication Facility and Equipment	Jail Fine	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	Indigent Defense
ASSETS								
Cash and cash equivalents	\$ 4,813	\$ 22,035	\$ 64,335	\$ 34,178	\$ 22,221	\$ 219,222	\$ 41,178	\$ 2,832
Accounts receivable		1,392	7,205	951		5,145	1,652	
TOTAL ASSETS	\$ 4,813	\$ 23,427	\$ 71,540	\$ 35,129	\$ 22,221	\$ 224,367	\$ 42,830	\$ 2,832
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 1,521				\$ 23,369		\$ 1,413
Interfund payables								
Settlements pending								
Total Liabilities		1,521				23,369		1,413
Fund Balances:								
Restricted	\$ 4,813	21,906	\$ 71,540	\$ 35,129	\$ 22,221		\$ 42,830	
Committed								
Assigned						200,998		1,419
Total Fund Balances	4,813	21,906	71,540	35,129	22,221	200,998	42,830	1,419
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,813	\$ 23,427	\$ 71,540	\$ 35,129	\$ 22,221	\$ 224,367	\$ 42,830	\$ 2,832

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

Schedule 1

SPECIAL REVENUE FUNDS							
	Juvenile Probation	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Facilities Depreciation	Hydroelectric Project
ASSETS							
Cash and cash equivalents			\$ 821	\$ 10,755	\$ 4,932,845	\$ 266,375	\$ 1,207
Accounts receivable	\$ 340	\$ 1,145				4,135	
TOTAL ASSETS	\$ 340	\$ 1,145	\$ 821	\$ 10,755	\$ 4,932,845	\$ 270,510	\$ 1,207
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable					\$ 363,717		
Interfund payables							
Settlements pending							
Total Liabilities					363,717		
Fund Balances:							
Restricted	\$ 340	\$ 1,145	\$ 821	\$ 10,755	4,569,128		
Committed						\$ 270,510	\$ 1,207
Assigned							
Total Fund Balances	340	1,145	821	10,755	4,569,128	270,510	1,207
TOTAL LIABILITIES AND FUND BALANCES	\$ 340	\$ 1,145	\$ 821	\$ 10,755	\$ 4,932,845	\$ 270,510	\$ 1,207

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

Schedule 1

	SPECIAL REVENUE FUNDS						
	Department of Human Services/Health Building	Disaster Recovery	County Economic Development	Sales Tax - Recreation	Drug Court Program	Independence County Driving While Intoxicated Court	Independence County Shooting Sports
<b>ASSETS</b>							
Cash and cash equivalents	\$ 230,440	\$ 19,029	\$ 491,347	\$ 213,251	\$ 2,847	\$ 40,475	\$ 118,963
Accounts receivable						7,623	2,200
<b>TOTAL ASSETS</b>	<u>\$ 230,440</u>	<u>\$ 19,029</u>	<u>\$ 491,347</u>	<u>\$ 213,251</u>	<u>\$ 2,847</u>	<u>\$ 48,098</u>	<u>\$ 121,163</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 1,637			\$ 4,826		\$ 3,141	\$ 1,007
Interfund payables							
Settlements pending							
<b>Total Liabilities</b>	<u>1,637</u>			<u>4,826</u>		<u>3,141</u>	<u>1,007</u>
<b>Fund Balances:</b>							
Restricted		\$ 19,029	\$ 491,347		\$ 2,847	44,957	
Committed				208,425			120,156
Assigned	228,803						
<b>Total Fund Balances</b>	<u>228,803</u>	<u>19,029</u>	<u>491,347</u>	<u>208,425</u>	<u>2,847</u>	<u>44,957</u>	<u>120,156</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 230,440</u>	<u>\$ 19,029</u>	<u>\$ 491,347</u>	<u>\$ 213,251</u>	<u>\$ 2,847</u>	<u>\$ 48,098</u>	<u>\$ 121,163</u>

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

Schedule 1

SPECIAL REVENUE FUNDS								
	Act 490 of 2009 Drug Court Program Fee	Drug Court Graduation	Sheriff's Special Needs	Sheriff Drug Investigation	Senior Citizen	Donation Fund 911	Bayou Trail Project	Sheriff's Grant
ASSETS								
Cash and cash equivalents	\$ 21,446	\$ 40	\$ 49,883	\$ 27,737	\$ 15,582	\$ 1,626	\$ 20,000	\$ 2,270
Accounts receivable	30				22,561			
TOTAL ASSETS	\$ 21,476	\$ 40	\$ 49,883	\$ 27,737	\$ 38,143	\$ 1,626	\$ 20,000	\$ 2,270
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 23	\$ 16,365	\$ 604	\$ 9,293			
Interfund payables								
Settlements pending								
Total Liabilities		23	16,365	604	9,293			
Fund Balances:								
Restricted	\$ 21,476	17	33,518	27,133		\$ 1,626	\$ 20,000	\$ 2,270
Committed								
Assigned					28,850			
Total Fund Balances	21,476	17	33,518	27,133	28,850	1,626	20,000	2,270
TOTAL LIABILITIES AND FUND BALANCES	\$ 21,476	\$ 40	\$ 49,883	\$ 27,737	\$ 38,143	\$ 1,626	\$ 20,000	\$ 2,270

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

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS	
	Court Security Grant	Driving While Intoxicated Court Grant	Juvenile Officer Grant	Juvenile Drug Court Incentive	Elections COVID Response Grant	Delta Regional Authority (Stave)	County Courthouse Window Grant
ASSETS							
Cash and cash equivalents	\$ 66	\$ 1,302	\$ 15,331	\$ 40	\$ 19,355		
Accounts receivable						\$ 217,521	\$ 23,912
<b>TOTAL ASSETS</b>	<b>\$ 66</b>	<b>\$ 1,302</b>	<b>\$ 15,331</b>	<b>\$ 40</b>	<b>\$ 19,355</b>	<b>\$ 217,521</b>	<b>\$ 23,912</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable						\$ 103,209	\$ 23,912
Interfund payables						114,312	
Settlements pending							
<b>Total Liabilities</b>						<b>217,521</b>	<b>23,912</b>
Fund Balances:							
Restricted	\$ 66	\$ 1,302	\$ 15,331	\$ 40	\$ 19,355		
Committed							
Assigned							
<b>Total Fund Balances</b>	<b>66</b>	<b>1,302</b>	<b>15,331</b>	<b>40</b>	<b>19,355</b>		
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 66</b>	<b>\$ 1,302</b>	<b>\$ 15,331</b>	<b>\$ 40</b>	<b>\$ 19,355</b>	<b>\$ 217,521</b>	<b>\$ 23,912</b>

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

Schedule 1

CUSTODIAL FUNDS								
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	County Judge's Accounts	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ 381,242	\$ 255,858	\$ 48,495	\$ 9,365	\$ 146,677	\$ 184,754	\$ 57,524	\$ 11,496,180
Accounts receivable								454,562
TOTAL ASSETS	\$ 381,242	\$ 255,858	\$ 48,495	\$ 9,365	\$ 146,677	\$ 184,754	\$ 57,524	\$ 11,950,742
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable								\$ 701,528
Interfund payables								114,312
Settlements pending	\$ 381,242	\$ 255,858	\$ 48,495	\$ 9,365	\$ 146,677	\$ 184,754	\$ 57,524	1,083,915
Total Liabilities	381,242	255,858	48,495	9,365	146,677	184,754	57,524	1,899,755
Fund Balances:								
Restricted								7,024,174
Committed								1,959,515
Assigned								1,067,298
Total Fund Balances								10,050,987
TOTAL LIABILITIES AND FUND BALANCES	\$ 381,242	\$ 255,858	\$ 48,495	\$ 9,365	\$ 146,677	\$ 184,754	\$ 57,524	\$ 11,950,742

INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Costs	County Recorder's Costs	County Library	Solid Waste	Child Support Fee
REVENUES									
State aid				\$ 12,994			\$ 139,987	\$ 3,666	
Federal aid									
Property taxes							592,785		
Sales taxes								855,230	
Fines, forfeitures, and costs									
Interest	\$ 3,357						18,578	2,024	
Officers' fees			\$ 21,258		\$ 7,033	\$ 146,116			\$ 3,850
Jail fees									
Sanitation fees								1,422,422	
911 fees									
Treasurer's commission	45,000								
Other	847				75	3,756	41,563	221,709	
<b>TOTAL REVENUES</b>	<b>49,204</b>		<b>21,258</b>	<b>12,994</b>	<b>7,108</b>	<b>149,872</b>	<b>792,913</b>	<b>2,505,051</b>	<b>3,850</b>
Less: Treasurer's commission			131	80	44	929	4,726	15,999	24
<b>NET REVENUES</b>	<b>49,204</b>		<b>21,127</b>	<b>12,914</b>	<b>7,064</b>	<b>148,943</b>	<b>788,187</b>	<b>2,489,052</b>	<b>3,826</b>
EXPENDITURES									
Current:									
General government	44,433	\$ 24,678				10,000	142,159		47,000
Law enforcement			4,602						
Public safety									
Sanitation								2,153,986	
Health									
Recreation and culture							718,851		
Social services									
Hydroelectric project									
Economic development									
<b>TOTAL EXPENDITURES</b>	<b>44,433</b>	<b>24,678</b>	<b>4,602</b>		<b>10,000</b>	<b>142,159</b>	<b>718,851</b>	<b>2,153,986</b>	<b>47,000</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,771</b>	<b>(24,678)</b>	<b>16,525</b>	<b>12,914</b>	<b>(2,936)</b>	<b>6,784</b>	<b>69,336</b>	<b>335,066</b>	<b>(43,174)</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Contribution of sales and property taxes from City of Southside (Note 14)								188,560	
Sales taxes collected and remitted to community college									
Sales taxes collected and remitted to fire departments									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								<b>188,560</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>4,771</b>	<b>(24,678)</b>	<b>16,525</b>	<b>12,914</b>	<b>(2,936)</b>	<b>6,784</b>	<b>69,336</b>	<b>523,626</b>	<b>(43,174)</b>
FUND BALANCES - JANUARY 1	99,315	481,670	179,791	79,498	5,797	19,048	595,785	1,442,431	47,987
FUND BALANCES - DECEMBER 31	<b>\$ 104,086</b>	<b>\$ 456,992</b>	<b>\$ 196,316</b>	<b>\$ 92,412</b>	<b>\$ 2,861</b>	<b>\$ 25,832</b>	<b>\$ 665,121</b>	<b>\$ 1,966,057</b>	<b>\$ 4,813</b>

INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Communication Facility and Equipment	Jail Fine	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	Indigent Defense	Juvenile Probation
REVENUES								
State aid				\$ 3,277				
Federal aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs		\$ 97,216	\$ 6,052			\$ 21,531	\$ 10,870	
Interest	\$ 1,263							
Officers' fees	16,876						15	\$ 3,018
Jail fees	47,344		4,289					
Sanitation fees								
911 fees					\$ 653,866			
Treasurer's commission								
Other	1,733				3,963			
<b>TOTAL REVENUES</b>	<b>67,216</b>	<b>97,216</b>	<b>10,341</b>	<b>3,277</b>	<b>657,829</b>	<b>21,531</b>	<b>10,885</b>	<b>3,018</b>
Less: Treasurer's commission		599	62	20	4,072	131	53	20
<b>NET REVENUES</b>	<b>67,216</b>	<b>96,617</b>	<b>10,279</b>	<b>3,257</b>	<b>653,757</b>	<b>21,400</b>	<b>10,832</b>	<b>2,998</b>
EXPENDITURES								
Current:								
General government								
Law enforcement	69,168	151,844	17,730				29,662	3,222
Public safety				706	786,432			
Sanitation								
Health								
Recreation and culture								
Social services								
Hydroelectric project								
Economic development								
<b>TOTAL EXPENDITURES</b>	<b>69,168</b>	<b>151,844</b>	<b>17,730</b>	<b>706</b>	<b>786,432</b>		<b>29,662</b>	<b>3,222</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,952)</b>	<b>(55,227)</b>	<b>(7,451)</b>	<b>2,551</b>	<b>(132,675)</b>	<b>21,400</b>	<b>(18,830)</b>	<b>(224)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in					125,000		18,750	
Transfers out								
Contribution of sales and property taxes from City of Southside (Note 14)								
Sales taxes collected and remitted to community college								
Sales taxes collected and remitted to fire departments								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					<b>125,000</b>		<b>18,750</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(1,952)</b>	<b>(55,227)</b>	<b>(7,451)</b>	<b>2,551</b>	<b>(7,675)</b>	<b>21,400</b>	<b>(80)</b>	<b>(224)</b>
FUND BALANCES - JANUARY 1	23,858	126,767	42,580	19,670	208,673	21,430	1,499	564
FUND BALANCES - DECEMBER 31	<b>\$ 21,906</b>	<b>\$ 71,540</b>	<b>\$ 35,129</b>	<b>\$ 22,221</b>	<b>\$ 200,998</b>	<b>\$ 42,830</b>	<b>\$ 1,419</b>	<b>\$ 340</b>



INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Juvenile Court Representation	Juvenile Diversion Fees	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Facilities Depreciation	University of Arkansas Community College at Batesville	Hydroelectric Project
REVENUES								
State aid								
Federal aid								
Property taxes				\$ 1,789				
Sales taxes							\$ 2,018,069	
Fines, forfeitures, and costs	\$ 6,178	\$ 145						
Interest				1	\$ 238,822			
Officers' fees	3,055		\$ 1,022					
Jail fees								
Sanitation fees						\$ 54,810		
911 fees								
Treasurer's commission								
Other								\$ 784
<b>TOTAL REVENUES</b>	<b>9,233</b>	<b>145</b>	<b>1,022</b>	<b>1,790</b>	<b>238,822</b>	<b>54,810</b>	<b>2,018,069</b>	<b>784</b>
Less: Treasurer's commission	55	1	6	11		363	12,470	
<b>NET REVENUES</b>	<b>9,178</b>	<b>144</b>	<b>1,016</b>	<b>1,779</b>	<b>238,822</b>	<b>54,447</b>	<b>2,005,599</b>	<b>784</b>
EXPENDITURES								
Current:								
General government			6,900		2,315			
Law enforcement	8,783	194			946,668			
Public safety					85,043			
Sanitation						12,225		
Health								
Recreation and culture								
Social services					706,417			
Hydroelectric project								3,933
Economic development								
<b>TOTAL EXPENDITURES</b>	<b>8,783</b>	<b>194</b>	<b>6,900</b>		<b>1,740,443</b>	<b>12,225</b>		<b>3,933</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>395</b>	<b>(50)</b>	<b>(5,884)</b>	<b>1,779</b>	<b>(1,501,621)</b>	<b>42,222</b>	<b>2,005,599</b>	<b>(3,149)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Contribution of sales and property taxes from City of Southside (Note 14)								
Sales taxes collected and remitted to community college							(2,005,599)	
Sales taxes collected and remitted to fire departments								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							<b>(2,005,599)</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>395</b>	<b>(50)</b>	<b>(5,884)</b>	<b>1,779</b>	<b>(1,501,621)</b>	<b>42,222</b>		<b>(3,149)</b>
FUND BALANCES - JANUARY 1	750	50	6,705	8,976	6,070,749	228,288		4,356
FUND BALANCES - DECEMBER 31	<b>\$ 1,145</b>	<b>\$ 0</b>	<b>\$ 821</b>	<b>\$ 10,755</b>	<b>\$ 4,569,128</b>	<b>\$ 270,510</b>	<b>\$ 0</b>	<b>\$ 1,207</b>

INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS						Independence County Driving While Intoxicated Court
	Department of Human Services/Health Building	Disaster Recovery	County Economic Development	Sales Tax - Fire Department	Sales Tax - Recreation	Drug Court Program	
REVENUES							
State aid							
Federal aid	\$ 77,503						\$ 38,395
Property taxes							
Sales taxes				\$ 488,703	\$ 223,989		
Fines, forfeitures, and costs							
Interest		\$ 764					
Officers' fees							9,313
Jail fees							
Sanitation fees							
911 fees							
Treasurer's commission							
Other	201,250		\$ 242,203				543
<b>TOTAL REVENUES</b>	<b>278,753</b>	<b>764</b>	<b>242,203</b>	<b>488,703</b>	<b>223,989</b>		<b>48,251</b>
Less: Treasurer's commission	1,241	5	643	3,020	1,384		57
<b>NET REVENUES</b>	<b>277,512</b>	<b>759</b>	<b>241,560</b>	<b>485,683</b>	<b>222,605</b>		<b>48,194</b>
EXPENDITURES							
Current:							
General government							
Law enforcement							67,811
Public safety				485,683			
Sanitation							
Health	205,979						
Recreation and culture					83,735		
Social services							
Hydroelectric project							
Economic development			27,744				
<b>TOTAL EXPENDITURES</b>	<b>205,979</b>		<b>27,744</b>	<b>485,683</b>	<b>83,735</b>		<b>67,811</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>71,533</b>	<b>759</b>	<b>213,816</b>		<b>138,870</b>		<b>(19,617)</b>
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out					(62,000)		
Contribution of sales and property taxes from City of Southside (Note 14)							
Sales taxes collected and remitted to community college							
Sales taxes collected and remitted to fire departments							
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					<b>(62,000)</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>71,533</b>	<b>759</b>	<b>213,816</b>		<b>76,870</b>		<b>(19,617)</b>
FUND BALANCES - JANUARY 1	157,270	18,270	277,531		131,555	\$ 2,847	64,574
FUND BALANCES - DECEMBER 31	\$ 228,803	\$ 19,029	\$ 491,347	\$ 0	\$ 208,425	\$ 2,847	\$ 44,957

INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Independence County Shooting Sports	Act 490 of 2009 Drug Court Program Fee	Drug Court Graduation	Fire Department 1/4 Cent Sales Tax	Sheriff's Special Needs	Sheriff Drug Investigation	Senior Citizen	Donation Fund 911
REVENUES								
State aid							\$ 64,544	
Federal aid							194,020	
Property taxes								
Sales taxes				\$ 2,018,069				
Fines, forfeitures, and costs						\$ 8,911		
Interest					\$ 1,557		1,609	
Officers' fees		\$ 159						
Jail fees								
Sanitation fees								
911 fees								
Treasurer's commission								
Other	\$ 119,798				16,035		156,241	\$ 1,225
<b>TOTAL REVENUES</b>	<b>119,798</b>	<b>159</b>		<b>2,018,069</b>	<b>17,592</b>	<b>8,911</b>	<b>416,414</b>	<b>1,225</b>
Less: Treasurer's commission	707	1		12,470	9			
<b>NET REVENUES</b>	<b>119,091</b>	<b>158</b>		<b>2,005,599</b>	<b>17,583</b>	<b>8,911</b>	<b>416,414</b>	<b>1,225</b>
EXPENDITURES								
Current:								
General government								
Law enforcement			\$ 40		19,916	9,268		
Public safety								263
Sanitation								
Health								
Recreation and culture	166,079							
Social services							493,873	
Hydroelectric project								
Economic development								
<b>TOTAL EXPENDITURES</b>	<b>166,079</b>		<b>40</b>		<b>19,916</b>	<b>9,268</b>	<b>493,873</b>	<b>263</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(46,988)</b>	<b>158</b>	<b>(40)</b>	<b>2,005,599</b>	<b>(2,333)</b>	<b>(357)</b>	<b>(77,459)</b>	<b>962</b>
OTHER FINANCING SOURCES (USES)								
Transfers in	40,000						22,000	
Transfers out								
Contribution of sales and property taxes from City of Southside (Note 14)								
Sales taxes collected and remitted to community college								
Sales taxes collected and remitted to fire departments				(2,005,599)				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>40,000</b>			<b>(2,005,599)</b>			<b>22,000</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(6,988)</b>	<b>158</b>	<b>(40)</b>		<b>(2,333)</b>	<b>(357)</b>	<b>(55,459)</b>	<b>962</b>
FUND BALANCES - JANUARY 1	127,144	21,318	57		35,851	27,490	84,309	664
FUND BALANCES - DECEMBER 31	<b>\$ 120,156</b>	<b>\$ 21,476</b>	<b>\$ 17</b>	<b>\$ 0</b>	<b>\$ 33,518</b>	<b>\$ 27,133</b>	<b>\$ 28,850</b>	<b>\$ 1,626</b>

INDEPENDENCE 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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Bayou Trail Project	Sheriff's Grant	Court Security Grant	Driving While Intoxicated Court Grant	Juvenile Officer Grant	Juvenile Drug Court Incentive	Elections COVID Response Grant	Senior Citizen Grant
REVENUES								
State aid						\$ 3,847		
Federal aid							\$ 126,252	\$ 30,400
Property taxes								
Sales taxes								
Fines, forfeitures, and costs								
Interest								
Officers' fees								
Jail fees								
Sanitation fees								
911 fees								
Treasurer's commission								
Other		\$ 10,980					98	
TOTAL REVENUES		10,980				3,847	126,350	30,400
Less: Treasurer's commission								
NET REVENUES		10,980				3,847	126,350	30,400
EXPENDITURES								
Current:								
General government								
Law enforcement		20,585			\$ 4,696	3,837		
Public safety								30,400
Sanitation								
Health								
Recreation and culture								
Social services							126,350	
Hydroelectric project								
Economic development								
TOTAL EXPENDITURES		20,585			4,696	3,837	126,350	30,400
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(9,605)			(4,696)	10		
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Contribution of sales and property taxes from City of Southside (Note 14)								
Sales taxes collected and remitted to community college								
Sales taxes collected and remitted to fire departments								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(9,605)			(4,696)	10		
FUND BALANCES - JANUARY 1	\$ 20,000	11,875	\$ 66	\$ 1,302	20,027	30	\$ 19,355	
FUND BALANCES - DECEMBER 31	\$ 20,000	\$ 2,270	\$ 66	\$ 1,302	\$ 15,331	\$ 40	\$ 19,355	\$ 0

INDEPENDENCE 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

Schedule 2

	CAPITAL PROJECTS FUNDS					Totals
	Greenway Bike/Pedestrian Trail Grant	Cord Volunteer Fire Department	Senior Citizen II Grant (Construction)	Delta Regional Authority (Stave)	County Courthouse Window Grant	
REVENUES						
State aid					\$ 23,912	\$ 252,227
Federal aid			\$ 412,757	\$ 363,318		1,242,645
Property taxes						594,574
Sales taxes						5,604,060
Fines, forfeitures, and costs						150,903
Interest						267,975
Officers' fees						211,715
Jail fees						51,633
Sanitation fees						1,477,232
911 fees						653,866
Treasurer's commission						45,000
Other						1,022,803
<b>TOTAL REVENUES</b>			<b>412,757</b>	<b>363,318</b>	<b>23,912</b>	<b>11,574,633</b>
Less: Treasurer's commission						59,333
<b>NET REVENUES</b>			<b>412,757</b>	<b>363,318</b>	<b>23,912</b>	<b>11,515,300</b>
EXPENDITURES						
Current:						
General government					23,912	301,397
Law enforcement						1,358,026
Public safety		\$ 9,573				1,398,100
Sanitation						2,166,211
Health						205,979
Recreation and culture	\$ 6,000					974,665
Social services			412,757			1,739,397
Hydroelectric project						3,933
Economic development				363,318		391,062
<b>TOTAL EXPENDITURES</b>	<b>6,000</b>	<b>9,573</b>	<b>412,757</b>	<b>363,318</b>	<b>23,912</b>	<b>8,538,770</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(6,000)</b>	<b>(9,573)</b>				<b>2,976,530</b>
OTHER FINANCING SOURCES (USES)						
Transfers in	6,000					211,750
Transfers out						(62,000)
Contribution of sales and property taxes from City of Southside (Note 14)						188,560
Sales taxes collected and remitted to community college						(2,005,599)
Sales taxes collected and remitted to fire departments						(2,005,599)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>6,000</b>					<b>(3,672,888)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>			<b>(9,573)</b>			<b>(696,358)</b>
FUND BALANCES - JANUARY 1		9,573				10,747,345
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,050,987

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023

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 Costs	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 Costs	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.
Solid Waste	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on fee schedule contained in an ordinance. County Ordinance no. 2012-58 (December 11, 2012) authorized solid waste management fees.
Child Support Fee	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 and phone commission funds to be used for communications equipment and repair and to train operations staff.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Fine	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.
Indigent 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 of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
Juvenile Probation	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.
Juvenile Court Representation	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.
Juvenile Diversion Fees	Ark. Code Ann. § 16-13-326 established fund to collect juvenile fees and provide services and supplies to juveniles at the discretion of the juvenile division of Circuit Court.

INDEPENDENCE COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2023

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.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Facilities Depreciation	Independence County Ordinance no. 2017-39 (August 14, 2017) established fund to account for funds derived from solid waste fees collected from IESI.
University of Arkansas Community College at Batesville	Established to receive 1/4% sales and use tax, approved by voters on February 24, 1998, levied for the purpose of acquisition, construction, equipping, operations and maintenance of the University of Arkansas Community College at Batesville.
Hydroelectric Project	Independence County Ordinance no. 264-83 (March 11, 1983) established fund to account for expenses associated with the development of the hydroelectric project.
Department of Human Services/Health Building	Independence County Ordinance no. 99-18 (June 15, 1999) established fund to account for rent and expenses associated with the County Health Office Building.
Disaster Recovery	Independence County Ordinance no. 97-15 (June 10, 1997) established fund to account for Special Disaster Recovery Grant from the Department of Emergency Services.
County Economic Development	Independence County Ordinance no. 2009-42 (August 10, 2009) established fund to account for funds derived from an election approving an economic development sales tax for the purpose of economic development.
Sales Tax - Fire Department	Independence County Ordinance no. 2018-34 (December 10, 2018) established fund to account for 12% of 1% sales tax for fire department expenses.



INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Sales Tax - Recreation	Independence County Ordinance no. 2018-34 (December 10, 2018) established fund to account for 5.5% of 1% sales tax for recreation and culture expenses.
Drug Court Program	Established to account for a grant received from the Administrative Office of the Courts for graduation incentives.
Independence County Driving While Intoxicated Court	Independence County Ordinance no. 2009-34 (July 13, 2009) established fund to account for state fines, client contribution fees, and grants to be used for court and class purposes.
Independence County Shooting Sports	Independence County Ordinance no. 2011-09 (February 14, 2011) established fund to account for grants, donations, fees, and expenses associated with the shooting range.
Act 490 of 2009 Drug Court Program Fee	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.
Drug Court Graduation	Independence County Ordinance no. 2011-45 (November 15, 2011) established fund to account for drug court grant.
Fire Department 1/4 Cent Sales Tax	Independence County Ordinance no. 2013-27 (June 10, 2013) established fund to account for 1/2% sales tax for fire department purposes.
Sheriff's Special Needs	Independence County Ordinance no. 2001-07 (March 13, 2001) established fund to account for donations, gifts, and receipts that are designated to be used only for special needs and projects of the Sheriff's office.
Sheriff Drug Investigation	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Senior Citizen	Independence County Ordinance no. 2013-33 (July 9, 2013) established fund to account for grants, donations, fees, and expenses associated with the Senior Citizens program.
Donation Fund 911	Independence County Ordinance no. 2017-46 (December 11, 2017) established fund to account for donations to be used for 911 dispatch.
Bayou Trail Project	Independence County Ordinance no. 2021-05 (February 9, 2021) established fund to account for private donation for bayou trail project.

INDEPENDENCE COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Sheriff's Grant	Independence County Ordinance no. 2004-02 (January 13, 2004) established fund to account for the Law Enforcement Block Grant.
Court Security Grant	Independence County Ordinance no. 2022-16 (September 12, 2022) established fund to account for the Court Security Grant.
Driving While Intoxicated Court Grant	Independence County Ordinance no. 2016-16 (April 11, 2016) established fund to account for grants from the Arkansas Department of Community Corrections for court related programs and expenses.
Juvenile Officer Grant	Independence County Ordinance no. 2020-06 (March 9, 2020) established fund to account for state administrative of courts grant for Juvenile Officers.
Juvenile Drug Court Incentive	Independence County Ordinance no. 2020-11 (May 11, 2020) established fund to account for state grant for Juvenile Drug Court.
Elections COVID Response Grant	Independence County Ordinance no. 2020-26 (December 14, 2020) established fund to account for a grant from the Center for Technology and Civic Life.
Senior Citizen Grant	Independence County Ordinance no. 2021-28 (December 13, 2021) established fund to account for a grant for the Senior Citizens Center.
Federal Emergency Management Agency Hazard Mitigation	Independence County Ordinance no. 2022-22 (December 12, 2022) established fund to account for funds from the Federal Emergency Management Agency for costs related to the County's Hazard Mitigation Plan administered through White River Planning and Development.
Greenway Bike/Pedestrian Trail Grant	Independence County Ordinance no. 2023-03 (February 14, 2023) established fund to account for federal grants received from the United States Department of Transportation Federal Highway Administration for the construction of a recreational trail.
Cord Volunteer Fire Department	Independence County Ordinance no. 2017-13 (March 13, 2017) established fund to account for funds derived from state General Improvement Fund grants.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Senior Citizen II Grant (Construction)	Independence County Ordinance no. 2022-22 (December 12, 2022) established fund to account for federal grants received from the United States Department of Housing and Urban Development for the construction of a new senior citizens center administered through White River Planning and Development.
Delta Regional Authority (Stave)	Independence County Ordinance no. 2022-22 (December 12, 2022) established fund to account for federal grants received from the Delta Regional Authority for the construction of road and parking lot improvements for the Independent Stave Company administered through White River Planning and Development.
County Courthouse Window Grant	Independence County Ordinance no. 2023-24 (October 9, 2023) established fund to account for funds from the Arkansas Historic Preservation Program for costs related to the repairing, painting and installation of storm windows in the Independence County Courthouse.

Treasurer's accounts consist primarily of property taxes and interest not distributed to the appropriate agencies, and funds held for a rural fire department.

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

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

County Clerk's accounts consist primarily of trust accounts and fees to be settled with the treasurer.

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

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

County Judge's account consists of solid waste collection fees not yet remitted to the treasurer.

INDEPENDENCE COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2023  
(Unaudited)

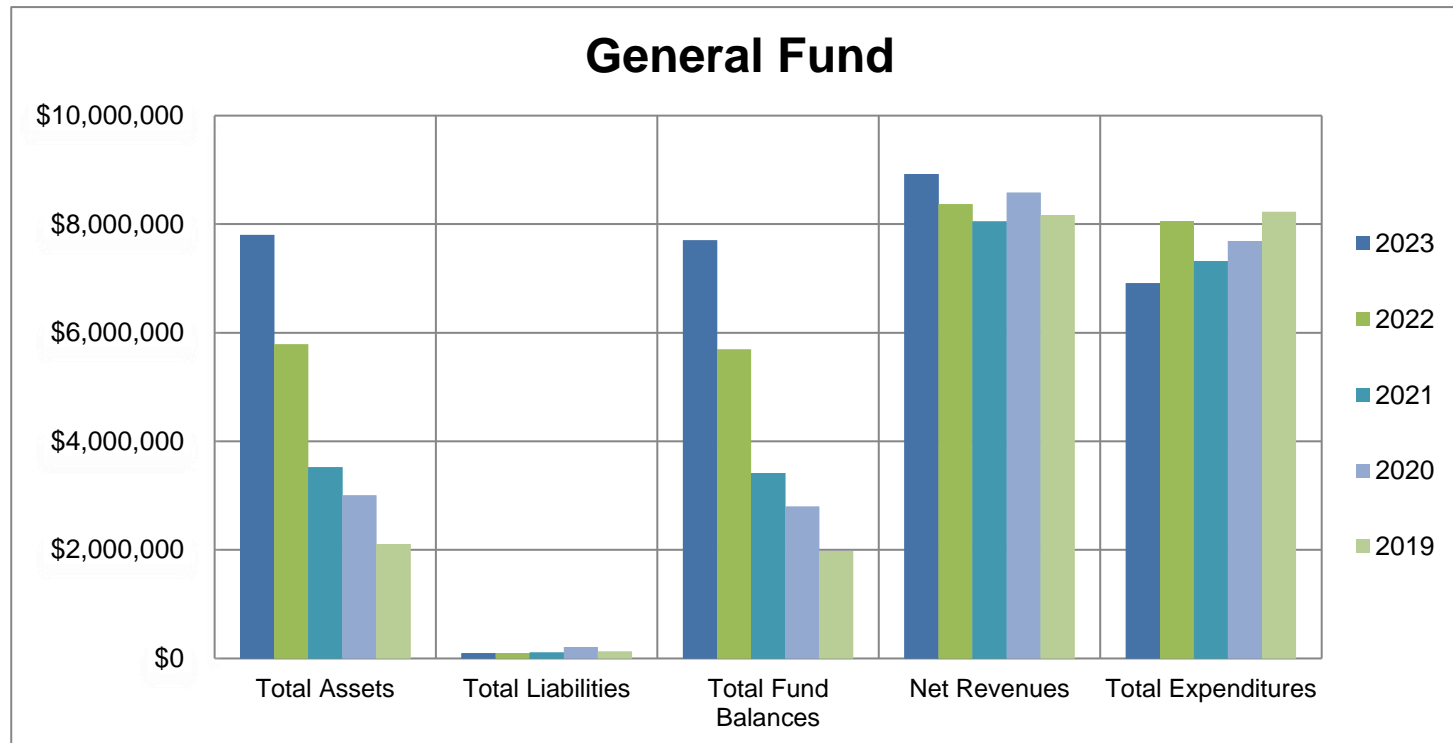
Schedule 3

	<u>December 31, 2023</u>
Land	\$ 2,692,624
Buildings	13,231,985
Equipment	<u>13,696,922</u>
Total	<u><u>\$ 29,621,531</u></u>

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

Schedule 4-1

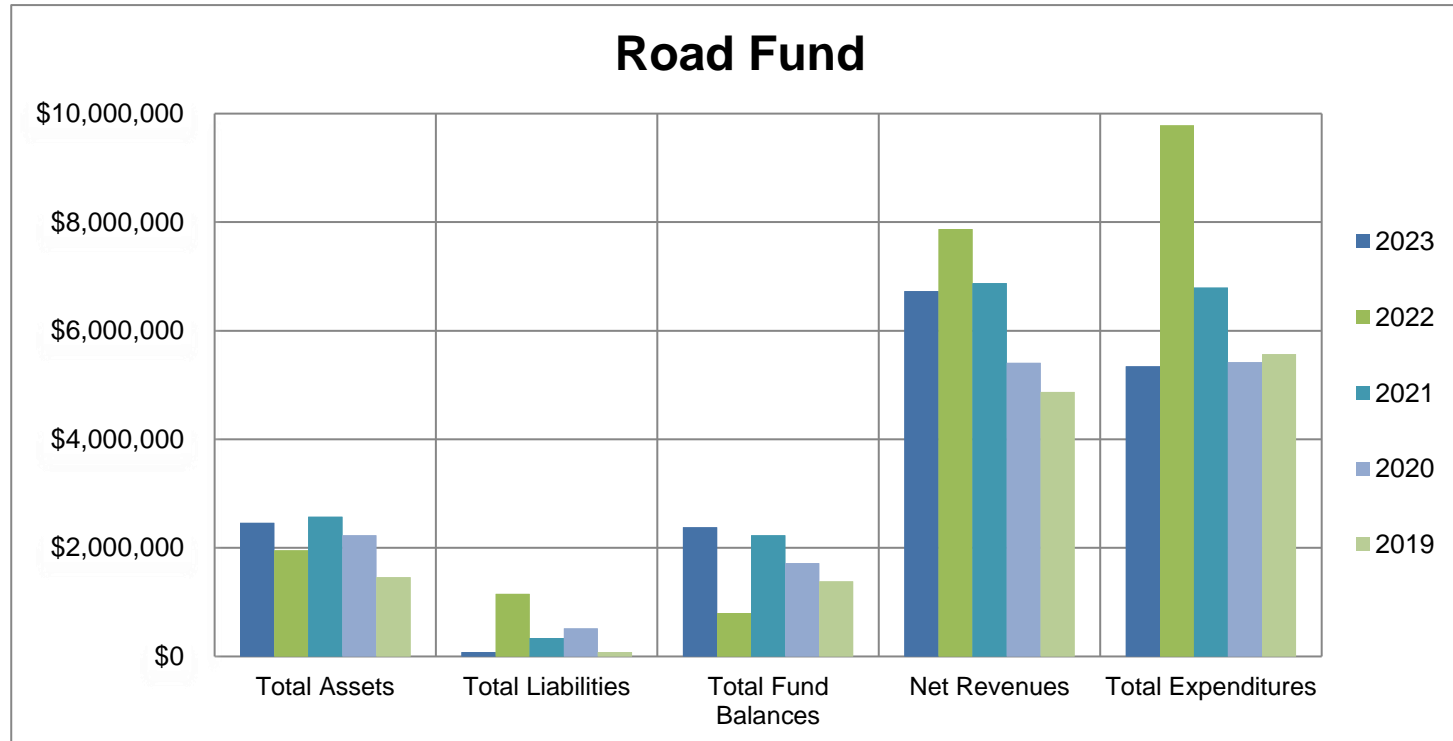
<u>General</u>	2023	2022	2021	2020	2019
Total Assets	\$ 7,801,289	\$ 5,786,709	\$ 3,524,242	\$ 3,003,712	\$ 2,106,067
Total Liabilities	98,155	96,716	106,707	206,825	127,242
Total Fund Balances	7,703,134	5,689,993	3,417,535	2,796,887	1,978,825
Net Revenues	8,924,048	8,369,165	8,051,402	8,582,970	8,169,014
Total Expenditures	6,909,311	8,054,026	7,320,867	7,688,692	8,229,400
Total Other Financing Sources/Uses	(1,596)	1,957,319	(109,887)	(76,216)	179,574



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

Schedule 4-2

<u>Road</u>	2023	2022	2021	2020	2019
Total Assets	\$ 2,458,904	\$ 1,951,734	\$ 2,574,317	\$ 2,229,265	\$ 1,458,843
Total Liabilities	81,018	1,151,553	339,902	513,261	78,994
Total Fund Balances	2,377,886	800,181	2,234,415	1,716,004	1,379,849
Net Revenues	6,729,496	7,875,128	6,877,526	5,408,564	4,872,340
Total Expenditures	5,345,123	9,780,337	6,791,394	5,419,782	5,565,911
Total Other Financing Sources/Uses	193,332	470,975	432,279	347,373	358,316



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2023	2022	2021	2020	2019
Total Assets	\$ 11,950,742	\$ 11,938,190	\$ 7,739,389	\$ 4,763,925	\$ 4,620,074
Total Liabilities	1,899,755	1,190,845	1,080,462	973,402	1,449,282
Total Fund Balances	10,050,987	10,747,345	6,658,927	3,790,523	3,170,792
Net Revenues	11,515,300	13,870,239	13,629,308	9,676,388	8,029,368
Total Expenditures	8,538,770	6,309,627	7,511,533	6,084,340	5,953,726
Total Other Financing Sources/Uses	(3,672,888)	(3,472,194)	(3,249,371)	(2,972,317)	(2,712,630)

