

Izard County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Independent Auditor's Report
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*
Management Letter

REGULATORY BASIS FINANCIAL STATEMENTS

	<u>Exhibit</u>
Balance Sheet – Regulatory Basis	A
Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis	B
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis	C
Notes to Financial Statements	

SUPPLEMENTARY INFORMATION

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis	1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis	2
Notes to Schedules 1 and 2	

OTHER INFORMATION

Schedule of Capital Assets (Unaudited)	3
Schedule of Selected Information for the Last Five Years – General Fund - Regulatory Basis (Unaudited)	4-1
Schedule of Selected Information for the Last Five Years – Road Fund - Regulatory Basis (Unaudited)	4-2
Schedule of Selected Information for the Last Five Years – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	4-3

Arkansas

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



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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

Izard 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 Izard 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, and the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis; and the Statement of Revenues, Expenditures, and Changes 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 Izard County, Arkansas, as of December 31, 2023; the regulatory basis revenues, expenditures, and changes in fund balance; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
September 30, 2024
LOCO03323

Arkansas

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



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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*

Independent Auditor's Report

Izard 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 Izard County, Arkansas (County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated September 30, 2024. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described below as item 2023-1, that we consider to be a material weakness.

2023-1 Arkansas Code requires County management to maintain accurate financial records. The financial statements contained omissions/errors that are considered material as specified below:

- General Fund financial records contained misstatements for fund balance, revenue, and expenditures of \$1,692, \$432,085, and \$58,617, respectively, primarily due to posting errors and misclassifications of revenues and expenditures.
- Other Funds in the Aggregate financial records contained misstatements for fund balance, revenue, and expenditures of \$581, \$33,601, and \$560,127, respectively, primarily due to posting errors and misclassifications of revenues and expenditures.

The effect of these errors constitutes a control deficiency in the process of preparing financial statements. County officials should implement procedures to ensure that transactions are accurately recorded.

County officials concurred with the above recommendation and approved the appropriate entries to the County's financial records.

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 result of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Report on Internal Control over Financial Reporting section as item 2023-1.

We also reported to management of the County in a separate letter dated September 30, 2024.

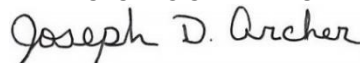
County's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the finding identified in our audit and described previously. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

ARKANSAS LEGISLATIVE AUDIT



Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
September 30, 2024

Arkansas



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

Rep. Jimmy Gazaway
House Chair
Rep. Richard Womack
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2023:

County Judge: Eric Smith
Treasurer: Warren Sanders
Sheriff: Charley Melton
Tax Collector: Joshua Morehead
County/Circuit Clerk: Joe Cooper
Assessor: Tammy Sanders
County Librarian: Aimee Watts
District Court Clerk: Amber Lee

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

Handwritten signature of Joseph D. Archer in black ink.

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
September 30, 2024

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,303,984	\$ 701,659	\$ 4,771,945
Accounts receivable	9,459	12,144	47,388
	\$ 2,313,443	\$ 713,803	\$ 4,819,333
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 57,450	\$ 28,892	\$ 47,536
Settlements pending			328,811
Total Liabilities	57,450	28,892	376,347
Fund Balances:			
Restricted		684,911	3,870,799
Assigned	793,252		572,187
Unassigned	1,462,741		
Total Fund Balances	2,255,993	684,911	4,442,986
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,313,443	\$ 713,803	\$ 4,819,333

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 933,412	\$ 1,515,140	\$ 119,048
Federal aid	183,405		301,829
Property taxes	752,770	348,051	161,339
Sales taxes			794,305
Fines, forfeitures, and costs	180,311	5,440	60,223
Interest	41,416	3,399	14,365
Officers' fees	44,062		146,019
Jail fees	185		227,131
911 fees			245,826
Ambulance fees			216,757
Reimbursement for law enforcement	854,136		
Treasurer's commission	127,957		14,195
Collector's commission	134,589		35,606
Taxes apportioned - Assessor's salary and expense	350,224		
Other	84,868	77,096	12,927
	3,687,335	1,949,126	2,349,570
TOTAL REVENUES			
Less: Treasurer's commission	40,474	37,719	32,569
	3,646,861	1,911,407	2,317,001
NET REVENUES			
EXPENDITURES			
Current:			
General government	1,384,602		244,441
Law enforcement	1,687,083		1,108,523
Highways and streets		1,591,379	194,987
Public safety	218,073		375,955
Sanitation	6,000		
Health	31,906		674,755
Recreation and culture	8,020		181,387
Social services	184,134		48,625
Total Current	3,519,818	1,591,379	2,828,673
Debt Service:			
Financed purchases principal		176,066	
Financed purchases interest		25,332	
	3,519,818	1,792,777	2,828,673
TOTAL EXPENDITURES			

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 127,043	\$ 118,630	\$ (511,672)
OTHER FINANCING SOURCES (USES)			
Transfers in			9,624
Transfers out	(9,567)		(57)
TOTAL OTHER FINANCING SOURCES (USES)	(9,567)		9,567
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	117,476	118,630	(502,105)
FUND BALANCES - JANUARY 1	2,138,517	566,281	4,945,091
FUND BALANCES - DECEMBER 31	\$ 2,255,993	\$ 684,911	\$ 4,442,986

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

IZARD COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 776,161	\$ 933,412	\$ 157,251	\$ 1,528,652	\$ 1,515,140	\$ (13,512)
Federal aid	21,000	183,405	162,405			
Property taxes	809,308	752,770	(56,538)	304,277	348,051	43,774
Fines, forfeitures, and costs	181,796	180,311	(1,485)		5,440	5,440
Interest	2,400	41,416	39,016	3,600	3,399	(201)
Officers' fees	36,330	44,062	7,732			
Jail fees		185	185			
Reimbursement for law enforcement	924,628	854,136	(70,492)			
Treasurer's commission	126,000	127,957	1,957			
Collector's commission	256,765	134,589	(122,176)			
Taxes apportioned - Assessor's salary and expense	270,000	350,224	80,224			
Other	38,132	84,868	46,736	86,000	77,096	(8,904)
TOTAL REVENUES	3,442,520	3,687,335	244,815	1,922,529	1,949,126	26,597
Less: Treasurer's commission		40,474	(40,474)	34,332	37,719	(3,387)
NET REVENUES	3,442,520	3,646,861	204,341	1,888,197	1,911,407	23,210
EXPENDITURES						
Current:						
General government	1,547,247	1,384,602	162,645			
Law enforcement	1,906,851	1,687,083	219,768			
Highways and streets				2,013,443	1,591,379	422,064
Public safety	266,858	218,073	48,785			
Sanitation		6,000	(6,000)			
Health	38,474	31,906	6,568			
Recreation and culture	16,000	8,020	7,980			
Social services	77,176	184,134	(106,958)			
Total Current	3,852,606	3,519,818	332,788	2,013,443	1,591,379	422,064
Debt Service:						
Financed purchases principal					176,066	(176,066)
Financed purchases interest					25,332	(25,332)
TOTAL EXPENDITURES	3,852,606	3,519,818	332,788	2,013,443	1,792,777	220,666

IZARD COUNTY, ARKANSAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (410,086)	\$ 127,043	\$ 537,129	\$ (125,246)	\$ 118,630	\$ 243,876
OTHER FINANCING SOURCES (USES) Transfers out		(9,567)	(9,567)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(410,086)	117,476	527,562	(125,246)	118,630	243,876
FUND BALANCES - JANUARY 1	500,000	2,138,517	1,638,517	700,000	566,281	(133,719)
FUND BALANCES - DECEMBER 31	<u>\$ 89,914</u>	<u>\$ 2,255,993</u>	<u>\$ 2,166,079</u>	<u>\$ 574,754</u>	<u>\$ 684,911</u>	<u>\$ 110,157</u>

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

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

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

B. Basis of Presentation - Regulatory

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

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

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

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

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

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

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.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting - Regulatory

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury, as well as county sales taxes, is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements. Pension trust funds are reported in a separate column as part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, state aid, officer's fees, commission, and property taxes that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

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.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

There were no committed fund balances at year-end.

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)	\$ 1,559,232	\$ 1,567,965
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	6,217,111	6,291,946
Total Deposits	\$ 7,776,343	\$ 7,859,911

The above total deposits do not include cash on hand of \$1,245.

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

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, 2023, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid			\$ 13,196
Federal aid			31,796
Fines, forfeitures, and costs	\$ 4,136	\$ 495	1,050
Interest	2,900		
Officers' fees	1,140		
Jail fees	20		1,191
Other	1,263	11,649	155
Totals	\$ 9,459	\$ 12,144	\$ 47,388

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 19,559	\$ 15,840	\$ 30,932
Salaries payable	27,572	13,031	13,891
Payroll taxes payable	10,319	21	2,713
Totals	\$ 57,450	\$ 28,892	\$ 47,536

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

NOTE 6: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 2,370,500
Law enforcement			190,330
Highways and streets		\$ 684,911	
Public safety			112,607
Health			553,745
Recreation and culture			643,617
Total Restricted		<u>684,911</u>	<u>3,870,799</u>
Assigned to:			
General government	\$ 793,252		
Law enforcement			572,187
Total Assigned	<u>793,252</u>		<u>572,187</u>
Unassigned	<u>1,462,741</u>		
Totals	<u>\$ 2,255,993</u>	<u>\$ 684,911</u>	<u>\$ 4,442,986</u>

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, 2023, the legal debt limit for bonded debt was \$18,141,742. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2023, the legal debt limit for short-term financing obligations was \$5,015,416. The amount of short-term financing obligations was \$1,151,905 leaving a legal debt margin of \$3,863,511.

NOTE 8: Commitments

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

	December 31, 2023
	<u> </u>
Long-term liabilities	<u>\$ 1,151,905</u>

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

NOTE 8: Commitments (Continued)

Long-term Liabilities

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

	December 31, 2023
<u>Direct Borrowings</u>	
Financed purchase dated December 9, 2020, with Tri-State Truck Center in the amount of \$594,574, with interest rate of 2.34% for the purchase of four Mack trucks. Monthly payments of \$5,969 for 36 months and a final payment of \$416,201. Payments are to be made from the Road Fund.	\$ 310,773
Financed purchase dated June 3, 2021, with John Deere Financial in the amount of \$471,016, with interest rate of 0.6% for the purchase of three road graders. Monthly payments of \$4,247 for 59 months and a final payment of \$231,000. Payments are to be made from the Road Fund.	345,729
Financed purchase dated March 29, 2022, with Cadence Bank in the amount of \$465,400, with interest rate of 2.15% for the purchase of road graders. Monthly payments of \$4,511 for 59 months and a final payment of \$232,700. Payments are to be made from the Road Fund.	386,782
Financed purchase dated May 3, 2022, with John Deere Financial in the amount of \$155,016, with interest rate of 3.25% for the purchase of road graders. Monthly payments of \$2,803 for 60 months. Payments are to be made from the Road Fund.	108,621
Total Long-term liabilities	\$ 1,151,905

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 \$1,151,905 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2023	Maturities to December 31, 2023
<u>Direct Borrowings</u>					
12/9/20	1/30/24	2.34%	\$ 594,574	\$ 310,773	\$ 283,801
6/3/21	6/3/26	0.6%	471,016	345,729	125,287
3/29/22	3/29/27	2.15%	465,400	386,782	78,618
5/3/22	6/3/27	3.25%	155,016	108,621	46,395
Total Long-Term Debt			\$ 1,686,006	\$ 1,151,905	\$ 534,101

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

NOTE 8: Commitments (Continued)

Changes in Long-Term Debt

	Balance January 01, 2023	Issued	Retired	Balance December 31, 2023
<u>Direct Borrowings</u>				
Financed purchases	\$ 1,441,246	\$ 0	\$ 289,341	* \$ 1,151,905

* Includes \$113,275 paid by the County's insurance provider after a truck was totaled.

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2024	\$ 432,522	\$ 14,609	\$ 447,131
2025	128,129	10,596	138,725
2026	332,415	7,582	339,997
2027	258,839	1,407	260,246
Totals	\$ 1,151,905	\$ 34,194	\$ 1,186,099

NOTE 9: Interfund Transfers

The General Fund transferred \$9,567 to Other Funds in the Aggregate (Public Defender) for supplemental funding. Within Other Funds in the Aggregate, the Adult Drug Court Fund transferred \$57 to the Drug Court Fund for supplemental funding.

NOTE 10: Jointly Governed Organizations

White River Regional Library

Independence, Stone, Sharp, Cleburne, Izard, and Fulton Counties entered into an agreement in May 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the White River Regional Library. Initially, the parties agreed to the formation of a regional library for a period of two years. The Board's existence was continued from year to year thereafter unless a participating member gave notice of cancellation 60 days prior to the end of the fiscal year. Independence County cancelled its membership in the White River Regional Library on April 10, 2016. The White River Regional Library Board is comprised of one board member from each of the participating counties. The County Library did not pay any regional library expenditures in 2023. Contact the White River Regional Library at P.O. Box 1107, Mountain View, AR 72560, to obtain financial statements.

White River Regional Solid Waste Management District

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

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

NOTE 11: Risk Management

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

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

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

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

Vehicle Program

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

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

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

NOTE 12: Arkansas Public Employees Retirement System

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website www.apers.org.

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

NOTE 12: 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 5.5% as of July 1, 2023. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2023, (date of APERS Employer Allocation Report) were \$521,108.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2023, (actuarial valuation date and measurement date) was \$4,472,342.

NOTE13: Corona Virus (COVID-19)

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

NOTE 14: Subsequent Event

On February 9, 2024, and March 20, 2024, the County entered into various construction contracts totaling \$1,688,696 for a jail expansion project. Estimated total cost of the project as of our report date is \$2,635,067.

On March 22, 2024, the County entered into a construction contract for \$441,700 for the construction of a facility for developmentally disabled persons.

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment No. 79	County Recorder's Cost	County Public Library	Child Support Cost
ASSETS								
Cash and cash equivalents	\$ 66,122	\$ 81,025	\$ 31,205	\$ 7,289	\$ 44,127	\$ 194,755	\$ 649,669	\$ 7,027
Accounts receivable			282				155	
TOTAL ASSETS	\$ 66,122	\$ 81,025	\$ 31,487	\$ 7,289	\$ 44,127	\$ 194,755	\$ 649,824	\$ 7,027
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 6,583	\$ 168	\$ 409		\$ 252	\$ 6,207	
Settlements pending								
Total Liabilities		6,583	168	409		252	6,207	
Fund Balances:								
Restricted	\$ 66,122	74,442	31,319	6,880	\$ 44,127	194,503	643,617	\$ 7,027
Assigned								
Total Fund Balances	66,122	74,442	31,319	6,880	44,127	194,503	643,617	7,027
TOTAL LIABILITIES AND FUND BALANCES	\$ 66,122	\$ 81,025	\$ 31,487	\$ 7,289	\$ 44,127	\$ 194,755	\$ 649,824	\$ 7,027

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

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Control	Jail Operation and Maintenance	Boating Safety	Emergency 911	Emergency Medical Services	Public Defender	Adult Drug Court	Juvenile Probation
ASSETS								
Cash and cash equivalents	\$ 10,561	\$ 646,041	\$ 10,796	\$ 117,450	\$ 525,096		\$ 3,978	\$ 817
Accounts receivable		1,191				\$ 768		
TOTAL ASSETS	<u>\$ 10,561</u>	<u>\$ 647,232</u>	<u>\$ 10,796</u>	<u>\$ 117,450</u>	<u>\$ 525,096</u>	<u>\$ 768</u>	<u>\$ 3,978</u>	<u>\$ 817</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 17,118		\$ 4,843		\$ 547		\$ 817
Settlements pending								
Total Liabilities		<u>17,118</u>		<u>4,843</u>		<u>547</u>		<u>817</u>
Fund Balances:								
Restricted	\$ 10,561	57,927	\$ 10,796	112,607	\$ 525,096	221	\$ 3,978	
Assigned		572,187						
Total Fund Balances	<u>10,561</u>	<u>630,114</u>	<u>10,796</u>	<u>112,607</u>	<u>525,096</u>	<u>221</u>	<u>3,978</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,561</u>	<u>\$ 647,232</u>	<u>\$ 10,796</u>	<u>\$ 117,450</u>	<u>\$ 525,096</u>	<u>\$ 768</u>	<u>\$ 3,978</u>	<u>\$ 817</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS						
	Circuit Clerk Commissioner's Fee	American Rescue Plan Act	Assessor's Late Assessment Fee	Tobacco Prevention Grant	2020 Juvenile Officer Grant	Court Security Grant-Act 576	Comprehensive Opioid Abuse Program Category 2 Grant
ASSETS							
Cash and cash equivalents	\$ 7,504	\$ 1,975,642	\$ 2,561	\$ (12,167)	\$ 221	\$ 14,266	\$ 14,380
Accounts receivable				13,196			21,701
TOTAL ASSETS	\$ 7,504	\$ 1,975,642	\$ 2,561	\$ 1,029	\$ 221	\$ 14,266	\$ 36,081
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable		\$ 1,428		\$ 1,029			\$ 7,432
Settlements pending							
Total Liabilities		1,428		1,029			7,432
Fund Balances:							
Restricted	\$ 7,504	1,974,214	\$ 2,561		\$ 221	\$ 14,266	28,649
Assigned							
Total Fund Balances	7,504	1,974,214	2,561		221	14,266	28,649
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,504	\$ 1,975,642	\$ 2,561	\$ 1,029	\$ 221	\$ 14,266	\$ 36,081

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

Schedule 1

	SPECIAL REVENUE FUNDS		CUSTODIAL FUNDS					Totals
	Reducing the Initiation of Substance Via Education, Resiliency, and Support (RIVERS)	Communication Facilities and Equipment	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County/ Circuit Clerk's Accounts	District Court Accounts	
ASSETS								
Cash and cash equivalents	\$ (9,392)	\$ 54,161	\$ 29,358	\$ 98,159	\$ 28,377	\$ 133,121	\$ 39,796	\$ 4,771,945
Accounts receivable	10,095							47,388
TOTAL ASSETS	\$ 703	\$ 54,161	\$ 29,358	\$ 98,159	\$ 28,377	\$ 133,121	\$ 39,796	\$ 4,819,333
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 703							\$ 47,536
Settlements pending			\$ 29,358	\$ 98,159	\$ 28,377	\$ 133,121	\$ 39,796	328,811
Total Liabilities	703		29,358	98,159	28,377	133,121	39,796	376,347
Fund Balances:								
Restricted		\$ 54,161						3,870,799
Assigned								572,187
Total Fund Balances		54,161						4,442,986
TOTAL LIABILITIES AND FUND BALANCES	\$ 703	\$ 54,161	\$ 29,358	\$ 98,159	\$ 28,377	\$ 133,121	\$ 39,796	\$ 4,819,333

IZARD COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment No. 79	County Recorder's Cost	County Public Library	Child Support Cost
REVENUES								
State aid					\$ 5,521		\$ 27,579	
Federal aid								
Property taxes							160,895	
Sales taxes								
Fines, forfeitures, and costs			\$ 4,073	\$ 5,413				
Interest	\$ 431	\$ 353	200	41		\$ 1,268	5,257	\$ 45
Officers' fees						136,726		576
Jail fees								
911 fees								
Ambulance fees								
Treasurer's commission	14,195							
Collector's commission		35,606						
Other	1	1,000	4	5	5	191	9,180	1
TOTAL REVENUES	14,627	36,959	4,277	5,459	5,526	138,185	202,911	622
Less: Treasurer's commission	9	7	87	119	110	3,017	3,860	13
NET REVENUES	14,618	36,952	4,190	5,340	5,416	135,168	199,051	609
EXPENDITURES								
Current:								
General government	13,916	36,056				142,475		
Law enforcement			3,820	4,654				
Highways and streets								
Public safety								
Health								
Recreation and culture							181,387	
Social services								
TOTAL EXPENDITURES	13,916	36,056	3,820	4,654		142,475	181,387	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	702	896	370	686	5,416	(7,307)	17,664	609
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	702	896	370	686	5,416	(7,307)	17,664	609
FUND BALANCES - JANUARY 1	65,420	73,546	30,949	6,194	38,711	201,810	625,953	6,418
FUND BALANCES - DECEMBER 31	<u>\$ 66,122</u>	<u>\$ 74,442</u>	<u>\$ 31,319</u>	<u>\$ 6,880</u>	<u>\$ 44,127</u>	<u>\$ 194,503</u>	<u>\$ 643,617</u>	<u>\$ 7,027</u>

IZARD COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS							
	Drug Control	Jail Operation and Maintenance	Boating Safety	Emergency 911	Emergency Medical Services	Public Defender	Adult Drug Court	Juvenile Probation
REVENUES								
State aid			\$ 1,561					
Federal aid								
Property taxes								
Sales taxes		\$ 794,305						
Fines, forfeitures, and costs	\$ 218	24,900				\$ 21,070	\$ 150	\$ 4,399
Interest	67	3,482	65		\$ 3,115			
Officers' fees								3,607
Jail fees		194,737						
911 fees				\$ 245,826				
Ambulance fees					216,757			
Treasurer's commission								
Collector's commission								
Other	3	1,436	1	339	212	2	1	3
TOTAL REVENUES	288	1,018,860	1,627	246,165	220,084	21,072	151	8,009
Less: Treasurer's commission	86	16,339	32	3,760	4,905	34	3	161
NET REVENUES	202	1,002,521	1,595	242,405	215,179	21,038	148	7,848
EXPENDITURES								
Current:								
General government								
Law enforcement		859,782				31,632	240	7,902
Highways and streets								
Public safety				239,527				
Health					282,344			
Recreation and culture								
Social services								
TOTAL EXPENDITURES		859,782		239,527	282,344	31,632	240	7,902
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	202	142,739	1,595	2,878	(67,165)	(10,594)	(92)	(54)
OTHER FINANCING SOURCES (USES)								
Transfers in						9,567		
Transfers out							(57)	
TOTAL OTHER FINANCING SOURCES (USES)						9,567	(57)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	202	142,739	1,595	2,878	(67,165)	(1,027)	(149)	(54)
FUND BALANCES - JANUARY 1	10,359	487,375	9,201	109,729	592,261	1,248	4,127	54
FUND BALANCES - DECEMBER 31	<u>\$ 10,561</u>	<u>\$ 630,114</u>	<u>\$ 10,796</u>	<u>\$ 112,607</u>	<u>\$ 525,096</u>	<u>\$ 221</u>	<u>\$ 3,978</u>	<u>\$ 0</u>

IZARD COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Clerk Commissioner's Fee	American Rescue Plan Act	Assessor's Late Assessment Fee	Tobacco Prevention Grant	2020 Juvenile Officer Grant	Drug Court	Court Security Grant-Act 576	Comprehensive Opioid Abuse Program Category 2 Grant
REVENUES								
State aid				\$ 84,387				
Federal aid								\$ 291,734
Property taxes			\$ 444					
Sales taxes								
Fines, forfeitures, and costs								
Interest								
Officers' fees	\$ 908							
Jail fees								
911 fees								
Ambulance fees								
Treasurer's commission								
Collector's commission								
Other			1		\$ 542			
TOTAL REVENUES	908		445	84,387	542			291,734
Less: Treasurer's commission	18		9					
NET REVENUES	890		436	84,387	542			291,734
EXPENDITURES								
Current:								
General government		\$ 51,994						
Law enforcement		159,326			24,839	\$ 974		
Highways and streets		194,987						
Public safety		136,428						
Health				84,387				297,929
Recreation and culture								
Social services		48,625						
TOTAL EXPENDITURES		591,360		84,387	24,839	974		297,929
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	890	(591,360)	436		(24,297)	(974)		(6,195)
OTHER FINANCING SOURCES (USES)								
Transfers in						57		
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)						57		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	890	(591,360)	436		(24,297)	(917)		(6,195)
FUND BALANCES - JANUARY 1	6,614	2,565,574	2,125		24,518	917	\$ 14,266	34,844
FUND BALANCES - DECEMBER 31	\$ 7,504	\$ 1,974,214	\$ 2,561	\$ 0	\$ 221	\$ 0	\$ 14,266	\$ 28,649

IZARD COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS		Totals
	Reducing the Initiation of Substance Via Education, Resiliency, and Support (RIVERS)	Communication Facilities and Equipment	
REVENUES			
State aid			\$ 119,048
Federal aid	\$ 10,095		301,829
Property taxes			161,339
Sales taxes			794,305
Fines, forfeitures, and costs			60,223
Interest		\$ 41	14,365
Officers' fees		4,202	146,019
Jail fees		32,394	227,131
911 fees			245,826
Ambulance fees			216,757
Treasurer's commission			14,195
Collector's commission			35,606
Other			12,927
TOTAL REVENUES	10,095	36,637	2,349,570
Less: Treasurer's commission			32,569
NET REVENUES	10,095	36,637	2,317,001
EXPENDITURES			
Current:			
General government			244,441
Law enforcement		15,354	1,108,523
Highways and streets			194,987
Public safety			375,955
Health	10,095		674,755
Recreation and culture			181,387
Social services			48,625
TOTAL EXPENDITURES	10,095	15,354	2,828,673
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		21,283	(511,672)
OTHER FINANCING SOURCES (USES)			
Transfers in			9,624
Transfers out			(57)
TOTAL OTHER FINANCING SOURCES (USES)			9,567
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		21,283	(502,105)
FUND BALANCES - JANUARY 1		32,878	4,945,091
FUND BALANCES - DECEMBER 31	\$ 0	\$ 54,161	\$ 4,442,986

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions 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.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment No. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate automated records system.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	Izard County Ordinance no. 2001-5 (May 1, 2001) provides for the levy of a one-half of one percent sales and use tax as per election pursuant to Ark. Code Ann. § 26-73-113 to operate and maintain new or existing jail facilities. 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; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs. The County also deposits unrestricted jail fees to help fund jail expenditures.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a 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 Medical Services	Izard County Ordinance no. 2003-2 (October 7, 2003) established a fee of \$50 per household collected through property taxes pursuant to Act no. 51 of 1979 to provide for emergency medical services.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
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.
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 expenses of the office of Circuit Clerk.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from COVID-19 public health emergency.
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.
Tobacco Prevention Grant	Established by the Tobacco Master Settlement agreement between Attorney Generals of 46 states and major tobacco companies. Revenues are used for tobacco use prevention programs.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
2020 Juvenile Officer Grant	Established to account for a grant received from the Administrative Office of the Courts for mileage reimbursement and technology upgrade for juvenile officers.
Drug Court	Established to account for a grant received from the Administrative Office of the Courts for graduation incentives.
Court Security Grant-Act 576	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Comprehensive Opioid Abuse Program Category 2 Grant	Established to track the revenues, expenditures, and/or appropriated transfers of federal assistance through the Comprehensive Opioid Abuse Program Category 2 Grant.
Reducing the Initiation of Substance Via Education, Resiliency, and Support (RIVERS)	Established to track the revenues, expenditures, and/or appropriated transfers of federal assistance through the Drug-Free Communities (DFC) Program.
Communication Facilities 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.

Treasurer's accounts consist of funds held in the County Law Library Fund and commissions and property taxes not distributed to the appropriate agencies.

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

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

County/Circuit Clerk's accounts consist primarily of fees to be settled with the Treasurer and trust money awaiting disposition by the applicable court.

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

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

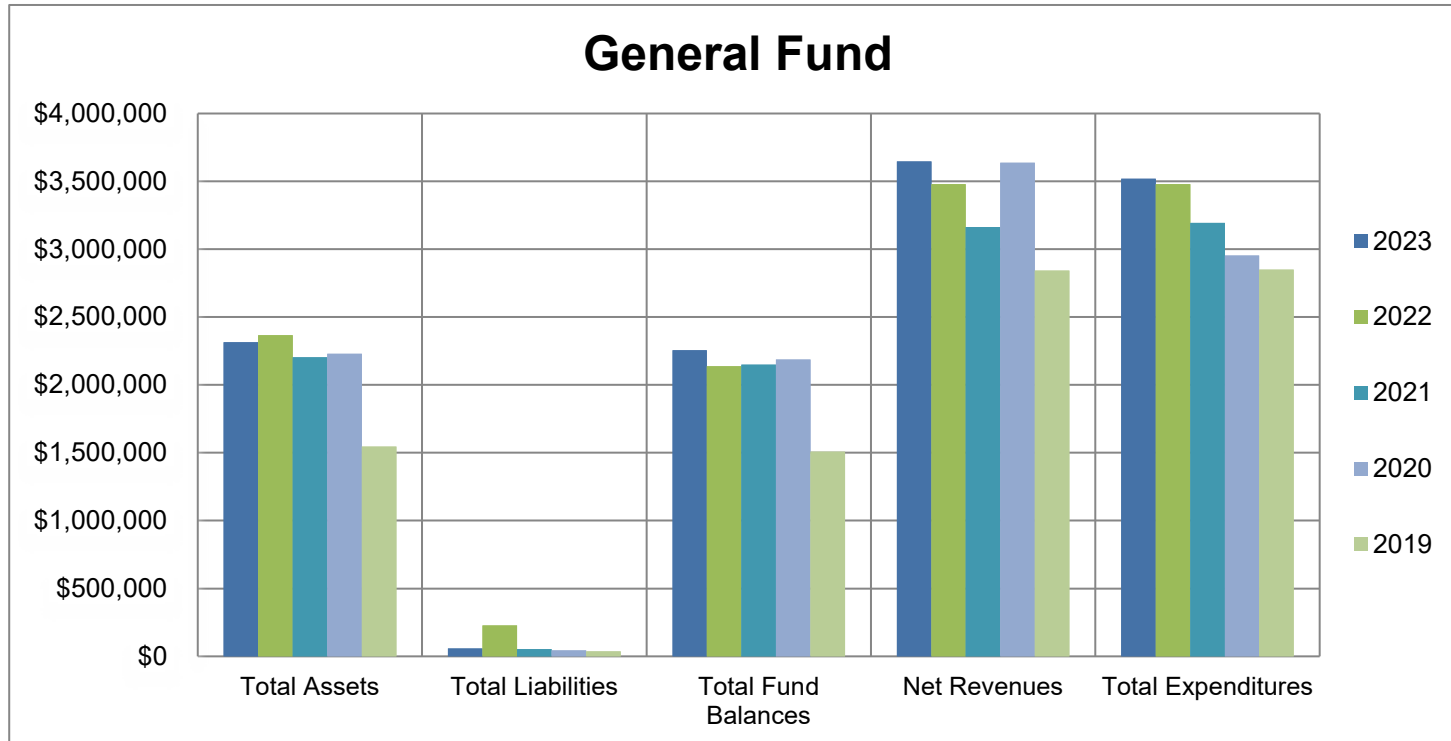
Schedule 3

	<u>December 31, 2023</u>
Land	\$ 154,793
Buildings and Improvements	3,397,468
Equipment	<u>4,220,936</u>
Total	<u><u>\$ 7,773,197</u></u>

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

Schedule 4-1

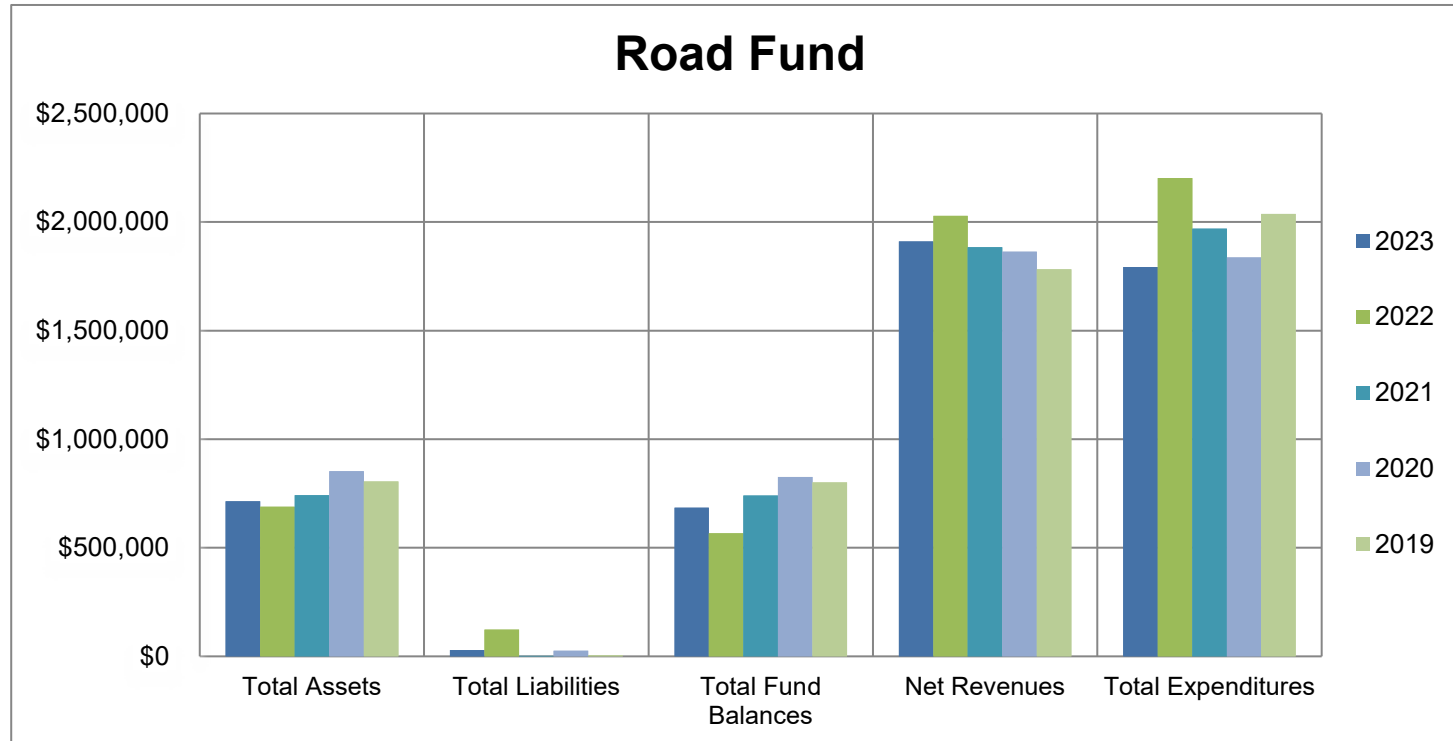
<u>General</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Assets	\$ 2,313,443	\$ 2,366,436	\$ 2,203,005	\$ 2,230,093	\$ 1,544,720
Total Liabilities	57,450	227,919	54,004	42,918	36,694
Total Fund Balances	2,255,993	2,138,517	2,149,001	2,187,175	1,508,026
Net Revenues	3,646,861	3,480,451	3,163,527	3,637,681	2,842,774
Total Expenditures	3,519,818	3,478,699	3,193,488	2,952,540	2,849,066
Total Other Financing Sources/Uses	(9,567)	(12,236)	(8,213)	(5,992)	(8,301)



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

Schedule 4-2

<u>Road</u>	2023	2022	2021	2020	2019
Total Assets	\$ 713,803	\$ 689,175	\$ 742,323	\$ 852,461	\$ 806,167
Total Liabilities	28,892	122,894	2,035	25,854	5,289
Total Fund Balances	684,911	566,281	740,288	826,607	800,878
Net Revenues	1,911,407	2,028,721	1,883,928	1,862,955	1,782,544
Total Expenditures	1,792,777	2,202,728	1,970,247	1,837,226	2,037,002
Total Other Financing Sources/Uses					



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2023	2022	2021	2020	2019
Total Assets	\$ 4,819,333	\$ 5,256,869	\$ 3,639,176	\$ 1,886,454	\$ 1,691,292
Total Liabilities	376,347	311,778	287,150	228,700	240,585
Total Fund Balances	4,442,986	4,945,091	3,352,026	1,657,754	1,450,707
Net Revenues	2,317,001	3,789,684	3,548,943	1,795,368	1,546,598
Total Expenditures	2,828,673	2,208,855	1,862,884	1,594,313	1,485,687
Total Other Financing Sources/Uses	9,567	12,236	8,213	5,992	8,301

