

**Independence County, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE



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# Arkansas

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



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### 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, 2024; the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis; the Statement of Revenues, Expenditures, and Change in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis for the year then ended; and the related notes to the financial statements.

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

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Independence County, Arkansas, as of December 31, 2024; 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, 2024, 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 October 23, 2025, 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



Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
October 23, 2025  
LOCO03224

# Arkansas

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



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### 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, 2024, 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 October 23, 2025. 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

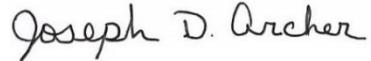
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 October 23, 2025.

### **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  
October 23, 2025

# Arkansas

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



**Rep. Robin Lundstrum**  
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House Vice Chair

**Kevin William White, CPA, JD**  
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 2024:

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

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

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the Quorum Court and County management, and other parties as required by Arkansas Code and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record, and distribution is not limited.

### ARKANSAS LEGISLATIVE AUDIT

*Joseph D. Archer*

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 23, 2025

INDEPENDENCE COUNTY, ARKANSAS  
 BALANCE SHEET - REGULATORY BASIS  
 DECEMBER 31, 2024

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,205,833	\$ 3,556,207	\$ 8,105,137
Accounts receivable	302,348	107,075	269,714
<b>TOTAL ASSETS</b>	<b>\$ 10,508,181</b>	<b>\$ 3,663,282</b>	<b>\$ 8,374,851</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 341,194	\$ 86,717	\$ 244,048
Settlements pending			1,128,842
Total Liabilities	<b>341,194</b>	<b>86,717</b>	<b>1,372,890</b>
Fund Balances:			
Restricted			2,523,607
Committed		3,576,565	2,583,319
Assigned	1,998,562		1,895,035
Unassigned	8,168,425		
Total Fund Balances	<b>10,166,987</b>	<b>3,576,565</b>	<b>7,001,961</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 10,508,181</b>	<b>\$ 3,663,282</b>	<b>\$ 8,374,851</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, 2024

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 1,055,024	\$ 2,696,102	\$ 687,241
Federal aid	89,648		280,930
Property taxes	3,062,981	1,431,533	615,496
Sales taxes	715,193	1,950,528	5,964,565
Fines, forfeitures, and costs	1,010,463		164,069
Interest	474,605	86,253	53,010
Officers' fees	244,069		323,905
Jail fees	385,052		55,101
Reimbursement of law enforcement	908,039		
Franchise fees	2,816		
Sanitation fees			1,640,034
911 fees			631,071
Treasurer's commission	148,615		50,000
Collector's commission	416,302		
Taxes apportioned - Assessor's salary and expense	648,307		
Other	<u>219,284</u>	<u>401,313</u>	<u>974,543</u>
<b>TOTAL REVENUES</b>	<b>9,380,398</b>	<b>6,565,729</b>	<b>11,439,965</b>
Less: Treasurer's commission	<u>42,546</u>	<u>43,747</u>	<u>65,903</u>
<b>NET REVENUES</b>	<b><u>9,337,852</u></b>	<b><u>6,521,982</u></b>	<b><u>11,374,062</u></b>
<b>EXPENDITURES</b>			
Current:			
General government	2,751,227		606,463
Law enforcement	3,382,479		2,241,529
Highways and streets		5,731,066	504,667
Public safety	121,555		1,262,901
Sanitation			2,503,541
Health	2,765		215,596
Recreation and culture	22,000		1,179,279
Social services	172,804		2,399,420
Hydroelectric project			224
Economic development			24,247
Total Current	<u>6,452,830</u>	<u>5,731,066</u>	<u>10,937,867</u>
Debt Service:			
Financed purchase principal		48,771	
Financed purchase interest		8,866	
<b>TOTAL EXPENDITURES</b>	<b><u>6,452,830</u></b>	<b><u>5,788,703</u></b>	<b><u>10,937,867</u></b>

INDEPENDENCE COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 2,885,022</u>	<u>\$ 733,279</u>	<u>\$ 436,195</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	363,241		1,013,750
Transfers out	(943,750)		(433,241)
Contribution of sales and property taxes from City of Southside (Note 13)	159,340	525,400	202,796
Sales taxes collected and remitted to community college			(2,134,263)
Sales taxes collected and remitted to fire departments			(2,134,263)
Refund of security bond proceeds		(60,000)	
TOTAL OTHER FINANCING SOURCES (USES)	<u>(421,169)</u>	<u>465,400</u>	<u>(3,485,221)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,463,853	1,198,679	(3,049,026)
FUND BALANCES - JANUARY 1	<u>7,703,134</u>	<u>2,377,886</u>	<u>10,050,987</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 10,166,987</u></u>	<u><u>\$ 3,576,565</u></u>	<u><u>\$ 7,001,961</u></u>

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, 2024

Exhibit C

	General			Road		
	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			(Unfavorable)
<b>REVENUES</b>						
State aid	\$ 1,015,470	\$ 1,055,024	\$ 39,554	\$ 2,536,000	\$ 2,696,102	\$ 160,102
Federal aid	32,000	89,648	57,648	500,000		(500,000)
Property taxes	2,622,955	3,062,981	440,026	1,272,800	1,431,533	158,733
Sales taxes	636,148	715,193	79,045	1,666,927	1,950,528	283,601
Fines, forfeitures, and costs	833,000	1,010,463	177,463			
Interest	20,000	474,605	454,605	20,000	86,253	66,253
Officers' fees	154,000	244,069	90,069			
Jail fees	398,000	385,052	(12,948)			
Reimbursement of law enforcement	623,288	908,039	284,751			
Franchise fees		2,816	2,816			
Treasurer's commission		148,615	148,615			
Collector's commission	453,552	416,302	(37,250)			
Taxes apportioned - Assessor's salary and expense	777,155	648,307	(128,848)			
Other	590,518	219,284	(371,234)	620,590	401,313	(219,277)
<b>TOTAL REVENUES</b>	<b>8,156,086</b>	<b>9,380,398</b>	<b>1,224,312</b>	<b>6,616,317</b>	<b>6,565,729</b>	<b>(50,588)</b>
Less: Treasurer's commission		42,546	(42,546)		43,747	(43,747)
<b>NET REVENUES</b>	<b>8,156,086</b>	<b>9,337,852</b>	<b>1,181,766</b>	<b>6,616,317</b>	<b>6,521,982</b>	<b>(94,335)</b>
<b>EXPENDITURES</b>						
Current:						
General government	2,802,719	2,751,227	51,492			
Law enforcement	7,935,254	3,382,479	4,552,775			
Highways and streets				7,430,056	5,731,066	1,698,990
Public safety	122,328	121,555	773			
Health	2,400	2,765	(365)			
Recreation and culture		22,000	(22,000)			
Social services	153,700	172,804	(19,104)			
Total Current	11,016,401	6,452,830	4,563,571	7,430,056	5,731,066	1,698,990
Debt Service:						
Financed purchase principal				10,000	48,771	(38,771)
Financed purchase interest				2,000	8,866	(6,866)
<b>TOTAL EXPENDITURES</b>	<b>11,016,401</b>	<b>6,452,830</b>	<b>4,563,571</b>	<b>7,442,056</b>	<b>5,788,703</b>	<b>1,653,353</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, 2024

Exhibit C

	General			Road		
			Variance			Variance
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,860,315)	\$ 2,885,022	\$ 5,745,337	\$ (825,739)	\$ 733,279	\$ 1,559,018
OTHER FINANCING SOURCES (USES)						
Transfers in	574,160	363,241	(210,919)			
Transfers out	(143,750)	(943,750)	(800,000)			
Contribution of sales and property taxes from City of Southside (Note 13)	135,000	159,340	24,340	470,000	525,400	55,400
Refund of security bond proceeds						
TOTAL OTHER FINANCING SOURCES (USES)	565,410	(421,169)	(986,579)	470,000	465,400	(4,600)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,294,905)	2,463,853	4,758,758	(355,739)	1,198,679	1,554,418
FUND BALANCES - JANUARY 1	1,007,050	7,703,134	6,696,084	550,000	2,377,886	1,827,886
FUND BALANCES - DECEMBER 31	\$ (1,287,855)	\$ 10,166,987	\$ 11,454,842	\$ 194,261	\$ 3,576,565	\$ 3,382,304

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

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**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, 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, 2024

**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 and funds held for a rural fire department.

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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**E. Property Taxes**

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

**F. Budget Law**

1. Legal Requirements

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

2. Accounting

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

**G. Fund Balance Classification Policies and Procedures**

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

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

**NOTE 2: Cash Deposits with Financial Institutions**

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 1,009,217	\$ 1,045,801
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	20,852,341	21,747,637
Total Deposits	<u>\$ 21,861,558</u>	<u>\$ 22,793,438</u>

The above total deposits do not include cash on hand of \$5,619.

**INDEPENDENCE COUNTY, ARKANSAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3: Legal or Contractual Provisions for Deposits and Investments**

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

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 16,789		\$ 9,920
Federal aid	13,843		15,198
Fines, forfeitures, and costs	64,953		7,406
Interest	34,634		551
Officers' fees	13,813		29,102
Jail fees	38,376		412
Franchise fees	245		
Sanitation fees			107,998
911 fees			7,002
Other	119,695	\$ 107,075	92,125
<b>Totals</b>	<b>\$ 302,348</b>	<b>\$ 107,075</b>	<b>\$ 269,714</b>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 172,437	\$ 20,585	\$ 172,635
Salaries payable	168,757	66,132	71,413
<b>Totals</b>	<b>\$ 341,194</b>	<b>\$ 86,717</b>	<b>\$ 244,048</b>

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 6: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2024, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
<b>Fund Balances:</b>			
Restricted for:			
General government			\$ 708,754
Law enforcement			520,535
Public safety			48,834
Recreation and culture			655,093
Economic development			581,768
Capital outlay			8,623
Total Restricted			<u>2,523,607</u>
Committed for:			
Highways and streets	\$ 3,576,565		
Sanitation		2,195,456	
Recreation and culture		386,880	
Hydroelectric project			983
Total Committed	<u>3,576,565</u>		<u>2,583,319</u>
Assigned to:			
General government			388
Law enforcement	\$ 1,998,562		4,032
Public safety			232,234
Sanitation			606,840
Health			229,496
Social services			22,045
Capital outlay			800,000
Total Assigned	<u>1,998,562</u>		<u>1,895,035</u>
Unassigned	<u>8,168,425</u>		
<b>Totals</b>	<b><u>\$ 10,166,987</u></b>	<b><u>\$ 3,576,565</u></b>	<b><u>\$ 7,001,961</u></b>

**NOTE 7: 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, 2024, the legal debt limit for bonded debt was \$57,500,637. 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, 2024, the legal debt limit for short-term financing obligations was \$17,857,225. The amount of short-term financing obligations was \$290,133 leaving a legal debt margin of \$17,567,092.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 8: Commitments**

Total commitments consist of the following at December 31, 2024:

	December 31, 2024
Long-term liabilities	\$ 290,133
Construction contract	<u>442,057</u>
<b>Total Commitments</b>	<b><u>\$ 732,190</u></b>

Long-term Liabilities

Long-term liabilities at December 31, 2024, are comprised of the following:

	December 31, 2024
<b>Direct Borrowings</b>	
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.	\$ 147,465
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.	<u>142,668</u>
<b>Total Long-term liabilities</b>	<b><u>\$ 290,133</u></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 \$290,133 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, 2024	Maturities to December 31, 2024
<b>Direct Borrowings</b>					
8/24/21	9/13/26	2.99%	\$ 216,600	\$ 147,465	\$ 69,135
4/28/22	5/28/26	2.59%	<u>212,750</u>	<u>142,668</u>	<u>70,082</u>
<b>Total Long-Term Debt</b>			<b><u>\$ 429,350</u></b>	<b><u>\$ 290,133</u></b>	<b><u>\$ 139,217</u></b>

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 8: Commitments (Continued)**

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
<u>Direct Borrowings</u>				
Financed purchases	\$ 338,904	\$ 0	\$ 48,771	\$ 290,133

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2024:

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2025	\$ 50,139	\$ 7,497	\$ 57,636
2026	239,994	3,949	243,943
<b>Totals</b>	<b>\$ 290,133</b>	<b>\$ 11,446</b>	<b>\$ 301,579</b>

Construction Contract

The County was contractually obligated for the following construction contract at December 31, 2024:

Project Name	Completed Date	Contract Balance December 31, 2024
Senior Citizen Center Construction	7/18/2025	\$ 442,057

**NOTE 9: Interfund Transfers**

The General Fund transferred \$943,750 to Other Funds in the Aggregate (Emergency 911 \$125,000, Indigent Defense \$18,750, and Office of Emergency Management Complex Construction \$800,000) for supplemental funding. Within the Other Funds in the Aggregate, Sales Tax – Recreation transferred \$70,000 to Independence County Shooting Sports (\$40,000) and Senior Citizens (\$30,000) for supplemental funding. Additionally, the American Rescue Plan Act, within the Other Funds in the Aggregate, transferred \$363,241 to the General Fund for interest accrued in prior years.

**NOTE 10: 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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 10: Risk Management (Continued)**

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.

**NOTE 11: 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).

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 11: Arkansas Public Employees Retirement System (Continued)**

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. 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 5.75% as of July 1, 2024. 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, 2024, (date of APERS Employer Allocation Report) were \$1,125,141.

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, 2024, (actuarial valuation date and measurement date) was \$8,043,936.

**NOTE 12: Jointly Governed Organization**

White River Regional Solid Waste Management District

The County is a member of the White River Regional Solid Waste Management District (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 to the participating entity. Independence County did not make any payments to the White River Regional Solid Waste Management District in 2024.

**NOTE 13: Interlocal Agreement**

The County entered into an interlocal agreement with the City of Southside on January 2, 2017, to provide various services. Under this 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%). Per an agreement dated April 26, 2024, the City of Southside used American Rescue Plan Act funds to pay for these services in 2024.

**NOTE 14: Subsequent Event**

On July 21, 2025, the County entered into contracts with an architect and construction manager for the renovation of the mental health building. The total estimated cost of the project is \$870,616.

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

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	\$ 110,639	\$ 427,662	\$ 208,704	\$ 101,466	\$ 2,088	\$ 11,917	\$ 656,491	\$ 2,428,933
Accounts receivable					653	21,341	5,579	184,297
<b>TOTAL ASSETS</b>	<b>\$ 110,639</b>	<b>\$ 427,662</b>	<b>\$ 208,704</b>	<b>\$ 101,466</b>	<b>\$ 2,741</b>	<b>\$ 33,258</b>	<b>\$ 662,070</b>	<b>\$ 2,613,230</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 402					\$ 6,424	\$ 26,977	\$ 134,980
Settlements pending								
<b>Total Liabilities</b>	<b>402</b>					<b>6,424</b>	<b>26,977</b>	<b>134,980</b>
Fund Balances:								
Restricted	110,237	\$ 427,662	\$ 208,704	\$ 101,466	\$ 2,353	26,834	635,093	
Committed								1,871,410
Assigned					388			606,840
<b>Total Fund Balances</b>	<b>110,237</b>	<b>427,662</b>	<b>208,704</b>	<b>101,466</b>	<b>2,741</b>	<b>26,834</b>	<b>635,093</b>	<b>2,478,250</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 110,639</b>	<b>\$ 427,662</b>	<b>\$ 208,704</b>	<b>\$ 101,466</b>	<b>\$ 2,741</b>	<b>\$ 33,258</b>	<b>\$ 662,070</b>	<b>\$ 2,613,230</b>

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

<u>SPECIAL REVENUE FUNDS</u>								
	Child Support Fee	Communication Facility and Equipment	Jail Fine	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	Indigent Defense
<b>ASSETS</b>								
Cash and cash equivalents	\$ 6,036	\$ 25,971	\$ 89,579	\$ 179	\$ 24,856	\$ 241,384	\$ 15,433	\$ 4,032
Accounts receivable	747	3,892	6,523	765		7,287	494	
<b>TOTAL ASSETS</b>	<b>\$ 6,783</b>	<b>\$ 29,863</b>	<b>\$ 96,102</b>	<b>\$ 944</b>	<b>\$ 24,856</b>	<b>\$ 248,671</b>	<b>\$ 15,927</b>	<b>\$ 4,032</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable		\$ 571	\$ 48			\$ 16,437		
Settlements pending								
Total Liabilities		<b>571</b>	<b>48</b>			<b>16,437</b>		
Fund Balances:								
Restricted	\$ 6,783	29,292	96,054	\$ 944	\$ 24,856		\$ 15,927	
Committed								
Assigned						232,234		\$ 4,032
Total Fund Balances	<b>6,783</b>	<b>29,292</b>	<b>96,054</b>	<b>944</b>	<b>24,856</b>	<b>232,234</b>	<b>15,927</b>	<b>4,032</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,783</b>	<b>\$ 29,863</b>	<b>\$ 96,102</b>	<b>\$ 944</b>	<b>\$ 24,856</b>	<b>\$ 248,671</b>	<b>\$ 15,927</b>	<b>\$ 4,032</b>

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

<b>SPECIAL REVENUE FUNDS</b>									
									Department of Human Services/Health Building
	Juvenile Probation	Juvenile Court Representation	Adult Drug Court - Opioid Settlement	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Facilities Depreciation	Hydroelectric Project		
<b>ASSETS</b>									
Cash and cash equivalents			\$ 14,893	\$ 1,514	\$ 12,550	\$ 319,306	\$ 983	\$ 237,556	
Accounts receivable	\$ 2,167	\$ 156				4,740			
<b>TOTAL ASSETS</b>	<b>\$ 2,167</b>	<b>\$ 156</b>	<b>\$ 14,893</b>	<b>\$ 1,514</b>	<b>\$ 12,550</b>	<b>\$ 324,046</b>	<b>\$ 983</b>	<b>\$ 237,556</b>	
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable								\$ 8,060	
Settlements pending									
Total Liabilities									<b>8,060</b>
Fund Balances:									
Restricted	\$ 2,167	\$ 156	\$ 14,893	\$ 1,514	\$ 12,550		\$ 324,046	\$ 983	
Committed									
Assigned									229,496
Total Fund Balances	<b>2,167</b>	<b>156</b>	<b>14,893</b>	<b>1,514</b>	<b>12,550</b>	<b>324,046</b>	<b>983</b>		<b>229,496</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,167</b>	<b>\$ 156</b>	<b>\$ 14,893</b>	<b>\$ 1,514</b>	<b>\$ 12,550</b>	<b>\$ 324,046</b>	<b>\$ 983</b>	<b>\$ 237,556</b>	

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

SPECIAL REVENUE FUNDS									
ASSETS									
	Disaster Recovery	County Economic Development	Sales Tax - Recreation	Drug Court Program	Independence County Driving While Intoxicated Court	Independence County Shooting Sports	Act 490 of 2009 Drug Court Program Fee	Drug Court Graduation	
Cash and cash equivalents	\$ 19,852	\$ 581,768	\$ 291,864	\$ 2,847	\$ 52,338	\$ 103,730	\$ 21,739	\$ 17	
Accounts receivable					133		49		
<b>TOTAL ASSETS</b>	<b>\$ 19,852</b>	<b>\$ 581,768</b>	<b>\$ 291,864</b>	<b>\$ 2,847</b>	<b>\$ 52,471</b>	<b>\$ 103,730</b>	<b>\$ 21,788</b>	<b>\$ 17</b>	
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable			\$ 5,910		\$ 1,393	\$ 2,804			
Settlements pending									
Total Liabilities			<b>5,910</b>		<b>1,393</b>	<b>2,804</b>			
Fund Balances:									
Restricted	\$ 19,852	\$ 581,768		\$ 2,847	51,078		\$ 21,788	\$ 17	
Committed			285,954				100,926		
Assigned									
Total Fund Balances	<b>19,852</b>	<b>581,768</b>	<b>285,954</b>	<b>2,847</b>	<b>51,078</b>	<b>100,926</b>	<b>21,788</b>	<b>17</b>	
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 19,852</b>	<b>\$ 581,768</b>	<b>\$ 291,864</b>	<b>\$ 2,847</b>	<b>\$ 52,471</b>	<b>\$ 103,730</b>	<b>\$ 21,788</b>	<b>\$ 17</b>	

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

<b>SPECIAL REVENUE FUNDS</b>									
	<u>Sheriff's Special Needs</u>	<u>Sheriff Drug Investigation</u>	<u>Senior Citizen</u>	<u>Donation Fund 911</u>	<u>Bayou Trail Project</u>	<u>Juvenile Court Improvement Program</u>	<u>Sheriff's Grant</u>	<u>Court Security Grant</u>	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 29,109	\$ 31,632	\$ 14,477	\$ 4,126	\$ 20,000	\$ 5,000	\$ 310	\$ 20,066	
Accounts receivable			27,543						
<b>TOTAL ASSETS</b>	<b>\$ 29,109</b>	<b>\$ 31,632</b>	<b>\$ 42,020</b>	<b>\$ 4,126</b>	<b>\$ 20,000</b>	<b>\$ 5,000</b>	<b>\$ 310</b>	<b>\$ 20,066</b>	
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable	\$ 67		\$ 19,975						\$ 20,000
Settlements pending									
<b>Total Liabilities</b>	<b>67</b>		<b>19,975</b>						<b>20,000</b>
Fund Balances:									
Restricted	29,042	\$ 31,632		\$ 4,126	\$ 20,000	\$ 5,000	\$ 310		66
Committed									
Assigned			22,045						
<b>Total Fund Balances</b>	<b>29,042</b>	<b>31,632</b>	<b>22,045</b>	<b>4,126</b>	<b>20,000</b>	<b>5,000</b>	<b>310</b>		<b>66</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 29,109</b>	<b>\$ 31,632</b>	<b>\$ 42,020</b>	<b>\$ 4,126</b>	<b>\$ 20,000</b>	<b>\$ 5,000</b>	<b>\$ 310</b>	<b>\$ 20,066</b>	

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	Driving While Intoxicated Court Grant	Juvenile Officer Grant	Juvenile Drug Court Incentive	Elections COVID Response Grant	Desha Fun Park	Office of Emergency Management Complex Construction
ASSETS						
Cash and cash equivalents	\$ 1,302	\$ 7,767	\$ 701	\$ 19,355	\$ 6,123	\$ 800,000
Accounts receivable			848		2,500	
<b>TOTAL ASSETS</b>	<b>\$ 1,302</b>	<b>\$ 7,767</b>	<b>\$ 1,549</b>	<b>\$ 19,355</b>	<b>\$ 8,623</b>	<b>\$ 800,000</b>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						
Settlements pending						
Total Liabilities						
Fund Balances:						
Restricted	\$ 1,302	\$ 7,767	\$ 1,549	\$ 19,355	\$ 8,623	
Committed						\$ 800,000
Assigned						
Total Fund Balances	<b>1,302</b>	<b>7,767</b>	<b>1,549</b>	<b>19,355</b>	<b>8,623</b>	<b>\$ 800,000</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,302</b>	<b>\$ 7,767</b>	<b>\$ 1,549</b>	<b>\$ 19,355</b>	<b>\$ 8,623</b>	<b>\$ 800,000</b>

INDEPENDENCE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

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	\$ 474,629	\$ 192,957	\$ 45,521	\$ 10,113	\$ 164,905	\$ 169,240	\$ 71,477	\$ 8,105,137
Accounts receivable								269,714
<b>TOTAL ASSETS</b>	<b>\$ 474,629</b>	<b>\$ 192,957</b>	<b>\$ 45,521</b>	<b>\$ 10,113</b>	<b>\$ 164,905</b>	<b>\$ 169,240</b>	<b>\$ 71,477</b>	<b>\$ 8,374,851</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable								\$ 244,048
Settlements pending	\$ 474,629	\$ 192,957	\$ 45,521	\$ 10,113	\$ 164,905	\$ 169,240	\$ 71,477	1,128,842
Total Liabilities	<u>474,629</u>	<u>192,957</u>	<u>45,521</u>	<u>10,113</u>	<u>164,905</u>	<u>169,240</u>	<u>71,477</u>	<u>1,372,890</u>
Fund Balances:								
Restricted								2,523,607
Committed								2,583,319
Assigned								1,895,035
Total Fund Balances								<u>7,001,961</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 474,629</b>	<b>\$ 192,957</b>	<b>\$ 45,521</b>	<b>\$ 10,113</b>	<b>\$ 164,905</b>	<b>\$ 169,240</b>	<b>\$ 71,477</b>	<b>\$ 8,374,851</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, 2024

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				\$ 13,138			\$ 153,633	\$ 26,837	
Federal aid							613,691		
Property taxes								910,246	
Sales taxes									
Fines, forfeitures, and costs									
Interest	\$ 3,747						20,221	25,075	
Officers' fees									\$ 3,185
Jail fees									
Sanitation fees								1,582,255	
911 fees									
Treasurer's commission	50,000								
Other	147	\$ 149			80	1,628	31,531	283,144	
<b>TOTAL REVENUES</b>	<b>53,894</b>	<b>149</b>	<b>22,256</b>	<b>13,138</b>	<b>7,880</b>	<b>252,218</b>	<b>819,076</b>	<b>2,827,557</b>	<b>3,185</b>
Less: Treasurer's commission				150	84	50	5,065	18,500	15
<b>NET REVENUES</b>	<b>53,894</b>	<b>149</b>	<b>22,106</b>	<b>13,054</b>	<b>7,830</b>	<b>250,688</b>	<b>814,011</b>	<b>2,809,057</b>	<b>3,170</b>
EXPENDITURES									
Current:									
General government	47,743	29,479			4,000	7,950	249,686		1,200
Law enforcement					9,718				
Highways and streets									
Public safety								2,499,660	
Sanitation									
Health									
Recreation and culture								844,039	
Social services									
Hydroelectric project									
Economic development									
<b>TOTAL EXPENDITURES</b>	<b>47,743</b>	<b>29,479</b>	<b>9,718</b>	<b>4,000</b>	<b>7,950</b>	<b>249,686</b>	<b>844,039</b>	<b>2,499,660</b>	<b>1,200</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<b>6,151</b>	<b>(29,330)</b>	<b>12,388</b>	<b>9,054</b>	<b>(120)</b>	<b>1,002</b>	<b>(30,028)</b>	<b>309,397</b>	<b>1,970</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Contribution of sales and property taxes from City of Southside (Note 13)								202,796	
Sales taxes collected and remitted to community college									
Sales taxes collected and remitted to fire departments									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								<b>202,796</b>	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<b>6,151</b>	<b>(29,330)</b>	<b>12,388</b>	<b>9,054</b>	<b>(120)</b>	<b>1,002</b>	<b>(30,028)</b>	<b>512,193</b>	<b>1,970</b>
FUND BALANCES - JANUARY 1	<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>
FUND BALANCES - DECEMBER 31	<b>\$ 110,237</b>	<b>\$ 427,662</b>	<b>\$ 208,704</b>	<b>\$ 101,466</b>	<b>\$ 2,741</b>	<b>\$ 26,834</b>	<b>\$ 635,093</b>	<b>\$ 2,478,250</b>	<b>\$ 6,783</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, 2024

Schedule 2

SPECIAL REVENUE FUNDS									
	Communication Facility and Equipment	Jail Fine	County Detention Facility	Boating Safety	Emergency 911	Emergency Vehicle	Indigent Defense	Juvenile Probation	Juvenile Court Representation
<b>REVENUES</b>									
State aid					\$ 3,258				
Federal aid							\$ 1,545	\$ 8,830	
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 110,228	\$ 7,477			\$ 22,976	9,510		\$ 12,536
Interest	\$ 1,330						10		
Officers' fees	21,402								3,683
Jail fees	49,728		5,373						
Sanitation fees									
911 fees					\$ 631,071				
Treasurer's commission									
Other	1,640	14,068			2,278				
<b>TOTAL REVENUES</b>	<b>74,100</b>	<b>124,296</b>	<b>12,850</b>	<b>3,258</b>	<b>633,349</b>	<b>22,976</b>	<b>11,065</b>	<b>8,830</b>	<b>16,219</b>
Less: Treasurer's commission		704	83	21	3,992	153	48	44	109
<b>NET REVENUES</b>	<b>74,100</b>	<b>123,592</b>	<b>12,767</b>	<b>3,237</b>	<b>629,357</b>	<b>22,823</b>	<b>11,017</b>	<b>8,786</b>	<b>16,110</b>
<b>EXPENDITURES</b>									
Current:									
General government									
Law enforcement	66,714	99,078	46,952				49,726	27,154	6,959
Highways and streets					602	723,121			17,099
Public safety									
Sanitation									
Health									
Recreation and culture									
Social services									
Hydroelectric project									
Economic development									
<b>TOTAL EXPENDITURES</b>	<b>66,714</b>	<b>99,078</b>	<b>46,952</b>	<b>602</b>	<b>723,121</b>	<b>49,726</b>	<b>27,154</b>	<b>6,959</b>	<b>17,099</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>7,386</b>	<b>24,514</b>	<b>(34,185)</b>	<b>2,635</b>	<b>(93,764)</b>	<b>(26,903)</b>	<b>(16,137)</b>	<b>1,827</b>	<b>(989)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in						125,000			
Transfers out							18,750		
Contribution of sales and property taxes from City of Southside (Note 13)									
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>7,386</b>	<b>24,514</b>	<b>(34,185)</b>	<b>2,635</b>	<b>31,236</b>	<b>(26,903)</b>	<b>2,613</b>	<b>1,827</b>	<b>(989)</b>
<b>FUND BALANCES - JANUARY 1</b>	<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>	<b>1,145</b>
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 29,292</b>	<b>\$ 96,054</b>	<b>\$ 944</b>	<b>\$ 24,856</b>	<b>\$ 232,234</b>	<b>\$ 15,927</b>	<b>\$ 4,032</b>	<b>\$ 2,167</b>	<b>\$ 156</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, 2024

Schedule 2

SPECIAL REVENUE FUNDS							
	Adult Drug Court - Opioid Settlement	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
<b>REVENUES</b>							
State aid		\$ 16,393					
Federal aid							
Property taxes				\$ 1,805			
Sales taxes							\$ 2,147,890
Fines, forfeitures, and costs							
Interest			1				
Officers' fees				\$ 697			
Jail fees							
Sanitation fees					\$ 57,779		
911 fees							
Treasurer's commission							
Other							
<b>TOTAL REVENUES</b>		16,393	697	1,806		57,779	2,147,890
Less: Treasurer's commission			4	11		362	13,627
<b>NET REVENUES</b>		16,393	693	1,795		57,417	2,134,263
<b>EXPENDITURES</b>							
Current:							
General government				\$ 15,687			
Law enforcement		1,500		1,795,618			
Highways and streets				504,667			
Public safety				7,337			
Sanitation						3,881	
Health							
Recreation and culture					1,882,578		
Social services							\$ 224
Hydroelectric project							
Economic development							
<b>TOTAL EXPENDITURES</b>		1,500			4,205,887	3,881	224
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>		14,893	693	1,795	(4,205,887)	53,536	2,134,263
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in							
Transfers out					(363,241)		
Contribution of sales and property taxes from City of Southside (Note 13)							
Sales taxes collected and remitted to community college							(2,134,263)
Sales taxes collected and remitted to fire departments							
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					(363,241)		(2,134,263)
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>		14,893	693	1,795	(4,569,128)	53,536	(224)
<b>FUND BALANCES - JANUARY 1</b>			821	10,755	4,569,128	270,510	1,207
<b>FUND BALANCES - DECEMBER 31</b>		\$ 14,893	\$ 1,514	\$ 12,550	\$ 0	\$ 324,046	\$ 983

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, 2024

Schedule 2

SPECIAL REVENUE FUNDS						
	Department of Human Services/Health Building	Disaster Recovery	County Economic Development	Sales Tax - Fire Department	Sales Tax - Recreation	Drug Court Program
REVENUES						Independence County Driving While Intoxicated Court
State aid						\$ 46,909
Federal aid						
Property taxes						
Sales taxes					\$ 520,141	\$ 238,398
Fines, forfeitures, and costs						
Interest		\$ 828				
Officers' fees						13,978
Jail fees						
Sanitation fees						
911 fees						
Treasurer's commission						
Other	\$ 217,670		\$ 115,400			
<b>TOTAL REVENUES</b>	<b>217,670</b>	<b>828</b>	<b>115,400</b>	<b>520,141</b>	<b>238,398</b>	<b>60,887</b>
Less: Treasurer's commission	1,381	5	732	3,300	1,512	88
<b>NET REVENUES</b>	<b>216,289</b>	<b>823</b>	<b>114,668</b>	<b>516,841</b>	<b>236,886</b>	<b>60,799</b>
EXPENDITURES						
Current:						
General government						54,678
Law enforcement						
Highways and streets						
Public safety					516,841	
Sanitation						
Health	215,596					
Recreation and culture					89,357	
Social services						
Hydroelectric project						
Economic development				24,247		
<b>TOTAL EXPENDITURES</b>	<b>215,596</b>		<b>24,247</b>	<b>516,841</b>	<b>89,357</b>	<b>54,678</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	693	823	90,421		147,529	6,121
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers out					(70,000)	
Contribution of sales and property taxes from City of Southside (Note 13)						
Sales taxes collected and remitted to community college						
Sales taxes collected and remitted to fire departments						
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					<b>(70,000)</b>	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	693	823	90,421		77,529	6,121
FUND BALANCES - JANUARY 1	228,803	19,029	491,347		208,425	\$ 2,847
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 229,496</b>	<b>\$ 19,852</b>	<b>\$ 581,768</b>	<b>\$ 0</b>	<b>\$ 285,954</b>	<b>\$ 2,847</b>
						<b>\$ 51,078</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, 2024

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								\$ 63,249
Federal aid								213,635
Property taxes					\$ 5,580			
Sales taxes				\$ 2,147,890				
Fines, forfeitures, and costs						\$ 1,342		
Interest						1,379		419
Officers' fees			\$ 314					
Jail fees								
Sanitation fees								
911 fees								
Treasurer's commission								
Other	\$ 93,391				2,539	12,650	191,803	\$ 2,500
<b>TOTAL REVENUES</b>	<b>93,391</b>	<b>314</b>		<b>2,147,890</b>	<b>9,498</b>	<b>13,992</b>	<b>469,106</b>	<b>2,500</b>
Less: Treasurer's commission	615	2		13,627	9	80		
<b>NET REVENUES</b>	<b>92,776</b>	<b>312</b>		<b>2,134,263</b>	<b>9,489</b>	<b>13,912</b>	<b>469,106</b>	<b>2,500</b>
EXPENDITURES								
Current:								
General government								
Law enforcement								
Highways and streets								
Public safety								
Sanitation								
Health								
Recreation and culture	152,006							
Social services								505,911
Hydroelectric project								
Economic development								
<b>TOTAL EXPENDITURES</b>	<b>152,006</b>				<b>13,965</b>	<b>9,413</b>	<b>505,911</b>	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<b>(59,230)</b>	<b>312</b>		<b>2,134,263</b>	<b>(4,476)</b>	<b>4,499</b>	<b>(36,805)</b>	<b>2,500</b>
OTHER FINANCING SOURCES (USES)								
Transfers in	40,000							30,000
Transfers out								
Contribution of sales and property taxes from City of Southside (Note 13)								
Sales taxes collected and remitted to community college								
Sales taxes collected and remitted to fire departments				(2,134,263)				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>40,000</b>			<b>(2,134,263)</b>			<b>30,000</b>	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<b>(19,230)</b>	<b>312</b>			<b>(4,476)</b>	<b>4,499</b>	<b>(6,805)</b>	<b>2,500</b>
FUND BALANCES - JANUARY 1	<b>120,156</b>	<b>21,476</b>	<b>\$ 17</b>		<b>33,518</b>	<b>27,133</b>	<b>28,850</b>	<b>1,626</b>
FUND BALANCES - DECEMBER 31	<b>\$ 100,926</b>	<b>\$ 21,788</b>	<b>\$ 17</b>	<b>\$ 0</b>	<b>\$ 29,042</b>	<b>\$ 31,632</b>	<b>\$ 22,045</b>	<b>\$ 4,126</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, 2024

Schedule 2

SPECIAL REVENUE FUNDS									
	Bayou Trail Project	Juvenile Court Improvement Program	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		\$ 5,000		\$ 20,000			\$ 9,640		
Federal aid			\$ 3,875						\$ 7,362
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
Jail fees									
Sanitation fees									
911 fees									
Treasurer's commission									
Other			1,425						
TOTAL REVENUES		5,000	5,300	20,000			9,640		7,362
Less: Treasurer's commission									
NET REVENUES		5,000	5,300	20,000			9,640		7,362
EXPENDITURES									
Current:									
General government									
Law enforcement				7,260	20,000		\$ 7,564	8,131	
Highways and streets									
Public safety									
Sanitation									
Health									
Recreation and culture									
Social services									7,362
Hydroelectric project									
Economic development									
TOTAL EXPENDITURES		7,260	20,000				7,564	8,131	7,362
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		5,000	(1,960)				(7,564)	1,509	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Contribution of sales and property taxes from City of Southside (Note 13)									
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		5,000	(1,960)				(7,564)	1,509	
FUND BALANCES - JANUARY 1	\$ 20,000		2,270	66	\$ 1,302	15,331	40	\$ 19,355	
FUND BALANCES - DECEMBER 31	\$ 20,000	\$ 5,000	\$ 310	\$ 66	\$ 1,302	\$ 7,767	\$ 1,549	\$ 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, 2024

Schedule 2

	CAPITAL PROJECTS FUNDS					Totals
	Cord Volunteer Fire Department	Senior Citizen II Grant (Construction)	County Courthouse Window Grant	Dsha Fun Park	Office of Emergency Management Complex Construction	
REVENUES						
State aid	\$ 15,000		\$ 250,718	\$ 100,000		\$ 687,241
Federal aid		\$ 3,569				280,930
Property taxes						615,496
Sales taxes						5,964,565
Fines, forfeitures, and costs						164,069
Interest						53,010
Officers' fees						323,905
Jail fees						55,101
Sanitation fees						1,640,034
911 fees						631,071
Treasurer's commission						50,000
Other				2,500		974,543
<b>TOTAL REVENUES</b>	<b>15,000</b>	<b>3,569</b>	<b>250,718</b>	<b>102,500</b>		<b>11,439,965</b>
Less: Treasurer's commission						65,903
<b>NET REVENUES</b>	<b>15,000</b>	<b>3,569</b>	<b>250,718</b>	<b>102,500</b>		<b>11,374,062</b>
EXPENDITURES						
Current:						
General government				250,718		606,463
Law enforcement						2,241,529
Highways and streets						504,667
Public safety	15,000					1,262,901
Sanitation						2,503,541
Health						215,596
Recreation and culture				93,877		1,179,279
Social services		3,569				2,399,420
Hydroelectric project						224
Economic development						24,247
<b>TOTAL EXPENDITURES</b>	<b>15,000</b>	<b>3,569</b>	<b>250,718</b>	<b>93,877</b>		<b>10,937,867</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				<b>8,623</b>		<b>436,195</b>
OTHER FINANCING SOURCES (USES)						
Transfers in					\$ 800,000	1,013,750
Transfers out						(433,241)
Contribution of sales and property taxes from City of Southside (Note 13)						202,796
Sales taxes collected and remitted to community college						(2,134,263)
Sales taxes collected and remitted to fire departments						(2,134,263)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					<b>800,000</b>	<b>(3,485,221)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>				<b>8,623</b>	<b>800,000</b>	<b>(3,049,026)</b>
FUND BALANCES - JANUARY 1	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,623</b>	<b>800,000</b>	<b>10,050,987</b>
FUND BALANCES - DECEMBER 31	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,623</b>	<b>800,000</b>	<b>\$ 7,001,961</b>

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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.
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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Adult Drug Court - Opioid Settlement	Established to account for a grant from State-Wide Opioid Settlement proceeds to be used for evidence-based, evidence-informed, or promising activities, programs, or strategies that expand the availability of treatment for individuals affected by substance use disorders.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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, 2024

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	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.
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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
Bayou Trail Project	Independence County Ordinance no. 2021-05 (February 9, 2021) established fund to account for private donation for bayou trail project.
Juvenile Court Improvement Program	Independence County Ordinance no. 2024-25 (October 14, 2024) established fund to account for the Court Improvement Program grant.
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.
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.
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.

INDEPENDENCE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Desha Fun Park	Independence County Ordinance no. 2024-11 (May 6, 2024) established fund to account for funds from the Arkansas Department of Parks for costs related to outdoor recreation.
Office of Emergency Management Complex Construction	Independence County Court Order no. 2024-152 (December 31, 2024) established fund for the expenses related to the renovations of the Office of Emergency Management Complex.

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 bond money and fee money 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, 2024  
(Unaudited)

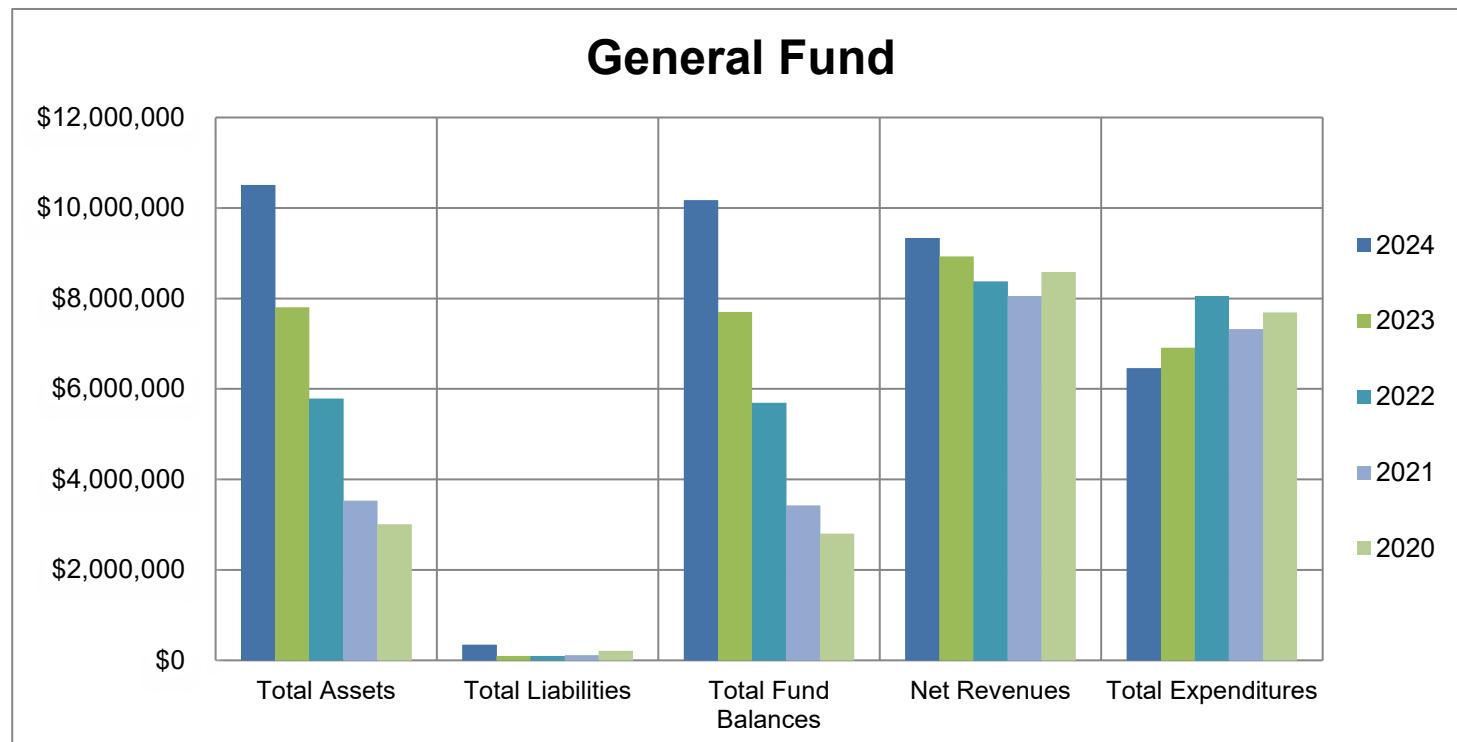
Schedule 3

	<u>December 31, 2024</u>
Land	\$ 2,692,624
Buildings	13,506,615
Equipment	<u>12,998,979</u>
 Total	 <u>\$ 29,198,218</u>

INDEPENDENCE COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-1

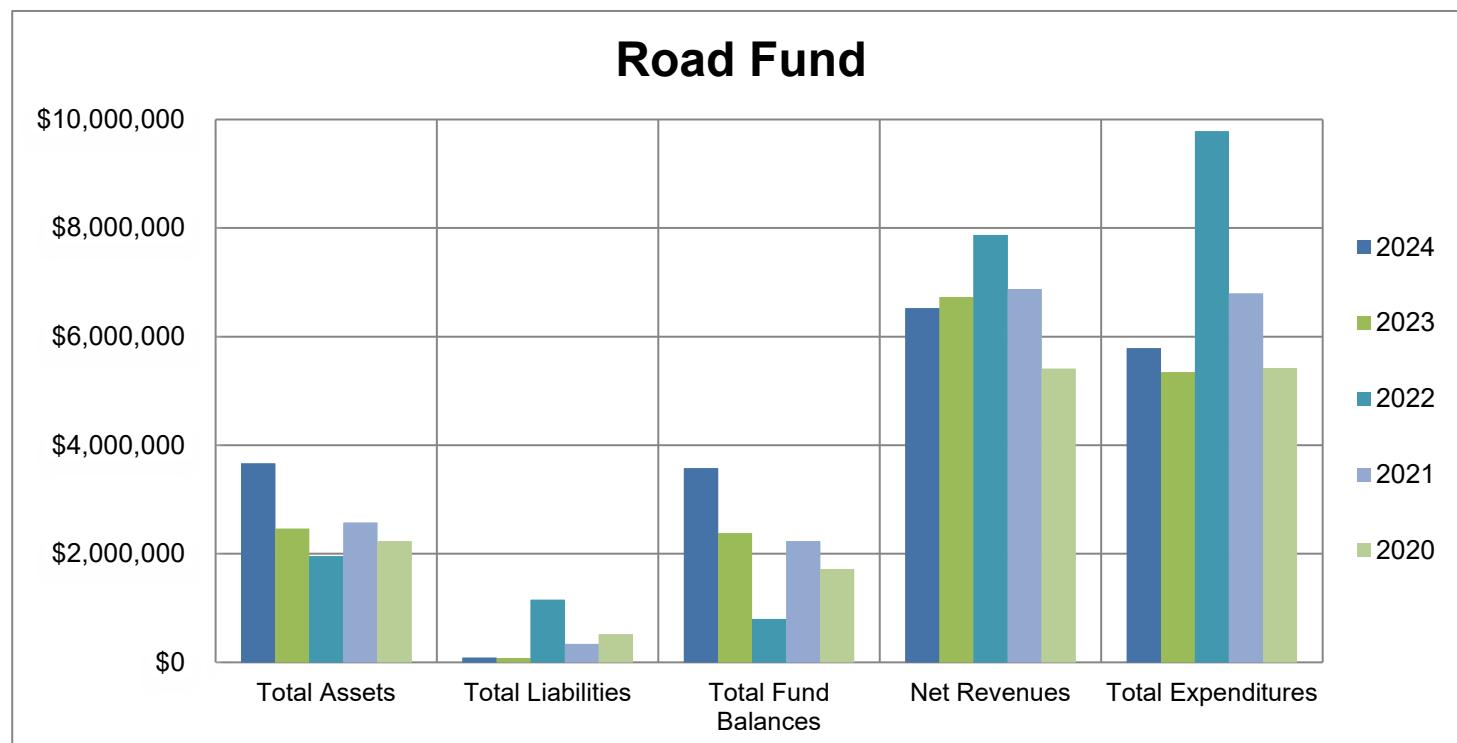
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 10,508,181	\$ 7,801,289	\$ 5,786,709	\$ 3,524,242	\$ 3,003,712
Total Liabilities	341,194	98,155	96,716	106,707	206,825
Total Fund Balances	10,166,987	7,703,134	5,689,993	3,417,535	2,796,887
Net Revenues	9,337,852	8,924,048	8,369,165	8,051,402	8,582,970
Total Expenditures	6,452,830	6,909,311	8,054,026	7,320,867	7,688,692
Total Other Financing Sources/Uses	(421,169)	(1,596)	1,957,319	(109,887)	(76,216)



INDEPENDENCE COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-2

<u>Road</u>	2024	2023	2022	2021	2020
Total Assets	\$ 3,663,282	\$ 2,458,904	\$ 1,951,734	\$ 2,574,317	\$ 2,229,265
Total Liabilities	86,717	81,018	1,151,553	339,902	513,261
Total Fund Balances	3,576,565	2,377,886	800,181	2,234,415	1,716,004
Net Revenues	6,521,982	6,729,496	7,875,128	6,877,526	5,408,564
Total Expenditures	5,788,703	5,345,123	9,780,337	6,791,394	5,419,782
Total Other Financing Sources/Uses	465,400	193,332	470,975	432,279	347,373



INDEPENDENCE COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2024	2023	2022	2021	2020
Total Assets	\$ 8,374,851	\$ 11,950,742	\$ 11,938,190	\$ 7,739,389	\$ 4,763,925
Total Liabilities	1,372,890	1,899,755	1,190,845	1,080,462	973,402
Total Fund Balances	7,001,961	10,050,987	10,747,345	6,658,927	3,790,523
Net Revenues	11,374,062	11,515,300	13,870,239	13,629,308	9,676,388
Total Expenditures	10,937,867	8,538,770	6,309,627	7,511,533	6,084,340
Total Other Financing Sources/Uses	(3,485,221)	(3,672,888)	(3,472,194)	(3,249,371)	(2,972,317)

